

City Commission Special Meeting

Minutes

November 30, 2022

(APPROVED)

11/30/2022 - Minutes

1. CALL TO ORDER

Mayor Hilligoss called the meeting to order at approximately 2:00 p.m.

2. ROLL CALL

Members Present: Mayor Jack Hilligoss, Robin Gibson, Terrye Howell, Danny Krueger

Members Absent: Daniel Williams

Staff Present: James Slaton, City Manager; Jennifer Nanek, City Clerk; Albert C. Galloway, Jr., City Attorney

3. COMMENTS & PETITIONS

Catherine Price, resident, said the agendas for this meeting and the work session are not posted to the website. Mayor Hilligoss asked when the agendas were posted. Jennifer Nanek, City Clerk, said yesterday afternoon. This agenda was posted under Special City Commission Meeting. James Slaton, City Manager, confirmed that the agendas are live now on the site.

4. Lake Wales Housing Authority Funding Request For Grove Manor

[Begin Agenda Memo]

SYNOPSIS: The Lake Wales Housing Authority is requesting a funding match of \$1,000,000 for the redevelopment of Grove Manor.

RECOMMENDATION Staff recommends City Commission approval of the grant request of \$1,000,000 made by the Lake Wales Housing Authority for Phase 2 of the redevelopment of Grove Manor subject to the following provisions:

1. Redevelopment of the Grove Manor Property shall substantially be in conformance with the attached Conceptual Site Plan designed in partnership with Dover, Kohl, & Partners.
2. Upon notification of receipt of tax credits for the Grove Manor Project, the Lake Wales Housing Authority shall convey a portion of the real property to the Lake Wales Community Redevelopment Agency (Phase 4 on attached site plan).
3. Authorize the City Manager to execute all necessary documents on behalf of the City.

BACKGROUND Prescribed within the Lake Wales Connected plan is a redesign of Grove Manor. The site serves as a keystone that connects Lake Wales' Northwest neighborhood to the historic downtown district. This connection is fundamental in the City and CRA's redevelopment plan.

The Lake Wales Housing Authority is seeking to redevelop the Grove Manor public housing complex and is seeking a local government match of \$1,000,000 to both assist in funding the project and to increase chances of a tax credit award. Redevelopment of the site will occur in three separate phases. The City previously approved \$460,000 in 2020 for the entire project, and \$1,000,000 for the redevelopment of Phase 1 in 2021, but the Housing Authority unfortunately was not awarded the tax credits. The City approved an additional \$460,000 grant for redevelopment of Phase 2 in 2021 with the same outcome.

The Housing Authority believes it will be more advantageous to apply the \$1,000,000 match to Phase 2 this year. No application will be made for Phase 1 tax credits. Phase 1 is comprised of 120 housing units, while Phase 2 is comprised of 90 housing units.

If approved, the requested \$1,000,000 will come from American Rescue Plan (ARP) funds and not the City's general fund.

As a publicly owned complex, Grove Manor currently generates no ad valorem property taxes. However, if the complex is redeveloped as proposed, the new housing units will be privately owned and the improvements will generate tax increment revenue for the CRA. The estimated tax increment revenue generated for Phase 2 is \$50,000 annually, providing an approximate 20- year return on the public investment.

The City's CRA recently extended its end of life by 30 years, so the CRA will see a net gain in tax increment for several years before the CRA expires, after which point the City of Lake Wales will receive ad valorem tax revenue. In an effort to mix housing types on the site, to provide additional affordable housing, and to maximize the available land on the site, the Housing Authority will convey the land identified as Phase 4 to the CRA for future single-family affordable housing construction.

LAKE WALES CONNECTED PLAN

ACTION STEPS

Action # Description

7 Support upgrades to Grove Manor public realms improvements

9 Partner with housing contractor to build infill housing in the Northwest Neighborhood.

FISCAL IMPACT If approved, \$1,000,000 in ARP funds will be encumbered and paid once the construction is complete. The estimated tax increment generated from this phase of the project is \$50,000 annually.

OTHER OPTIONS Do not approve the expenditure of \$1,000,000 to the Lake Wales Housing Authority for the redevelopment of the Grove Manor property

[End Agenda Memo]

James Slaton, City Manager, reviewed this item.

Al Kirkland, Jr., Executive Director of the Housing Authority, reviewed this item.

Rick Crogan, Henzy and Smith, reviewed this project and explained why they are applying for Phase II for 71 units. We can always add units. Its the goal to get to 90. They hope to find more funding. He reviewed the funding selection process, that its essentially a lottery.

Deputy Mayor Gibson asked how well we line up with preferences. Mr. Crogan said very well and reviewed the ones that we meet.

Mayor Hilligoss asked if we approve this it keeps us in the lottery. Mr. Crogan said yes.

Deputy Mayor Gibson said we can be in a good position to win. Mr. Crogan confirmed this.

Mayor Hilligoss confirmed that this match will come from the American Rescue Plan Funds. Mr. Slaton confirmed this. Mayor Hilligoss asked when the money must be spent by. Mr. Slaton said 2026 and that this is an approved use. Mayor Hilligoss said we will have a few more cracks at this.

Deputy Mayor Gibson commended the relationship with the Housing Authority and board. That is healthy. Mr. Crogan commended the design and working with DoverKohl.

Commissioner Krueger asked what this does for us. Deputy Mayor Gibson said this redesigns Grove Manor to fit with the Lake Wales Connected Plan. Mr. Slaton said the houses and apartments will be privately owned and owners will pay taxes.

Deputy Mayor Gibson made a motion to approve this item. Commissioner Howell seconded the motion.

by voice vote:

Deputy Mayor Gibson "YES"

Commissioner Howell "YES"

Commissioner Krueger "YES"

Mayor Hilligoss "YES"

Motion approved 4-0.

5. ADJOURNMENT

The meeting was adjourned at 2:19 p.m.

Mayor

ATTEST:

City Clerk