

MEMORANDUM

July 19, 2022

TO: Honorable Mayor and City Commission

VIA: James Slaton, City Manager

FROM: Mark J. Bennett, Development Services Director
Darrell Starling, CRA Project Manager

SUBJECT: Florida Development Corporation funding request to open a business incubator on Lincoln Avenue.

SYNOPSIS: *The purpose of this memorandum is to consider the funding request of \$1.2 million for the business Incubator BizLINC at 225 Lincoln Ave.*

RECOMMENDATION

It is recommended the CRA Board consider the following action(s)

1. Authorize the Mayor to sign the operational agreement with Florida Development Corporation with a provision that the City of Lake Wales will only payout the third year of \$300,000 if the incubator BizLINC meets its two year deliverables shown in the Deliverables and Results spread sheet attached as Exhibit A.
2. Authorize a budget amendment in the amount of \$500k as an action item.

BACKGROUND

On March 18th, representatives from Florida Development Corporation (FDC) presented their concept of bringing a business incubator to Lincoln Avenue, and that they were currently under contract to purchase the building at 225 Lincoln Avenue.

On May 20th, Florida Development Corporation closed on this property. They purchased the property for \$230,000, with another \$10,000 spent on getting it up to code and ready for operations.

On June 14th, representatives from Florida Development Corporation presented their concept of bringing a business incubator to Lincoln Avenue to the CRA Board. The concept included a financial request of 1.2 million spanning over 3 years. In the first year \$500,000 is requested, the second year \$400,000, and the third year \$300,000.

LAKE WALES CONNECTED PLAN ACTION STEPS

Action #	Description
42	Organize mentors and training for entrepreneurs hoping to open business in the core of Lake Wales. Explore their space and assistance needs to determine whether a business incubator is needed.
63	Develop an incubator on Lincoln Avenue.

FLORIDA DEVELOPMENT CORPORATION

Florida Development Corp, Inc. (FDC) is a progressive real estate development company founded in 2016. Its founders have over 60 years of collective experience in affordable housing

development, community & economic development, weatherization, financial and project management.

Their projects include numerous new construction homes, multi family, weatherization and single-family rehabilitation projects, and an adaptive reuse of a commercial building for a PPE (Personal Protective Equipment) manufacturing company.

Their most recent project is the building of a single-family residence on Lot 19; just south of the B Street Lot 22 they were awarded.

FDC recently purchased property on Lincoln Avenue and B Street (lot 22). They plan to build a 3600 sq. ft. mixed use building that will house two commercial rental spaces and six 2 bedroom and 1 bath affordable housing units. The building will be called, LINC Plaza.

FDC has provided services to municipalities, and nonprofit organizations in Hillsborough, Pasco, Polk and Orange Counties as well as various areas throughout Central and Western Florida.

FISCAL IMPACT

FDC is requesting \$1.2 million to operate the business incubator BizLINC.

The City will be using American Rescue Plan (ARP) funds to fulfill the funding requesting if approved by the CRA Board. This is an eligible expense under the ARP program in the background section.

OTHER OPTIONS

Not Applicable

ATTACHMENTS

Aerial Map
BizLINC Budget/Deliverables
Operational Agreement

Aerial Map

