

**COMMUNITY REDEVELOPMENT AGENCY
OFFICIAL AGENDA
August 31, 2016
5:30 p.m.
Municipal Administration Building
Commission Chambers
201 W. Central Avenue
Lake Wales, FL 33853**

1. AGENDA ITEMS

1.I. Approval Of Minutes: June 7, 2016, CRA Meeting

Documents:

[2016-06-07CRA.PDF](#)

1.II. Purchase Offer For Longleaf Business Park Parcels 13, 14, 15, 16, 17, 20, 21, 22, And 23 And Option To Purchase Parcels 4, 5, 6, And 7

The attached Purchase Offer is for the Sale of nine parcels and an Option to Purchase an additional four parcels in Longleaf Business Park to CRV Development which intends to build logistics and warehouse facilities on these parcels. This sale would place all but two small parcels in the Longleaf Business Park in private ownership and on the city's tax roll. The offering price is thirty thousand dollars (\$30,000.00) per acre. The properties are currently valued by the Property Appraiser at approximately seventeen thousand dollars (\$17,000.00) per acre. The total purchase price is approximately one million forty three thousand dollars (\$1,043,000.00) subject to final determination of the exact size of each lot.

Documents:

[MEMO-CRV DEVELOPMENT LONGLEAF PURCHASE, CRA LOTS.PDF](#)
[LONGLEAF OFFER TO PUCHASE.PDF](#)

2. COMMUNICATIONS AND PETITIONS

Public participation is encouraged. If you are addressing the Commission, step to the podium and state your name and address for the record. Please limit your discussions to five (5) minutes.

3. EXECUTIVE DIRECTOR'S REPORT

Note: The full staff memo will be incorporated into the official record

Minutes of the CRA meeting can be obtained from the City Clerk's Office. The minutes are recorded, but are not transcribed verbatim. Persons requiring a verbatim transcript may make arrangements with the City Clerk to duplicate the recording, or arrange to have a court reporter present at the meeting. The cost of duplication and/or court reporter will be the expense of the requesting party.

Persons who wish to appeal any decision made by the CRA Board with respect to any matter considered during this meeting will need a record of the proceedings, and for such purpose may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based.

In accordance with Section 286.26, Florida Statutes, persons with disabilities needing special accommodations to participate in this meeting should contact the office of the City Clerk no later than 5:00 p.m. on the day prior to the meeting.

A meeting of the Community Redevelopment Agency was held on June 7, 2016 in the Commission Chambers at the Municipal Administration Building. Chairman Jonathan Thornhill called the meeting to order at approximately 5:30 p.m.

COMMISSIONERS PRESENT: Terrye Howell; Pete Perez; Eugene Fultz; Jonathan Thornhill, Chairman

COMMISSIONERS ABSENT: Robin Gibson

CITY REPRESENTATIVES PRESENT: Kenneth Fields, City Manager; Albert C. Galloway, Jr., City Attorney; Clara VanBlargan, City Clerk

[The minutes are recorded but are not transcribed verbatim]

1. ROLL CALL

2. AGENDA ITEMS

Agenda Item 2.1. Approval of Minutes: October 20, 2015

Commissioner Howell made a motion to approve the October 20, 2015 meeting minutes. Mayor Fultz seconded the motion.

By Voice Vote:

Commissioner Howell	"YES"
Mayor Fultz	"YES"
Commissioner Perez	"YES"
Chairman Thornhill	"YES"

The motion carried 4-0.

Agenda Item 2.III was discussed and approved before Agenda Item 2.II.

Agenda Item 2.III. Declaration of Restrictive Covenant for Former Ridge Fertilizer Site, 1049 US Alternate 27, Lake Wales

[Begin agenda memo]

This Memorandum concerns a Declaration of Restrictive Covenant to be recorded among the Public Records of Polk County, Florida, concerning the former Ridge Fertilizer site. A copy of the draft Declaration of Restrictive Covenant which has been approved by the Florida Department of Environmental Protection is provided herewith. The Declaration will require approval by the Lake Wales Community Redevelopment District before it can be recorded among the Public Records.

This Memorandum concerns notice which must be provided to the owner of the real property which is the subject of the Declaration of Restrictive Covenant.

The Declaration of Restrictive Covenant deals with environmental contamination at the site of the former Ridge Fertilizer facility.

This Memorandum also serves to request that the Declaration of Restrictive Covenant be submitted to the CRA Board for its approval and subsequent execution and recording among the Public Records of Polk County, Florida.

Also provided herewith is a copy of the related Notice published in The Polk County Democrat on April

27, 2016.

[End agenda memo]

City Attorney Chuck Galloway reviewed Agenda Item 2.III.

Mayor Fultz made a motion to approve the Declaration of Restrictive Covenant for the former Ridge Fertilizer Site, 1049 US Alternate 27, Lake Wales. Commissioner Howell seconded the motion.

By Voice Vote:

Mayor Fultz	"YES"
Commissioner Howell	"YES"
Commissioner Perez	"YES"
Chairman Thornhill	"YES"

The motion carried 4-0.

Agenda Item 2.II. Appointment of Chairperson and Vice-Chairperson

Mayor Fultz nominated Commissioner Thornhill to serve as Chairperson to the Community Redevelopment Agency. Commissioner Howell made a motion to approve the nomination made by the Mayor and Mayor Fultz seconded the motion.

By Voice Vote:

Commissioner Howell	"YES"
Mayor Fultz	"YES"
Commissioner Perez	"YES"
Chairman Thornhill	"YES"

The motion carried 4-0.

Mayor Fultz nominated Commissioner Howell to serve as Vice-Chairperson to the Community Redevelopment and then made the first motion and Commissioner Howell seconded the motion.

By Voice Vote:

Mayor Fultz	"YES"
Commissioner Howell	"YES"
Commissioner Perez	"YES"
Chairman Thornhill	"YES"

The motion carried 4-0.

Agenda Item 2.IV. CRA Citizen Advisory Committee – Philosophical Statements, Priorities, and Requests

[Begin CRA Citizen Advisory Committee Philosophical Statements, Priorities, and Requests]

Philosophical Statements

1. The Community Redevelopment Agency (CRA) should have an emphasis on "Redevelopment."
2. The CRA should only sponsor projects that enhance the tax base. The tax base and the

resulting tax increment is the life blood of the CRA.

3. The priority for Redevelopment should be for the vertical, built environment, particularly historic structures.
4. Expend funds for infrastructure only if it can be shown that it will enhance the tax base.
5. Use CRA funds for infrastructure redevelopment and not maintenance.
6. Other funds should first be used for infrastructure projects, such as:
 - a. Gas tax for roads
 - b. Utility funds for utilities
7. The CRA could be used for infrastructure projects, but as a last option.
8. Unless the issue is public safety, demolition of a structure should be accompanied by a program for reconstruction on the property in question.

Priorities

1. Focus on downtown redevelopment including Walesbilt Hotel.
2. Continue demolition program & establish a rebuilding program.
3. Support Code Enforcement program as a method to enhance the tax base.
4. Beautify Scenic Highway entrances to City (initially the north entrance).
5. Update CRA plan to include updates, future goals, priorities & extension of CRA.

Requests

1. Provide quarterly CRA progress report, including Code Enforcement actions to the CRA.
2. Provide periodic CRA Audit.
3. General Fund is the preferred funding source for Code Enforcement.

[End CRA Citizen Advisory Committee Philosophical Statements, Priorities, and Requests]

Mark Bennett, Chairman of the CRA Citizens Advisory Committee reviewed Agenda Item 2.IV. He gave an update on the progress of the Committee for the past year and said the City Manager as Executive Director of the CRA, the Finance Director, and other staff members met with the Committee and gave them the history of the CRA and its current direction. Mr. Bennett said he also spoke to the Mayor who had asked him what the CRA Citizen Advisory Committee would be working on so the Committee came up with some philosophical statements, priorities, and requests for the CRA Board to consider. He explained the following:

Philosophical Statements

Mr. Bennett emphasized that the CRA Citizen Advisory Committee felt it would be better to shift the focus of the CRA away from infrastructural related items and focus more on redevelopment, the built environment, and fixing up buildings etc. It should be redevelopment and not maintenance. If a sewer line needed to be fixed and depending on funding the utility fund should pay for that. When talking about demolishing structures that is great because it cleans up the neighborhoods. However, if you do not put a new building there it would not be beneficial in terms of the continuity of the neighborhood. Vacant lots are better than dilapidated houses but putting new houses on vacant lots is even better.

Priorities

Mr. Bennett said the priorities of the Committee are to focus on downtown redevelopment including the hotel. Commissioner Perez asked why the CRA would be involved in the hotel if privately owned. Mr. Bennett said the CRA is not involved in the hotel but it should be a priority because it affects the downtown. We could perhaps build a streetscape around it for example as one option, which is the intent of listing the hotel. Mr. Fields said if the hotel became operational with retail then there would be a need for

parking which could be an appropriate use of CRA funds to assist them in developing some type of parking structure. Commissioner Perez asked if the hotel would be responsible for parking and if the CRA would be required to assist in that. Mr. Fields said City Code might not apply if it is a redevelopment of an existing building. He would have to check with planning on that. Chairman Thornhill said the hotel has parking in the back but if they needed some additional parking in the front then we might have to do something to help if it is on City property. The Mayor said if the hotel became operational public/private partnerships could help with that to accommodate the hotel and others around it in the downtown because neither the City nor the CRA could do it alone. Mr. Bennett said the Committee was not trying to dictate specific projects but to provide some general guidance. Chairman Thornhill said the complaint in the downtown as a whole has always been parking. He said Winter Haven used CRA funds to build their parking garage and Mr. Bennett said their parking garage blends into the environment so much that they had to put signs out telling people where it is located. Chairman Thornhill said the goal is to revitalize the downtown and that might be another area to look at so he agrees with the priorities. We are not going to use CRA money or tax base money to help a private enterprise because that is not the goal.

Mr. Bennett said the Committee felt Code Enforcement is a priority.

Mr. Bennett said the Committee felt the CRA Plan needed revising. Chairman Thornhill said that should be a priority. Mr. Bennett said a couple of weeks ago he had the opportunity to attend a CRA workshop put on by the Florida League of Cities and one of the things he learned is projects that are done in the CRA had to be consistent with the CRA Plan and once projects are done the Plan must be updated.

Requests

Mr. Bennett said the general fund pays for one of the code enforcement offices and the CRA fund pays for the other one. The general fund should pay for both officers to free up CRA dollars do other things.

Chairman Thornhill asked if the 3:30 p.m. meeting time of the CRA Citizen Advisory Committee prevented people from wanting to serve. The Mayor made a motion for the Committee to set its own meeting times, Commissioner Howell seconded the motion, and the CRA Board unanimously approved. The City Clerk said the Committee already sets its own meeting times.

Mr. Bennett asked if the CRA Board had anything else for the Committee to do. The Mayor said any advice or any recommendation from the Committee on anything that the CRA Board is considering is very valuable so they want to hear that. Chairman Thornhill said the Committee needed to work on updating the CRA Plan and provide recommendations to the CRA Board. Commissioner Howell said she expected the Committee to provide the CRA Board with guidelines and rules on anything that comes before it so the CRA Board does not waste time considering or voting on something that they do not need to be doing. Chairman Thornhill said the downtown should be one of the focuses in the revised CRA Plan and Commissioner Perez said that will be hard to do when one person owns most of the buildings in the downtown so it would be interesting to see what we can possibly do to redevelop the downtown area. Mr. Bennett said that is one of the reasons for revising the CRA Plan so the City can come up with some ideas in how to do that. Commissioner Howell said she hoped the focus would not be just on the downtown and Mr. Bennett agreed and said the CRA is not just about the downtown. There are a lot of things need doing like entryways to the downtown. Commissioner Perez said maybe we could consider adding some type of memorial signs showing the service men in Lake Wales that we lost in the past three major wars and incorporate that in the CRA Plan and Mr. Bennett said he would support that but he is not sure if that would be CRA related. Mr. Fields said beautification is a broad term.

EXECUTIVE DIRECTOR'S REPORT

Mr. Fields said staff appreciated the work of the CRA Citizens Advisory Committee and the priorities and all it came up with and he agreed that the CRA Plan needed updating and said the the CRA Plan needed to be tied into a focused downtown redevelopment plan. There are some good consultants to help with that.

Mr. Fields reported that we are starting to get more and more interest in Longleaf although it is not in the CRA. Longleaf is owned by the CRA and any proceeds from the sale of lots there go back to the CRA.

COMMUNICATIONS & PETITIONS

Christopher Lutton, resident, said a deadline needed to be set for completing the CRA Plan and recommended February 1, 2017 for that so we could evaluate the recommendations in the plan to prepare for the following budget year. Mr. Fields agreed with the timeframe.

There being no further discussion the meeting was adjourned at approximately 5:59 p.m.

Chairman Jonathan Thornhill

ATTEST:

City Clerk Clara VanBlargan, MMC

DRAFT

MEMORANDUM

DATE: August 25, 2016

TO: Chairman and Members of the Community Redevelopment Agency Board

FROM: Kenneth Fields, Executive Director

RE: **Purchase Offer for Longleaf Business Park Parcels 13, 14, 15, 16, 17, 20, 21, 22, and 23 and Option to Purchase Parcels 4, 5, 6, and 7**

SYNOPSIS

The attached Purchase Offer is for the Sale of nine parcels and an Option to Purchase an additional four parcels in Longleaf Business Park to CRV Development which intends to build logistics and warehouse facilities on these parcels. This sale would place all but two small parcels in the Longleaf Business Park in private ownership and on the city's tax roll. The offering price is thirty thousand dollars (\$30,000.00) per acre. The properties are currently valued by the Property Appraiser at approximately seventeen thousand dollars (\$17,000.00) per acre. The total purchase price is approximately one million forty three thousand dollars (\$1,043,000.00) subject to final determination of the exact size of each lot.

RECOMMENDATION

It is recommended that the Community Redevelopment Agency Board approve the Executive Director signing the Purchase Offer for the sale of Longleaf Business Park Parcels 13, 14, 15, 16, 17, 20, 21, 22, and 23 and the Option to Purchase Parcels 4, 5, 6, and 7 and authorize the Executive Director and Agency Attorney to negotiate and sign a final Sales and Option Agreement to implement same at a price of thirty thousand dollars (\$30,000.00) per acre.

BACKGROUND

The City of Lake Wales CRA entered into a contract with Coldwell Banker Commercial Saunders Ralston Dantzler to market the remaining CRA owned parcels within the Longleaf Business Park. Through their efforts, CRV Development has made an offer to immediately purchase nine parcels in Longleaf Business Park with the intention of constructing industrial, logistical and warehousing facilities for lease or sale to businesses that desire to have their own facilities. Time is of the essence as this is an IRS 1031 exchange of real estate. Upon execution of the final sales agreement, CRV Development would be the primary owner of the Longleaf Business Park and the City through the Community Redevelopment Agency would retain only two small parcels. Although the offered price is below the asking price, it is still substantially higher than the Polk County Property Appraiser value and is justified by the large number of parcels being purchased at one time and placed on the city's tax roll.

OTHER OPTIONS

Continue to market the property to other potential buyers.

FISCAL IMPACT

City tax revenue alone would be approximately \$7,600 per year based on the sale price of the property and the proposed millage rate for Fiscal Year 2017. In addition, as the City would no longer be the primary property owner within the Business Park, it would no longer have responsibility for maintenance of the parcels and related infrastructure.

ATTACHMENTS

Offer to Purchase

OFFER TO PURCHASE

August 19th, 2016

TO: Lake Wales Community Redevelopment Agency
FROM: CRV Development Inc. a Massachusetts Corporation

RE: Lingleaf Business Park, Lake Wales, FL.
A. Purchase of Lots 13, 14, 15, 16, 17, 20, 21, 22, 23
B. Option to Purchase Lots 4, 5, 6, 7

CRV Development Inc hereby offers to purchase the aforementioned lots (A); subject to the following terms and conditions:

1. Offering price for the property is \$30,000 per acre for an estimated sum of \$1,043,000.00 of which \$10,000.00 is paid herewith as a deposit to validate this Offer.
2. Offer to purchase said lots (A) is contingent upon Seller granting Buyer an option to purchase lots (B) 4, 5, 6, and 7 for the sum of \$30,000.00 per acre. This option shall be valid for a period of 18 months from the date of closing by the Buyer on lots per section A.
3. Seller understands Buyer is utilizing a 1031 exchange per IRS guidelines and agrees to cooperate with buyer in utilizing lots itemized in section A to complete the exchange.
4. Buyer does not require financing for this purchase. Buyer's closing funds are currently held in escrow with the Exchange Authority, Leominster MA, per the Buyer's 1031 Exchange matter.
5. The closing for lots (A) shall take place on or about November 15, 2016.
6. This offer is good until 5:00 P.M. on September 1, 2016 at or before this time a copy of this Offer must be signed by Seller and returned to Buyer or this Offer shall be void and any money paid with this Offer shall be returned immediately.
7. Upon acceptance and execution of this offer, Buyer shall within 7 days arrange to wire funds to the Seller's Attorney, to be held in escrow until the closing.
8. The Buyer shall have a 60 day period from the date of acceptance of this offer, to conduct due diligence to determine feasibility and suitability for development of the property. If Buyer determines that the property is not suitable for development, in Buyer's sole determination, this agreement shall be cancelled, all deposits are to be forthwith refunded, and parties otherwise held harmless in full performance hereof.
9. The parties hereto shall on or before September 26, 2016 execute a purchase and sales agreement acceptable to each party's legal counsel which shall then become the contract governing this transaction.
10. Seller warrants that the property is platted, streets are in compliance with Municipal requirements and accepted as municipal ways, subdivision is approved and in compliance with all Federal, State, and Municipal requirements, and that municipal utilities are drainage is complete, adequate, and available to support and service the proposed development; and seller further warrants that there is no pending or actual litigation that would negatively impact the property.

11. Seller warrants that there are no outstanding Impact Fees, or other amounts due any third party and there are no liens on the property.
12. The property shall be free of hazardous waste or contaminants and Seller shall provide Buyer with a Phase 1 inspection of the property verifying such within the 60 day due diligence period.
13. Brokerage commission on this transaction shall be shared equally between Coldwell Banker Commercial, represented by Gregory S. Smith as listing broker and Robert W. Richard individually as cooperating Broker, as licensed Brokers.
14. Seller shall at Seller's expense provide Buyer with a Title Commitment from a reputable Title Company authorized to conduct business in the State of Florida indicating the property is marketable and free and clear of all title defects and title is insurable.
15. Seller understands that Buyer is subject to the terms and conditions imposed by the Internal Revenue Service guidelines pertaining section 1031 for the exchange of res estate. Time is of the essence in this contract.

This is intended to be a legally binding contract subject to the terms and conditions herein and that there are no oral representations or agreements. This contract shall be governed by the laws and statutes of the State of Florida.

BUYER: CRV Development, Inc

By: 
 Robert W. Richard, President

August 19, 2016
 Date

Address of Buyer(s): c/o 6017 Pine Ridge Rd PMB 255, Naples FL 34119

ACCEPTANCE

Seller: Lake Wales Community Redevelopment Agency

BY: _____

 Date

Incumbency: I _____ certify that I am fully authorized by the Lake Wales Community Redevelopment Agency to legally bind the Agency to the terms and conditions enumerated in this contract and if a Board Vote is required, said vote shall be returned with the executed offer.