

# **AGENDA**

# Community Redevelopment Area Advisory Board

Thursday, November 1, 2018 | 3:00 PM – 5:00 PM City Commission Conference Room, City Hall

- A. Financial Update & Project Tracker\*
- **B.** Housekeeping
- C. Action Items
  - 1. Old Business
    - 1.1 Meeting Minutes dated October 4, 2018 (Pg. 4-7)
  - 2. New Business
    - 2.1 Union Hall 1032 S Florida Ave (Pg. 8-17)
- **D. Discussion Items** 
  - 1. Update- Redfish Lease Negotiations
- E. Adjourn
- \* For Information

**NEXT REGULAR MEETING:** 

Thursday, December 6, 2018 3:00 - 5:00 PM - City Commission Conference Room



#### PROJECT PROGRESSION REPORT



STATUS KEY			
RISKS / ROADBLOCKS			
POTENTIAL RISKS			
ON TRACK			

Project	Status	Phase	Funding Allocated	Notes	
Food Truck Park	ON TRACK	Lease Agreement	\$250,000	Lease Negotiations	
Lincoln Square	ON TRACK	Construction	\$4,268,086	Phase I Closings Pending	
114 E. Parker	POTENTIAL RISKS	Lease Agreement	\$350,000	Pending Renovation Estimate Update and Lease Agreement	
Lake Parker Art Path	POTENTIAL RISKS	Pre-Bid	TBD	Utility Errors and scheduling conflicts with PCSB	
Five Points Roundabout	ON TRACK	Pre-Construction	TBD		
Kettles Ave Sidewalk	ON TRACK	Construction	150,000		
Tapatios	ON TRACK	Construction	\$340,000	Mid- October Start	
Mirrorton	ON TRACK	Under Contract	\$900,000	Projected Closing March 2019	
Small Area Study	ON TRACK	Research			
Second Floor Activation	ON TRACK	Research			



#### PROGRAM PROGRESSION REPORT



# STATUS KEY RISKS / ROADBLOCKS POTENTIAL RISKS ON TRACK

Grants/Programs	Status	Grant Awards to Date	Notes
Alley Vacating	ON TRACK	2	
Affordable Housing Partnerships	ON TRACK	1	LHA/HTG \$426,000 for 320 Units at Twin Lakes Estates. Anticipated Completion 2021
Builder's Line of Credit	ON TRACK	0	1 Pending
Design Assistance	ON TRACK	4	Active Sites •711 N. Kentucky •938 E. Main Street •1212 E. Main Street •905 E. Rose Street
Down Payment Assistance	ON TRACK	0	6 Pending
Façade and Site	ON TRACK	2	
Fix-It Up	ON TRACK	8	Active Sites •724 Buena Vista St. •618 Julius T Horney Dr •1200 Lake Parker Dr •711 Tropical Way
Food Related	ON TRACK	0	
Infill- New Construction	ON TRACK	0	6 Proposals Pending
Infill Adaptive Reuse	ON TRACK	3	
Murals / Tapestries	ON TRACK	1	Murals set to be completed by January 2019 Tapestry Installations November 2018
Rehab/ Renovations	ON TRACK	0	Bid (724 8th St.)

Community Redevelopment Area Advisory Board Meeting Minutes Thursday, October 4<sup>th</sup>, 2018 3:00 – 5:00 PM City Commission Conference Room, City Hall

#### Attendance

Board Members: Ben Mundy (Chair), Harry Bryant, Brian Goding, Frank Lansford, Commissioner Stephanie Madden and Cliff Wiley

Absent: Pastor Edward Lake (Vice-Chair), Zelda Abram, Dean Boring and Brandon Eady

Staff: Alis Drumgo, Valerie Ferrell, Michael Smith, D'Ariel Reed, and Jonathan Rodriguez

Guests: Officer Bailey (LPD), Joel and Jennifer Batts (Rayback Team), Wesley Beck (BKFive, LLC), Annie Gibson (Housing Programs Supervisor), Edward Jennings, Craig Morby (Rayback Team), Matt Patrick (Rayback Team), Benjamin Stevenson (LHA) and Julie Townsend (LDDA)

Participated via Conference Call: Michael Blasco (Tampa Bay Food Truck Park)

#### **Packets**

- Meeting Minutes dated September 6th, 2018
- Project Progression Report
- Memo- 802 N Massachusetts Ave Food Truck Park
- Memo- Tax Increment Financing Request property located at 632 E. Main Street
- Memo- Tax Increment Financing Request property located at 225 E. Lemon Street
- Memo- Affordable Housing Partnership—Twin Lakes Phase III

#### Housekeeping

#### Action Items – Old Business

#### Meeting Minutes dated July 12th, 2018

Brian Goding moved approval of the minutes. Cliff Wiley seconded the motion which passed unanimously.

#### 802 N. Massachusetts Ave - Food Truck Park

In November 2017, the CRA Advisory Board approved the use of 802 N. Massachusetts Avenue as a food truck park, and in April 2018, the Board motioned for approval of a construction budget of \$400,000 with 10% contingency. A second motion approved partnership with Tampa Bay Food Truck Rally (TBFTR) provided a lease agreement. In May, Staff presented an initial draft lease to TBFTR. After a lull, Staff then met with TBFTR in August to discuss revisions by TBFTR's attorney. Revisions were sent back to TBFTR on 8/14, and in last communication on 8/22, TBFTR indicated the lease was still under review.

Valerie Ferrell notified the Board of Michael Blasco's attendance via conference call.

#### Project Redfish

The Project Redfish Team includes a group a Lakeland natives and a successful entrepreneur located in Boulder, Colorado. The Team has a history of merging food trucks, craft beer and events in a family friendly environment. The Rayback Collective, in Boulder, is grossing approximately \$100k a month since opening in 2016.

Their Team is seeking an opportunity to bring their experience to Lakeland and see Midtown as a chance to provide a unique experience that is in line with the CRA's plan for a food truck park at 802 N. Massachusetts Avenue. Their proposed layout will have no impact on the parking plans previously established, and the Redfish Team is infusing \$150,000 of private capital into the project as a part of the deal towards the buildout.

With slight modifications to the site and building layout, their Team is seeking the following:

- 2,600 SF building with roughly the same footprint as planned
- \$240,000 from the CRA
- 3-year lease term with renewal option after expiration
  - o Payments starting after 6 months @ \$9/SF Triple Net
  - o Agreed increases for years 2 and 3
  - Option to purchase at any time at Fair Market Value of unimproved property (lease payments deducted from sale price)

Staff provided this proposal as due diligence as well as the opportunity for tenant reconsideration.

The Project Redfish Team gave a brief presentation.

Discussion ensued regarding the details of TBFTR's proposal in comparison to the Project Redfish Team.

Cory Petcoff moved to cease lease negotiations with TBFTR and begin lease negotiations with the Project Redfish Team with a deadline of the November Board meeting. Frank Lansford seconded the motion which carried unanimously.

#### Action Items - New Business

#### Tax Increment Financing Request - property located at 632 E. Main Street

Lake Mirror Holdings LLC has submitted a request for Tax Increment Financing for property the entity owns at 626 & 632 E. Main Street. Plans include new construction, and site improvements to the properties. The finished proposed project will be a multi-tenant, three story office totaling 16,770 SF.

The Developer is proposing a new construction of 16,770 SF of office space to be condominiumized with the lower level dedicated to parking. The office space will consist of five (5) separate units. The current assessed value of the properties is \$146,166 and improvements are estimated to be \$3.4 million. Based on this information, the renovation/improvement clearly exceeds the required 50% investment above the current assessed value as stipulated in the TIF program criteria.

This site is currently underutilized and the improvement will increase the pedestrian traffic in the area. The project provides a vital link back towards the downtown core and supports the growth of the east side of downtown. Construction is scheduled to begin in October 2018 with completion anticipated for June 2019.

Staff recommends this project for approval.

Cory Petcoff moved approval of Staff's recommendation with a caveat on the transferal of TIF to the five (5) initial condominium owners. Frank Lansford seconded the motion which passed unanimously.

#### <u>Tax Increment Financing Request – property located at 225 E. Lemon Street</u>

BKP Five LLC has submitted a request for Tax Increment Financing for property the entity owns at 225 E. Lemon Street. Plans include new construction, and site improvements to the property. The finished proposed project will be three story office totaling 39,765 SF.

The existing site consists of two parcels which total 65,468 SF of land. Currently, the land is utilized as parking for office users at Heritage Plaza.

The Developer is proposing a new construction of 39,765 SF of office space to be built out in the future once users are determined. The office space will comprise approximately 14% of the vacant property with the remainder to be utilized for a multistory parking garage for use by the public and private businesses. Initial investment will total an estimated \$3.9 million to construct a shell. However, an additional \$2 million will be invested later to build out office spaces for users bringing the total investment to an estimated \$5.9 million.

The project provides the first new, multi-tenant, office space built downtown in the last twenty (20) years and supports the growth of the south side of downtown. Construction is scheduled to begin in November 2018 with completion anticipated for August 2019.

Staff recommends this project for approval.

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

#### Affordable Housing Partnership—Twin Lakes Phase III

The Florida Housing Finance Corporation modified submittal requirements that allowed for local governments to partner with developers to expedite affordable housing projects. Currently, Housing Trust Group (HTG) is the co-developer of the site that once housed the West Lake Apartments. Phase I, a senior housing development, is currently under construction, and HTG is working diligently with the Housing Authority to fund Phases II and III. HTG and the Housing Authority are seeking a \$426k or 2.7% of the investment to support Phase III of the project comprising 77,142 SF, 86 units with rents ranging between 40%-60 AMI (\$402-\$835).

In an effort to address the City's homelessness and affordable housing needs, Staff views this as an opportunity to contribute to a project that will provide new housing in Midtown and leverage funds in a method that costs the CRA less than \$5,000 per unit. The return on investment would be approximately 36:1 for CRA dollars contributed.

Staff is recommending approval of \$426,000 to support the development of Twin Lakes Phase III with \$200,000 to be budgeted in FY 2020 and \$226,000 in FY 2021, provided the developer and Housing Authority commit to providing the following to help Lakeland and the CRA meet its long-term needs to mitigate the impacts of homelessness:

- Of the 86 units, 20% be allocated to some of Lakeland's most chronic issues
  - 15% or 13 units be allocated towards supporting "Chronically homeless families with school age children" as identified by the Polk County School Board's Homeless Liaison
    - These units should be set at 50% AMI or less
  - 5% or 4 units be allocated towards Permanent Supportive Housing intended for chronically homeless persons with significant needs

The funds would be disbursed at the issuance of certificate of occupancy, and the Housing Authority would be responsible for providing annual documentation showing the continued compliance with the terms of the funding.

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

#### **Discussion Items**

Alis provided an update on Lakeland Brewing Company's proposal to develop a food hall concept. In June of 2018 the Board motioned to negotiate a short term lease and buildout of Lakeland Brewing Co. not to exceed \$250,000. Jon Bucklew and Wesley Beck have since entered into a land lease and are working on the buildout of the site as well as securing tenants. Updates will be provided as plans and/or renderings are received.

Adjourned at 4:10PM				
Next Meeting, Thursday,	November 1, 2018,	3 PM, City Co	mmission (	Conference Room
Ben Mundy, Chairman	 Date			

# Memo

To: CRA Advisory Board

From: Valerie Ferrell, CRA Project Manager

CC: Alis Drumgo, Interim CRA Manager

Date: October 26, 2018

Re: Union Hall – 1023 S Florida Ave.

The building which housed the former Truly Nolen business at 1023 S Florida Avenue in Dixieland is situated in a prime location, at the corner of South Florida Avenue and Hunter Street. It also sits adjacent to the Dixieland Mall and recently renovated Lean Spaces, a co-work and collaborative office. Lean Spaces is the completed renovation of the Old Vito's Restaurant at 1021 S Florida Ave, and the successful idea from partners Sam Houghton and Peter Maris. Now as property owners of both buildings, Mr. Houghton and Mr. Maris have aligned again for the new live performance venue that will be known as Union Hall.

The concept behind Union Hall is to provide a small entertainment venue that provides a truly unique live music experience. Lakeland musician Dan Signor has leased the space and will manage booking local and regional acts. In addition to entertainment, local food truck Meatballs & More will be staged in the courtyard to offer their culinary dishes for lunch and dinner. The vision is to provide a space that can host family game nights, live music, or dinner and a show seamlessly.

In January 2018, the CRA provided design assistance with renderings produced by Jon Kirk, KCMH, that later fueled the interior design concept. The scope of work includes comprehensive demolition of the interior space, which has already been completed. The remaining improvements include new electrical, HVAC, ADA-accessible restrooms, new entrances at the side and rear of the building, a walk-in cooler as well as façade improvements on the South Florida frontage and Hunter Street frontage. The entire courtyard is also a major investment providing a much-needed outdoor space adjacent to both Lean Spaces and the Union Hall guests. The incurred costs and planned expenses to finish the construction is estimated at \$600,000. The completed renovations at Lean Spaces exceeded \$400,000 so the total investment in Dixieland is approximately \$1 million.

The project qualifies for the following incentives within the Dixieland CRA and the applicant is requesting additional funding per category:

Incentive	Administrative	Applicant
	Limit	Request
Façade & Site	\$30,000	\$60,000
(exterior building improvements for each street frontage)		
Infill	\$15,000	\$15,000
(system upgrades including electrical, HVAC, plumbing and ADA-accessibility)		
Food-related	\$15,000	\$15,000
(grease trap, plumbing, walk-in cooler)		
	\$60,000	\$90,000

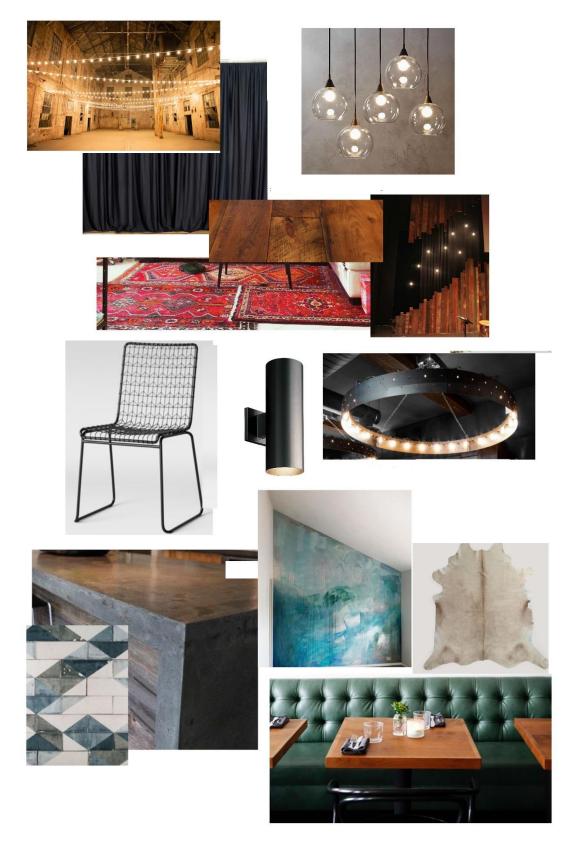
The site has previously received Design Assistance before it became Truly Nolen in 2009. No other incentives have been awarded at this location.

The applicant is seeking a total grant award of \$90,000. The improvements are consistent with the Dixieland Redevelopment Plan by contributing to the physical, economic and social well-being of the area and attracting food-related service providers, restauranteurs and specialty food providers. The addition of Union Hall is sure to be a valuable asset to the growing cultural hub in Dixieland.

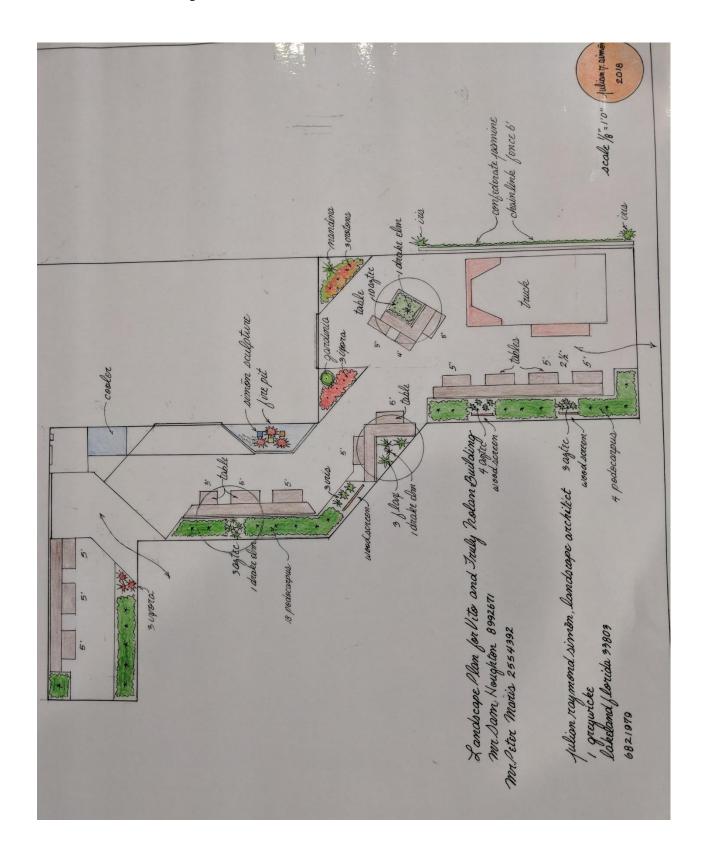
### 1023 S Florida Avenue Dixieland CRA

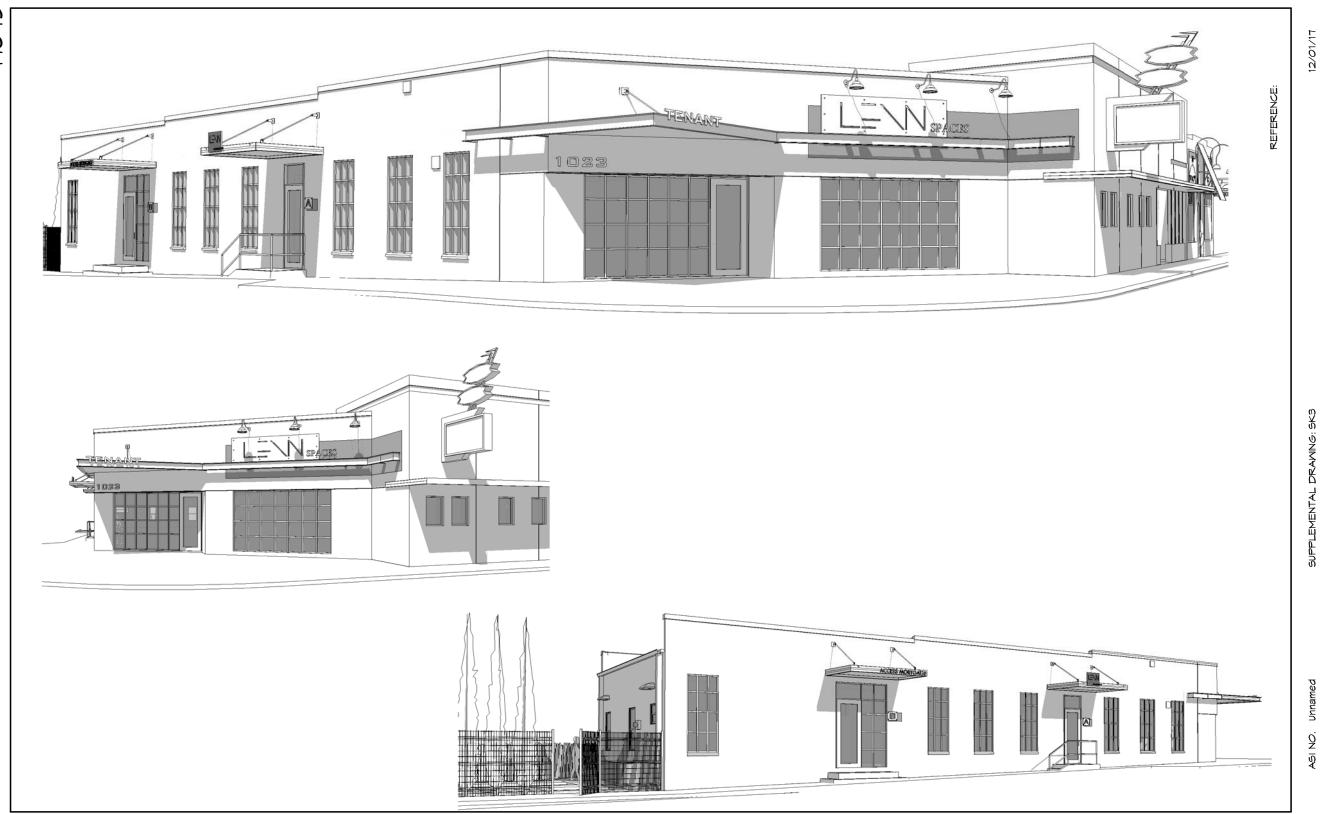


## Union Hall Inspiration and Design Ideas



Union Hall Outdoor Patio Landscape Plan





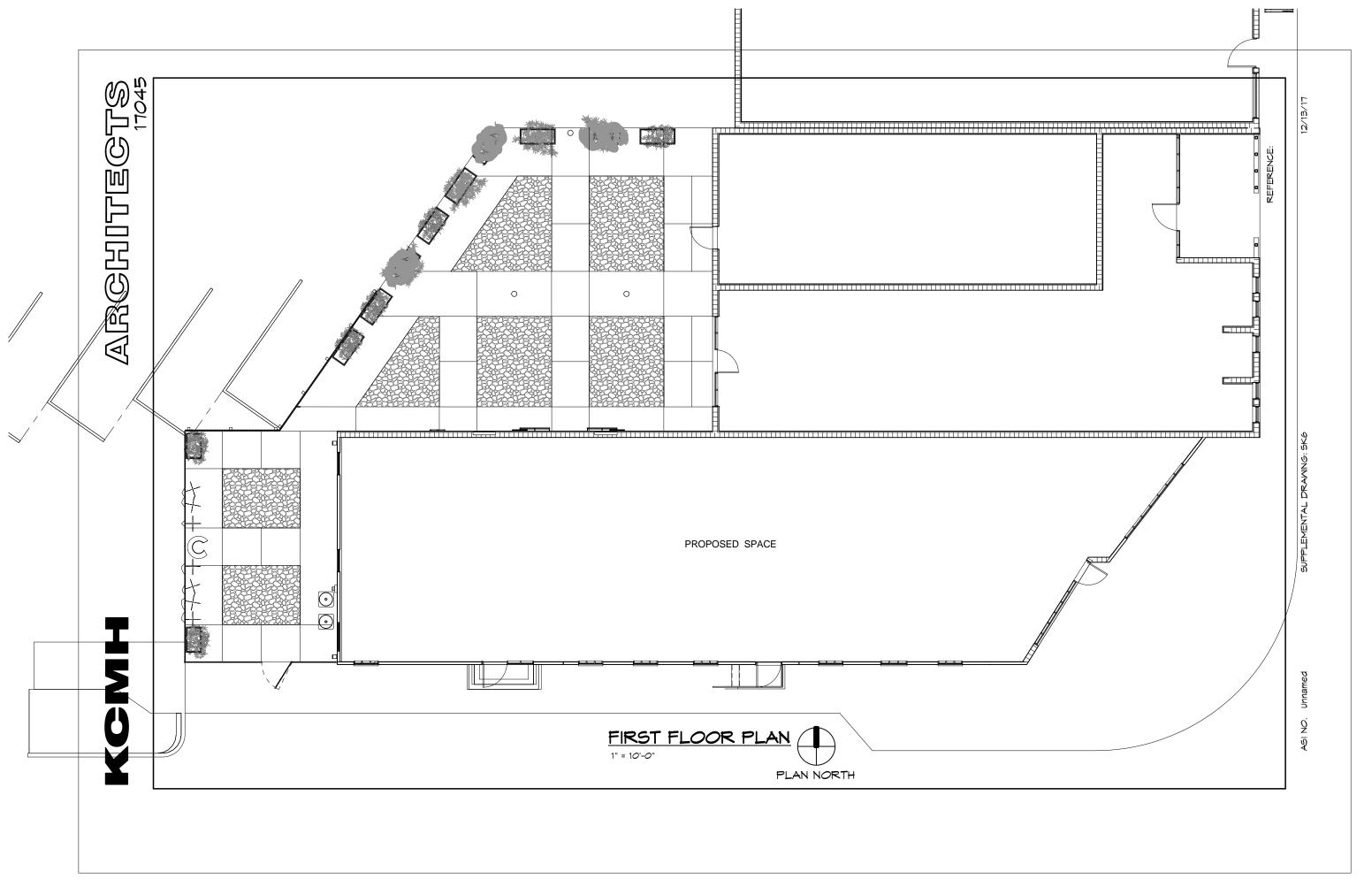
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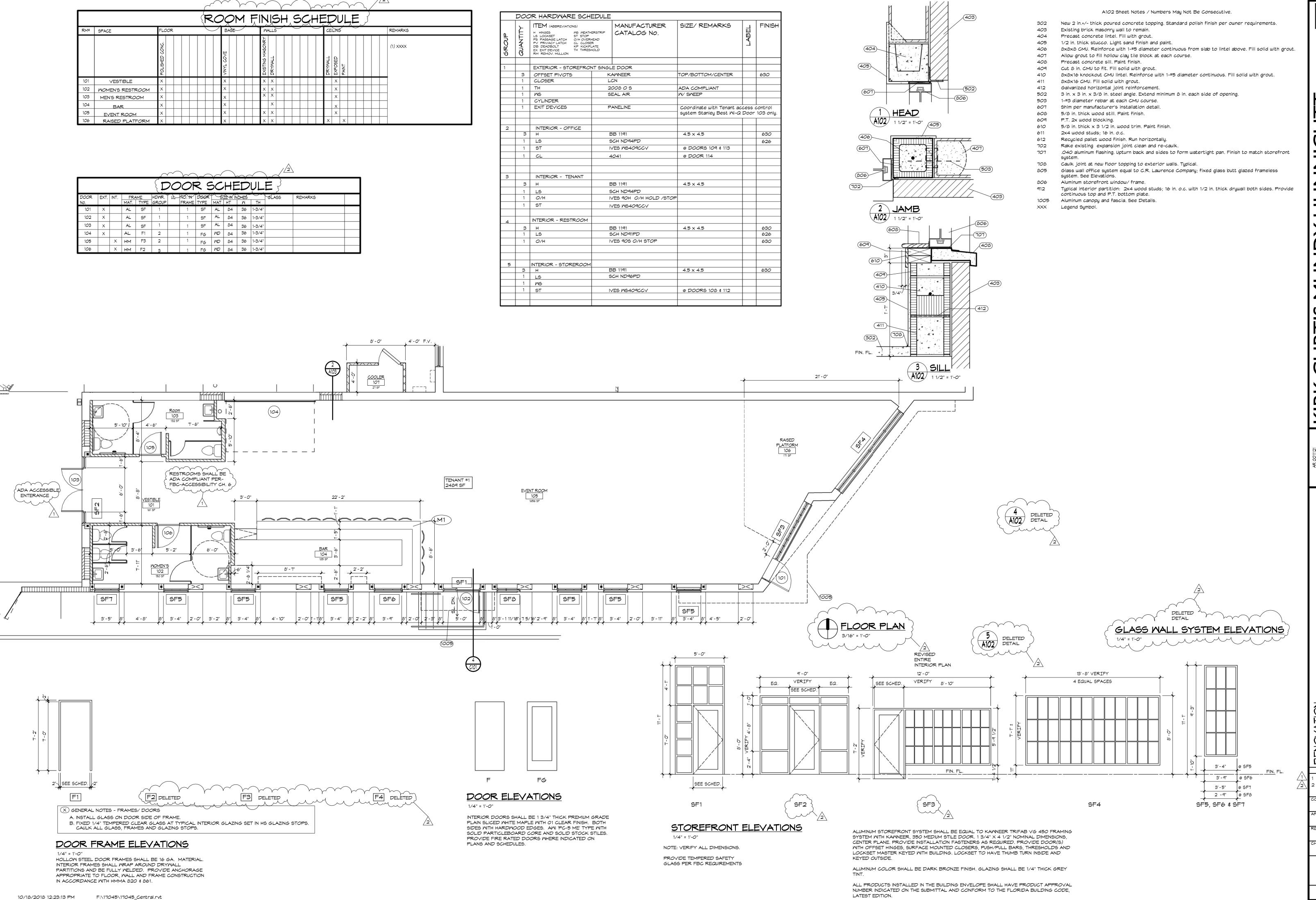
SUPPLEMENTAL DRAMING: SK4

Unnamed

ASI NO.

14





7

CURTIS IATES ARCH

REVISIONS 06/25/18

10/15/18

CONSTRUCTION 06/04/201 APPROVAL

10-3-201

17045

A401 Sheet Notes / Numbers May Not Be Consecutive.

Remove existing conduits/ piping and patch remaining holes. Remove existing wall mounted equipment and patch remaining holes.

Remove existing electrical fixture and patch remaining holes.

Line of existing concrete floor slab.

New 2 in.+/- thick poured concrete topping. Standard polish finish per owner requirements.

Remove existing brick pilaster materials as required to accept new precast concrete lintel. Min. 8 Drill and expoxy new vertical rebar min. 6 inches into existing concrete slab. Typical all locations.

Typical interior partition: 2x4 wood studs; 16 in. o.c. with 1/2 in. thick drywall both sides. Provide continuous top and P.T. bottom plate.

New paint finish. Color as selected by Owner.

Mall mounted address numbers. Verify style and finish.

1605 Existing electric meter and weather head to remain.

2 10/15/18

CONSTRUCTION

06/04/2018 APPROVAL

10-3-2018

17045