

**Community Redevelopment Agency (CRA)
Meeting Minutes August 9, 2022
(DRAFT)**

8/9/2022 - Minutes

1. CALL TO ORDER & ROLL CALL

CRA Members Present: Robin Gibson -Chair, Terrye Howell, Mayor Jack Hilligoss, Danny Krueger

Members Absent: Daniel Williams

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

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

2. COMMENTS AND PETITIONS

Dorothy Wilson, resident, spoke on her request for a cultural center in the northwest area. She said she is working on archiving materials electronically with the Library. Chair Gibson asked Ms. Wilson to submit the request through City Administration and that the Library and Museum are good starting places for archiving materials.

3. Minutes - June 14, 2022

Mayor Hilligoss made a motion to approve the minutes of June 14, 2022. Commissioner Howell seconded the motion.

by voice vote:

ALL "YES"

Motion passed 4-0.

4. Demolition Contract For 137 E Sessoms Avenue

[Begin Agenda Memo]

SYNOPSIS Staff requests approval of the lowest responsive bid to demolish the structure located at 137 E Sessoms Avenue.

RECOMMENDATION Staff recommends approval of the responsive bid from OSH Environmental submitted June 13, 2022 for \$74,820.00, and to authorize the City Manager to execute the purchase order.

BACKGROUND The subject property (137 East Sessoms Avenue, owned by Blue Goose Inc. and commonly known as the "Estes Building") has been in violation since August 2005. Current Code Compliance staff first had contact with the property owner in September 2017, at which time the current case was started which has led to the demolition process. The Code Enforcement Board issued a Demolition Order on June 25, 2020. Since that time, the Order has been in litigation, but has since been resolved.

This item comes before CRA because it exceeds the \$20,000.00 threshold for purchases. Staff received

four (4) responsive bids.

The most responsive bid was from OSH Environmental submitted June 13, 2022 for \$74,820.00. While this is not the lowest bid, this is the recommended bidder, due to the previously conducted quality demolition work for the City.

The proper notification and advertising requirements for demolitions have been completed for this case.

FISCAL IMPACT Expenditure from a budgeted line item. CRA - Contract Services-Demolition

[End Agenda memo]

James Slaton, Executive Director, reviewed this item.

Chair Robin Gibson asked why we weren't going with the lowest bidder. Its a demolition project. How can it be screwed up? Mr. Slaton said they have had previous experience with the lowest bidder that was not satisfactory. Commissioner Krueger said in any project there are best practices. Something can go wrong depending on what corners are cut. This was discussed.

Commissioner Howell asked about the asbestos. Mr. Slaton said the asbestos survey came back clean. Commissioner Howell asked about other possible additional expenses. Fany Lozano, Administrative Assistant for Code Compliance, said the price was for a worst possible scenario. It could be lower. It depends on what is found as the work begins. Commissioner Howell asked if the cost will go up. Mr. Slaton said its possible. Chair Gibson asked if the bidders was able to inspect the building. Ms. Lozano said no she sent them pictures. This was discussed further.

Commissioner Krueger made a motion to approve the item. Mayor Hilligoss seconded the motion.

by voice vote:

Commissioner Krueger "YES"

Mayor Hilligoss "YES"

Commissioner Howell "YES"

Chair Gibson "YES"

Motion passed 4-0.

5. Finding Of Necessity Study For Expansion Of CRA

[Begin Agenda Memo]

SYNOPSIS Staff requests approval of a Finding of Necessity Study for the possible expansion of the CRA.

RECOMMENDATION Staff recommends that the Board authorize the CRA Executive Director to execute the Scope of Work for the Finding of Necessity Study.

BACKGROUND Recently, there have been discussions about the feasibility of expanding the Community Redevelopment Area. The portion of the City, north of Mountain Lake Cutoff Road, comprising the property commonly known as the "Winter Haven Corporation" property, plus the Eagle Ridge Mall, has been considered for inclusion into the CRA (please see attached map, shown as the FON Area).

These properties, along with other properties along the west side of US 27, are included as candidates for

expansion to provide contiguity between the existing CRA area and the Mall. Additionally, the expected development of the Winter Haven Corporation property could serve as an additional revenue generator to fund redevelopment projects within the CRA (to possibly include the Mall).

The attached Scope of Work provides for the creation of a Finding of Necessity Study, and a corresponding Resolution. The Study and Resolution are necessary to seek approval from the Polk County Board of County Commissioners for the expansion of the CRA. Because the County's ad valorem revenues would be impacted by this proposal, their approval is necessary.

If the Scope of Work is approved, this represents the first step in furthering the goals of the CRA by eliminating slum and blight, thereby improving our City.

FISCAL IMPACT The fiscal impact could be up to \$34,885, which is the maximum cost of the Scope of Work if all tasks are executed.

[End Agenda Memo]

James Slaton, Executive Director, reviewed this item. Chair Robin Gibson reviewed the background of the CRA and proposed plan to involve the county as a partner in the expansion by offering a greater percentage of the income. This can benefit our downtown. This is worth exploring. The survey is to see if the area qualifies.

Commissioner Howell says she hopes we qualify and that the county will do right by us. Mayor Hilligoss said this is worth exploring and may benefit the whole county.

Commissioner Krueger asked what the financial return might be. Chair Gibson said millions. The topic was discussed.

Commissioner Howell made a motion to approve the Finding of Necessity study. Commissioner Krueger seconded the motion.

Commissioner Howell made a motion to approve the study. Commissioner Krueger seconded the motion.

by voice vote:

Commissioner Howell "YES"

Commissioner Krueger "YES"

Mayor Hilligoss "YES"

Chair Gibson "YES"

Motion passed 4-0.

6. Restaurant / Food-Related Incentive Program (Whadda Wings, 39 Lincoln Ave W, Lake Wales, FL 33853)

[Begin Agenda Memo]

SYNOPSIS: The purpose of this request is to consider awarding Mrs. Stephanie Mosley, owner of Whadda Wing, LLC., 39 Lincoln Avenue W, \$100,000 from the Food Incentive Program.

RECOMMENDATION Staff recommends the approval of the Food Incentive Matching Grant for Whadda Wings.

BACKGROUND The Food-Related Incentive Program offers up to \$50,000 in dollar-for-dollar matching funds to assist in establishing food-related businesses in the Northwest Redevelopment Area and Downtown Main Street District. Matching funds are a grant that can be used to offset the cost of eligible lease-hold improvements necessary to establish and operate a food service or restaurant business.

Stephanie Mosley, Owner of Whadda Wing, LLC, 39 Lincoln Ave W. Lake Wales, FL 33853 is seeking a \$100,000 Matching Grant to open a restaurant on Lincoln Ave and make the extensive improvements required to redevelop the property according to the incentive guidelines and requirements. After demolition of the existing structure, Mrs. Mosley intends to build a new commercial structure for her restaurant. Mrs. Mosley is making all the eligible improvements and meeting all the requirements.

The Food-Related Services Incentive Program is for leasehold improvements to an existing property in order to make it functional for a food-service business. Funds may not be used for normal maintenance or repair. Specific improvements for which grant funds may be used include, but are not limited to:

- Electrical/ Plumbing upgrades
- Installation of attached fixtures
- Grease traps
- Utility connections
- Venting systems
- Sprinkler systems
- Solid Waste and recycling management
- Mechanical, Electrical and Plumbing engineering services (not to exceed 20% of the grant total)
- Monitoring man-hole system installation Improvements must be consistent with the City of Lake Wales Land Development Regulations and Engineering Standards.

As a condition of approval, Mrs. Stephanie Mosley agrees that improvements made using these funds will stay in place a minimum of five (5) years. If improvements are replaced within five (5) years of construction completion, the grant recipient must pay a pro rata portion of the grant proceeds invested in the project for the number of months remaining. Any changes that deviate from Mrs. Mosley's business plan will require the CRA Board's review with the end result of either an approval or denial within five (5) years of construction completed.

Mrs. Mosley agrees to sign a Developer Agreement, this agreement will allow Whadda Wings one year to seek reimbursement in installments. The final installment will be dispersed upon issuance of a Certificate of Occupancy (CO) for the structure located on the property, which comply with the terms of the Grant to the Developer. Mrs. Mosley also agrees to open her business no later than one year from the date the agreement is signed.

Applicant is responsible for obtaining or having obtained all required local and state approvals and permitting for work undertaken.

Once a maximum grant for any property has been awarded, businesses occupying that property, or the building owner cannot reapply for another grant for the same location for a five (5) year period. Mrs. Mosley agrees to allow the LW CRA to photograph the project for use in future publications.

Whadda Wings sales projection assumes 1,400 customers will be served per week resulting in annual sales of just over \$2 million. The opening of this restaurant will boost economic development within the

Northwest Community, which in effect supports our return on investment.

OTHER OPTIONS Not to approve the Restaurant/ Food-Related Incentive Program Grant.

FISCAL IMPACT The Food-Related Incentive Program offers up to but not limited to \$100,000 in dollar-for-dollar matching funds.

[End Agenda Memo]

Chair Gibson said this is the first time this money is going towards building a building from the ground up. The money will go towards the building once the building is built. Is the reimbursement process monitored. Mr. Slaton said the reimbursement process is extensive and receipts will need to be submitted for eligible categories.

Commissioner Howell asked why the request was for \$100,000. Ms. Thompson explained that the project and the budget was bigger than the \$50,000 offered by the grant program. Commissioner Howell said she wants to be sure we are fair. Ms. Thompson said each project needs to be assessed individually.

Chair Gibson asked about the program's track record. Ms. Thompson said this is a perfect public-private partnership. This just works. Getting people downtown is an excellent return of investment.

Darrell Starling, CRA Project Manager, reviewed potential benefits to Lincoln Avenue.

Stephanie and David Mosley introduced themselves and shared about their plans. Commissioner Krueger asked about how many employees they expect to hire. Mr. Mosley said 10 to begin with but hope to grow and to provide good benefits.

Commissioner Howell said she is glad they are in Lake Wales.

Commissioner Howell made a motion to approve this grant award. Mayor Hilligoss seconded the motion.

By voice vote:

Commissioner Howell "YES"

Mayor Hilligoss "YES"

Commissioner Krueger "YES"

Chair Gibson "YES"

Motion approved 4-0.

7. Restaurant / Food-Related Incentive Program (Smokin' DJ's, 122 1st St N, Unit #4, Lake Wales, FL 33853)

[Begin Agenda Memo]

SYNOPSIS: The purpose of this request is to consider awarding Demetrius and Jennifer Leeks owners of Smokin' DJ's, 122 1st St N, Unit 4, \$50,000 from the Food Incentive Program.

RECOMMENDATION Staff recommends the approval of the Food Incentive Matching Grant for Smokin' DJ's

BACKGROUND The Food-Related Incentive Program offers up to \$50,000 in dollar-for-dollar matching funds to assist in establishing food-related businesses in the Northwest Redevelopment Area and Downtown Main

Street District. Matching funds are a grant that can be used to offset the cost of eligible lease-hold improvements necessary to establish and operate a food service or restaurant business.

Demetrius and Jennifer Leeks, owners of Smokin' DJ's, 122 1st St N, Unit 4, Lake Wales, FL 33853 are seeking a \$50,000 Matching Grant to renovate the space on 1st Street and make the extensive improvements required to open a new restaurant and redevelop the property according to the incentive guidelines and requirements. Mr. and Mrs. Leeks are making all the eligible improvements and meeting all the requirements.

The Food-Related Services Incentive Program is for leasehold improvements to an existing property in order to make it functional for a food-service business. Funds may not be used for normal maintenance or repair. Specific improvements for which grant funds may be used include, but are not limited to:

- Electrical/ Plumbing upgrades
- Installation of attached fixtures
- Grease traps
- Utility connections
- Venting systems
- Sprinkler systems
- Solid Waste and recycling management
- Mechanical, Electrical and Plumbing engineering services (not to exceed 20% of the grant total)
- Monitoring man-hole system installation Improvements must be consistent with the City of Lake Wales Land Development Regulations and Engineering Standards.

As a condition of approval, Mr. and Mrs. Leeks agree that improvements made using these funds will stay in place a minimum of five (5) years. If improvements are replaced within five (5) years of construction completion, the grant recipient must pay a pro rata portion of the grant proceeds invested in the project for the number of months remaining. Any changes that deviate from Mr. and Mrs. Leeks business plan will require the CRA Board's review with the end result of either an approval or denial within five (5) years of construction completed.

Mr. and Mrs. Leeks both agree to sign a Developer Agreement, this agreement will allow the Leeks one year to seek reimbursement in installments. The final installment will be dispersed upon issuance of a Certificate of Occupancy (CO) for the structure located on the property, which comply with the terms of the Grant to the Developer. The Leeks also agree to open their business no later than one year from the date the agreement is signed.

Applicant is responsible for obtaining or having obtained all required local and state approvals and permitting for work undertaken.

Once a maximum grant for any property has been awarded, businesses occupying that property, or the building owner cannot reapply for another grant for the same location for a five (5) year period.

Mr. and Mrs. Leeks agree to allow the LWCRA to photograph the project for use in future publications.

Smokin' DJ's financial forecast anticipates their total build out and start-up expense to be \$70,917. They estimate by December 2023 their net profit will be \$123,382.88 and will continue to increase to roughly \$156,982 by December 2024. The opening of this restaurant will boost economic development on 1st

Street, which in effect supports our return on investment.

OTHER OPTIONS Not to approve the Restaurant/ Food-Related Incentive Program Grant.

FISCAL IMPACT The Food-Related Incentive Program offers up to but not limited to \$50,000 in dollar-for-dollar matching funds.

[End Agenda Memo]

Karen Thompson, Main Street Director, reviewed this item.

Chair Gibson said there was a Chinese restaurant at that location before. Ms. Thompson confirmed this.

Commissioner Howell made a motion to approve this award. Mayor Hilligoss seconded the motion.

By voice vote:

Commissioner Howell "YES"

Mayor Hilligoss "YES"

Commissioner Krueger "YES"

Chair Gibson "YES"

Motion approved 4-0.

8. Bond Counsel Retainer Agreement

[Begin Agenda Memo]

SYNOPSIS: Contract with Bryant Miller Olive P.A. for professional services relating to bond counsel services.

STAFF RECOMMENDATION: It is recommended the Board consider the following action: 1. Approve the bond counsel retainer agreement for Bryant Miller Olive P.A. 2. Authorize the Executive Director to execute the appropriate documents, on the CRA's behalf.

BACKGROUND: As the Lake Wales Community Redevelopment Agency Board considered the issuance of bonds for the CRA future capital projects, staff believes the legal services of Bryant Miller Olive firm will be needed relating to bond counsel.

FISCAL IMPACT: Bryant Miller Olive will be compensated for special counsel legal services at the Firm's most recent discounted hourly rates for local government clients or at negotiated fees based upon the skills, experience, or expertise of the attorneys involved and agreed to by the Firm through specific written work orders or as otherwise approved by the Agency Manager and the Agency Attorney.

[End Agenda Memo]

James Slaton, Executive Director, reviewed this item.

Mayor Hilligoss made a motion to approve the agreement. Commissioner Howell seconded the motion.

by voice vote:

Mayor Hilligoss "YES"

Commissioner Howell "YES"

Commissioner Krueger "YES"

Chair Robin Gibson "YES"

Motion passed 4-0.

9. EXECUTIVE DIRECTOR'S REPORT

James Slaton, Executive Director, announced that Darrell Starling and Cheryl Baksh are now certified CRA redevelopment professionals.

Mr. Slaton said that the Phase 3 Keystone groundbreaking will be rescheduled. The Park Avenue Trail project is progressing.

Chair Robin Gibson commended the progress of the CRA.

10. ADJOURN

The meeting was adjourned at 3:02 p.m.

Chair/Vice-Chair

ATTEST:

City Clerk/Deputy City Clerk