

Community Redevelopment Area Advisory Board

Meeting Minutes

Thursday, September 12th, 2019

3:00 – 5:00 PM

City Commission Conference Room, City Hall

Attendance

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

Absent: Dean Boring

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

Guests: Danielle Barnette, Justin Barnette, Sallie Brisbane, William Boss, Janine Callahan, Reginal Cannon, Barbara Chronis, Greg Chronis, Renee Devin, Timothy Devin, Christel Graham, Ileah Green, Dory Joseph, Sarah Keener, Jeffrey King, La’Tisha Man, Jeanette McDougal, Leon McDougal, Larry Mitchell, Tim Mitchell, Larry Muhommail, Carole Philipson, Annie Phyle, Joshua R., James Randolph, Commissioner Bill Read, Brian Rewis (Community and Economic Development Assistant Director), Harrison Ross, Chequita Salter, Sam Simmons, Mario Stone, , Officer Rick Taylor (LPD), Keith Ward, Matt Wilbur and Sonji Coney Williams

Packets

- Meeting Minutes dated July 11th, 2019
- Financial Update
- Project Progression Report
- Memo- 114 E. Parker St. Project
- Memo- 703 W. 5th St.
- Memo- 111 E. Parker \$ 717 Florida Demolition
- Memo- Coney Funeral Home Grant Request
- Memo- Lakeshore Aquatic Management Project
- Memo- Parker Street Ministries
- Memo- The Vanguard Room Grant Request

Housekeeping

Alis Drumgo briefly introduced new CRA staff members Iyanna Jones and Damaris Stull.

Action Items – Old Business

Meeting Minutes dated July 11, 2019

Cory Petcoff moved approval of the minutes. Frank Lansford seconded the motion which passed unanimously.

Financial Update

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


114 E. Parker Update

In February 2018, the CRA Advisory Board reviewed renovation proposals for 114 E. Parker St as a response to a preliminary tenant inquiry for the building. The tenant was proposing a master lease for a multimedia company, Well-Done Events!, with the ability to sublet to other tenants that would blend with an artistic studio, multipurpose space and restaurant.

In June 2018, Well-Done Events!, owned by Dr. Sallie Brisbane, submitted a formal letter of intent to the CRA Advisory Board and revised proposal to be a master tenant at 114 E. Parker Street. The vision for the space was to be a collaborative workspace and multipurpose event room for culturally relevant performing arts and educationally focused resources for small business. Partnerships with LkldLive and Fifth-Third Bank did not come to fruition, and Dr. Brisbane did not secure the restaurant partner and has since revised her associated business plan. The Board approval allowed for the “vanilla-box” improvements, and included proceeding with Well-Done Events! negotiations and renovation budget not to exceed \$350,000.

Since the Board’s last approval, Dr. Brisbane has worked to understand the needs of the target market and garner support for its proposal. Catapult has also offered to deliver the Co.Starter program, a 9-week program that equips aspiring entrepreneurs with the insights, relationships and tools needed to turn their business ideas into action, to small businesses operating within the space.

The CRA worked with Furr & Wegman Architects to prepare construction documents for issuance of the 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 for building renovation only, work that is required to be performed by a general contractor and subtrades, and did not include required sitework and parking lot improvements which are discussed below.

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:	9172A								
Title:	114 E Parker Street - Renovation for the Midtown CRA								
Date:	6/21/2019	127419							
	Bidder:	Rodman	Strickland	Waller	SEMCO				
		Development Inc	Construction Inc	Construction Inc	Construction Inc				
Total Firm Price for Renovation Work		\$ 399,890.00	\$ 472,877.00	\$ 473,810.00	\$ 632,784.00				
Additive No. 1 for Catering 112		\$ 41,500.00	\$ 31,399.00	\$ 32,860.00	\$ 19,516.00				
Additive No. 2 for Ext. Patio 104		\$ 5,600.00	\$ 8,105.00	\$ 19,073.00	\$ 15,568.00				
Total Bid with Additives		\$ 446,990.00	\$ 512,381.00	\$ 525,743.00	\$ 667,868.00				

Site improvements are required in addition to the building renovation. Those improvements include removing and replacing the sidewalk and driveway access to the space, resurfacing the parking area, addressing street drainage, landscaping, and grass parking improvements across the street for overflow use. All improvements must meet the City’s Land Development Code, in combination with the building renovation to provide a finished building, certified complete and ready for occupancy. The estimates below are based on recent improvements to CRA-owned property in the vicinity of the project. The total project estimates are inclusive of the required site work, landscaping, fencing and lighting as well as the bidders’ firm price for renovation work listed in the table previously.

Remaining Project Related Expenses				
Design/Permitting/Fees	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00
Additional Site Work	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00
Landscape/Fencing/Lighting	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00
Total Project Estimate	\$ 656,990.00	\$ 777,381.00	\$ 790,743.00	\$ 932,868.00
Less Original Project Allocation June 2018	\$ (350,000.00)	\$ (350,000.00)	\$ (350,000.00)	\$ (350,000.00)
Funding Gap	\$ 306,990.00	\$ 427,381.00	\$ 440,743.00	\$ 582,868.00

To date, the CRA has spent \$45,266 on design and construction document preparation in order to evaluate the viability of the project. Furthermore, a recent walkthrough of the building, with the tenant, revealed leaks to the roof which was repaired in 2017. Bids on the renovation are non-inclusive of roof work which would require revision and reissuance of the RFP to obtain accurate pricing or a change order once the contractor is engaged and work has commenced. In subsequent meetings with the potential tenant, it was agreed to be in the best interest of both the CRA and the business to demolish the structure. However, Dr. Brisbane is committed to partnering with the CRA on her business concept in the Parker Street neighborhood.

Staff proposed the integration of 8-10,000 square feet of commercial space into a large-scale area redevelopment project pending the Boards support. The CRA would then issue request for proposals and incentivize a developer to build the space, at a price lower than required for renovation, and set it aside at an affordable rate while ensuring overall compatibility within the area.

Staff recommended the Board consider demolition of 114 E. Parker St. and direct Staff to issue an RFP including integration of The Well into an area wide redevelopment effort in the Parker Street neighborhood.

Discussion ensued regarding timeline delays and how they might adversely affect Dr. Brisbane's business. The Board supported the CRA sponsor the Catapult co-working membership until the space was made available. Staff agreed to explore the option with the CRA Attorney.

Pastor Lake moved to approve Staff's recommendation. Harry Bryant seconded the motion which passed unanimously.

Various members of the audience spoke in support of Dr. Brisbane's business plan and urged Staff to move forward with the completion of the project.

Alis noted that the CRA has recently initiated two requests for proposals for sites in the area and received multiple responses. Staff believes with the inclusion of CRA incentives, there would be just as much interest from developers for the Parker Street area.

Dr. Brisbane agreed an inclusive co-working space would be instrumental in sustaining her business until the project is completed.

Alis Drumgo suggested Dr. Brisbane consider entering a co-working space like Catapult or the Women's Collective. He also encouraged Dr. Brisbane to explore alternative spaces on her own in the interim.

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

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

- The maximum line of credit available to builders \$150,000.
- The LCRA will only offer the line of credit if the builder has a prequalified buyer under contract to purchase the finished home.
- The credit would be paid out based on a preapproved draw schedule with the final draw coming at the time of the final certificate of occupancy
- The line of credit will be due back to the CRA upon closing of the home to the buyer.
- At the closing the buyer will receive the down payment assistance grant, and the builder will receive the 5% infill construction grant.

Since the Board’s program approval, there has been one grant awarded to Sarah Keener, Keener Builders LLC (The Builder). The builder entered into an agreement with Danielle & Justin Barnett (The Buyers) for the construction of a 3,178SF home at 703 W. 5th St. In August 2018, the buyers entered into a contract with the builder for \$160,000 for the construction of the home with a construction timeline spanning from Jan to June 2019.

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

A month passed, and Staff met again with the buyer and builder for a project update. It was during this meeting the builder expressed concerns about being able to complete the home at the purchase price and within the budget allocated. Staff reviewed project invoices and expenditures presented as follows:

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

The project is approximately 50% complete with \$41,500 remaining in the project budget.

The builder presented a modified timeline and cost for the completion of the project. The builder was also tasked with securing a qualified sub-contractor to work in tandem to certify work quality and expedite the completion. To finish the home by December 2019, the project will require \$110,420 over three final draws. In order to reach a satisfactory outcome for all parties, Staff presented the following structure to finance the budget gap:

- CRA will provide funding for the remainder of the project.
- The owners agree to pay \$185,000 purchase price on the home at closing.

- The builder agrees to forfeit \$7,500 grant award at the end of the project.
- The builder agrees to forfeit the \$35,000 profit associated with the price increase.
- The \$41,500 remaining in the project budget will be applied.

Overall, this results in a net loss of \$26,420. However, approximately \$26,145 of these funds have been recouped by the City/CRA in the form of land acquisition, permits and impact fees. This resolution allows the homeowner to have the home completed, concludes all business with the contractor, and the Board has already agreed to sunset the program as the intent is to bundle vacant lots for bulk construction opportunities.

Staff recommended the approval of an additional \$26,420 for allocation towards the grant associated with the completion of the infill project at 703 W. 5th St.

Discussion ensued regarding the appropriation of funds by the original builder, the liability of the CRA and the option of repayment for the additional funding.

Cory Petcoff motioned to approve Staff's recommendation with a repayment plan not to exceed 60-months subsequent to the completion of the project at 0% interest. Payments will commence no later than six months subsequent to the completion of the project. Brandon Eady seconded the motion which passed unanimously.

Proposed Demolition of 111 E. Parker St. and 717 N. Florida Ave.

In December of 2017, Staff requested approval to negotiate the purchase of 111 East Parker Street and 717 North Florida Avenue after being instructed to find a suitable property within the East Main District or the area surrounding Mass Market for a community marketplace proposed by a pair of entrepreneurs. During the February 2018 meeting, the Board approved the purchase of 111 East Parker Street for \$513,800 and 717 North Florida Avenue for \$305,000. At the time, the renovations were estimated to cost approximately \$80 to \$100 per square foot. Following a field trip to Armature Works in Tampa, Florida, and obtaining updated renovation costs, the Board and Staff both agreed that it would not be financially feasible to undertake the project. The pair ultimately moved on to create a smaller scale version of their concept in a more appropriate space.

During the March 2018 meeting, the tenant of 111 East Parker Street, Lighthouse Ministries, requested the Board continue their lease agreement and desired to partner with the CRA in our efforts to bring about façade and aesthetic improvements in the area. The Board agreed to assume the lease upon closing at \$4,300 per month with a 6-month notice of termination. After evaluating renovation costs to bring both structures up to code and conducting a site visit with the City's Deputy Building Official, in May of this year, it was determined that the inherited challenges posed a significant amount of risk to formalizing a long-term lease agreement with Lighthouse Ministries. With that, Staff terminated the tenancy due to structural issues effective June 12, 2019. Upon vacation, Staff's intent was to demolish 111 East Parker Street and pursue redevelopment of 717 North Florida Avenue as there has been interest in the property. However, overall feedback from the Deputy Building Official, relative to the necessary improvements to bring the building up to code, forced Staff to consider the expenses associated with retaining the structure.

Staff sought estimates to preserve 717 N. Florida, and obtained quotes ranging from \$45,400 to \$781,225. Staff also obtained estimates to demolish both structures, and there were inconsistencies in pricing and potential costs of preservation of 717 N. Florida due to the proximity of the structures being.

With that, Staff recommended the demolition of both structures at 111 East Parker Street and 717 North Florida Avenue and inclusion of the properties into a large-scale redevelopment effort to be issued in an RFP/RFQ at a later date.

Discussion ensued.

Cory Petcoff moved to approve Staff's recommendation verifying the qualifications of the bidders. Harry Bryant seconded the motion which passed unanimously.

Action Items – New Business

Coney Funeral Home Grant Request

Coney Funeral Home has operated in Lakeland since 1987. The principle business owners, Sonji and Andrew Williams (Applicants), currently operate in Midtown in 3,200SF of space located on Martin Luther King Jr. Ave. The applicants are interested in expanding to a second location at 647 West Memorial Blvd which is located on along a CRA commercial corridor targeted for reinvestment.

The applicants originally submitted for design assistance, façade & site improvement, and infill adaptive reuse grants. Because the applicants intended to implement a design generated via the design assistance grant, façade improvements were eligible for 60% reimbursement, and the infill grant was eligible at 50%. In combination, the project was eligible for up to \$165,000 in CRA funding.

Incentive	Initial Grant Eligibility	Revised Grant Eligibility
Façade & Site (exterior improvements)	\$90,000	\$0
Infill (system upgrades, including HVAC, plumbing, and ADA-accessibility)	\$75,000	\$75,000
Total	\$165,000	\$75,000

The applicants invested time with KCMH Architects and Mijan Construction to obtain preliminary designs for renovation of the 5,200SF building. The applicants then held meetings with City Staff and received feedback that significantly limits the ability to renovate the 1940s building within the existing footprint. Of the plethora of challenges, Staff highlighted:

- Land Development Code compliance issues relative to setbacks from Memorial Blvd and Ohio Ave. as the building sits on the property line on both frontages.
- The design would require variance approval from the Zoning Board of Adjustments and Appeals.
- The applicants will have to relocate utilities at an increased cost and eliminate a vehicular access point.

After conferring with representatives from Community & Economic Development's Planning and Transportation Divisions, it was agreed amongst all parties that demolition and relocation of the building would be the more suitable option for a long-term viable project. However, the new construction project would not be eligible for the façade & site improvement grant significantly hampering the ability to accomplish the project.

The applicants are seeking a total grant award up to \$165,000 as originally projected. The CRA's contribution would be contingent upon the overall project budget and expenditures. The improvements are consistent with the Midtown Redevelopment Plan, and will contribute to the physical improvement and economic viability of the area.

Staff recommended the Board consider a modified funding allocation for the proposed project up to \$165,000 to be reimbursed according to the CRA's grant guidelines.

Ben Mundy recused himself as the architect on the project.

Cory Petcoff moved approval of Staff's recommendation. Brandon Eady seconded the motion which passed unanimously.

Lakeshore Aquatic Management Project

In 2015, City of Lakeland Public Works (PW) & Lakeland Community Redevelopment Agency (CRA) collaborated on an analysis report evaluating potential enhancements of the Lakeshore/Lake Parker area as a component of the City's Lake-to-Lake and Greenway Pedestrian Connector.

The section of roadway evaluated in the analysis extended from Memorial Blvd to Bella Vista Street. In a public feedback session held June 2015, the residents selected alternative #4 which provided for an off-road shared-use path. The residents also provided input regarding the need for lighting improvements, benches along the lakefront, management of water quality and additional midblock crossings from the west side to the east side of West Lake Parker.

Implementation of the shared-use path required right of way acquisition, and in order to do so without incurring additional costs, Staff had to obtain necessary easements from lake front property owners. At Lakeshore Neighborhood Association (LNA) meetings held in 2017 and 2018, residents asked that Staff concurrently collaborate with residents to improve overall conditions while also obtaining the easements and designing the shared-use path.

CRA Staff addressed community concerns by spending \$93,000 to improve lighting in the study area in 2017. Staff also placed several new benches along the lake front at the request of the residents. Concurrently, CRA Staff, in partnership with some committed residents, collected an adequate number of easements to support PW design of the shared-use path. Staff also established a relationship with the Polk County School Board (PCSB) for the production and integration of public artwork along the path, and the project's construction is currently out to bid.

Of the matters brought forth by the residents, aquatic vegetation management remained an outstanding issue. The barrier is that the City's Lakes & Stormwater Division does not maintain the lakeside vegetation as the lake front and adjacent water body are considered private property. The community looked to the CRA for solutions.

Provided the shared-use path project implementation would occur to improve Lake Parker as a public amenity, aquatic vegetation management would reduce blighted conditions, and the majority of the lakefront is open for public recreational use, Staff offered to support the Lakeshore Neighborhood's pursuit provided:

- The residents form a group that would be responsible for the administration of any contracts associated with aquatic vegetation management.
- The group seek matching funding for a five-year period, allowing for a sustainable solution.
- The group obtain permits for mitigation as required by the Florida Fish & Wildlife Commission.

Led by former LNA President Janine Callahan, key property owners within the Lakeshore Neighborhood formed the Lakeshore Property Owner's Organization (LPOO). Over the course of a year, LPOO garnered project support from the majority of lake front property owners and obtained funding support via Community & Economic Development's Neighborhood Partnership Grant Program. The grant program would commit to funding the aquatic management at 50% should the organization attain reasonable quotes from a qualified vendor and additional support from the CRA Board. LPOO solicited request for proposals to treat twelve species of aquatic plants on an as needed basis in a selective control area within 100ft of the shoreline.

The responses were reviewed with the Applied Aquatic Management (AAM) being deemed the most responsive. The firm provided for three years of services with the first year being the most intensive and inclusive of startup costs.

Timeframe	Cost	CRA Contribution
Year 1	\$11,000	\$5,500

Year 2	\$8,400	\$4,200
Year 3	\$8,400	\$4,200
Year 4 (Proposed)	\$8,400	\$4,200
Year 5 (Proposed)	\$8,400	\$4,200
Total	\$44,600	\$22,300

The annual maintenance is projected at \$8,400 in subsequent years, and LPOO understands the organization will need to engage in a fundraising campaign to ensure long-term success after initial treatments. With the shared-use path ready to proceed and 50% of the funding in place via grant. Staff recommends the Board support the aquatic management project for five years at the aforementioned contribution. This will provide time for LPOO to begin a fundraising campaign, improve the aesthetics of the impending project, increase recreational opportunities for neighborhood residents and visitors and enhance wildlife habitats in the project area.

Staff recommended the Board approve funding the aquatic management project at 50% for a 3-5 year period.

Discussion ensued.

Brandon Eady moved to approve Staff's recommendation. Pastor Eddie Lake seconded the motion which passed.

Parker Street Ministries

In August of 2004, the Midtown CRA Board approved Staff to begin implementation of a portion of the Small Area Study. The assembly and control of the intersection of Massachusetts and the In-Town Bypass was deemed ideal for a yet-to-be-determined future redevelopment site. Based on the results of the adopted Small Area Study and the subsequent site analysis, it was determined important to control this corner in order to stabilize the edge of the Parker Street Neighborhood and prevent detrimental neighborhood uses. In November of 2004, Staff purchased 405 East Myrtle Street, 409 East Myrtle Street, 615 North Massachusetts Avenue and 619 North Massachusetts Avenue for a total of \$137,000.

The control and hold strategy allowed for the interim use in conjunction with a neighborhood park that was used by the large number of families that reside in the Parker Street neighborhood. Since 2014, Parker Street Ministries (PSM) has leased and maintained the properties for \$99 annually. Parker Street Ministries currently uses this property for off-street parking and green space for programs associated with their main campus.

Parker Street Ministries CEO Tim Mitchell approached the CRA with interest in acquiring the properties to further goals of PSM and facilitate the creation of an area master plan. Mr. Mitchell acknowledged PSM's recent acquisition of 614 & 618 N. Iowa as components of the organization's plan. In the immediate future, PSM plans to invest in lighting, landscaping and a perimeter fence to incorporate the acquired properties into its existing campus.

In accordance with Florida Statute 163, Notice of Disposition was published on July 22, 2019 soliciting proposals. One proposal was received on August 13th from Parker Street Ministries offering a purchase price of \$71,158 which is 120% of the assessed value as determined by the Polk County Property Appraiser.

Staff recommended the Board approve the sale of 405 East Myrtle Street, 409 East Myrtle Street, 615 North Massachusetts Avenue and 619 North Massachusetts Avenue to Parker Street Ministries at the proposed purchase price of \$71,158.

Pastor Eddie Lake moved to approve Staff's recommendation. Commissioner Stephanie Madden seconded the motion which passed unanimously.

The Vanguard Room Grant Request

The Vanguard Room is a recording studio with Lakeland roots since 1999. With Matt Wilbur and Aaron Marsh as the ownership team, the business, located at 1037 S. Florida Ave, planted roots in Dixieland in 2010, and has

operated in 1,800SF of space. The applicant is interested in expanding to occupy another 2,000SF that would add two new recording studios, a podcast room, and flexibility to host listening parties and small-intimate performances.

In addition, the Vanguard Room will house a retail shop to be operated in partnership with Lakeland's own Bump Galleta who has experienced success selling custom made products via national retailers. The store front would serve as a hub to rotate inventory for other local artists, vendors, and makers, giving many Lakeland's creatives a storefront on Florida Avenue.

The applicant provided a preliminary scope of work that includes complete electrical rewiring, new HVAC ductwork, brand-new ADA compliant restrooms and façade improvements to the South Florida frontage. The shell improvements are projected to cost \$150k, and the business owner expects to spend another \$75,000 in soundproofing and fitting out the space.

The applicant would like to commence construction in October with a completion date in January of 2020. The project qualifies for the following incentives within the Dixieland CRA, and the applicant is requesting additional funding per category:

Incentive	Administrative Limit	Applicant Request
Façade & Site (exterior improvements)	\$15,000	\$15,000
Infill (system upgrades, including HVAC, plumbing, and ADA-accessibility)	\$15,000	\$75,000
Total	\$30,000	\$90,000

The applicant is seeking a total grant award of up to \$90,000. The improvements are consistent with the Dixieland Redevelopment Plan, and will contribute to the physical improvement and economic viability of the area.

Staff recommended the Board approve additional funding for the proposed project.

Discussion ensued.

Cory Petcoff recused himself as the building owner.

Commissioner Stephanie Madden moved to approve Staff's recommendation. Brian Goding seconded the motion which passed unanimously.

Discussion Items

James Randolph commented on the 114 E. Parker St. decision. In response Alis Drumgo suggested Mr. Randolph connect with property owners in the CRA districts and explore redevelopment of those spaces.

The CRA is moving forward with the original decision to grant property to the Dream Center in the vicinity of their business.

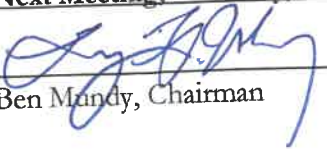
The Downtown development agreements with Catalyst Group and FURC1 LLC. are nearing completion. Staff will review the final drafts with the City's Attorney.

The Mirrorton groundbreaking is tentatively set for the second week in November.

Staff will review the current grant allocations for each district and discuss potential changes at the September Board Retreat.

Adjourned at 4:31 PM

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


Ben Mundy, Chairman

11/7/19
Date