

**Community Redevelopment Area Advisory Board
Meeting Minutes
Thursday, September 7, 2017
2:00 – 5:00 PM
Art/ifact, Mass Market, 820 N Massachusetts Ave**

Attendance

Board Members: Cory Petcoff (Chair), Ben Mundy (Vice-Chair), Zelda Abram, Todd Baylis, Dean Boring, Brian Goding, Frank Lansford, Commissioner Jim Malless and Cliff Wiley

Absent: Pastor Eddie Lake

Staff: Nicole Travis (CRA Manager), Celeste Deardorff (Assistant Director), Alis Drumgo, Patricia Hendler, D'Ariel Reed, Jonathan Rodriguez, Michael Smith and Valerie Ferrell

Guests: Jason DeMeo, We Are Curio; Barry Friedman, LkldNow; Jordan Weiland, Jordan Weiland Photography, Pablo Sologaitoa, City Commission Candidate; Justin James and Sunny Lynne, iNK Screen Printing and Jonathan and Sarah Bucklew, Seventeen20

Workshop

Nicole Travis welcomed the Board and stated the first portion of the meeting will serve as the Annual Retreat to understand achievements of the CRA and set goals for the future. She introduced Mr. Jason DeMeo with We Are Curio to facilitate this design thinking session.

Mr. DeMeo conducted a roundtable introduction exercise. Each member was asked to give their name, area of influence, and one thing they were excited about the future of Lakeland. The next exercise included a feedback grid, where members participated in groups to discuss what is successful about the CRA, what are perceived challenges, ideas on addressing those challenges and any questions for the CRA. A summary of the findings is attached to these minutes.

Nicole Travis provided an overview of the 2016 Annual Report and current projects in the three districts. Highlights included the CRA's impact with assisting 18 projects, creating 239 jobs and 74 residential units and bringing more than \$20,000,000 private investment within the redevelopment districts. Existing programs have been successful for both Downtown and Dixieland, however Midtown programs may need reassessment. Two areas include the East Main District and residential infill throughout Midtown. Staff needs additional guidance on creating more investment in these areas.

The Board discussed the two areas of concern:

- How to close the gap on residential appraised values in Midtown?
 - The Redevelopment Plan calls for significant neighborhood stabilization
 - CRA is subsidizing the gap currently in the Lincoln Square
 - Other vacant infill lots would be prime for continuing this type of construction, however there is a gap between construction value and real market value that would be financed by a lender
 - New construction would range between \$170,000 to \$190,000, however properties will not appraise this high, so banks will not offer loans and CRA 20% down payment assistance is not enough to offset the gap
 - Current market indicates \$125,000-\$150,000 is the prime buyer range for the area

- It was suggested the current down payment assistance could continue to be offered, however an additional gap financing for new construction could be combined to encourage infill
 - It was suggested that this gap financing for new construction be focused in an area where it could create the most impact, like adjacent to fix-it-up recipients, other down payment assistance locations, and new construction like Lincoln Square.
 - It was suggested this could be accommodated in the budget for a trial period for one-year to evaluate impact
- How to activate the East Main District?
 - Staff has exhausted approaching individuals and potential business to relocate to East Main
 - Difficulty in finding sites with low purchase price and still allow room for improvement within small business budgets (existing inventory is warehouse type buildings and would require fire suppression, HVAC or electrical upgrades)
 - Also, difficulty in finding leased space where existing owners are willing to invest in upgrades and ask that the tenants make those significant investments
 - Most buildings are large and too much space for single tenants
 - CRA programs are extensive, but not enough to incentivize the combination of purchase, renovation and relocation of most businesses
 - There was discussion regarding infrastructure projects which would invest heavily in public areas and rights-of-way (private investment follows public investment)
 - It was suggested a catalyst project would be ideal in energizing the area, but this would require the right influencers and partnerships
 - Technology companies would need infrastructure investment to be attracted to this area, as well as the local talent pool to hire from
 - It was suggested to host a public forum to illustrate East Main District and the incentives offered and to share this story with other entrepreneurial interests
 - It was suggested the CRA acquire properties to assist in renovation and leasing out to new businesses, such as taking the transitional businesses recently coming out of Catapult who may not be ready to purchase property
 - It was discussed that the CRA purchase parcels with longer option period, combing parcels and find users, in the context of a larger plan

There was a brief recess at 3:45pm and the meeting reconvened at 4:00pm

Packets

- Meeting Minutes dated July 20, 2017
- Memo – Ink (Façade & Site Improvement)
- Memo – Seventeen20 (CRA Partnership)

Handouts

Housekeeping

Action Items – Old Business

Meeting Minutes dated July 20, 2017

Commissioner Jim Malless moved approval of the July 20, 2017 minutes. Ben Mundy seconded the motion and it passed 6-0.

Action Items – New Business

Façade & Site Improvement – 717 S Florida Ave

Alis Drumgo reviewed the proposal from Justin James of iNK Screen Printing, currently located in Dixieland and comprises of both retail and production areas, however they need an area to expand their business. The subject property that would accommodate such expansion is 717 N Florida Avenue; it is approximately 10,500 square feet. The applicant's intent is to operate their current screen printing retail and production business and rent five to eight office/production spaces at a reduced rental rate for similar businesses.

The applicant is currently under contract to purchase the building for \$425,000 and has conducted walkthroughs of the building with CRA Staff, Fire Marshals, and the Building Official. He has received zoning and transportation approval. His request is for financial support with the code upgrades required to obtain the Certificate of Occupancy (CO). The project is eligible for the maximum \$75,000.

With CRA investments in Mass Market, the acquisition of several parcels within ¼ mile, and the proximity to 114 East Parker Street, staff recommended approval with the investment not to exceed \$150,000, which would equate to approximately \$2.25 for every \$1 from Mr. James, in support of fire compliance, HVAC renovations, ADA compliance, electrical & plumbing upgrades and structural support. The CRA's contribution would be double the standard grant limitation and fill a potential gap that would hinder the project. These improvements would be required for any business that occupies this space.

Justin James and Sunny Lynne of iNK Screen Printing, introduced themselves and gave an overview of the company's history and their vision for growth within the Midtown District. iNK has also partnered with Lakeland Creative Makers in hosting monthly events and this would be a collaborative environment for other businesses to share and network in a creative space.

In response to Ben Mundy's inquiry of proposed project budget and whether it included any exterior improvements such as parking or architectural features, the applicant indicated the budget does not include the exterior improvements except for some painting and parking lot striping. In the future, the intent is to finish the second story; that is not funded now.

There was discussion regarding the opportunity for shared parking and staff indicated this would be addressed during the site development review.

It was clarified that the funding request would be processed as reimbursement to the applicant once renovations are complete and the CO is received.

After some discussion, Commissioner Jim Malless moved approval of staff's recommendation with a condition that to the CRA's additional investment of \$75,000 be protected. The maximum grant for this project is \$150,000. Todd Baylis seconded the motion and it passed 6-0.

Seventeen20

Jon & Sarah Bucklew are longtime Lakeland residents who operate Seventeen20, a company specializing in handcrafted, industrial modern furniture design. Much of their business is derived from online sales and it's located outside of the city limits. The applicants would like to bring Seventeen20 into the CRA's East Main District. In addition to expanding their own manufacturing space and showroom, they're requesting a partnership with the CRA that will bring a community marketplace of artisans, makers, and designers, much like those identified in the East Main District Plan. Their long-term goal is to secure an ownership agreement and lease the remaining space to compatible entrepreneurs.

To proceed with the project, the Bucklew's requested assistance with acquisition and development of a property with the following criteria:

- 12,000-20,000 square feet of usable floor area

- Highly visible gateway/location within an area being developed for designers/artisans
- Outside of historic preservation boundaries
- Mixed-Use or PUD Zoning
- Ample, well-lit parking
- Freight and delivery truck access

Without any CRA real estate holdings in the East Main District or greater Midtown CRA to offer, staff requested the ability to partner with Seventeen20 on a real estate purchase and assist with design and development of this project as a catalyst for the District. This project will lead to additional vehicular and pedestrian traffic and investment in the East Main District.

The Bucklews introduced themselves and gave an overview of Seventeen20. Their budget to contribute towards the renovation of an existing space is approximately \$150,000 - \$200,000. They are eager to search for suitable properties, but need assistance in acquisition. Their vision would create a hub of activity that could serve as the catalyst for the East Main District.


There was some discussion on the anticipated cost of this project. There is currently \$500,000 allocated for all programs within the East Main District in fiscal year 2017 and additional funds that were unspent in the previous fiscal years. Staff is confident there is enough money budgeted for acquisition and design. Renovation and construction costs would have to be budgeted for in the next budget cycle. This type of project would need City Commission approval, similar to the Mass Market development.

Cory Petcoff moved approval of staff's recommendation, which includes finding suitable properties within East Main District that meets the needs for the applicants request that can be placed under contract with a due diligence period and subject to final board approval. Staff will also need to present an estimate of renovation and/or construction costs. Ben Mundy second the motion and it passed 6-0.

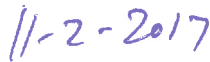
Discussion Items

Adjourned at 5:15 PM

Next Meeting, Thursday, October 5, 2017, 3 PM, City Commission Conference Room.



 Cory Petcoff, Chairman



 Date