

AGENDA

Community Redevelopment Area Advisory Board

Thursday, May 7, 2020 | 3:00 PM – 5:00 PM

In order to comply with the Safer-at-Home Order issued by Governor DeSantis, City Hall is closed to the public and the CRA meeting will be conducted online. Members of the public and interested parties who wish to comment will be able to do so by calling in during the meeting. A phone number and access code will be posted online prior to the meeting and during the live broadcast on Spectrum Channel 643 or Fios Channel 43 or the webcast on www.lakelandgov.net.

A. Financial Update & Project Tracker*

B. Housekeeping

C. Action Items

- i. Old Business
 - i. Meeting Minutes February 6, 2020 (Pg. 5-7)
- ii. New Business-
 - i. 2019 Independent Financial Audit (Pg. 8-12)
 - ii. Rec. Room - 202 N. Massachusetts Avenue (Pg. 13-30)
 - iii. 820 N. Massachusetts Avenue Waterproofing (Pg. 31-68)
 - iv. Lease Addendum Haus Management LLC (Pg. 69-92)

D. Updates

- i. COVID 19/Commercial Lease Deferral

E. Discussion Items

F. Adjourn

* For Information

NEXT REGULAR MEETING:

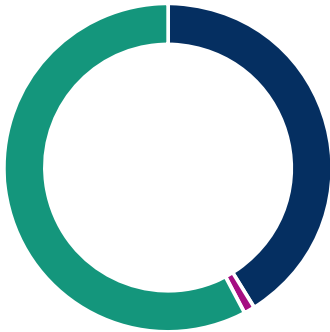
Thursday, June 2, 2020 3:00 - 5:00 PM – TBD

Downtown Fund



■ Available	\$330,690
■ Expenses	\$1,442,044
■ Encumbrances	\$1,835,095

Dixieland Fund



■ Available	\$471,603
■ Expenses	\$12,310
■ Encumbrances	\$660,235

Midtown Fund



■ Available	\$1,232,763
■ Expenses	\$3,149,721
■ Encumbrances	\$2,079,245

LAKELAND CRA

COMMUNITY REDEVELOPMENT AGENCY

PROJECT PROGRESSION REPORT



STATUS KEY	
RISKS / ROADBLOCKS	
POTENTIAL RISKS	
ON TRACK	

Project	Status	Phase	Funding Allocated	Notes
114 E. Parker	ON TRACK	Bid	\$350,000.00	Redesign of New Building
Lake Parker Art Path	ON TRACK	Bid	\$820,000.00	Art Selection Underway Construction Underway
Five Points Roundabout	ON TRACK	Construction	\$175,000.00	Cul De Sac Under Construction 95% Complete Roundabout Design Phase 30% Complete
Downtown Bark Park	POTENTIAL RISKS	Permitting	\$150,000.00	On Hold
Tapatios	POTENTIAL RISKS	Construction	\$340,000.00	Site Work & Interior Construction 85% Complete
Mirrorton	ON TRACK	Construction	\$970,000.00	Underway
N. Massachusetts Ave Development Agreement	ON TRACK	Preliminary		Pending Commission approval of Terms
Oak Street Parking Lot Development Agreement	ON TRACK	Preliminary		Pending Area Planning
Providence Rd	ON TRACK	Design	\$1,100,000.00	Notice of Award for Design Services Pending
South Florida Road Diet	ON TRACK	Construction	\$350,000.00	Underway

LAKELAND CRA

COMMUNITY REDEVELOPMENT AGENCY

PROGRAM PROGRESSION REPORT



STATUS KEY	
RISKS / ROADBLOCKS	
POTENTIAL RISKS	
ON TRACK	

Grants/Programs	Status	Active	Notes
Alley Vacating	ON TRACK	1	Boudaries located between Florida and Kettles Avenue and 9th and 10th Street
Affordable Housing Partnerships	ON TRACK	3	Providence Reserve Seniors- Construction Underway Midtown Lofts-70+ Units Vermont Ave Apartments- 16 Units
Builder's Line of Credit	ON TRACK	1	703 W 5th Street; Complete
Design Assistance	ON TRACK	7	945 & 947 S. Florida Avenue- Complete Mary's Bagels - Complete Vanguard Room Wally's 110 W. 7th Street Coney Funeral Home
Down Payment Assistance	ON TRACK	3	Underway; Marketing Campaign Forthcoming
Façade and Site	ON TRACK	7	Pegasus - Complete 945 & 947 S. Florida Avenue- Complete Vanguard Room Wally's 110 W. 7th Street Coney Funeral Home
Fix-It Up	ON TRACK	9	Underway
Food Related	ON TRACK	0	
Infill- New Construction	ON TRACK	4	2 lots sold 2 pending
Infill Adaptive Reuse	ON TRACK	4	Coney Funeral Home Wally's Mary's Bagels Providence Reserve Seniors
Murals	ON TRACK	3	1 Complete 2 Inquiries
Downtown Second Floor Renovations	ON TRACK	0	\$50,000 Allocation

**Community Redevelopment Area Advisory Board
Meeting Minutes
Thursday, February 6, 2020
3:00 – 5:00 PM
City Commission Conference Room, City Hall**

Attendance

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

Absent: Zelda Abram , Dean Boring and Frank Lansford

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

Guests: Steve Boyington, Annie Gibson, Eric Greenhow, Matthew Lyons, Teresa Maio, Commissioner Bill Read, Brian Rewis (Community and Economic Development Assistant Director), Michael Smith and Sara Walsh

Packets

- Meeting Minutes dated January 9th, 2020
- Financial Update
- Project Progression Report
- Memo- Affordable Housing Land Bank Program

Housekeeping

Action Items – Old Business

Meeting Minutes dated January 9th, 2020

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.

Action Items – New Business

Affordable Housing Land Bank Program

In April 2019, the CRA Advisory Board approved the transition of housing program administration to the Housing Division at Coleman-Bush. In addition to funding Home Purchase Assistance (\$250,000), Home Renovation Assistance (\$250,000) and an annual Affordable Housing Partnership set-aside (\$400,000), CRA Staff has continued to collaborate with Planning & Housing Division to meet the demand for affordable housing and the objectives of the Midtown CRA’s Redevelopment Plan.

The purpose of the program is to reduce the number of vacant and blighted properties; encourage the development of new affordable housing units; reduce City maintenance costs; and increase the tax base. The program will also address the need for quality affordable housing and contribute to neighborhood stabilization. The list of City/CRA-owned lots provided to the Board represents those that staff has determined are appropriate for development of housing based upon lot size, location, and zoning.

Under the proposed guidelines, the City will sell the lots to qualified purchasers at a sale price of not less than 120% of the assessed value as determined by the Polk County Property Appraiser. At the time of Contract for

Sale and Purchase, the buyer shall remit a deposit in the amount of \$1,000.00 per lot to be held in escrow and applied towards the purchase price at the time of closing. The remaining purchase price shall be secured in the form of a forgivable, ten-year deferred lien.

The process will be an open review and award process by a Selection Committee consisting of representatives from City departments including Community and Economic Development (including CRA), Public Works, Finance, and Water Utilities. Qualified purchasers must demonstrate experience in the development and construction of residential units and financial capability to construct the unit(s).

Staff recommended that the Board approve the proposed guidelines and property list allowing for the administrative disposition of the lots by staff in accordance with the program requirements.

The Board suggested removing larger parcels until the values were finalized by the Property Appraiser's office.

Teresa Maio suggested the Board consider forwarding the property list to the City Commission and Real Estate Committee in order to streamline the process of disposition. She also noted the inclusion of the property list in map form on the City's website which is available to the public.

Discussion ensued regarding the number of homes developers are permitted to purchase at one point.

Mike Smith noted that the Housing division is implementing a process to require each developer to share previous experience and vet their ability to complete multiple homes. The program was created with the intent to service smaller/local builders. The goal is to have the homes completed in an 18-month time span.

The Housing division is in the process of developing an RFP geared toward multi-family developments.

Eric Greenhow, local developer, commented on his experience maintaining vacant lots in the Midtown district.

Annie Gibson confirmed the parcels included in the property list have clear titles and that a selection committee comprised of City staff would be responsible for the award process.

In response to Mr. Greenhow's question regarding the ability to rent homes built on City/CRA owned parcels, Annie Gibson explained that was not the intent of the program, with the exception to multi-family zoned parcels.

Discussion ensued regarding the importance of finding builders who would build and sell homes at an affordable rate for qualified buyers.

Brandon Eady suggested implementing a timeline for determining the success of the program.

Brian Rewis responded by ensuring the progress of the program would be tracked on a dash board open to the public.

Brandon suggested implementing a 60-day closing after completion requirement to ensure, if an affordable buyer wasn't secured, that the builder would be able to sale the home at market rate.

Cory Petcoff left at 3:47pm.

Alis recommended approval of the program guidelines as originally stated with the flexibility to explore the option of a reverter clause with the City Attorney.

Pastor Eddie Lake motioned approval of Staff's recommendation. Commissioner Madden seconded the motion which passed unanimously.

Discussion Items

Adjourned at 4:19 PM

Next Meeting, Thursday, March 5, 2020 3:00 PM, City Commission Conference Room.

Ben Mundy, Chairman

Date

DRAFT

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Lakeland Community Redevelopment Agency
Lakeland, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Lakeland Community Redevelopment Agency (the "Agency"), a component unit of the City of Lakeland, Florida, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 31, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Crowe LLP

Tampa, Florida
March 31, 2020

Board of Commissioners
Lakeland Community Redevelopment Agency
Lakeland, Florida

Report on the Financial Statements

We have audited the financial statements of the Lakeland Community Redevelopment Agency (the “Agency”), a component unit of the City of Lakeland, Florida (the “City”), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated March 31, 2020.

Auditor’s Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Florida Auditor General*.

Other Reports and Schedule

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of The Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 31, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings noted in proceeding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in the financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the LCRA has met once or more of the conditions described in Section 218.503(1), *Florida Statutes*, and to identify the specific condition(s) met. In connection with our audit, we determined that LCRA did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City in which LCRA is presented as a blended component unit and included in the City's assessment. It is management's responsibility to monitor the LCRA's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Crowe LLP

Tampa, Florida
March 31, 2020

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH
SECTION 218.415, FLORIDA STATUTES**

Board of Commissioners
Lakeland Community Redevelopment Agency
Lakeland, Florida

We have examined the Lakeland Community Redevelopment Agency's (the "Agency"), a component unit of the City of Lakeland, Florida, compliance with Section 218.415, *Florida Statutes*, concerning the investment of public funds during the year ended September 30, 2019. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied, in all material respects, with the requirements contained in Section 218.415, *Florida Statutes* during the year ended September 30, 2019.

The purpose of this report is solely to comply with Chapter 10.550, *Rules of the Florida Auditor General*. Accordingly, this report is not suitable for any other purpose.


Crowe LLP

Tampa, Florida
March 31, 2020



228 S MASSACHUSETTS AVE
LAKELAND, FLORIDA 33801
863.834.6011

Memo

To: CRA Advisory Board
From: Damaris Stull, CRA Project Manager
CC: Alis Drumgo, CRA Manager
Date: May 7, 2020
Re: RecRoom – 202 N. Massachusetts Avenue

I. Background:

The 10,600-square foot historic building, located at 202 N. Massachusetts Avenue, in the Downtown CRA District has been vacant since 2017. The building has been modified throughout years. The noncontributing historic building was built in 1930 and housed the Firestone Tire and Rubber Company. The property was purchased last year by Baron Management LLC. The new business, RecRoom, will function as an arcade and event space. The new business owner, Conn O’Leary, has proposed the complete renovation of the current structure and parking lot, to include; interior buildout, new outdoor seating area, and exterior enhancements.



II. Renovation Costs:

The applicant has provided a preliminary scope of work that includes complete electrical rewiring, new HVAC ductwork, brand-new ADA compliant restrooms and plumbing improvements. The improvements are projected to cost \$115,000. The business owner is expected to spend approximately another \$181,000 in interior improvements.



The construction commenced in April and the completion of the project is anticipated for the end of June 2020. The Lakeland CRA does not have grant programs in place within the Downtown Redevelopment District to review the grant request administratively, so Staff has brought the request before the Board for consideration:

The applicant is seeking a total grant award of up to \$100,000. The improvements are consistent with the Downtown Redevelopment Plan, and will contribute to the physical improvement and economic viability of the area.

“The true potential of Downtown Lakeland can only be realized through the attraction of people.” – Downtown Redevelopment Plan

III. Board Consideration:

At the Board’s discretion to approve funding for the proposed project.

IV. Attachments:

Project Schedule
Preliminary Budget and Sketch
RecRoom Floor Plan



February 13, 2020

Alis Drumgo
CRA Manager
228 S Massachusetts Avenue
Lakeland, FL 33801

Alis,

Please accept this letter displaying full Landlord support for the project proposed by Cedarmass Entertainment, LLC on the property located at 202 N Massachusetts Avenue in Lakeland.

I am certain that this entity will produce a venue that will make a positive contribution to the landscape of activities available in downtown Lakeland.

Please contact me with any clarifying questions or comments.

Best regards,

Cory Petcoff
President

STATE OF FLORIDA
POLK COUNTY

Personally appeared before me this 13th day of February, 2020, the above-named Cory T Petcoff, as MANAGING MEMBER of Baron Management, LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Print Name: Debra Anne Granger
Notary Public, Polk
State of Florida
My Commission: May 29, 2021

REC ROOM 202 NORTH MASSACHUSETTS AVE. LAKELAND, FL

SUMMARY

12/31/19

SECTION	DESCRIPTION	LABOR	MATERIALS	SUBCONTRACTS	NOTES
	BUILDER'S RISK INSURANCE				BY OWNER
1001	SUPERVISION / GENERAL CONDITIONS	\$14,900.00	\$16,120.00		RBCI
1010	BUILDING PERMITS & N.O.C.	\$150.00		\$3,831.00	CITY OF LAKELAND
1015	IMPACT FEES				BY OWNER
1025	BUILDING PLANS			\$100.00	LAKELAND BLUEPRINT
1070	LAYOUT			\$650.00	PORTER GPS
1080	CLEAN UP / HAULING	\$3,640.00		\$4,100.00	WEBB'S CAN IT
1140	TEMPORARY FENCING			\$560.00	WILLIAMS FENCE
1900	DENSITY TESTING			\$800.00	IMPERIAL TESTING
2200	REMOVE ASPHALT & BASE			\$4,580.00	ACE CONTRACTING
2200	INTERIOR SELECTIVE DEMOLITION			\$7,200.00	K-RON
2201	BACKFILL & COMPACTION			\$1,800.00	SOUTHERN EXCAVATION
2230	CONCRETE DEMO & REMOVAL			\$9,200.00	ACE CONTRACTING
2280	TERMITE PRE-TREAT			\$350.00	BIO-TECH
3200	CONCRETE REINFORCING STEEL		\$456.68		H D SUPPLY
3300	CONCRETE FOUNDATION			\$3,900.00	STAGNER CONCRETE
3300	CONCRETE SLAB ON GRADE			\$14,926.00	STAGNER CONCRETE
3309	CONCRETE PUMP			\$1,200.00	KERRY HAMMOCK
3310	CONCRETE VAPOR BARRIER		\$207.42		H D SUPPLY
3315	POLISH EXISTING CONCRETE FLOOR			\$17,501.25	D M SERVICES
3355	CONCRETE BAR TOP			\$9,410.00	COMPLETE GRANITE
4200	MASONRY DEMO & INFILL AT EXISTING INTERIOR WALL			\$2,000.00	ELMS MASONRY
4200	MASONRY STEM WALL, BRICK ROW LOCK, POURED CELLS			\$5,100.00	ELMS MASONRY
5100	SOUND ROOM LADDER & BAR FOOT RAIL			\$4,116.00	J S SERVICES
5100	BRUSHED ALUMINUM DRINK RAIL & HAND RAIL			\$7,163.00	RENAISSANCE IRON
6100	METAL PARTITION FRAMING, BATH & STORAGE ROOM CEILINGS, DECKING FOR SOUND ROOM & BATH, INSTALL HOLLOW METAL FRAMES, HANG & FINISH DRYWALL -- MATERIAL & LABOR			\$26,700.00	CENTER STATE FRAMING & DRYWALL
6200	FINISHED BAR FRONT, HANG DOORS		\$287.47	\$880.00	JOYNER / PASSARELLA
7200	INSULATION -- STORAGE, SOUND & REST ROOMS			\$989.62	SPRAY PRO INSULATION
8100	HOLLOW METAL FRAMES, BIRCH DOORS & HARDWARE			\$2,834.15	COMMERCIAL DOORWAY
8500	REMOVE, STORE & REINSTALL EXISTING OFFICE STORE FRONT			\$1,000.00	SOUTHERN GLASS
9206	PORTLAND CEMENT STUCCO			\$3,307.50	BROWN'S STUCCO SYSTEMS
9206	PORTLAND CEMENT STUCCO -- CEILING REPAIR ALLOWANCE			\$1,000.00	BROWN'S STUCCO SYSTEMS
9250	DRYWALL REPAIRS ROOMS 113, 115, 116, HALL 112, 114			\$4,400.00	EVANS DRYWALL
9512	ACOUSTICAL CEILINGS			\$4,882.00	CENTER STATE ACOUSTICS
9512	BLACK GRID & ACOUSTICAL CEILING TILE MAIN AREA			\$5,482.00	CENTER STATE ACOUSTICS
9600	4" COVE BASE			\$2,378.00	SUNSHINE INTERIORS
9910	PAINTING INTERIOR			\$19,400.00	DECOR PAINTING
9910	PAINTING -- FRONT ENTRY, CANOPY CEILING, STUCCO KNEE WALLS			\$4,800.00	DECOR PAINTING
9911	PRESSURE WASH CANOPY & FRONT ELEVATION			\$250.00	XCELLENT XTERIORS
10170	FINAL CLEANING	\$840.00	\$100.00		BMI
10800	BATHROOM ACCESSORIES		\$1,132.06	\$450.00	RBCI / PASSARELLA
10900	FIRE EXTINGUISHERS			\$360.00	ALL AMERICAN FIRE
15000	PLUMBING LABOR, PIPING MATERIALS, 3 COMPARTMENT SINKS & FAUCETS PER SPECS. INCLUDES TRENCH DRAIN & DISCHARGE PIPING			\$24,994.00	CURRY PLUMBING
15200	GREASE TRAP			\$4,200.00	KIRKS SEPTIC TANK
15500	HVAC -- MODIFY EXISTING DUCTWORK PER PLANS			\$10,000.00	PAYNE
16000	ELECTRICAL WIRING, DEVICES & FIXTURES			\$79,970.00	AVECO ELECTRIC
	SOUND SYSTEM--MATERIALS AND INSTALLATION				BY OWNER
	SECURITY SYSTEM--MATERIAL & INSTALLATION				BY OWNER
		\$19,530.00	\$18,303.63	\$296,764.52	

\$19,530.00 LABOR
\$18,303.63 MATERIALS
\$296,764.52 SUBCONTRACTS
\$334,598.15 SUBTOTAL
\$33,459.82 10 % OH & P
\$368,057.97 TOTAL

Rec Room

Job meetings minutes #1

Those in Attendance:

Wendy O'Leary	Cedar Mass Entertainment
Conn O'Leary	Cedar Mass Entertainment
Barrett Hollis	Cedar Mass Entertainment
Rudy Brown	Rudy Brown Construction

Schedule

See Attached Schedule

General Notes

The project is broken down into 3 Phases.

Phase I – Demolition and refurbish offices 113, 115, 116 and halls 112 and 114

Phase II – Interior renovations to bar and gaming area

Phase III – Outdoor patio

Phase I will be ready for occupancy on Monday 2/3/2020.

Conn will verify insurance requirements for the office tenants.

Framing will begin on Phase II on Monday 1/13/2020.

Building code allows the framing and drywall to be completed on one side. This enables us to complete the halls.

When the framing is complete, we will be at a standstill on Phase II until we have a permit.

Conn will contact Cory Petcoff regarding the following:

- Replacement of existing non-working florescent light fixtures

- Status and maintenance of HVAC system
- Washing, painting and lighting of the Canopy area

We reviewed the cost proposal for all 3 phases.

Conn will review the electrical drawings for light fixture revisions

Conn and Rudy will work on value engineering to lower costs

Use of carpet in the offices and halls will save \$1,500 - \$1,800. This is a grade of carpet that could, depending on use, need to be replaced in 2-3 years.

A grease trap is required. The Building Department determines the size when the plans are submitted and reviewed for permit.

Next meeting Thursday, 1/16/20 at 1:00pm at Concord Coffee.

Copies:

Those in attendance

Jason Ellis	Cedar Mass Entertainment
Mike O'Leary	Cedar Mass Entertainment
Marlon Lynn	Marlon Lynn Architects PA
Grant Miller	Consultant

REC ROOM

SCHEDULE

Tues 1/7 – Office drywall repairs complete

Wed 1/8 – Cut concrete to be removed

Thurs 1/9 – Continue cutting concrete. Begin removing cut pieces

Fri 1/10 – Complete concrete demo

Mon 1/13 – Continue masonry demo @ storage room

Mon 1/13 - Begin Framing

- Driving range
- Hall 112 & 114
- Infill and door frame at office 114
- Door to Green room
- Partition at gaming area “A”

Wed 1/15 – Begin Drywall

Mon 1/20- Repair office acoustical ceiling

Wed 1/22- Replace light fixtures in offices & hall

Thurs 1/23- Paint offices 113, 115, & 116 & halls 112 & 114

Mon 1/27 thru Fri 1/31 – Polish office & hall floors

Fri 1/31 thru Mon 2/3 – Cove base & clean



228 S MASSACHUSETTS AVE
LAKELAND, FLORIDA 33801
863.834.6011

Memo

To: CRA Advisory Board
From: D’Ariel Reed, CRA Project Manager
Through: Alis Drumgo, CRA Manager
Date: May 7, 2020
Re: 820 N Massachusetts Avenue Waterproofing

I. Background:

In May 2013, the Lakeland Community Redevelopment Agency (CRA) purchased 820 North Massachusetts Avenue at the appraised value of \$538,000. Initially, the intent was to convert the existing building into a secured warehouse for lease by the City’s Public Works Department for an initial annual rent of \$19,320.

During the February 4, 2016 meeting, the Board voted to enter into a contract with Strickland Construction based on their bid for site/building renovation in the amount of \$2,554,870 with the understanding that change orders would be forthcoming once final tenants were selected. At the March 3, 2016 meeting, the Board approved a lease of no more than 10 years with Ashton Events for the event space in 820 North Massachusetts Avenue and 4,800 sq. ft. of collaborative office space in 830 North Massachusetts Avenue. Also approved, was up to \$400,000 in change orders for the event and collaborative office spaces.

In November of 2016, the Board approved \$600,000 for Phase II renovations and in February 2017, multiple change orders totaling \$122,000.

II. The Issues

Throughout the initial lease term, Staff received numerous calls about water intrusion. Below is a list of measures taken to eliminate these occurrences.

- In April 2018, the CRA spent \$2,725 for patches to the roof as water was pouring into the building when it rained.

- In September and October 2018, a total of \$5,221 was spent resealing windows as it was determined as an entry point for water.
- In September and November 2018, a total of \$1,595 was spent inspecting and repairing drainage pipes as water was not flowing, seemingly causing it to pool next to the building and penetrate through the floor level bricks.
- In October 2018, the CRA spent another \$27,265 resealing the entire roof as water was still penetrating the roof during heavy rains.
- In November 2018, the CRA spent \$6,300 to have a mason fill in the gap between the building and the concrete walkway eliminating another location where water was pooling and allowing penetration through the floor level brick.

Despite all of these efforts, a substantial amount of water was still entering the building through the actual brick walls. Also, large amounts of water would rush into the building under the door located on the south elevation. In September of 2019, at the cost of \$40,000, the City's Construction & Maintenance Department was hired to regrade the site on the south side of the building and extend the knee wall to divert rain water away from the building and towards Massachusetts Avenue. Lastly, in November 2019, Professional Service Industries (PSI) was contracted to conduct a Field & Water Test and provide a findings report which included technical specifications for repair, Construction Administration Services and Quality Assurance Monitoring.

The Field and Water Test revealed that the brick mortar joints are deteriorated, cracking, and showing evidence of plant growth throughout the masonry walls. No evidence of previous point work was observed. The current paint finish is thin and stained at various areas with plant growth. The general overview of the recommended repairs include:

- All flexible sealants applied at CMU mortar joints to be removed and repointed.
- General pressure wash cleaning of the CMU walls will be required prior to recoating. Recoating will include all exterior Brick walls and parapets, as well as hollow core steel service doors and frames.
- Waterproofing of open "vent" conditions on the east and west elevations: The intent is to preserve the look of the vents while making them obsolete regarding air circulation performance. This will require installation of a solid backing material at the interior of the vent. Followed by detailing of the open vent conditions with sealant in preparation for application of the specified performance coating.
- Wet-Seal of Storefront Assemblies: Remove old existing sealant and gaskets, prepare the areas and apply a new wet seal. Sealant selection will be approved by exterior coating manufacturer for compatibility and performance warranty.

III. Renovation Costs and RFP:

The CRA worked with the City's Purchasing and Facilities Departments and PSI to issue a Request for Proposals (RFP). Staff sought to establish the true cost of the project to prevent future change orders and cost overruns. The bids submitted were from qualified general contractors encompassing the exterior building envelope repairs.

INTERNAL BID TABULATION						
CITY OF LAKELAND FLORIDA						
PURCHASING AND STORES DIVISION						
1140 E PARKER STREET						
LAKELAND, FL. 33801						
PHONE: (863) 834-6780 FAX:(863) 834-6777						
	Bid Number:	0035				
	Title:	Exterior Building Envelope Repairs at 820 Massachusetts				
	Date:	2/4/2020				
	Bidder:	Shield Coatings & Weatherproofing	Krystal Companies dba Krystal Klean	Waterproofing Specialists	Five Arrows dba SPC Constr. Group	Innovative Masonry Restoration
						Schnell Contractors
A.	Total Firm Bid Price	\$58,900.00	\$216,949.67	\$301,583.00	\$388,602.00	\$390,000.00
						\$505,510.00
BREAKOUT UNIT PRICING						
A.1	Repoint mortar joints of the brick as needed by exterior coating manufacturer to achieve the specified warranty.	.25 per SF	\$112,500.00	\$189,339.00	\$19.00	\$120,000.00
				12.62/SF		\$306,150.00
A.2	Apply sealants at cracks and mortar conditions that could not be addressed by repointing. This includes detailing of the metal awning support brackets, and all exterior mounted components	.35 per LF	\$55,733.33	\$40,355.00	\$2.50	\$64,000.00
				5.04/LF		\$70,000.00
A.3	Remove existing sealants and gaskets at all storefront assemblies. Apply new wet-glaze application of sealants in place of existing gaskets and sealants.	1.75 per LF	\$21,344.33	\$11,383.00	\$4.00	\$16,000.00
				3.56/LF		\$38,240.00
A.4	Clean and apply new elastomeric exterior coating over brck walls. Included is also the isolated steel service doors	\$46,750.00	\$27,372.00	\$58,506.00	\$2.65	\$59,500.00
				3.44/SF		\$91,120.00

Reviewing the bid submittals, the PSI Consultant, noticed a few discrepancies with the bid documents submitted. Purchasing issued a request for clarification for all bidders regarding quantities related to point work. Responses to the request were received from five of the six bidders; Innovative Masonry Restoration did not respond and was thus disqualified. The clarifications resulted in a considerable decrease in the bid amounts. With consideration to the clarifications, the following bids were received.

1. Krystal Companies, LLC (d.b.a. Krystal Klean)
 - Base Bid..... \$ **155,327.66**
2. Five Arrows, Inc. (d.b.a. SPC construction Group)
 - Base Bid..... \$ **183,050.00**
3. Waterproofing Specialists, Inc.
 - Base Bid..... \$ **192,170.00**
4. Shield Coating & Waterproofing
 - Base Bid..... \$ **221,465.00**
5. Schnell Contractors, Inc.
 - Base Bid..... \$ **321,305.00**

Considering references and bid price, PSI recommends Krystal Companies as the vendor for the project.

IV. Board Consideration:

At the Board's discretion, to recommend the City Commission issue Notice of Intent to Award the contract for waterproofing of 820 North Massachusetts Avenue to Krystal Companies Inc.

V. Attachments

- Field & Water Test Report
- PSI's Letter of Recommendation

CITY OF LAKELAND TEST REPORT

SCOPE OF WORK

WATER TESTS CONDUCTED AT:

820 NORTH MASSACHUSETTS AVENUE
LAKELAND, FL

REPORT NUMBER

#1

TEST DATE(S)

11/19/19

ISSUE DATE

12/04/19

PAGES

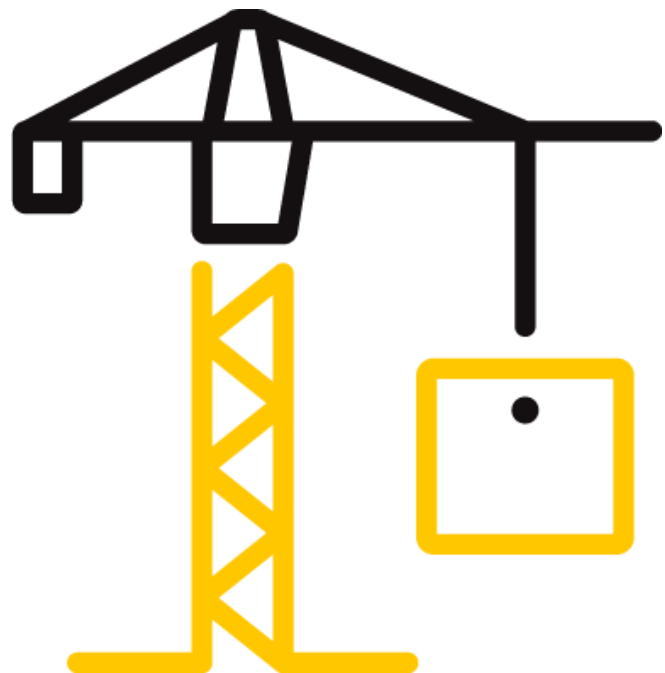
32

DOCUMENT CONTROL NUMBER

(11/09/17)

RT-R-AMER-Test-2776

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TEST REPORT FOR CITY OF LAKELAND

Report No.: #1

Date: 12/04/19

REPORT ISSUED TO

Ms. Fiorella Hubbard, MSIE
Facilities Project Supervisor
City of Lakeland
Public Works, Facilities Maintenance
228 S. Massachusetts Avenue
Lakeland, FL 33801

PROJECT

Artifact Building
820 North Massachusetts Avenue
Lakeland, Florida

SECTION 1

SCOPE

Intertek-PSI was contracted by the City of Lakeland Public Works and Facilities Maintenance to perform forensic testing of exterior walls and storefront assemblies determining possible sources of ongoing water infiltration occurring at the above referenced facility.

During this evaluation, qualitative water penetration testing of the exterior walls and window assemblies was conducted. Intertek-PSI incorporated both AAMA 501.2 handheld spray nozzle testing, and spray rack saturation testing which utilizes hardware similar to ASTM E 1105 testing.

Test Areas #1, #2 and #3 were focused on the watertight performance of exterior walls of the referenced facility. Given the typical construction of traditional double Wythe brick construction, the test results at these locations are considered typical throughout the facility.

Test Specimens #1 and #2 consisted of storefront assemblies as installed typically within the referenced facility. Intertek-PSI was not involved in the project during installation of the tested assemblies. The purpose of testing the assemblies was evaluating the watertight performance of the storefront assemblies, as well as the interface of assemblies with adjacent brick construction.

This report does not constitute certification of this product nor an opinion or endorsement by Intertek- PSI.

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SECTION 2

SUMMARY OF TEST RESULTS

The Areas/Specimen's tested did not meet the performance requirements listed herein. Testing conducted at exterior walls and storefront assemblies showed evidence of water intrusion. Wall related leaks were identified being directly related to the porosity of the brick construction. Water intrusion identified at the window assemblies was related to poor installation practice. Please see the following report documenting the results of the testing with photographic log.

For INTERTEK B&C:

COMPLETED BY:	David Greene
TITLE:	Senior Consultant Field Testing
SIGNATURE:	
DATE:	12/04/19

REVIEWED BY:	Milan Nikolic
TITLE:	Project Engineer
SIGNATURE:	
DATE:	12/04/19

This report is for the exclusive use of Intertek's Client and is provided pursuant to the agreement between Intertek and its Client. Intertek's responsibility and liability are limited to the terms and conditions of the agreement. Intertek assumes no liability to any party, other than to the Client in accordance with the agreement, for any loss, expense or damage occasioned by the use of this report. Only the Client is authorized to permit copying or distribution of this report and then only in its entirety. Any use of the Intertek name or one of its marks for the sale or advertisement of the tested material, product or service must first be approved in writing by Intertek. The observations and test results in this report are relevant only to the sample(s) tested. This report by itself does not imply that the material, product, or service is or has ever been under an Intertek certification program.

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SECTION 3

TEST METHOD(S)

Water Tests: Intertek-PSI will perform water infiltration testing in general accordance with ASTM E 2128-12 – “Standard Guide for Evaluating Water Leakage of Building Walls”. The testing included:

- **Surface Saturation Testing:** An ASTM E 1105 calibrated water spray rack apparatus with three nozzles producing a rate of water spray equal to 5 gal/ft²-hr was utilized to saturate exterior walls with a zero-pressure differential at various locations and elevations. This method of testing is conducted for a minimum of 45 minutes at the lowest section of the wall assembly. After the time duration, should no leak be observed, the spray rack is moved vertically in increments of 3-4 feet and the procedure is repeated. The intent is water cascading down the exterior cladding reaches breaches within the cladding system and in turn, breaches within the moisture barrier plane, resulting in water at the interior as documented during rain events. An observer monitored the interior space during testing for water intrusion.
- **Hose Nozzle Testing:** An AAMA 501.2 calibrated spray nozzle was used testing isolated areas of the exterior walls. This was to verify suspected water intrusion locations or confirming the leak source hypotheses. An observer monitored the interior space during testing for water intrusion.
- **Infrared Thermography (IR):** IR imaging was used in conjunction with visual observations during the water tests to aid in locating water leakage entry points and pathways within the wall system.

SECTION 4

TEST PROCEDURE

Test Areas #2 & 3

These test areas were subjected to spray rack saturation testing. The spray rack was placed approximately 8 feet from ground level and focused on the exterior of the brick wall above the “eyebrow” feature.

The spray rack was moved vertically upwards approximately 4 feet following a two-hour duration.

Test Areas #1 and Specimens #1 & #2

Water was applied using a handheld spray assembly employing a type B25 #6.030 nozzle, pressure gauge, control valve and a 3/4" hose. The water flow was adjusted to produce approximately 22 psi at the nozzle. Water was directed perpendicular to the test location. The nozzle was moved slowly back and forth, at a rate of one foot per minute. An observer on the inside checked for water leakage and documented the results.

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SECTION 5

LIST OF OFFICIAL OBSERVERS

NAME	COMPANY
Fiorella Hall (periodically present)	City of Lakeland
Matt Delaney	Intertek-PSI
David Greene	Intertek-PSI

SECTION 6

EQUIPMENT

Equipment calibration records are available for review at 130 Derry Court, York, Pennsylvania 17406.

AAMA Nozzle:

Gauge No.: INT01481

Calibrated: 09/30/19

Calibration Due Date: 03/30/20

SECTION 7

VISUAL EVALUATION

The following items were observed as part of our visual assessment:

- Overall exterior wall appearance and condition
- Water tightness of the observed areas
- Exterior wall deficiencies, including:
 - o Cracking
 - o Storefront window interface with exterior walls
 - o Holidays of mortar joints

During evaluation and testing, the following observations were made:

- The documented water intrusion occurred in all areas tested with exception of Test Area #1.
- Storefront assemblies were identified as not providing watertight performance as designed.
- Plant growth was identified at numerous locations throughout the exterior elevations. This is an indicator that exterior walls are retaining moisture and allowing plant growth to occur.
- The facility was noted having the original double Wythe brick construction at all exterior walls. Various locations were identified having cracks, poorly detailed mortar, open voids and holidays, as well as open air venting between the exterior and interior.
- The exterior coating does not provide sufficient barrier performance relating to water tightness.

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SECTION 8

TEST SPECIMEN DESCRIPTION AND RESULTS

Date: 11/19/2019

Ambient Exterior Air Temperature: 70°F

Barometric Pressure: 29.96 in Hg

General Note #1: All locations referenced are as viewed from the exterior unless otherwise noted.

General Note #2: Unless specifically noted within this report, atmospheric conditions at the time of testing did not have an adverse impact on the results of the test. These environmental conditions are recorded for informational use only to confirm that the conditions did not have a negative impact on testing.

General Note #3: Interior finishes such as the insulation and drywall were not present. Interior finishes were documented being brick construction similar to exterior side of wall.

Test Area #1		
Description:	The water was focused on the base of the exterior wall. See Photos 9 - 11 .	
Location:	North Elevation	
TITLE OF TEST	TEST OBSERVATIONS	ALLOWED
Handheld Nozzle	No evidence of water was identified as a result of the test procedure.	No Water leakage

Test Specimen #1		
Description:	This test procedure was focused on the watertight performance of the window assembly. The hand-held nozzle was focused on the west jamb to brick transition. See Photos 12 - 17 .	
Location:	North Elevation	
TITLE OF TEST	TEST OBSERVATIONS	ALLOWED
Handheld Nozzle	Water infiltration occurred at approximately 5 minutes into test procedure.	Water leakage

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Test Specimen #2		
Description:	This test procedure was focused on the watertight performance of the window assembly. The hand-held nozzle was focused on the west jamb to brick transition. See Photos 12, 18 & 20 .	
Location:	North Elevation	
TITLE OF TEST	TEST OBSERVATIONS	ALLOWED
Handheld Nozzle	Water infiltration occurred at approximately 5 minutes into test procedure.	Water leakage

Test Area #2		
Description:	Located at center section of north elevation, see Photos 21 - 27 .	
Location:	North Elevation (East section)	
TITLE OF TEST	TEST OBSERVATIONS	ALLOWED
Spray Rack Test	Water was identified at the interior side of the wall approximately 2 hours from the start of the test procedure.	Water leakage

Test Area #3		
Description:	Located two bays west of Test Area #1 on the north elevation. See Photos 28 - 40 .	
Location:	North Elevation (Center section)	
TITLE OF TEST	TEST OBSERVATIONS	ALLOWED
Spray Rack Test	Water was identified at the interior approximately 45 minutes from the start of the test procedure.	Water leakage

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SECTION 9

RECOMMENDATIONS

Based on observations documented within this report, the following general recommendations are presented.

Sealants:

Current sealants at transitions of storefront to brick wall are in overall good condition. However, based on poor watertight performance of window assemblies documented within this report, Intertek-PSI recommends “wet sealing” all storefront assemblies. This method of corrective action will eliminate the ability for the windows to allow water to infiltrate framing members.

This will require application of sealant on the exterior side of the assemblies. Specifically, between the glazing and aluminum frames. All gaskets are to be removed and replaced with silicone sealant. All metal to metal joints are to be sealed preventing migration of water into the framing members.

Coating Application:

Intertek-PSI recommends limiting water penetration through the exterior walls by means of applying a performance exterior coating to the brick wall exteriors creating a barrier system. Application of a quality exterior coating will prevent migration of water through the brick, thus reducing the ability for water saturating the brick and migrating to the interior. This barrier system can be created as follows:

- Elastomeric Coating– A high performance coating applied to the surface of the brick wall. This coating acts as a waterproof barrier not allowing water to penetrate (Barrier System). Intertek-PSI recommends consideration for Sherwin Williams Loxon XP with a weathertight warranty, or Dow Allguard.
 - Both of the above recommended coatings provide excellent watertight performance as a barrier system. However, each system is different in the chemical make-up of the coating. The differences are as follows:
 - Dow Allguard is a silicone based exterior coating and is compatible with Dow silicone sealants. When used in conjunction with Dow sealants, a full system warranty is provided throughout the wall assembly for a period of 10 years. Things to consider with this coating is it is silicone based and will require application of Allguard for the history of the building. Silicone coatings also tend to allow for settlement of debris and dirt more so when compared to other coating systems. However, they provide excellent performance.

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- Sherwin Williams Loxon is not silicone based and does not adhere to silicone sealants. However, provides excellent watertight performance when applied in accordance with Sherwin Williams Weathertight Warranty.
- Intertek-PSI has confidence in either coating system to provide long term watertight performance when applied in accordance with manufacturer requirements. Either system may require additional surface preparation of cracks, as well as removal of existing coating. Evaluation of the existing building is recommended being performed by the selected manufacturer prior to development of specifications.
- Exterior Brick Walls- As documented within this report, there are currently “vent” features within the exterior walls that are open to the exterior. These features are recommended being closed from the exterior preventing the ability for water to bypass to the interior space. Consideration to the aesthetic of these features may need being discussed to preserve them while making them watertight, or to completely cover them.

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SECTION 10

PHOTOGRAPHS



Photo No. 1

Overview photo to reflect the front façade of the facility being evaluated.



Photo No. 2

Overview photo of the general exterior wall cladding and window conditions. This location was Test Area #1.

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Photo No. 3
Interior view of Test Area #1, and #2



Photo No. 4
Interior view of reflecting the areas where leaks have been identified. Note "vent" features are open to exterior.

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Photo No. 5

Close up view of “vent” features at the east elevation. Similar features were documented on the west elevation, but they were closed off with brick at the interior.



Photo No. 6

Overview photo of exterior wall condition at Test Areas #3. See Photos 7 & 8 for highlighted areas.

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Photo No. 7

Plant growth on wall due to high moisture content of brick



Photo No. 8

Open wall vent. No evidence of this leading to interior condition. However, it is allowing moisture within the wall assembly.

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Photo No. 9

Test Area #1- Water was applied in accordance with AAMA 501.2. The test area included the lower section of wall between the two storefront assemblies.



Photo No. 10

Water was applied to the lower section of the wall testing the barrier capabilities of at the lower section prior to applying the spray rack higher up. No evidence of water was identified as a result of this test procedure.

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Photo No. 11

Water pressure at the handheld nozzle was approximately 30 pounds per square inch (psi).



Photo No. 12

Test Specimens #1 & #2- See Photos 13 through 20 for results of the locations identified.

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Photo No. 13

Sealant was in place at the termination of the sill pan flashing to the brick veneer.



Photo No. 14

Sealant was in place typically at the perimeter of storefront assemblies and the interface to brick.

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Photo No. 15

Test Specimen #1- Water present at jamb to sill after approximately 5 minutes of applying water to storefront assembly.



Photo No. 16

Evidence of water below the intermediate horizontal mullion at the transition to the jamb member of the assembly. This indicates water diverters are not in place as required. Water diverters control water within the assembly and force it down the vertical mullion to the sill condition for weeping.

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Photo No. 17

Evidence of water at the gasket of the sill condition. Gaskets were noted being short and not set in sealant at the corners.



Photo No. 18

Test Specimen #2 – Overview from the interior of Specimen 2. See Photos 19 & 20 for results of test procedure.

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Photo No. 19

Evidence of water was observed as result of testing at the top of the intermediate horizontal mullion.



Photo No. 20

Evidence of water was identified at the transition of the vertical mullion to the sill condition.

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Photo No. 21

Test Area #1 – Spray rack was placed above the “eyebrow” feature along the north elevation. The test area was located west of test Specimen #1 and focused on the brick wall.



Photo No. 22

Test Area #1 – After a duration of 2 hours, the spray rack was moved vertical approximately 4 feet. See Photos 23 through 27 for results of test procedure.

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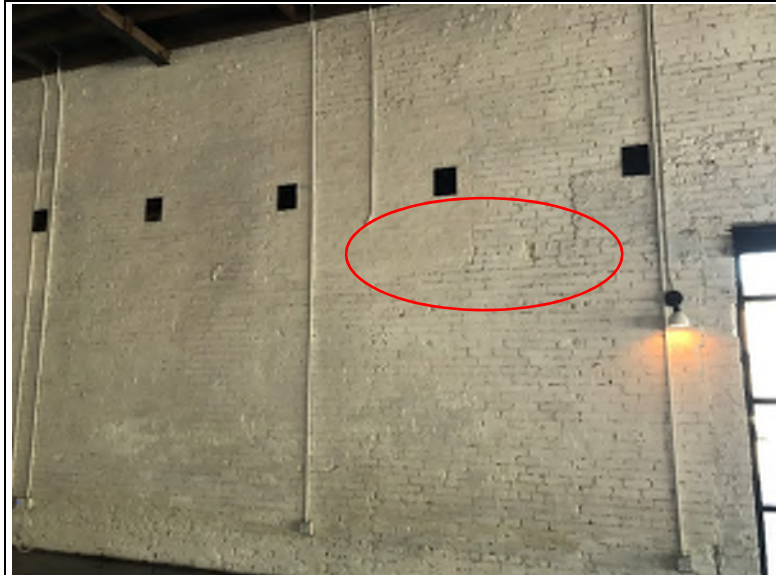


Photo No. 23

Evidence of water was observed migrating through the exterior wall at a brick "patch" location. Note proximity to "eyebrow" attachment. See [Photo 24](#) showing evidence of water at this condition.

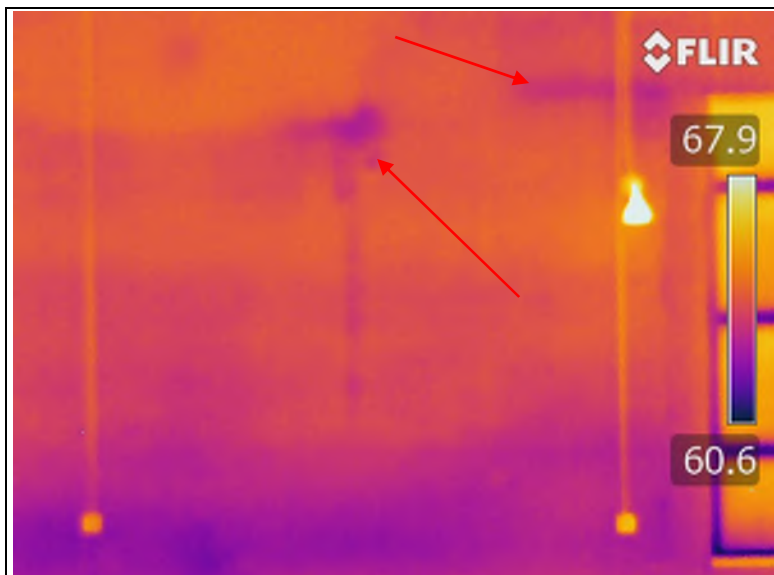


Photo No. 24

Thermal image reflects location of water intrusion at the interior side of the wall. See Photos 25 and 26.

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Photo No. 25

Evidence of water migrating down the interior face of wall.



Photo No. 26

Wall was wet to touch at interior. See Photo 27 for evidence of water on fingers.

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Photo No. 27

Water present on interior face of wall as a result of the testing procedure.



Photo No. 28

Test Area #3 – Water was focused on the exterior wall above the eyebrow feature similar to Test Area #2. See Photos 29 through 31 for observations of exterior wall prior to testing.

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Photo No. 29

Visible cracks and holidays within the mortar of the brick wall. This was noted being typical throughout the facility.



Photo No. 30

Rust stains indicate presence of moisture within the wall causing the steel shelf angle to rust.

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Photo No. 31

Attachment locations of the eyebrow are not sealed. Based on observations on the interior these attachment point extend through the brick wall.



Photo No. 32

Overview photo of interior condition opposite of Test Area #3. Note eyebrow structure attachments.

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Photo No. 33

Infrared images of the test location prior to testing indicate a high level of moisture within the wall. The blues areas indicate cooler temperatures to adjacent areas. This often indicates presence of moisture given the moisture is at a cooler temperature than surrounding materials.



Photo No. 34

Infrared image during test procedure indicating migration of water to the interior.

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Photo No. 35

Evidence of migrating water during test procedure.

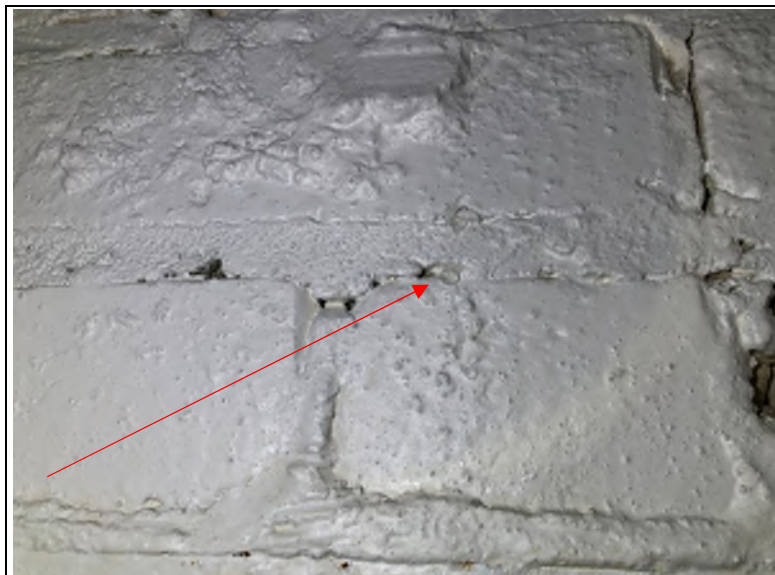


Photo No. 36

Visible evidence of water dripping through the wall to the interior.

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Photo No. 37

Water migrating to interior head condition of the window assembly.



Photo No. 38

Water was accumulating within the electric blind track and dripping from the front side of the aluminum shroud. The water was migrating from the brick wall above and not from the window assembly.

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Photo No. 39

Water migrating from wall above. See Photo 40 for evidence of water dripping on interior sill from this condition.



Photo No. 40

Water began dripping on the interior sill as a result of the test procedure.

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Photo No. 41

Overview photo of the roof reflecting roof membrane being in generally good condition.



Photo No. 42

Roof membrane was generally in good condition and providing dry-in to the building. Intertek-PSI had no major concerns related to the roof, or related flashing. See Photo 43 for isolated void at roof flashing.

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Photo No. 43

Isolated open void recommended being sealed. In the opinion of Intertek-PSI, this is not a major contributor to the documented water intrusion. However, should be addressed.



Photo No. 44

Drain scupper are providing adequate draining and not allowing for ponding. Emergency overflows are in place as required.



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SECTION 11

REVISION LOG

REVISION #	DATE	PAGES	REVISION
0	12/04/19	N/A	Original Report Issue



Professional Service Industries, Inc.
1748 33rd St., Orlando, FL 32839
Phone: (407) 304-5560
Fax: (407) 304-5561

March 9, 2020

City of Lakeland
Public Works, Facilities Maintenance
228 S. Massachusetts Avenue
Lakeland, Florida 33801

Attention: Ms. Fiorella Hubbard, MSIE
Facilities Project Supervisor

RE: Bid Review & Letter of Recommendation
Bid No. 0035
Exterior Building Envelope Repairs
820 Massachusetts
Lakeland, Florida 33801
PSI Project No.: 0753-2509

Dear Ms. Hubbard:

PSI has received and reviewed the provided bid packages for the above-referenced project. There was a clarification issued for quantities related to point work which required clarifications to the original bids. With consideration to the clarifications, the following bids were received:

1. Krystal Companies, LLC (d.b.a. Krystal Klean)
 - Base Bid..... \$ **155,327.66**
2. Five Arrows, Inc. (d.b.a. SPC construction Group)
 - Base Bid..... \$ **183,050.00**
3. Waterproofing Specialists, Inc.
 - Base Bid..... \$ **192,170.00**
4. Shield Coating & Waterproofing
 - Base Bid..... \$ **221,465.00**
5. Schnell Contractors, Inc.
 - Base Bid..... \$ **321,305.00**

^[1] Intertek is a brand name representing the Intertek Group plc legal entities, including but not limited to, Intertek Testing Services NA Inc., Professional Service Industries, Inc. ("INTERTEK-PSI"), Architectural Testing Inc. ("INTERTEK-ATI"), and MT Group Inc. ("INTERTEK-MT").





To determine which bidding contractor to award the project, Intertek-PSI conducted a reference check for the lowest and second lowest bidders, Krystal Companies and Five Arrows, Inc. (Service Painting), respectively.

Krystal Companies provided three references as required by the bid documents, which were utilized during this reference check. Intertek-PSI was able to contact two of the references at the time of our calls.

- Chad Worley and Hans Pfalzgraf at the University of Florida provided positive feedback regarding Krystal Companies performance. They stated they were punctual as it relates to schedule and timeline of work, knowledgeable of the process and what is required to get the job done in a timely manner, carried enough manpower to complete the project, and provided quality work. In closing, Chad Worley stated that even after successful completion of the project, they are always looking for feedback on how they can do a better job.

Five Arrows was the second lowest bidder and provided three references as required by the bid documents, which were utilized during this reference check. Due to one phone number being not in service, we were able to contact two of the three references.

- Mr. Chris Parkins with Valpak was contacted via telephone. He stated that Five Arrows performed various exterior coating, sealant work, and concrete repair. He stated he was satisfied with their work and has not had any issues. Highly recommended.
- Mr. Richard Sultenfuss with Frontier. He stated he has used Five Arrows on numerous projects ranging from interior painting, to exterior remediation and repair. He was very satisfied with their performance and highly recommends Five Arrows regarding punctuality, competence, and level of work completed.

Intertek-PSI recommends Krystal Companies as a primary choice for the referenced project. Their base bid number is the lowest and their references carried strong positive opinions regarding work and ability to perform. In conversation with the bidder, they were comfortable with the provided number and are experienced with the level of work required for this project.

Respectfully submitted,

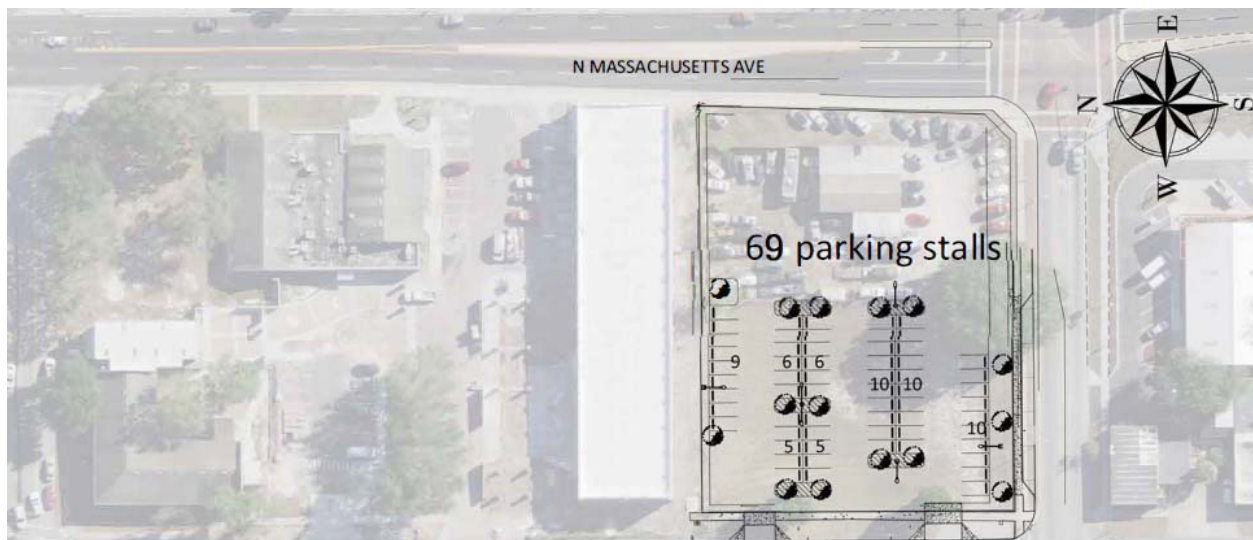
David Greene
Senior Consultant
Intertek-PSI
Building Science Solutions

Memo

To: CRA Advisory Board
From: Alis Drumgo, CRA Manager
Date: May 7, 2020
Re: Haus Management LLC Lease Addendum

I. Background:

In May 2013, the Lakeland Community Redevelopment Agency (CRA) purchased 820 North Massachusetts Avenue. In the February 2016 meeting, the Board voted to approve the renovations of the structure. Subsequently, at the March 2016 meeting, the Board approved a lease with Ashton Events for Haus 820, the event space at 820 North Massachusetts Avenue, and The Collective, 4,800 sq. ft. of collaborative office space, in 830 North Massachusetts Avenue. Included in the original lease, was shared parking at mid-block spanning the southwest corners of the entire parcel owned by the CRA. This parking lot (lot 1) is currently to the west of Yard on Mass which was privately owned and operated as a car lot.



II. Update

With the 2019 construction of Yard on Mass, Staff sought to align the shared parking allocations in a manner more favorable to all businesses which requires a lease addendum with Haus Management LLC. The shift will provide parking on lot 1 for Yard on Mass. Haus 820 will park to the west on lot 2, and all tenants Haus, Artifact and Yard on Mass will share parking at Lot 3 once the lot is constructed. While proposing this addendum, Staff is recommending clean up some of the lease’s original terms based on recently adopted operational changes. Addendum highlights are below:

Item	Original	Modification
1. Updates Exhibits	Exhibit “A” Parking at SW Corner of E. Parker and Tennessee	Adds Exhibits “A-D” Lot 1 Parking Lot (Exhibit A) Lot 2 Parking Lot (Exhibit B) Lot 3 Parking Lot (Exhibit C) Preventative Maintenance Schedule (Exhibit D)
2. Clarifies Leased Space	7,200 sf Interior Event Space 4,800 sf Office Space	7,200 sf Interior Event Space 6,690 sf Exterior Event Space 4,800 sf Office Space
3. Clarifies the Initial Term Commencement Date	June 1, 2017	August 1, 2018
4. Corrects the Income Source on which Rent is Based	7.5% Rent +Tax Cap	Removes the 7.5% Rent + Tax Cap
5. Modifies the Renewal Terms	First Renewal 5 Years Automatic Renewal 7.5% Rent Rate 10% Cap Second Renewal 5 Years Automatic Renewal Fair Market Rent	First Renewal 5 Years Automatic Renewal 7.5% Rent Rate No Cap Second Renewal 3 years Mutual Consent Fair Market Rent
6. Corrects Permitted Uses	Office Use Not Specified	Office Use Specified
7. Clarifies Maintenance Language and Tenant Responsibility	Lessee Responsible for 1 st \$500 of Repairs Private Maintenance Provider	CRA Provides Repairs + Preventative Maintenance Additional Items Billed Back to Tenant City Facility Maintenance Team Provides Services

III. Additional Leasehold Improvements & Valet Parking:

To offset the parking adjustment and impacts to daytime events at Haus820, Staff is proposing CRA schedule and pay for valet services for all daytime events held on Monday through Friday with a guest count above 200 attendees provided Haus Management requests valet services, including a guest count, seven (7) days prior to the event date. This provision will expire upon completion of the anticipated improvements to Lot 3. Additionally, the tenant requested an allotment of \$100k for leasehold improvements that would stay with the building upon termination of the lease.

IV. Board Consideration:

- At the Board's discretion to approve the lease addendum and valet services as presented by Staff.
- At the Board's discretion to approve the construction of lot 3 as soon as economically feasible in order to support Mass Market Area development.
- At the Board's discretion to approve the leasehold improvements as requested by the tenant.

V. Attachments

- Haus 820's Original Lease
- Lease Addendum
- Parking Exhibits (A-C)
- Exhibit D (Preventative Maintenance Schedule)

LEASE AGREEMENT

This LEASE AGREEMENT (the "Lease") is made and entered into this 16th day of May, 2016, by and between the Lakeland Community Redevelopment Agency, a public body corporate and politic created pursuant to Part III, Chapter 163, Florida Statutes ("LESSOR"), and Haus Management, LLC, a Florida limited liability company, whose principal address is 331 S. FLORIDA AVENUE BASEMENT, LAKELAND, FL 33801 ("LESSEE"). For and in consideration of the lease payments to be made hereunder, the mutual covenants and agreements of the parties, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, LESSOR and LESSEE agree as follows:

1. Leased Property. LESSOR agrees to exclusively lease to LESSEE and to no other party and LESSEE agrees to lease from LESSOR 7,200 square feet and exterior event space (the "Event Space") at 820 N. Massachusetts Avenue, and 4,800 square feet of office space at 830 N. Massachusetts Ave, Lakeland, Florida, as more particularly described in Exhibit "A" (the "Property"). The Property shall include shared parking at mid-block and the southwest corners of the entire parcel owned by the Lessor, of which such parking shall be well lit and gated.

2. Lease Term. This Lease shall commence upon full execution by LESSOR and LESSEE. Within ninety (90) days of Lease execution, LESSOR will commence the repairs and other work set forth on Exhibit "B" (the "Work"). The Work shall be completed and a certificate of occupancy shall be provided by LESSOR on or before June 1, 2017 (the "Completion Date"). In the event that the Work is not completed or a certificate of occupancy is not provided by the Completion Date, LESSOR shall credit, as prepaid rent, to Lessee an amount for each event that must be canceled equal to twice the room rental fee for that canceled event (the "Rent Credit"). Lessee shall provide a list of planned events, with dates and prices, to Lessor at the beginning of each month starting on January 1, 2017, however the failure to provide such list shall not diminish in any way Lessee's right to receive the rent credit. LESSEE will take possession of the Property and the initial term of the Lease will commence on the later of June 1, 2017 or the Completion Date (the "Initial Term"). LESSEE shall then commence the improvements (the "Lessee Improvements") within ten (10) business days of commencement of the Initial Term. LESSOR may inspect the Lessee Improvements within seven (7) days of notification of its completion by LESSEE. All Lessee Improvements shall be completed in accordance with all applicable local, state and federal laws and regulations and shall be permitted as required. The Initial Term shall be for a period of five (5) years.

3. Rent; Deposit. LESSEE will pay to LESSOR a non-refundable deposit of Five Hundred Dollars (\$500.00) upon the execution of this Lease. No rent shall be due for the first year of the Initial Term. Rent for the second year of the Initial Term will be two and one-half percent (2.5%) of the gross monthly rental received by LESSEE for the Event Space and, for the remainder of the Initial Term, five percent (5.0%) of the gross monthly rental received by LESSEE for the Event Space, payable monthly within fifteen (15) days of the beginning of each calendar month. In no event shall the rent plus property taxes to be paid by LESSEE exceed seven and one-half percent (7.5%) of the gross annual rental for the Event Space. LESSEE shall provide Department of Revenue form DR-15 for the twelve months of each lease year as verification of gross annual rental received for the Event Space.

4. Renewal Terms.

- a) First Renewal Term. Provided LESSEE is not in default of the terms of this Lease and LESSEE does not provide written notice of its intention not to renew this Lease at least one hundred twenty (120) days prior to the end of the Initial Term, this Lease shall automatically renew for an additional five (5) year term (the "Renewal Term"). The Rent for the Renewal Term will be seven and one-half percent (7 ½ %) of the gross monthly rental received by LESSEE for the Event Space, payable monthly within fifteen (15) days of the beginning of each calendar month. In no event shall the rent plus property taxes to be paid by LESSEE exceed ten percent (10%) of the gross annual rental for the Event Space. In the event this Lease is not renewed, LESSEE shall, prior to the expiration of the Initial Term and at its sole expense, remove its personal property from the Property, provide necessary notices to LESSEE's subtenants to vacate the Property at the end of the Initial Term, and return the Property to the condition which existed upon completion of the Lessee Improvements, reasonable wear and tear excepted. LESSEE shall not enter into subleases with any subtenants that extend beyond the Initial Term unless and until this Lease has been renewed for the Renewal Term as provided above.
- b) Second Renewal Term. Provided LESSEE is not in default of the terms of this Lease and LESSEE does not provide written notice of its intention not to renew this Lease at least one hundred twenty (120) days prior to the end of the First Renewal Term, this Lease shall automatically renew for an additional five (5) year term (the "Second Renewal Term"). Rent for the Second Renewal Term shall be determined on or before one hundred twenty (120) days prior to the expiration of the First Renewal Term. LESSOR and LESSEE will work together to arrive at a mutually agreeable lease rate. In the event that LESSOR and LESSEE are unable to come to an agreement, a State of Florida Licensed Real Estate Appraiser will be hired to determine the fair market rent for the Property for the Second Renewal Term. LESSOR and LESSEE will mutually agree on the appraiser and will share equally the cost of the appraisal. In the event this Lease is not renewed, LESSEE shall, prior to the expiration of the First Renewal Term and at its sole expense, remove its personal property from the Property, provide necessary notices to LESSEE's subtenants to vacate the Property at the end of the First Renewal Term, and return the Property to the condition which existed upon completion of the Lessee Improvements, reasonable wear and tear excepted. LESSEE shall not enter into subleases with any subtenants that extend beyond the First Renewal Term unless and until this Lease has been renewed for the Second Renewal Term as provided above.

5. Late Payment. In the event that any payment of rent or any other charge required to be paid by LESSEE under the provisions of this Lease shall not be paid within ten (10) days of the due date, LESSEE shall pay to LESSOR a late charge of five (5%) percent of such past due payment.

6. Use of Property. Unless LESSOR agrees otherwise in writing, LESSEE shall use the Property solely for performance and event space. LESSEE shall obtain the written consent of LESSOR prior to making any alterations to the Property. LESSEE shall obtain the written consent of LESSOR prior to using any common space appurtenant to the Property for purposes other than those purposes customarily incident to the lease of property, such as parking, ingress-egress or solid waste disposal.

7. Maintenance and Repair. Except as otherwise provided herein, LESSEE shall be responsible for the proper maintenance and repair of the Property and shall keep the Property in a clean and sanitary condition. In the event LESSEE fails to properly maintain or repair the Property after notice and a five (5) day opportunity to cure, LESSOR may, but shall have no obligation to, perform all necessary maintenance and repairs and bill LESSEE for the costs thereof. LESSOR shall have the right to enter the Property at all reasonable times for the purpose of performing inspections to ensure compliance with the terms of this Agreement. LESSEE shall pay all management fees and will be responsible for maintaining, repairing or replacing all attached appliances and fixtures; provided, LESSEE will only be responsible for the first \$500 in repairs to interior plumbing fixtures and electrical supply systems per occurrence and LESSOR shall be responsible for sums in excess of said amount, but only if LESSEE first obtains LESSOR's consent prior to proceeding with repairs estimated to exceed \$500 in cost. LESSOR shall be responsible for structural damage and repairs, internal (inside the walls, attic or underground) pipes, wiring, HVAC air handler(s), HVAC system and ductwork, roof, and any parking lot items, unless damage is caused by the negligence of LESSEE or LESSEE's subtenants, employees, agents or invitees.

8. Damage to Property by Fire or Other Casualty.

(a) In the event that the Property is totally destroyed or damaged by fire or other casualty and, in the reasonable judgment of LESSOR, the same cannot be repaired or restored within one hundred eighty (180) days, then LESSOR shall provide Notice to Lessee of such an event. Within thirty (30) days receipt of such Notice, LESSOR OR LESSEE may terminate this Lease by written notice to the other party within thirty (30) days after receipt thereof, and the rent shall abate as of the date of casualty for the balance of the Initial Term, Renewal Term, or Second Renewal Term, as applicable. If LESSOR or LESSEE do not exercise said termination right within the thirty (30) day time period specified above, then LESSOR shall promptly and diligently pursue the repair and restoration of the Property upon the receipt of sufficient insurance proceeds to effect such repair and restoration and rent shall be abated until the Property has been repaired to substantially the same condition as existing prior to the casualty and is fully usable by the LESSEE or subtenant. LESSOR shall have no obligation to undertake the repair or restoration of the Property if adequate insurance proceeds are not available to complete such repair or restoration and either party may terminate this Lease in such event.

(b) If the damage caused as above is only partial and such that the Property, in LESSOR's reasonable judgment, can be restored within the time period and under the conditions as provided in Subparagraph 8(a) above, then LESSOR shall restore the same (excluding fixtures and improvements owned by LESSEE or any subtenant of LESSEE) upon the receipt of sufficient insurance proceeds to effect such repair and restoration. Rent shall abate in such proportion as the Property has been damaged until the Property has been repaired to substantially the same condition as existing prior to the casualty and is fully usable by the LESSEE or subtenant. LESSOR shall have no obligation to undertake the repair or restoration of the Property if adequate insurance proceeds are not available to complete such repair or restoration and either party may terminate this Lease in such event.

(c) Notwithstanding Subparagraphs 8(a) and (b) above, in the event LESSEE or LESSEE's subtenants are determined to be responsible for damage to the Property by fire or other casualty, then

LESSEE shall reimburse LESSOR for all costs and expenses incurred by LESSOR to repair or replace the Property (but only to the extent such amounts are not covered under any insurance required to be carried by LESSEE).

9. Utilities; Taxes. LESSEE shall be responsible for the payment of all utility charges and taxes associated with the Property, with the exception that LESSEE shall not be responsible for any taxes for the entire calendar year of 2017. Provided, LESSEE shall only be responsible for the specific utilities associated with the Property. If the Property does not have meters for same, the LESSOR, at the LESSOR's expense, shall cause separate utility meters to be installed for the Property. Taxes shall be limited to the taxes associated specifically with the Property. If other property is included within the same tax bill, then LESSEE shall only be responsible for the Property's pro rata share of the taxes. This will be determined by using the total square footage of the Property as the numerator and the total square footage of all buildings on the same property, including the Property, as the denominator and multiplying that quotient by the total taxes assessed. LESSEE's obligation to pay utilities and taxes shall begin once the Initial Term begins and LESSEE shall be responsible only for the pro rata amount for that initial month.

10. Default; Remedies. In the event LESSEE is in material breach of any condition of this Agreement, LESSOR shall provide written notice of such breach to LESSEE, which notice shall specify the nature of the breach and provide LESSEE ten (10) days in which to cure the breach. If LESSEE fails to cure the breach within said ten-day period of time, or fails to cure the breach within such longer period of time as may be accepted in writing by LESSOR as reasonable, this Lease Agreement shall terminate and LESSEE, at its sole expense, shall have sixty (60) days to remove its personal property from the Property, remove LESSEE's subtenants from the Property and return the Property to the condition which existed prior to LESSEE's occupation of the Property, reasonable wear and tear excepted. Any sublease entered into between LESSEE and a subtenant shall allow LESSEE to terminate the sublease within sixty (60) days in order to comply with this Paragraph. LESSOR's right to terminate hereunder shall not preclude LESSOR from seeking any other remedy at law or equity which LESSOR, in its sole discretion, may choose to pursue in order to be made whole.

11. Mechanic's Liens Prohibited. LESSEE shall not permit or suffer any mechanic's lien to be filed against the Property by reason of work, labor, services or materials performed or furnished to LESSEE or anyone holding the Property, or any part thereof, through or under LESSEE. If any such mechanic's lien or any notice of intention to file a mechanic's lien shall at any time be filed against the Property, LESSEE shall, at LESSEE's cost, within thirty (30) days after knowledge or notice of the filing of any mechanic's lien, cause the same to be removed or discharged of record by payment, bond, order of a court of competent jurisdiction, or otherwise. LESSEE shall not be liable for any mechanic's liens for work done by or on behalf of LESSOR at LESSOR's expense.

12. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the Polk County Health Department.

13. Insurance. LESSEE shall procure and maintain policies of insurance in such amounts

and coverages, with insurers with AM Best ratings of no less than A-, as set forth below. Except for Workers' Compensation, all policies shall list the Lakeland Community Redevelopment Agency as an additional insured:

Commercial General Liability: This insurance shall be an "occurrence" type policy written in comprehensive form and shall protect the LESSEE and the additional insured against all claims arising from bodily injury, sickness, disease, or death of any person other than the LESSEE's employees or damage to property of the LESSOR or others arising out of any act or omission of the LESSEE or its agents, employees, or Subcontractors, and to be inclusive of property damage resulting from explosion, collapse or underground (XCU) exposures. This policy shall also include protections against claims insured by usual personal injury liability coverage, and to insure the contractual liability assumed by the LESSEE under the article entitled Indemnification.

The liability limits shall not be less than:

Bodily Injury	\$1,000,000.00
Property Damage	Single limit each occurrence

Workers' Compensation: Workers' Compensation coverage to apply for all employees for statutory limits and shall include employer's liability with a limit of \$100,000 each accident, \$500,000 disease policy limits, \$100,000 disease limit each employee. ("All States" endorsement is required where applicable). If exempt from Workers' Compensation coverage, as defined in Florida Statute 440, the LESSEE will provide a copy of the State Workers' Compensation exemption. All subcontractors shall be required to maintain Workers' Compensation.

14. Indemnification. To the extent permitted by law, LESSEE agrees to defend, indemnify and hold harmless LESSOR, its officers, employees and agents, from and against any and all claims, losses, liabilities, penalties and expenses, including reasonable attorney's fees and costs, incurred by LESSOR as a result of LESSEE's use or occupancy of the Property, or the use or occupancy of the Property by LESSEE's employees, agents, subtenants, invitees, or any other persons for whose actions LESSEE is responsible. Nothing herein shall be construed as a waiver of the defense of sovereign immunity by LESSOR.

15. Assignment/Subleasing. LESSEE may not assign its rights or delegate its duties under this Lease without the express written consent of LESSOR, which consent shall not be unreasonably withheld. LESSEE shall have the right to sub-lease event space, office space and outside areas to individual tenants without LESSOR'S consent.

16. Waiver. The failure of either party to insist upon the strict performance of any term or condition contained in this Lease shall not be construed as a waiver of such party's right to insist upon the strict performance of such term or condition in the future or any other obligation contained herein. No waiver shall be effective unless acknowledged in writing by the party to be bound thereby.

17. Notices. All notices required or permitted under this Agreement shall be in writing and given to the individuals designated below at the following addresses:

LESSOR:

Community Redevelopment Agency Manager
228 S. Massachusetts Ave.
Lakeland, Florida 33801

LESSEE:

Haus Management, LLC
331 S. FLORIDA AVENUE BASEMENT
Lakeland, Florida 33801

With a copy to:

City Attorney
228 S. Massachusetts Ave.
Lakeland, Florida 33801

Notice shall be given by certified mail, return receipt requested, by hand delivery, or by recognized overnight courier service such as Federal Express or UPS. Notice shall be deemed given on the earlier of the date of the signature indicated on the return receipt or five (5) days after deposit into the U.S. postal system in the case of certified mail, the date of actual hand delivery, or the next business day in the case of delivery by overnight courier service. The individual to receive notice and the address to which notice is to be delivered may be changed by providing notice of such change in accordance with the provisions of this paragraph.

18. Governing Law; Venue; Waiver of Jury Trial. Any dispute arising out of this Agreement shall be governed by the laws of the State of Florida. Venue for any legal action shall lie in the courts of Polk County, Florida or the United States Middle District Court of Florida, Tampa Division. LESSOR and LESSEE waive the right to a trial by jury for any issue or dispute related to this Lease.

19. Force Majeure. In the event of an occurrence beyond a party's reasonable control delaying or preventing performance hereunder, that party's performance shall be excused while such event continues, provided the affected party gives prompt notice of such event or occurrence to the other party hereto and takes all reasonable steps to eliminate the event or occurrence delaying or preventing performance. The times for performance set forth herein shall be extended for the period of time the event or occurrence delaying performance continues.

20. Interpretation. This Agreement shall not be subject to any rule requiring construction against the drafter hereof. The fact that one of the parties may have drafted or structured any provision of this Agreement or any document attached as an exhibit hereto shall not be considered in construing the particular provision either in favor of or against such party. All references to days herein shall be to calendar days unless otherwise indicated. The captions or paragraph headings herein are solely for convenience of reference and shall not be used to construe or interpret any provision of this Lease. Wherever used herein, the singular shall include the plural and the plural shall include the singular. All exhibits and attachments referenced in this Lease are fully incorporated herein and shall be deemed a part of this Lease as though fully set forth herein. The terms "shall" and "will" are mandatory; "may" is discretionary.

21. Successors and Assigns. This Lease shall be binding upon and inure to the benefit of the parties hereto and the parties' successors and assigns.

22. Survival. All rights and obligations of the parties hereunder not associated with the ongoing lease of the Property by LESSEE will survive the expiration or earlier termination of this Lease.

23. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof. Each covenant, agreement, obligation or other provision of this Lease is to be construed as a separate and independent covenant of the party who is bound by or who undertakes it, and each is independent of any other provision of this Lease unless otherwise expressly provided.

24. Entire Agreement. This Agreement represents the entire understanding and agreement between the parties and supersedes any previous understandings or agreements pertaining to the subject matter hereof. No modification of this Agreement shall be of any binding effect unless in writing and executed by both parties hereto.

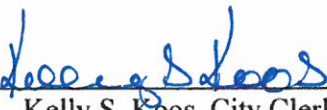
[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement through their duly authorized representatives as of the date first appearing above.

LAKELAND COMMUNITY
REDEVELOPMENT AGENCY:


By: 
R. Howard Wiggs, Chairman

Witness 1: Attest:

By: 
Kelly S. Koos, City Clerk

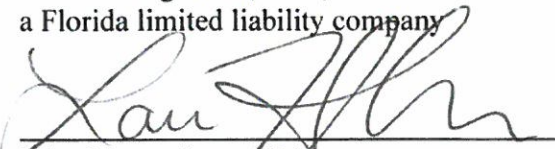


Witness 2: Approved as to form and correctness:

By: 
Timothy J. McCausland, City Attorney

LESSEE:

Haus Management, LLC,
a Florida limited liability company


Print Name: Laura Helm
Title: Manager

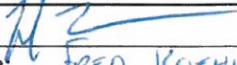
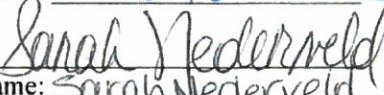
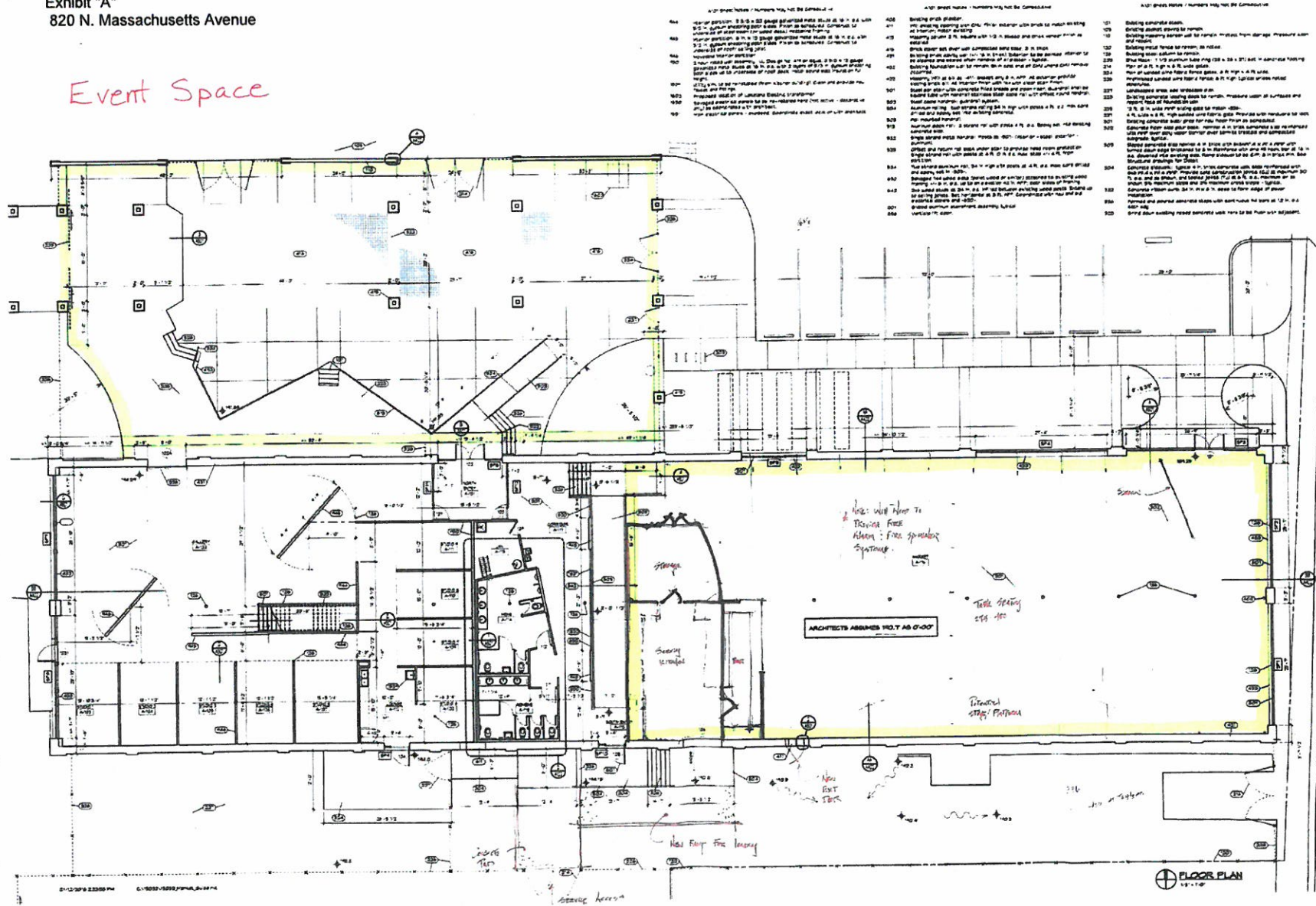
Witness #1 x <u></u>
Witness #1 Name: <u>FRED KOSHLER</u>
Witness #2 x <u></u>
Witness #2 Name: <u>Sarah Nederveld</u>

Exhibit "A"
820 N. Massachusetts Avenue

Event Space



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KCMH architects

KIRK CURTIS MUNDY HUNNICUTT ASSOCIATES ARCHITECTS INC.

1000 W. WASHINGTON STREET, SUITE 1000, TAMPA, FLORIDA 33601

PHONE: 813.281.1111 FAX: 813.281.1112

PROJECT: MASS MARKET BUILDINGS RENOVATION CITY OF LAKELAND MIDTOWN CRA 800 N. MASSACHUSETTS AVENUE LAKELAND, FLORIDA 33801

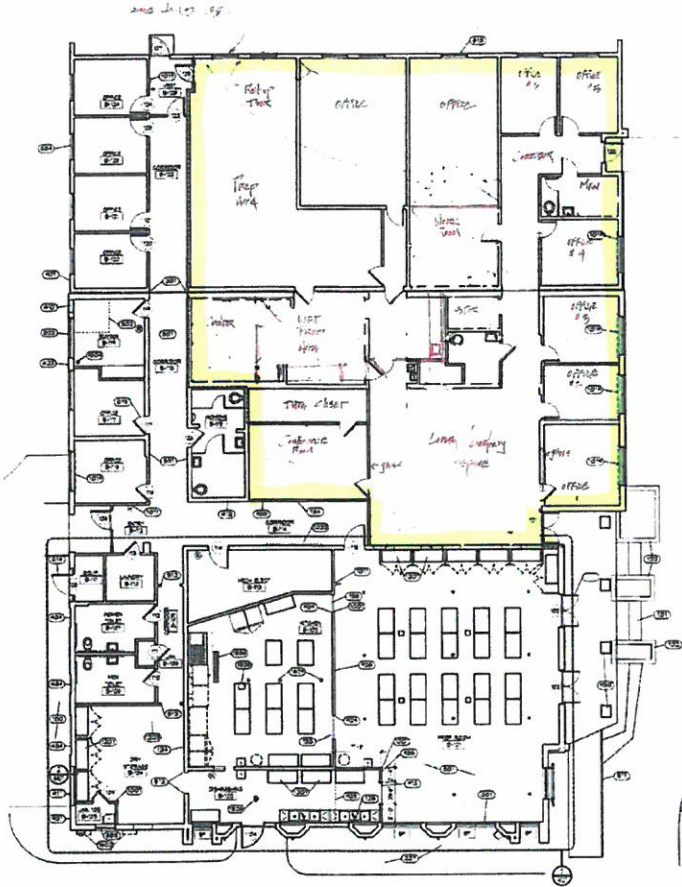
DATE: 11/13/10

SCALE: 1/8" = 1'-0"

A101

15092A

Exhibit "A"
830 N. Massachusetts Avenue



LEGEND HALL

- HIGHLIGHTS EXISTING HALL TO REMAIN
- HIGHLIGHTS EXISTING HALL TO BE REMOVED
- HIGHLIGHTS NEW HALL PARTITION OR PARTITION WALL

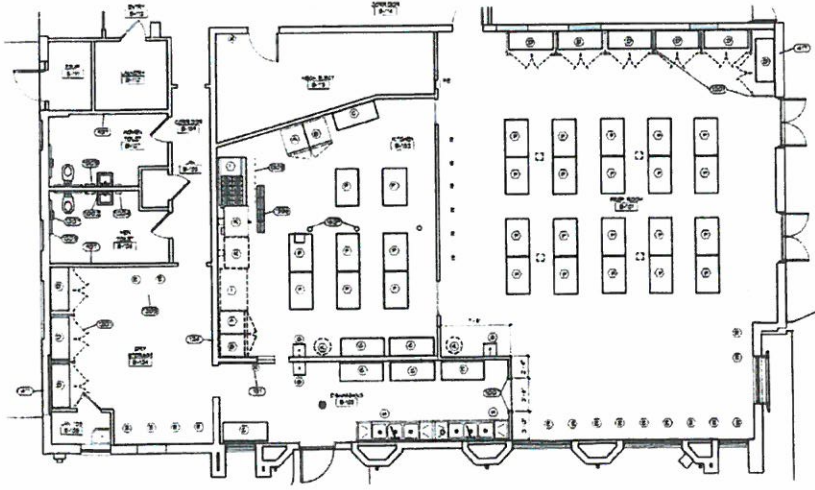
FIRST FLOOR PLAN
1/8" = 1'-0"

EQUIPMENT SCHEDULE

NOTE BY SYMBOL (A)

NO.	DESCRIPTION	QUANTITY	UNIT	REQ. VOLTAGE	REMARKS
1	REACH IN REFRIGERATOR	"REACH" REFRIGERATOR	"REACH" REFRIGERATOR	ELECTRIC	1
2	STOVE	"STOVE"	"STOVE"	ELECTRIC	1
3	STOVE RACK	"STOVE"	"STOVE"	NONE	1
4	DISPENSING UNIT	"DISPENSING"	"DISPENSING"	NONE	1
5	ELKAY SINK	"ELKAY"	"ELKAY"	ELECTRIC	1
6	ELKAY SINK	"ELKAY"	"ELKAY"	NONE	1
7	3 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
8	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
9	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
10	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
11	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
12	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
13	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
14	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
15	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
16	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
17	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
18	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
19	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.
20	1 - 120V/240V SINK	"SINK"	"SINK"	SEE PLUMBING SCHEDULE	120/240V - 1/2" DIA.

GENERAL NOTES:
1. CONTRACTOR TO COORDINATE WITH OWNER BEFORE ALL UTILITY READINGS AT OTHER PROVIDED EQUIPMENT TO VERIFY
2. VERIFY ALL EQUIPMENT WITH ALL THE REQUIRED ACCESSORIES



ENLARGED KITCHEN PLAN
1/8" = 1'-0"

- AD: Break Notes / Numbers May Not Be Corrected
- 100 Existing equipment schedule
 - 101 Existing equipment schedule
 - 102 Existing equipment schedule
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 - 104 Existing equipment schedule
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 - 200 Existing equipment schedule

KCMH
architects

KIRK CURTIS MUNDY HUNNICUTT
ASSOCIATES ARCHITECTS INC.

YOUR PRO KITCHEN - TENANT FIT UP
LAKELAND MIDTOWN CRA
830 MASSACHUSETTS AVENUE
LAKELAND, FLORIDA 33601

A101
15052B

**KIRK CURTIS MUNDY HUNNICUTT
ASSOCIATES ARCHITECTS INC.**
1036 South Florida Avenue
Lakeland, Florida 33803
(863) 688-8882 Fax (863) 688-8361
AA C000772 Internet: scmharch.com

JOB Tenant improvement - Budget
SHEET NO. _____ OF _____
CALCULATED BY _____ DATE _____
CHECKED BY _____ DATE 3.2.14
SCALE _____

Mass Market - 820 N. Mass
Proposed BAR/SERVING KITCHEN/STORAGE
(1/2 28 x 50) = 1400 SF

- NEW EXIT DOOR
- NEW CONCRETE WALK/RAMP
- FIRE SPRINKLER SYSTEM
- FIRE ALARM SYSTEM

100,000
6,100
8,000

50,000
20,000

REQ FOR
ASSEMBLY

\$ 144,000

Kitchen Building - 830 N. Mass
Proposed OFFICE/CONFERENCE ROOM/Flower STUDIO
1/2 4800 SF

\$ 200,000

WALK-IN COOLER

15,000

\$ 215,000

\$ 359,000 ESTIMATE

See also:

Scope of Work contained in Contract between Lakeland CRA and Strickland Construction, Inc. dated April 4, 2016.

Addendum to Lease Agreement

Executed May 16th, 2016

Between Lakeland Community Redevelopment Agency (Landlord)

And

Haus Management, LLC (Tenant)

This Addendum modifies and supplements the attached lease agreement that was executed on May 16, 2016. Specifically, this Addendum:

1. Updates Exhibits;
2. Clarifies Leased Space;
3. Clarifies the Initial Term Commencement Date;
4. Corrects the Income Source on which Rent is Based;
5. Modifies the Renewal Terms
6. Corrects Permitted Uses; and
7. Clarifies Maintenance Language and Tenant Responsibility;

The Parties to the Original Lease Agreement, as modified and supplemented by this Addendum, are: the Lakeland Community Redevelopment Agency ("LESSOR"), and Haus Management, LLC ("LESSEE"). The Parties to the Original Lease Agreement are also the sole Parties to this Addendum. This Addendum shall become effective as of the ____ day of ____, 2020.

The parties agree that wherever there is any conflict between this Addendum and the Original Lease, the provisions of this Addendum will control and the Original Lease will be construed accordingly.

Exhibit "A" to the Original Lease is hereby updated and replaced by the new Exhibit "A" attached hereto. All parking previously referenced on the original Exhibit "A" has been modified and is replaced and updated as depicted on the attached as Exhibits "B and C".

Paragraphs 1, 2, 3, 4, 6, and 7 of the Original Lease shall be modified in the following manner. Text underlined is language added to the provision while text containing a strikethrough shall be removed.

1. Leased Property. LESSOR agrees to exclusively lease to LESSEE and to no other party and LESSEE agrees to lease from LESSOR 7,200 square feet of interior event space and 6,690 square feet of exterior event spaces (the "Event Space") at 820 North Massachusetts Avenue, and 4,800 square feet of office space at 830 North Massachusetts Avenue, Lakeland, Florida, as more particularly depicted in Exhibit "A" (the "Property"). The Property shall also include shared restrooms between the two tenants of 820 North Massachusetts Avenue and exclusive and shared parking as depicted in Exhibits "A", "B and C" and more particularly described as:

Center Parking Area. All of the parking area lying between the Event Space and the Property, lying between Massachusetts and Kentucky Avenues, shall be shared by Haus 820, Art/iFact, Collective and the Bake House employees and guests.

Common Area: Common Areas Defined. The term “Common Areas” is defined as all areas and facilities outside of the Leased Property that are designated by LESSOR from time to time for the general non-exclusive use of LESSOR, LESSEE, and the other LESSEES of the Leased Property and their respective employees, suppliers, customers, contractors and invitees, including, but not limited to, common entrances, lobbies, corridors, stairwells, parking areas including the driveway, the yard, roadways and sidewalks. LESSOR and/or its designee may exercise control in whole or part and shall have the right to establish, modify, amend, and enforce reasonable rules and regulations with respect to Common Areas, provided that all such rules and regulations shall apply equally and without discrimination to all persons entitled to said Common Areas. LESSEE shall abide by such rules and regulations, shall cause its employees, agents, and contractors to so abide, and to use its commercially reasonable efforts to cause its customers, invitees and licensees to so abide. LESSOR shall have the right to reasonably increase or reduce the Common Areas, to reasonably rearrange the improvements in the Common Areas, and to make such reasonable changes therein and thereto from time to time which, in LESSOR’s opinion are deemed desirable and for the best interest of all parties using said Common Areas, provided that access to the Premises is not adversely affected.

Lot 1: As to Lot 1 on Exhibit A, exclusive use of six spaces adjacent to the Event Space. Those parking spaces shall also serve as a Loading Zone as indicated in more detail on Exhibit C. LESSOR shall provide signage indicating the same.

Lot 2: As to Lot 2 on Exhibit B, exclusive use of +/-sixty-four (64) spaces. Talbot House will have exclusive use of the remaining twenty (20) spaces, except as may be agreed between Talbot House and LESSEE, from time to time. LESSOR will provide signage indicating the same.

Lot 3: As to Lot 3 on Exhibit C, shared use of all spaces in Lot 3 with Yard on Mass and Art/iFact on a first come, first come basis. Use of the spaces may be otherwise coordinated between LESSEE, Yard on Mass, and Art/iFact, from time to time on a case by case basis.

Valet Parking: Upon LESSEE’s request, LESSOR will provide valet services for all daytime events held on Monday through Friday with a guest count above 200 attendees. LESSEE will provide LESSOR with a copy of the executed rental contract for any event at which LESSEE requests valet services, including a guest count, seven (7) days prior to the event date. This provision will expire upon completion of the anticipated improvements to Lot 3.

2. Lease Term. The Lease Term is hereby updated to reflect an original rent commencement date of August 1, 2018, and the Initial Term is modified to run to July 31, 2023.

3. Rent. For the remainder of the Initial Term, rent shall be calculated as five percent (5.0%) of the gross monthly rental received by LESSEE for the Event Space, payable monthly within

fifteen (15) days of the beginning of each calendar month. No rent shall be due at all for the Office Space.

4. Renewal Terms.

a) First Renewal Term. Provided LESSEE is not in default of the terms of this Lease and LESSEE does not provide written notice of its intention not to renew this Lease at least one hundred twenty (120) days prior to the end of the Initial Term, this Lease shall automatically renew for an additional five (5) year term (the "Renewal Term"). The Rent for the Renewal Term will be seven and one-half percent (7.5%) of the gross monthly rental received by LESSEE for the Event Space, payable monthly within fifteen (15) days of the beginning of each calendar month. In the event this Lease is not renewed, LESSEE shall, prior to the expiration of the Initial Term and at its sole expense, remove its personal property from the Property, provide necessary notices to LESSEE's subtenants to vacate the Property at the end of the Initial Term, and return the Property to the condition which existed upon completion of the Lessee Improvements, reasonable wear and tear excepted. LESSEE shall not enter into subleases with any subtenants that extend beyond the Initial Term unless and until this Lease has been renewed for the Renewal Term as provided above.

b) Second Renewal Term. Provided LESSEE is not in default of the terms of this Lease and both parties provide written notice of its intention to renew this Lease at least twelve (12) months prior to the end of the First Renewal Term, this Lease shall automatically renew for an additional three (3) year term (the "Second Renewal Term"). Rent for the Second Renewal Term shall be determined on or before one hundred twenty (120) days prior to the expiration of the First Renewal Term. LESSOR and LESSEE will work together to arrive at a mutually agreeable lease rate. In the event that LESSOR and LESSEE are unable to come to an agreement, a State of Florida Licensed Real Estate Appraiser will be hired to determine the fair market rent for the Property for the Second Renewal Term. LESSOR and LESSEE will mutually agree on the appraiser and will share equally the cost of the appraisal. In the event this Lease is not renewed, LESSEE shall, prior to the expiration of the First Renewal Term and at its sole expense, remove its personal property from the Property, provide necessary notices to LESSEE's subtenants to vacate the Property at the end of the First Renewal Term, and return the Property to the condition which existed upon completion of the Lessee Improvements, reasonable wear and tear excepted. LESSEE shall not enter into subleases with any subtenants that extend beyond the First Renewal Term unless and until this Lease has been renewed for the Second Renewal Term as provided above.

6. Use of Property. Unless LESSOR agrees otherwise in writing, LESSEE shall use the Property solely for performance, event space and the leasing of office space and related uses thereto. LESSEE shall obtain the written consent of LESSOR prior to making any alterations to the Property. LESSEE shall obtain the written consent of LESSOR prior to using any common space appurtenant to the Property for purposes other than those purposes customarily incident to the lease of property, such as parking, ingress-egress or solid waste disposal. LESSEE shall not use the new dumpster installed as part of the improvements to Lot 1. LESSEE will continue to use the compactor it has used since beginning of the Lease.

7. Maintenance and Repair and Improvements. Maintenance and repairs of the major components of the Property are the responsibility of the LESSOR and will be performed by City of Lakeland Facilities Maintenance crews and/or the authorized designee from the City of Lakeland. Additionally, the CRA will be responsible for the mowing and maintenance of exterior spaces, including the parking lots and the swale adjacent to Massachusetts Avenue. “Any maintenance requested or required by the LESSEE outside of that schedule outlined in Exhibit D shall also be the responsibility of the LESSOR unless required due to the fault or negligence of LESSEE or related to the LESSEE ‘s obligation to maintain the Property in a clean and sanitary condition, in which case such maintenance shall be invoiced to LESSEE.”

In addition to ongoing maintenance and repairs, the Parties agree to the following:

- (a) Leasehold Improvements. LESSOR will contribute to leasehold improvements for the Event Space not to exceed \$100,000.00 (i.e. lighting and audiovisual equipment) Improvements to will be made as may be mutually agreeable to the Parties.

All other terms and conditions of the Lease remain in full force and effect.

Effective Date:

LESSOR:

**LAKELAND COMMUNITY
REDEVELOPMENT AGENCY**

Witness:

Print Name: _____

Print Name: _____

By: _____

Name: Alis Drumgo

Title: CRA Manager

Date: [date]

LESSEE:

HAUS MANAGEMENT, LLC

Witness:

Print Name: _____

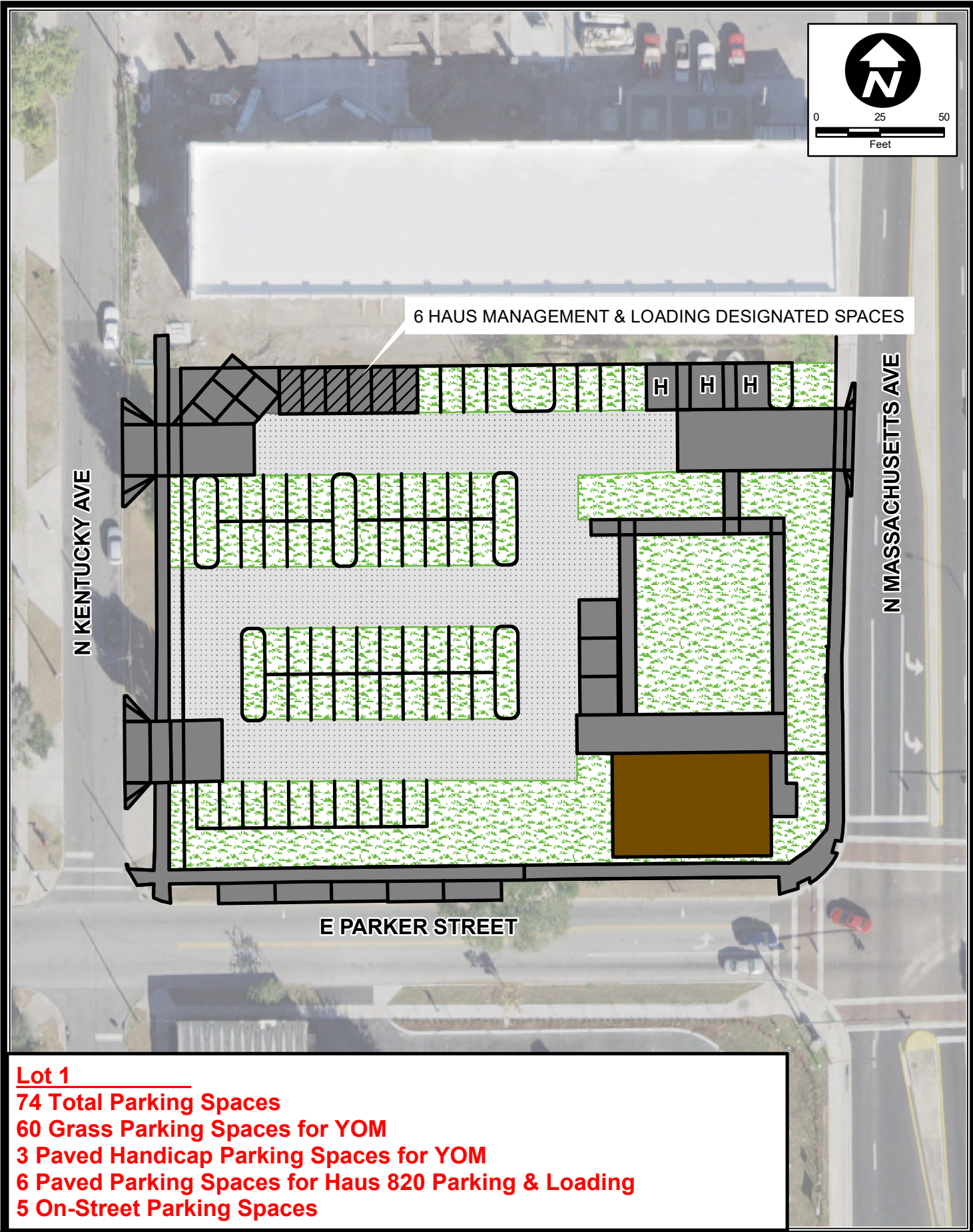
Print Name: _____

By: _____

Name: Laura Shannon

Title: Manager

Date: [date]



Lot 1

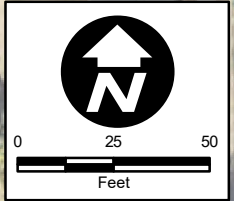
74 Total Parking Spaces

60 Grass Parking Spaces for YOM

3 Paved Handicap Parking Spaces for YOM

6 Paved Parking Spaces for Haus 820 Parking & Loading

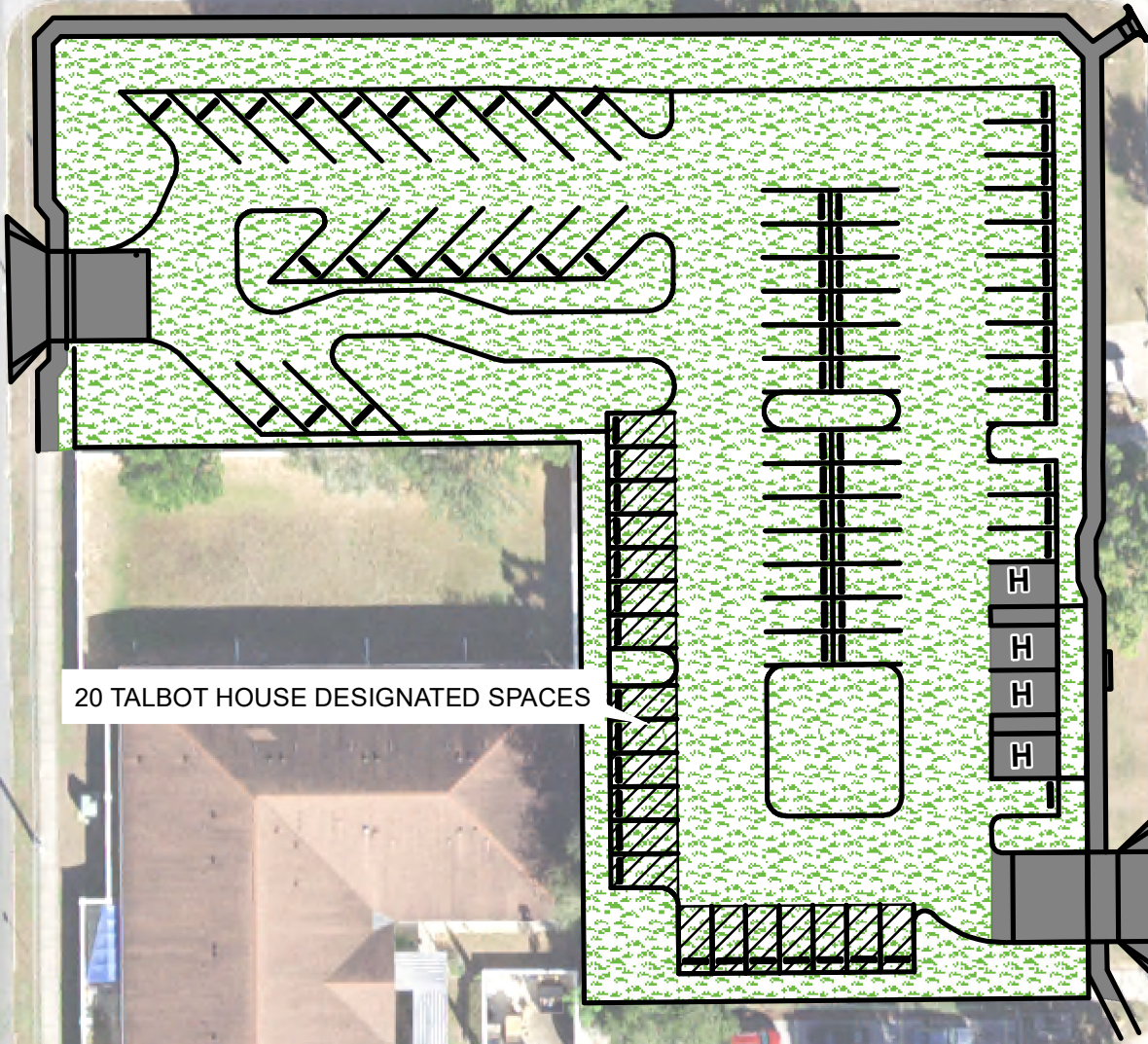
5 On-Street Parking Spaces



N TENNESSEE AVE

PLUM STREET

N KENTUCKY AVE



20 TALBOT HOUSE DESIGNATED SPACES

Lot 2

84 Total Parking Spaces

60 Grass Parking Spaces for Haus 820

4 Paved Handicap Parking Spaces for Haus 820

20 Grass Parking Spaces for Talbot House

L-SHAPED LOT - PARKING EXHIBIT

LAKELAND COMMUNITY REDEVELOPMENT AGENCY

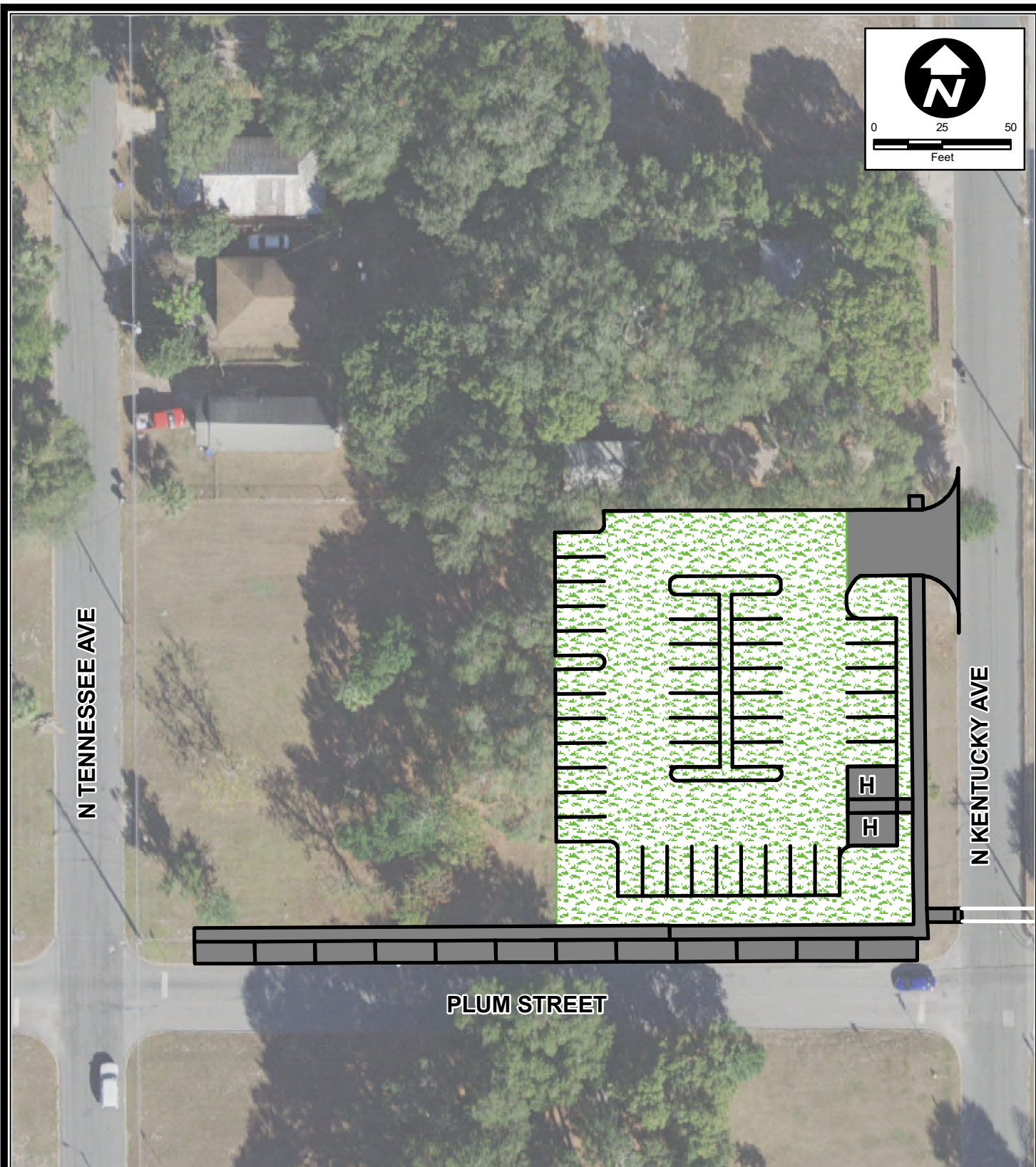
APRIL 2020

KHA Job No.: 046194026

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116 South Kentucky Avenue, Lakeland, FL 33801
Phone: 863 701 8702
www.kimley-horn.com CA 00000696

Kimley»Horn

EX-2



Proposed Lot 3

55 Total Spaces

41 Grass Parking Spaces Shared by All Mass Market Tenants

2 Paved Handicap Parking Spaces Shared by All Mass Market Tenants

12 On-Street Parking Spaces

Haus 820/Artifacts
820 N Massachusetts Ave

Task	Frequency	Performed by	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Inspections														
Check Irrigation System/Batteries	Monthly													
Smoke & Carbon Monoxide Detectors	Monthly													
Check for water leaks/damages	Quarterly													
Water Heaters	Semi-Annually													
Fire Sprinkler System	Annually													
Fire Extinguishers	Annually													
Main Electrical Distribution Panel	Annually													
Building Equipment/Systems														
Check A/C	Semi-Annually													
Ice Machine	Semi-Annually													
Building Exterior														
Replace light bulbs	Monthly													
Trash Compactor Grease Valves	Every other Month													
Clean gutters	Quarterly													
Roof & roof drain check	Quarterly													
Building pressure wash	Semi-Annually													
Grounds pressure wash	Semi-Annually													
Building Interior														
Replace light bulbs	Monthly													
Examine caulking/grout	Quarterly													
Change filters	Quarterly													
Clean/Wax floors	Semi-Annually													
Additional Services														
Extermination	Monthly													
Chair Lift	Quarterly													

The Bakehouse/The Collective
 830 N Massachusetts Ave

Task	Frequency	Performed by	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Inspections														
Check Irrigation System/Batteries	Monthly													
Smoke & Carbon Monoxide Detectors	Monthly													
Check for water leaks/damages	Quarterly													
Water Heaters	Semi-Annually													
Fire Sprinkler System	Annually													
Fire Extinguishers	Annually													
Main Electrical Distribution Panel	Annually													
Building Equipment/Systems														
Check A/C	Semi-Annually													
Walk-In Cooler	Semi-Annually													
Building Exterior														
Replace light bulbs	Monthly													
Clean gutters	Quarterly													
Roof & roof drain check	Quarterly													
Building pressure wash	Semi-Annually													
Grounds pressure wash	Semi-Annually													
Building Interior														
Replace light bulbs	Monthly													
Examine caulking/grout	Quarterly													
Change filters	Quarterly													
Clean/Wax floors	Semi-Annually													
Additional Services														
Extermination	Monthly													
Grease Trap Grease Valves	Semi-Annually													