

**MEMORANDUM**

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January 12, 2021

**TO:** Community Redevelopment Agency (CRA) Board

**VIA:** James Slaton, City Manager/CRA Executive Director

**FROM:** Mark J. Bennett, Development Services Director  
Darrell G. Starling, CRA Coordinator

**SUBJECT:** Purchase the Green and Gold Foundation B Street Properties by the CRA.

**SYNOPSIS:** *The purpose of this request is to consider the purchase of two parcels located on B Street from the Green and Gold Foundation for \$10,000.*

**RECOMMENDATION**

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

1. The CRA Board authorize the purchase of two parcels belonging to the Green and Gold Foundation.
2. Authorize the Executive Director of the CRA to sign the vacant land contract on behalf of the CRA.
3. Authorize the Executive Director of the CRA to sign any related documents.

**BACKGROUND**

The Green and Gold Foundation has agreed to sell to the CRA their two lots located on B Street for \$10,000. These two lots are located just west of the B Street Community Center and are identified by parcel numbers 272935879000003060 and 272935879000003050. These lots are plagued with overgrowth and have been unused for several years.

The intended use of the parcels is to donate the lots to Keystone Challenge Fund for construction of affordable housing.

**LAKE WALES CONNECTED PLAN ACTION STEPS**

<b>Action #</b>	<b>Description</b>
9	Provide down payment assistance and low-interest mortgages for infill housing in the Northwest Neighborhood
27	Identify properties owned by CRA or the City and explore joint ventures for new housing
38	Provide first-time homebuyer counseling and education (via Keystone Challenge Fund)
39	Provide down payment assistance and low-interest mortgages for infill housing

**KEYSTONE CHALLENGE FUND OVERVIEW AND PLANS FOR REDEVELOPMENT**

Keystone Challenge Fund is a Community Housing Development Organization (CHDO) that serves to develop affordable housing specifically in low-income communities.

For over 28 years, Keystone has provided affordable housing to low and moderate-income homebuyers to connect families with homeownership. As a result, nearly 4,200 families have become homeowners throughout Polk County. One of Keystone's most recent projects was the construction of two homes in Haines City. Attached are pictures of the Haines City homes, which are examples of the houses to be built in Lake Wales.

If the CRA approves the lot purchase, then staff will bring forward a proposed agreement with Keystone for consideration at the February 2021 CRA meeting. If approved, site development would commence during the first quarter of 2021, and take approximately 4-6 months from start to finish. When completed, two houses with an estimated value of \$170,000 each will be in place, and serving as a catalyst for further redevelopment along B Street.

**REVENUE VALUE**

<b>Jurisdiction</b>	<b>Millage</b>
Polk BoCC	6.899
City of Lake Wales	6.7974
Total	13.6964
Assessed Value (Less Homestead Exemption)	\$ 120,000.00 (per home)(assumed)
Tax Increment Revenue	\$ 1,643.57 (per home)

**RETURN ON INVESTMENT**

CRA Investment	\$10,000
Tax Increment Revenue	\$3,287.14/Year (2 homes)
Total Return on Investment (ROI)	3.04 Years

**FISCAL IMPACT**

The Cost to the CRA will be \$10,000.

**OTHER OPTIONS**

Not accept CRA staff recommendation.

**ATTACHMENTS**

Vacant Land Contract  
Proposed House examples

EXAMPLES OF KEYSTONE HOUSES (Recently constructed in Haines City)

