

**Community Redevelopment Agency (CRA)**  
**Meeting Minutes February 13, 2024**  
**(DRAFT)**

2/13/2024 - Minutes

1. CALL TO ORDER & ROLL CALL

**Members Present:** Chair Robin Gibson, Mayor Jack Hilligoss, Keith Thompson, Danny Krueger, Daniel Williams, Keith Thompson

**Staff Members Present:** James Slaton, Executive Director; Jennifer Nanek, City Clerk; Albert C Galloway, Jr., City Attorney

Chair Robin Gibson called the meeting to order at approximately 2:00 p.m.

2. Presentation - BizLINC Business Incubator

Derrick Blue, Florida Development Corporation, gave an update on the Bizlinc project. They have entrepreneurs who have started companies and hired employees. They are focusing on creating a local economic engine. They wanted to enlist those that had been in business for a year and achieved different milestones. They decided to accept anyone with a good idea that showed promise. They are putting these businesses in the pipeline to get their business licenses. They have touched 29 companies creating 50 jobs. One construction company has employed 7 people. They are trying to encourage more women entrepreneurs. They are providing 1000 hours of technical assistance and working to legitimize their businesses. He introduced some representatives of the businesses that they work with. He thanked the board members for their visits and support.

3. Staff Update - Lake Alta Project

Autumn Cochella, Growth Management Director, gave a review of the Lake Alta Project. She showed where the project would be located. She gave a history of the lots. Back in 1921 there were 6 lots along 3rd Street and 2 lots along Lake Shore Blvd which is now Lake Alta Street. Also platted was Lake Alta which was probably a lake back then. The lots along 3rd street were combined into one at some point and was owned by the City of Lake Wales. In 2015 the lots were transferred to the CRA then sold as surplus property to HAB Holdings LLC. The property had an existing public land use designation. The owner requested to amend the land use and zoning maps to support residential development. They were assigned R-1C residential and LDR low density residential.

In April 2022 the owner asked to resub divide the parcel into 6 lots. The City explained that before the resub-division process can occur necessary infrastructure improvements are required because they lack water and sewer connections. In October 2022 City Staff noted that the Property Appraisers website reflected 6 individual lots without the improvements made. HAB Holdings had not applied to the City to resub divide the lots. The Polk County Appraisers Office allowed the split with legal descriptions and created 6 parcel ID numbers. The owner was informed that these lots were still not considered buildable by the City.

In December 2022 a new owner of the lots, J Walter Homes, inquired about building permits for single family residential homes. The new owner was informed that they lacked municipal services. The new owner applied for preliminary plat for 6 residential lots. This was approved by City Commission in July of 2023. The site development permit was approved in November of 2023 for the water and sewer extensions. These are being built at the developer's expense.

Ms. Cochella read the email from the developer about a concept for affordable homes. The developer conferred with staff to discuss the concept. A possible public/private partnership was discussed. Ms.

Cochella showed slides of proposed attainable workforce housing. These cottage style homes would be 2 and 3 bedrooms around 1200 sq. ft. and rear loaded. 14 homes would face 3rd street, and 14 homes would face Lake Alta. All driveways would extend to the rear, sharing an alleyway and the homes would have front porches. Lake Alta is an unimproved open space adjacent to these cottages. The area has not been maintained by the City and there are no proposed improvements. It is a dumping ground for trash and debris. Should the 3rd Street be approved the space would be transferred to the developer who would maintain it. It would be open for public use and undevelopable. Should the project not be approved the area would continue under the ownership of the CRA. The project went before the Planning and Zoning Board in January. The proposed improvements included cleaning up the Lake Alta area and turning the road into a pedestrian walkway along the park area. Sidewalks for the area are proposed.

At the Planning and Zoning meeting, residents expressed concerns about the project, notably increased traffic. They wanted to keep the road, Lake Alta Street open, and they are concerned about parking. The board decided to continue the item to next month so the developer could get input from residents. After meeting with residents, the engineer incorporated changes such as leaving the street open. The park will be open and natural. No changes will be made. The number of cottages will be reduced to 24.

Ms. Cochella explained that they are working with the police department to address traffic and the nearby school.

Ms. Cochella reviewed the benefits of higher density in the core of the City to be near amenities. If this project is not approved the developer can build 6 single family homes on the lots which have an approved preliminary plat once utility improvements are completed. CRA will retain ownership of Lake Alta. If additional utility improvements have been made these were done at the developer's own risk. This will go back before the Planning and Zoning and then the City Commission for approval.

Chair Gibson asked for a review of the process. Ms. Cochella said this will go before the Planning and Zoning, then the City Commission. The CRA will transfer property to the developer. Chair Gibson said this is just for information. This board has no role. Ms. Cochella confirmed this.

Mayor Hilligoss asked if an apartment complex was planned. Ms. Cochella said no. Mayor Hilligoss asked if Lake Alta was planned to be a parking lot. Ms. Cochella said no. Mayor Hilligoss asked to confirm that the park would be open to the public but maintained by the HOA. Ms. Cochella confirmed this. Mayor Hilligoss said the work being done right now is required and at the developer's expense. Ms. Cochella confirmed this. Mayor Hilligoss confirmed that the Planning and Zoning board has tabled this for more input. Ms. Cochella confirmed this.

#### 4. COMMENTS AND PETITIONS

Patricia Lettieri, resident, shared concerns about the Lake Alta project. She asked that the park to stay in City ownership. She said more sidewalks are not needed. Six lots are preferred.

Susan Yolmeh, resident, wondered about closing the road for this project. Chair Gibson referred her to staff.

Catherine Price, resident, spoke on the need for more transparency on this project. There are 14 hookups installed on the property. She is concerned that this project will reduce property values in that area.

Charlene Bennett, resident, spoke on the Lake Alta project said that the developer must have had assurance that they were getting their way to put in the extra connections.

#### 5. Minutes - January 9, 2024

Commissioner Thompson made a motion to approve the minutes of January 9, 2024. Mayor Hilligoss seconded the motion.

by voice vote:

ALL: "YES"

motion approved 5-0.

6. CRA Budget Amendment

[Begin Agenda Memo]

**SYNOPSIS:** The purpose of this request is to consider an amendment to the CRA budget to provide additional assistance through the Legacy Housing Rehabilitation Program.

**RECOMMENDATION** It is recommended that the CRA Board approve a budget amendment for the transfer of funds from CRA-Capital Outlay to CRA-Grants & Aid's.

**BACKGROUND** On May 11, 2021, the CRA Board authorized the Executive Director of the CRA to enter into an agreement with Keystone Challenge Fund for the Legacy Housing Rehabilitation Program. The program provides much-needed repairs for senior citizens who cannot pay for work to be done to their home. To date, twenty-four (24) homes have been completed, two (2) are currently in progress, and fourteen (14) residents are on the waitlist. The transfer of \$190,000 from 'Capital Outlay' to 'Grants & Aids' will allow 5 additional homes to be rehabilitated.

From: **CRA-Capital Outlay** 105-559-200-661-150: Land –Affordable Housing Current Balance: \$200,000 - Amendment: -\$190,000 - Revised budget: \$10,000

To: **CRA-Grants & Aids** 105-559-300-883-143: Housing Rehabilitation Current Balance: \$ 57,004.71 - Amendment: \$190,000 - Revised Budget: \$247,004.71

**FISCAL IMPACT** None

**OTHER OPTIONS** Not accept CRA staff recommendation.

[End Agenda Memo]

James Slaton, Executive Director, reviewed this item.

Commissioner Thompson asked to confirm that this will allow us to work on the next 6 homes on the list. Mr. Slaton confirmed this.

Commissioner Thompson made a motion to approve the amendment. Commissioner Williams seconded the motion.

by voice vote:

ALL: "YES"

motion approved 5-0.

7. Sculpture Garden Concrete

[Begin Agenda Memo]

**SYNOPSIS:** The City Commission will consider authorizing the approval of the concrete pads installation in the Downtown Linear Park.

**RECOMMENDATION** It is recommended that the CRA Board take the following action(s):

1. Authorize staff to expend funds in the amount of \$46,200.00 for concrete pad installation in the Downtown Linear Park.

**BACKGROUND** The City has a desire for bringing art into the parks. Staff is recommending concrete pads be installed in the Downtown Linear Park to create a sculpture garden. Staff is working with the Lake Wales Arts Council to bring a sculpture program to the Downtown Linear Park.

The proposal submitted by SEMCO Construction, Inc. is \$46,200.00 and includes:

- Mobilization (Includes survey, bonds, insurance, etc.)
- Field staking sculpture pad & walkway (owner & LA review)
- Removal of existing sidewalk
- Excavation & finish grading (sculpture pad and walkway)
- Sidewalk formwork and concrete (4" fiber mesh reinforcement)
- Sculpture pad formwork and concrete (6" fiber mesh reinforcement)
- Bahia sod (minimum of 2' from pad & all disturbed areas)

The City of Lake Wales entered into agreements for General/Licensed Building Contractor Services with SEMCO Construction, Inc.

#### LAKE WALES CONNECTED PLAN ACTION STEPS

Action # Description

12 Invest in Public Art

**OTHER OPTIONS** Do not approve

**FISCAL IMPACT** The CRA Board approved \$75,000 in the FY 23/24 CRA Budget for Downtown Improvements. The cost for this project is \$46,200.00

[End Agenda Memo]

James Slaton, Executive Director, reviewed this item.

Chair Gibson asked what the linear park is. Mr. Slaton said it is the park across from the Library.

Commissioner Krueger made a motion to approve the expenditure. Commissioner Williams seconded the motion.

by voice vote:

ALL: "YES"

Motion approved 5-0.

8. Friedlander Parking Lot Purchase

[Begin Agenda Memo]

**SYNOPSIS:** Staff is requesting CRA Board approval to purchase the Friedlander parking lot at the corner of Park Avenue East and 1st street North.

**RECOMMENDATION** It is recommended that the CRA Board take the following actions:

- 1. Authorize Executive Director of CRA to purchase the parking lot on behalf of the CRA.

**BACKGROUND** At the January 9, 2024 CRA Board Meeting, the Board approved a Sale and Purchase Agreement for the parcel, contingent on the appraised value being no greater than \$200,000. Cliggitt Valuation, Inc. submitted a restricted appraisal report regarding the Friedlander Parking Lot at the corner of Park Avenue East and 1st Street North (Parcel ID: 27-30-01-883000-027110). Based on the analysis performed, the market value of the subject property is concluded as follows:

**MARKET VALUE CONCLUSION**

| Appraisal Premise | Interest Appraised | Effective Date   | Value Conclusion |
|-------------------|--------------------|------------------|------------------|
| As Is             | Fee Simple         | January 17, 2024 | \$175,000        |

**OTHER OPTIONS** Do not approve purchase of Friedlander Parking Lot.

**FISCAL IMPACT** The total fiscal impact for this project is \$200,000 for the purchase.

[End Agenda Memo]

Deena Drumgo, Assistant City Manager, reviewed this item.

Chair Gibson asked what the appraisal came in at? Ms. Drumgo said \$175,000.

Commissioner Thompson made a motion to approve the expenditure. Mayor Hilligoss seconded the motion.

by roll call vote:

Commissioner Thompson "YES"

Mayor Hilligoss "YES"

Commissioner Williams "YES"

Commissioner Krueger "YES"

Chair Robin Gibson "YES"

Motion approved 5-0.

9. Request For Proposals (RFP) For Redevelopment Of The Seminole Hotel

[Begin Agenda Memo]

**SYNOPSIS:** Staff is requesting CRA Board approve recommendation from the Selection Committee for the Seminole Hotel RFP

**RECOMMENDATION** It is recommended that the CRA Board take the following actions:

1. Approve the recommendation from the Selection Committee for the Seminole Hotel RFP.

**BACKGROUND** A Request for Proposals (RFP) was advertised in November of 2023 for the Redevelopment of Seminole Hotel. The Seminole Hotel is a building of historic significance in downtown Lake Wales. The structure is in a state of complete disrepair, not on the Historic Registry, but it is a public asset between Downtown and the Northwest Neighborhood.

The City's RFP was requesting a vendor to "design, plan, construct and manage the restoration and renovation of the Seminole Hotel building in keeping with the Lake Wales Connected plan". The Plan states that restoration of the Seminole Hotel could help rejuvenate the 1st Street corridor.

The Selection Committee for this RFP met on January 17, 2024 and recommended to reject the only bid received. The Committee did not think the bid responsibility addressed the RFP. They discussed addressing any environmental issues with the building and preparing the building for potential investors in the future.

**OTHER OPTIONS** Do not approve recommendation of the Selection Committee for the Seminole Hotel RFP.

**FISCAL IMPACT** None at this time.

[End Agenda Memo]

Deena Drumgo, Assistant City Manager, reviewed this item. James Slaton, Executive Director, reviewed this project.

Mr. Slaton said interest may increase in the hotel as some of the development in the area is completed. We might make some minor improvements to the building in the meantime to minimize the risk.

Scott Crews, architect and selection committee member, reviewed the Committee's discussions. The proposal was not what the City is looking for. They suggested waiting until some of the improvements in the area are completed. We can address some of the structural issues. The interior with the asbestos is an issue. We want more than one group to do this project.

Commissioner Thompson asked if the CRA can address some of the interior issues. Mr. Slaton said yes. We can address these later this year.

Chair Gibson said restoring buildings is not a way to make money. We need to help this be profitable. First Street has great potential for adaptive reuse. He agreed with waiting on this and exploring ways to make this more attractive. This was discussed.

Commissioner Thompson made a motion to approve the recommendation. Commissioner Williams seconded the motion.

by roll call vote:

Commissioner Thompson "YES"

Commissioner Williams "YES"

Mayor Hilligoss "YES"

Commissioner Krueger "YES"

Chair Robin Gibson "YES"

Motion approved 5-0.

10. Agreement - D. Starling Consulting (DSC) Services.

[Begin Agenda Memo]

**SYNOPSIS:** The purpose of this memorandum is to consider the funding request of \$100,000 for the services of D. Starling Consulting, LLC.

**RECOMMENDATION** It is recommended the CRA Board take the following action(s)

1. Approve the proposed amended agreement.
2. Authorize the Executive Director to sign the amended agreement

**BACKGROUND** D. Starling Consulting was established to strengthen historic neighborhoods by facilitating housing development, economic development, and community engagement. Through an initiative called 'ReConStruct NOW!', DSC works with neighborhood leaders, residents, developers, banks, City administrations, and business owners to decrease crime, beautify neighborhoods, increase property values, and strengthen relationships in communities. This amended agreement is for the second twelve-month period. This agreement can be renewed for another year.

**FISCAL IMPACT** The contract amount is \$100,000. This has been included in the FY 2023-24 budget.

**OTHER OPTIONS** The CRA Board may reject the proposal.

[End Agenda Memo]

James Slaton, Executive Director, reviewed this item. Darrell Starling, Consultant, reviewed the proposed changes. He said he is here to stay and is passionate about what he does.

Chair Gibson commended Mr. Starling for his efforts. He asked if there is a clawback where is that money? Mr. Starling said the money will go to his household. He said he doesn't believe there will be a need for this.

Commissioner Thompson asked how is it handled now. Mr. Slaton said it isn't clear in the contract this change clarifies what we intend to do. Commissioner Thompson commended Mr. Starling on what he does. He is in favor of the minute risk. Mr. Starling said they are working on a lot of things behind the scenes. The money helps him do what he needs to do in this neighborhood.

Mr. Slaton said that we have increased the tax increment revenue in the CRA 28% this past year and 40% the year prior.

Commissioner Williams said he and Mr. Starling had a great conversation and he trusts Mr. Starling.

Commissioner Krueger asked what the rationale was for getting the money up front. Mr. Starling said this gives him the flexibility to do things in the northwest area without going from paycheck to paycheck.

Commissioner Thompson made a motion to approve the amended contract. Commissioner Williams seconded the motion.

by roll call vote:

Commissioner Thompson "YES"

Commissioner Williams "YES"

Commissioner Krueger "YES"

Mayor Hilligoss "YES"

Chair Gibson "YES"

Motion passed 5-0.

11. Resolution 2024-03 Lake Wales Community Redevelopment Plan Update

[Begin Agenda Memo]

**SYNOPSIS:** The CRA will be presented with Resolution 2024-03 to consider implementing the update to the Lake Wales Community Redevelopment Plan, affirming the findings of the existence of blighted areas in the city and memorializing the expansion of the CRA boundaries.

**RECOMMENDATION:** Staff recommends that the CRA adopt Resolution 2024-03.

**BACKGROUND** The Finding of Necessity (FON) was adopted by the CRA January, 2023. The FON study was presented to the City Commission on January 17, 2023 with a resolution to adopt the FON study and authorize an amendment to the CRA Redevelopment Plan. A draft Lake Wales Community Redevelopment Plan Update was presented to the CRA and also the PZ commission in August, 2023.

City staff and consultants informally presented the Plan Amendment to the County Board of Commissioners at their board workshop on December 15, 2023. The County Commissioners then adopted a Resolution initiating the Conflict Resolution Procedure in accordance with Section 163.361(3)(b) indicating the county has competing policy goals and plans for public funds.

**FISCAL IMPACT** Not at this time.

[End Agenda Memo]

Jennifer Nanek, City Clerk, read **RESOLUTION 2024-03** by title only.

**CRA RESOLUTION 2024-03**

**A RESOLUTION OF THE CITY OF LAKE WALES, FLORIDA COMMUNITY REDEVELOPMENT AGENCY AMENDING THE LAKE WALES COMMUNITY REDEVELOPMENT PLAN; AFFIRMING THE FINDING OF THE EXISTENCE OF BLIGHTED AREAS IN THE CITY; MEMORIALIZING THE EXPANSION OF THE COMMUNITY REDEVELOPMENT AREA BOUNDARIES; PROVIDING FOR SEVERABILITY; PROVIDING FOR NOTIFICATION TO TAXING AUTHORITIES AND PROVIDING AN EFFECTIVE DATE.**

**James Slaton, Executive Director, reviewed this item.**

Albert Galloway, Jr., City Attorney, said there is a follow up meeting in March with staff then the actual bodies will have to get together. He does not think the County will accept this. Mr. Slaton said they presented this to the Board of County Commissioners back in December. No action was requested, it was information only. The resolution was passed by the County a week later.

Chair Robin Gibson requested all the law having to do with the grandfather clause.

Mayor Hilligoss asked why they passed the Resolution. Mr. Slaton said it is a formality before two government bodies go into litigation to protect their interests.

Mayor Hilligoss asked if we approve this it will benefit the CRA but it will impact the City budget. Mr. Slaton confirmed this. The City and County's money will be used on CRA projects. Mayor Hilligoss said he understands the concerns about the impact on County and City budgets. Mr. Slaton said that we can't quantify this but CRA funds can only be spent on specific items in the CRA instead of City services. We proposed a 50% increment instead of 95%. This would make it more financially palatable for both entities.

Chair Gibson said that the main issue is that the County's portion will come into the CRA trust fund instead of the county. This money will redevelop the failing mall and enhance the northwest area. Those areas are in the county so the county will benefit as much as the City. The county objects to this as they have concerns elsewhere.

Commissioner Krueger said the county is taking a short term view instead of a long term view of the process. The county will get it all back and then some. Chair Gibson said the county will get half of the increase.

Mayor Hilligoss expressed concern about handicapping the City budget. Will we be ok? Mr. Slaton said we will have less general fund money for that area.

Commissioner Thompson asked if the County is concerned about the undeveloped land? Mr. Slaton said the County does not like CRAs.

Chair Gibson said we have slum and blight in the area which we have expert opinion to confirm that this area qualifies.

Commissioner Williams asked if we are not grandfathered in is this worth it? Chair Gibson said if we aren't grandfathered in we don't get the money. Mr. Slaton said we are definitely grandfathered in. The county has a path to object to this by stating that they have conflicting goals for these funds.

Commissioner Thompson asked if this is worth it. Mr. Slaton said we shall prepare to go to court. The county will fight this.

Chair Gibson said we will make decisions at each milestone as we reach it. If we have an 80% chance we should go to trial.

Mr. Slaton said it will be a few years before the area gets developed and anyone realizes any money. Chair Gibson as we learn the impacts we can make good assessments and decide.

Mr. Slaton said we can retract property from the CRA at any time. Chair Gibson agreed and said we have done it before with Longleaf Business Park.

Commissioner Krueger made a motion to adopt **RESOLUTION 2024-03**. Commissioner Williams seconded the motion.

by Roll call vote:

Commissioner Krueger "YES"

Commissioner Williams "YES"

Commissioner Thompson "YES"

Mayor Hilligoss "YES"

Chair Gibson "YES"

Motion passed 5-0.

The meeting was recessed at 3:27 p.m.

The meeting was reconvened at 3:33 p.m.

## 12. EXECUTIVE DIRECTOR'S REPORT

James Slaton, Executive Director, introduced Erin Killebrew from the Citrus Connection to talk about their squeeze service.

Ms. Killebrew said they want to help connect our downtown during construction. They recently added the Lake Wales Circulator in October. It is very successful with 500 - 600 rides a month. They are adding the library to the route soon. She will present more information at a City Commission meeting at a later date. She described the Squeeze service in Lakeland. She proposed a similar service in Lake Wales. Mr. Slaton said he is proposing a 1 year pilot program. This will be a 4 way partnership with Main Street, Citrus Connection, the CRA and the City. The operating agreement will be \$56000 for the first year to run the service. Main Street will cover half of this and the CRA can cover the other half. The City multi modal impact fee be used to purchase the carts. After a year we can review the numbers to decide whether to continue or expand the service.

Chair Gibson confirmed that the City would own the carts and the Citrus Connection would run them. Ms. Killebrew confirmed this. Chair Gibson said it is difficult for pedestrians to get around. This is a great gesture to move people around. Ms. Killebrew said she and Ronni Wood walked around downtown to discuss the challenges and possible route. Chair Gibson said the reduction of Parking is a big concern. Mr. Slaton said some of the details need to be worked out. Ms. Killebrew said they looked at different parking areas where the golf carts can pick people up.

Ronni Wood said this is one step in our growth. This can be manageable if handled the right way. This is what we need.

Mr. Slaton said he will bring an agreement back for approval if the board is favorable to the idea. The board gave consensus to this. This was discussed.

The Chair asked the board if they have comments.

Mayor Hilligoss said some of the citizens asked for additional information and he said staff can provide this information. He commended the civil comments from the citizens but asked that there be less negative comments and innuendo directed at the City without evidence.

Commissioner Krueger said the 24 smaller homes proposed for Lake Alta are not trash but are meant for working people.

Chair Gibson said he is bothered that someone made a lot of money buying property from the

CRA then changing the zoning. The market sets value on the land the City doesn't. He said there were not secret deals or private conversations. If there is illegal stuff going on he wants to know about it.

Chair Gibson said there was an article about BizLinc that was disturbing. He welcomes the challenge. We are being tested for our integrity about what is going on. We can demonstrate our values here. We must get used to this as our City is on the move and decisions are made. He recommended an audit of BizLinc. Chair Gibson commended independent journalism.

Chair Gibson announced that the Lake Wales Envisioned movie is being recognized. He commended the quality of the film.

13. ADJOURN

The meeting was adjourned at 3:58 p.m.

---

Chair/Vice-Chair

ATTEST:

---

City Clerk/Deputy City Clerk