



City of Pensacola

Community Redevelopment Agency

Agenda

The City of Pensacola Community Redevelopment Agency was created by the City Council and is a dependent special district in accordance with the Florida State Statutes Chapter 189 (Resolution No. 55-80 adopted on September 25, 1980; and amended Resolution No. 22-10 adopted on August 19, 2010.)

Monday, June 5, 2017, 3:30 PM

Hagler-Mason Conference Room,
2nd Floor

(Immediately following Agenda Conference)

CALL MEETING TO ORDER

Members: Jewel Cannada-Wynn, Chairperson, Andy Terhaar, Vice Chairperson, Larry B. Johnson, Sherri Myers, Brian Spencer, Gerald Wingate, P.C. Wu

BOARD MEMBER DISCLOSURE

Board Members disclose ownership or control of interest directly or indirectly of property in the Community Redevelopment Area

CHAIRMAN'S REPORT

APPROVAL OF MINUTES

1. [17-00361](#) MINUTES OF CRA MEETING - 05/08/2017

Attachments: [Draft CRA Minutes - 05.08.17](#)

PRESENTATIONS

ACTION ITEMS

2. [17-00308](#) APPROVAL OF WESTSIDE REDEVELOPMENT BOARD
RECOMMENDATION FOR MODIFICATION OF PROJECT FUNDING
ALLOCATIONS AND INCORPORATION INTO COMMUNITY
REDEVELOPMENT AGENCY PROJECT LIST AND WORK PLAN
FOR FISCAL YEARS 2017 AND 2018

Sponsors: Jewel Cannada-Wynn

3. [17-00317](#) AMENDMENT OF THE COMMUNITY REDEVELOPMENT AGENCY
(CRA) BYLAWS

Recommendation: That the Community Redevelopment Agency (CRA) amend its Bylaws to add provisions and procedures for supervision and direction of CRA staff.

Sponsors: Jewel Cannada-Wynn

Attachments: [CRA Bylaws - adopted October 20, 2014](#)
[Office of the City Council - Ordinance 05-15](#)

4. [17-00322](#) CRA MEETING SCHEDULE AND TIME

Recommendation: That the Community Redevelopment Agency (CRA) recommend that City Council consider rescheduling future Agenda Conference meetings to immediately follow CRA meetings to permit CRA meetings to be held at 3:30 p.m. each month.

Sponsors: Jewel Cannada-Wynn

5. [17-00353](#) REJECTION OF PROPOSALS TO DEVELOP THE CRA-OWNED
PROPERTY AT 9TH AVENUE AND EAST ROMANA STREET
(HAWKSHAW)

Recommendation: That the Community Redevelopment Agency (CRA) approve the Hawkshaw Proposal Evaluation Committee recommendation to reject both responses to the Request for Proposals and to direct NAI Halford to continue marketing the site.

Sponsors: Jewel Cannada-Wynn

Attachments: [Letter from NAI Halford Regarding Evaluation Committee Recommendation](#)
[Response - Gunther Properties](#)
[Response - Pinnacle Management](#)
[Proposal Scoring Sheets](#)

DISCUSSION ITEMS

INFORMATION ITEMS

OPEN FORUM

ADJOURNMENT

If any person decides to appeal any decision made with respect to any matter considered at such meeting, he will need a record of the proceedings, and that for such purpose he 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 to be based.

The City of Pensacola adheres to the Americans with Disabilities Act and will make reasonable accommodations for access to City services, programs and activities. Please call 435-1606 (or TDD 435-1666) for further information. Request must be made at least 48 hours in advance of the event in order to allow the City time to provide the requested services.



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 17-00361

Community Redevelopment Agency

6/5/2017

SUBJECT:

MINUTES OF CRA MEETING - 05/08/2017

Minutes of the Community Redevelopment Agency (CRA) meeting held on May 8, 2017.



City of Pensacola

COMMUNITY REDEVELOPMENT AGENCY

Meeting Minutes

May 8, 2017

5:16 P.M.

Hagler-Mason Conference Room

CALL MEETING TO ORDER

CRA Members Present: Andy Terhaar, Brian Spencer, Gerald Wingate, Jewel Cannada-Wynn, Larry Johnson, P.C. Wu

CRA Members Absent: Sherri Myers

BOARD MEMBER DISCLOSURE

CRA Board Members Terhaar and Spencer (individually) disclosed ownership or control of interest directly or indirectly of property in the Community Redevelopment Area.

CHAIRMAN'S REPORT

None.

APPROVAL OF MINUTES

1. [17-00294 MINUTES OF CRA MEETING - 04/10/17](#)

A motion to approve was made by CRA Member Wu and seconded by CRA Member Johnson.

The motion carried by the following vote:

Yes: 6	Andy Terhaar, Brian Spencer, Gerald Wingate, Jewel Cannada-Wynn, Larry Johnson, P.C. Wu
No: 0	None

PRESENTATIONS

None.

ACTION ITEMS

2. [17-00280](#) APPROVAL OF LOT PURCHASE WITHIN THE EASTSIDE URBAN INFILL & REDEVELOPMENT AREA FOR CHAPPIE JAMES MUSEUM AND FLIGHT ACADEMY PARKING

Recommendation: That the CRA approve the purchase of 1700 Dr. Martin Luther King, Jr. Drive (Parcel #000S009020001101) within the Eastside Urban Infill & Redevelopment Area for Chappie James Museum and Flight Academy parking at the agreed upon purchase price of \$55,000 plus survey and closing expenses. Further that the CRA Chairperson be authorized to execute all documents necessary for transfer.

A motion to approve was made by CRA Member Spencer and seconded by CRA Member Wingate.

The motion carried by the following vote:

Yes: 6	Andy Terhaar, Brian Spencer, Gerald Wingate, Jewel Cannada-Wynn, Larry Johnson, P.C. Wu
No: 0	None

3. [17-00281](#) COMMUNITY POLICING INTERLOCAL AGREEMENT BETWEEN THE CITY OF PENSACOLA AND THE COMMUNITY REDEVELOPMENT AGENCY - FY 2018 AND REMAINDER OF FY 2017

Recommendation: That the Community Redevelopment Agency (CRA) approve an Interlocal Agreement with the City of Pensacola for the purpose of providing Community Policing Innovations within the Urban Core Community Redevelopment Area of the CRA for Fiscal Year 2018 and the remainder of Fiscal year 2017 in an amount not to exceed \$150,000.

A motion to approve was made by CRA Member Spencer and seconded by CRA Member Terhaar.

CRA Member Wingate asked for clarification of this agreement with CRA Administrator Gibson responding accordingly.

There being no further discussion, the vote was called.

The motion carried by the following vote:

Yes: 6	Andy Terhaar, Brian Spencer, Gerald Wingate, Jewel Cannada-Wynn, Larry Johnson, P.C. Wu
No: 0	None

ACTION ITEMS (CONT'D.)

4. [17-00282](#) AMENDMENT OF THE DOWNTOWN PARKING MANAGEMENT DISTRICT INTERLOCAL AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND THE DOWNTOWN IMPROVEMENT BOARD REMOVING 150 S. BAYLEN STREET

Recommendation: That the Community Redevelopment Agency (CRA) approve and authorize the CRA Chairperson to take any and all actions necessary to amend the Interlocal Agreement between the CRA and the Pensacola Downtown Improvement Board (DIB) governing the Downtown Parking Management District and Parking Facilities to remove the CRA-owned property located at 150 S. Baylen Street.

A motion to approve was made by CRA Member Wingate and seconded by CRA Member Cannada-Wynn.

The motion carried by the following vote:

Yes: 6	Andy Terhaar, Brian Spencer, Gerald Wingate, Jewel Cannada-Wynn, Larry Johnson, P.C. Wu
No: 0	None

5. [17-00273](#) EASTSIDE NEIGHBORHOOD PLAN AMENDMENT TO ESTABLISH TIME CERTAIN

Recommendation: That the Community Redevelopment Agency (CRA) recommend to City Council the amendment of the Eastside Neighborhood Plan Element of the Urban Infill and Redevelopment Plan to establish and incorporate therein a time certain which maximizes the number of years currently allowed under Chapter 163, Part III, Florida Statutes.

A motion to approve was made by CRA Member Cannada-Wynn and seconded by CRA Member Spencer.

CRA Member Wingate asked for clarification of this amendment with CRA Administrator Gibson responding accordingly. CRA Chairperson Cannada-Wynn made follow-up remarks.

There being no further discussion, the vote was called.

The motion carried by the following vote:

Yes: 6	Andy Terhaar, Brian Spencer, Gerald Wingate, Jewel Cannada-Wynn, Larry Johnson, P.C. Wu
No: 0	None

DISCUSSION ITEMS**6. [17-00293 CRA MEETING SCHEDULE AND TIME](#)**

Recommendation: That the Community Redevelopment Agency (CRA) discuss rescheduling future CRA meetings to be held on the 3rd Tuesday of each month at 3:30 p.m.

Discussion ensued among CRA Members with consensus among members to keep the regular CRA meetings on the same scheduled date as the City Council Agenda Conference. CRA Chairperson Cannada-Wynn expressed the desire for the CRA board to at least have a set time if the meetings remain on the same day as the Agenda Conference.

As discussion continued, **CRA Members agreed they would be open to consider (as an action item) a time certain for CRA meetings to begin on the same day as Agenda Conferences.**

INFORMATION ITEMS

None.

OPEN FORUM

None.

UNFINISHED BUSINESS

CRA Member Terhaar inquired of a parcel for sale on Reus Street as to whether it is City-owned or CRA-owned. CRA Administrator Gibson clarified it is City-owned and marketed.

NEW BUSINESS

CRA Member Spencer suggested that the CRA initiate research and analysis of evaluations of assessments of properties, parcels, and vertical improvements within the Urban Core boundary in order understand the ad valorem revenue stream; and further equate or track property values.

Some discussion took place with CRA Administrator Gibson and CRA Chairperson Cannada-Wynn asking for clarification as to the information CRA Spencer is suggesting to be ascertained. CRA Vice Chairperson Terhaar suggested a vote to direct staff. City Attorney Bowling advised to gage (just) for consensus for staff to move forward with the information requested.

No objections.

ADJOURNMENT

5:55 P. M.

Approved:_____

Prepared by City Clerk Staff



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 17-00308

Community Redevelopment Agency

6/5/2017

ACTION ITEM

SPONSOR: Jewel Cannada-Wynn, Chairperson

SUBJECT:

APPROVAL OF WESTSIDE REDEVELOPMENT BOARD RECOMMENDATION FOR MODIFICATION OF PROJECT FUNDING ALLOCATIONS AND INCORPORATION INTO COMMUNITY REDEVELOPMENT AGENCY PROJECT LIST AND WORK PLAN FOR FISCAL YEARS 2017 AND 2018

RECOMMENDATION:

That the Community Redevelopment Agency (CRA) approve the Westside Redevelopment Board (WRB) recommendation for the modification of project funding allocations and incorporation into the CRA Project List and Work Plan for Fiscal Years 2017 and 2018.

SUMMARY:

The Westside Redevelopment Board, at its regularly scheduled meeting on April 25, 2017, voted to recommend that the Community Redevelopment Agency modify the following project funding allocations for incorporation into the CRA Project List and Work Plan for Fiscal Years 2017 and 2018:

Program Name	Current FY 2017 Budget	Recommended FY 2017 Budget	Recommended FY 2018 Budget
Community Policing	\$90,000	\$75,000	\$75,000
Commercial Façade Improvement Program	\$25,000	\$40,000	\$40,000

The Community Redevelopment Agency approved the CRA Project List and Work Plan for Fiscal Years 2017 and 2018 on April 10, 2017 with funding for the abovementioned projects provided by tax increment revenue and/or program income. The recommended modification maintains the overall budget recommendation and transfers \$15,000 from Community Policing to the Commercial Façade Improvement Program.

PRIOR ACTION:

August 1, 2016 - CRA Agency approved the Fiscal Year 2017 Budget Resolution for the Westside Tax Increment Financing District.

April 10, 2017 - CRA approved the CRA Project List and Work Plan for Fiscal Year 2017/2018.

April 25, 2017 - WRB recommended that the CRA modify funding allocations for Community Policing and the Commercial Façade Improvement Program contained within the CRA Project List and Work Plan for Fiscal Year 2017/2018 as follows: Community Policing (\$75K) and Commercial Façade Improvement Program (\$40K).

FUNDING:

Budget: \$90,000 for Westside Community Policing
 \$25,000 for Westside Commercial Façade Improvement

Actual: \$75,000 for Westside Community Policing
 \$40,000 for Westside Commercial Façade Improvement

FINANCIAL IMPACT:

Funds are currently appropriated in Fiscal Year 2017 and will be included in the Fiscal Year 2018 Proposed Budget. Funding for these projects will come from TIF and/or program revenue.

CITY ATTORNEY REVIEW: Yes

5/22/2017

STAFF CONTACT:

M. Helen Gibson, AICP, CRA Administrator
Victoria D'Angelo, Assistant CRA Administrator

ATTACHMENTS:

None

PRESENTATION: No



Memorandum

File #: 17-00317

Community Redevelopment Agency

6/5/2017

ACTION ITEM

SPONSOR: Jewel Cannada-Wynn, Chairperson

SUBJECT:

AMENDMENT OF THE COMMUNITY REDEVELOPMENT AGENCY (CRA) BYLAWS

RECOMMENDATION:

That the Community Redevelopment Agency (CRA) amend its Bylaws to add provisions and procedures for supervision and direction of CRA staff.

SUMMARY:

On July 11, 2016, the CRA approved hiring a CRA Administrator and an Assistant CRA Administrator as direct employees of the CRA. Other staff support is provided to the CRA through Interlocal Agreements between the City of Pensacola and the CRA.

At its regular meeting, on May 8, 2017, the Community Redevelopment Agency (CRA) discussed policies and procedures for assignment of tasks to CRA staff. CRA Board Members were advised that the CRA Bylaws do not contain a policy governing the direction of CRA staff and task assignment.

Section 1.6 of the CRA Bylaws states:

“Unless expressly provided otherwise by law or action of the CRA, ordinances, policies and rules of procedure for the City of Pensacola shall apply to the CRA”.

On March 12, 2015, City Council adopted Ordinance No. 05-15, related to providing for the staffing of the Office of City Council as follows:

Section 2-2-10 (5). All employees of the Office of City Council shall be regarded as employees of the City of Pensacola, shall be responsible to the City Council through the President of the Council and shall be supervised by the Council Executive.

Section 2-2-10 (6). In the performance of their duties, the staff of the Office of City Council shall be directed by the Council President or by formal Council action.

The process for staff task assignment set out for the Office of the City Council appears to have worked well. It

is recommended that the CRA Bylaws be amended to incorporate the following parallel provisions applicable to CRA staff:

Article III, Section 3.6 All employees of the Community Redevelopment Agency (CRA) shall be responsible to the CRA through the Chairperson of the CRA and shall be supervised by the CRA Administrator.

Article III, Section 3.7 In the performance of their duties, the staff of the CRA shall be directed by the CRA Chairperson or by formal CRA action.

PRIOR ACTION:

September 25, 1980 - City Council adopted Resolution No. 55-80 which provided for the creation and exercise of powers of the Pensacola Community Redevelopment Agency, and assigned certain undeveloped and underdeveloped properties to the Community Redevelopment Agency for redevelopment.

May 5, 2008 - CRA adopted Administrative Policies and Procedures conforming to the City of Pensacola ordinances, policies and rules of procedure, establishing a majority vote requirement for CRA action and requiring signatures for CRA contracts and agreements.

August 20, 2010 - City Council adopted Resolution No. 22-10 which amended Resolution No. 55-80 and provided for the continuation and exercise of powers of the Pensacola Community Redevelopment Agency to reflect a strong Mayor form of governance, in conformity with the provisions of the 2010 Charter.

January 24, 2011 - CRA amended the CRA Administrative Policies and Procedures to include the election of Vice-Chair.

October 20, 2014 - CRA adopted the City of Pensacola Community Redevelopment Agency Bylaws.

March 12, 2015 - City Council adopted Ordinance No. 05-15 which created section 2-2-10 of the Code of the City of Pensacola, Florida, established an Office of the City Council, and provided for the staff of the City Council pursuant to requirements of the City Charter.

July 11, 2016 - CRA approved hiring CRA staff which included the CRA Administrator and Assistant CRA Administrator positions.

FUNDING:

NA

FINANCIAL IMPACT:

NA

CITY ATTORNEY REVIEW: Yes

5/26/2017

STAFF CONTACT:

M. Helen Gibson, AICP, CRA Administrator

ATTACHMENTS:

- 1) CRA Bylaws - approved October 20, 2014
- 2) Office of the City Council - Ordinance 05-15

PRESENTATION: No

**CITY OF PENSACOLA COMMUNITY REDEVELOPMENT AGENCY
BYLAWS**

Adopted on October 20, 2014

ARTICLE I – THE ORGANIZATION

- 1.1 **Name.** The name of this agency is the **City of Pensacola Community Redevelopment Agency (“CRA”)**, which was created by Resolution No. 55-80 adopted by the Pensacola City Council on September 25, 1980 and amended by Resolution No. 22-10 on August 19, 2010. The CRA is a dependent special district in accordance with Florida State Statutes Chapter 189.
- 1.2 **Powers.** The CRA derives its powers from **Chapter 163, Part III, Florida Statutes as amended (“the Act”)** and from other powers delegated to it by law.
- 1.3 **Purpose.** The CRA is established to eliminate and prevent the development and spread of slum and blight as defined in the Act in the **Pensacola Inner City Community Redevelopment Area (“CRA Area”)** as established by Resolution No. 54-80 and reaffirmed by Resolution No. 65-81. Further, the **City Council of the City of Pensacola (“City Council”)** has designated three redevelopment areas that are funded by Tax Increment Financing (TIF) within the CRA Area: (i)Urban Core Redevelopment Area, (ii)Westside Community Redevelopment Area and (iii)Urban Infill and Redevelopment Area (Eastside). Each redevelopment area has its own **Community Redevelopment Plan (“Plan”)** which has been adopted and amended from time to time by the City Council. The purpose of the Plans is to identify policies and actions to remedy the conditions of slum and blight that have been determined to exist within the CRA Area.
- 1.4 **Principal Office.** The CRA’s principal office shall be at any place within the City as the **CRA Board (“Board”)** designates.
- 1.5 **Documents.** The official set of CRA books and financial records shall be maintained in the City of Pensacola’s Financial Services Department. The official records, documents and minutes of the Board shall be maintained at the City of Pensacola Clerk’s Office. All CRA books, records, documents and minutes shall be open for public inspection as provided by law.
- 1.6 **Operations.** Unless expressly provided otherwise by law or action of the CRA, ordinances, policies and rules of procedure for the City of Pensacola shall apply to the CRA.

ARTICLE II – CRA BOARD

- 2.1 **Members.** The Board shall consist of all members of the City Council.
- 2.2 **Compensation.** Board members shall serve without compensation, but shall be entitled to reimbursement for actual and necessary expenses incurred in discharging their duties, in accordance with the City’s reimbursement policies and the approved CRA budget.

ARTICLE III – CRA OFFICERS AND STAFF

- 3.1 **Chair.** The chair shall be elected by the City Council during the month of December. The Chair shall preside at all CRA meetings, execute all instruments in the name of the CRA, appoint committees with approval by the Board, and perform all other duties required by the Board.
- 3.2 **Vice Chair.** The vice chair shall be elected by the City Council during the month of December. In the absence of the Chair, the Vice-Chair shall exercise all functions of the Chair.
- 3.3 **Chair Pro Tem.** In the absence of the Chair and Vice-Chair, Board members shall select a member present as temporary Chair to conduct the meeting and perform the duties of the Chair.
- 3.4 **Attorney.** The CRA may appoint a CRA Attorney, who shall be a qualified member of the Florida Bar. As needed to perform legal work for the CRA, the CRA Attorney may consult with outside counsel.
- 3.5 **Compensation.** Officers who are not Board members may be compensated as the Board deems appropriate. However, an officer performing CRA duties as part of employment with the City cannot be compensated directly by the CRA, although the CRA may reimburse the City for the cost of services provided by the officer pursuant to an Inter-local Agreement or Memorandum of Understanding between the City and the CRA.

ARTICLE IV – CITY STAFF SUPPORT

- 4.1 **Inter-local Agreement.** An Inter-local Agreement between the City and the CRA shall provide for long term CRA use of City staff deemed necessary to accomplish redevelopment activities in the CRA Area. The agreement shall describe the responsibilities of the City and the CRA and show the estimated costs or the manner in which costs shall be determined.
- 4.2 **Memorandum of Understanding.** To accomplish necessary, short-term, redevelopment activities not contemplated by the Inter-local Agreement, a Memorandum of Understanding between the City and the CRA shall provide for City staff support to the CRA for such activities. The memorandum shall describe the scope of City staff support to the CRA and the estimated costs or the manner in which costs shall be determined.

ARTICLE V -- MEETINGS

- 5.1 **Regular Meetings.** The Board shall meet regularly at least once each month at such time and place as it may prescribe, with at least 7 days' notice provided to Board members and the public.
- 5.2 **Special Meetings.** Special meetings, which must be limited to the subject(s) specified on the agenda, may be called by any three Board members or the Chair upon at least 72 hours' notice to Board members and the public. Agendas for special meetings shall be prepared in accordance with Sections 5.6.1 and 5.6.3 below.

- 5.3 Emergency Meetings.** For urgent matters requiring immediate Board action, emergency meetings may be called by the Chair with 24 hours' notice or as soon as practicable. Prior public notice shall not be required, but shall be provided as soon as possible if feasible. Agendas for emergency meetings shall be prepared in accordance with Sections 5.6.1 and 5.6.3 below.
- 5.4 Quorum.** The presence of a majority of the Board members shall constitute a quorum for meeting purposes. If a quorum is not present, the chair may reschedule the meeting, with notice to be given to each absent Board member.
- 5.5 Voting.** Except as otherwise provided by these bylaws, the affirmative vote of at least a majority of Board members shall be required for any Board action to be valid.
- 5.6 Agenda.** The following procedure is established for agenda preparation for regular meetings:
- 5.6.1 The agenda shall be prepared by the Chair with the assistance of City Staff under the terms of an Inter-local agreement.
- 5.6.2 Board members desiring agenda items shall make the request to the CRA assigned City Staff at least ten days before the meeting.
- 5.6.3 A copy of the agenda and all supporting data available shall be provided to the Board, the CRA Attorney and the public at least three days before the meeting. In the case of a Special or Emergency Meeting the agenda and supporting data will be provided as soon as it is available.

ARTICLE VI – FINANCIAL MANAGEMENT

- 6.1 Fiscal Year.** The CRA's fiscal year shall begin on October 1st of each year.
- 6.2 Budget.** The Chair shall be responsible to assure that the CRA's annual budget is prepared and completed in time for inclusion within the City's budget. The CRA Board shall adopt the budget by Resolution and recommend it to City Council.
- 6.3 Accounting Practices.** The CRA shall comply with all Florida Department of Financial Services uniform accounting practices and procedures for units of local government.
- 6.4 Supervision of Accounts.** The Chair shall be responsible for the internal supervision and control of CRA accounts. Such oversight may be delegated to City staff under an Inter-local Agreement.
- 6.5 Annual Report.** No later than March 31st of each year, the CRA shall file with the City Clerk a report of its activities for the preceding fiscal year, including a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of the fiscal year. At the time of filing the report, the CRA shall publish in a local newspaper of general circulation a notice that the report has been filed with the City Clerk and is available for inspection during business hours in the City Clerk's office.
- 6.6 Audit.** Within six months after the end of each fiscal year, an audit of the **Redevelopment Trust Funds ("Funds")** shall be conducted by an independent

certified public accountant in accordance with the rules of the Florida Auditor General. The audit report shall describe for the fiscal year the amount and source of deposits into the Fund, the amount and purpose of withdrawals from the Fund, the amount of principal and interest paid on any indebtedness to which increment revenues are pledged, and the remaining amount of such indebtedness. The audit may be accomplished in conjunction with the City's annual audit, by the same certified public accountant, with the audit report submitted to the appropriate State agencies as a single report, provided the CRA component is presented as a separate fund(s) in the report. The CRA shall provide by registered mail a copy of the audit report to each taxing authority as defined by the Act (does not include school districts), the Florida Auditor General and the Florida Department of Financial Services.

- 6.7 Expenditures.** All expenditures of CRA funds shall be in accordance with adopted procedures of the City and all applicable laws, the CRA's adopted budget as amended from time to time during the fiscal year, Fund requirements, and the Plan.
- 6.8 Borrowing.** The affirmative vote of at least a majority of Board members shall be required to authorize the CRA to borrow money subject to City Council approval by Resolution. Borrowed funds may be used only for purposes allowed by the Act and the Plan.

ARTICLE VII -- DISPOSAL OF CRA REAL PROPERTY

The sale, lease, disposal or transfer of CRA real property, or any interest therein, shall be consistent with the Act and approved by City Council. The Board shall strive to obtain market value for the sale or lease of any CRA-owned land, or clearly state for the record the reason(s) the transaction is below market value.

ARTICLE VIII -- AMENDMENT OF BYLAWS

Amendments to these bylaws shall require the affirmative vote of at least a majority of Board members.

PROPOSED
ORDINANCE NO. 05-15

ORDINANCE NO. 05-15

AN ORDINANCE OF THE CITY OF PENSACOLA, FLORIDA, CREATING SECTION 2-2-10 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; ESTABLISHING AN OFFICE OF THE CITY COUNCIL; PROVIDING FOR THE STAFFING OF THE CITY COUNCIL PURSUANT TO REQUIREMENTS OF THE CITY CHARTER; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY OF PENSACOLA, FLORIDA:

SECTION 1. Section 2-2-10 of the Code of the City of Pensacola, Florida, is hereby created to read:

Sec. 2-2-10. Office of the City Council.

Pursuant to the requirements of Sec. 4.02 (a) (6) of the Charter of the City of Pensacola, Florida, there is hereby created and established the Office of the City Council, with staffing, duties and responsibilities in accordance with the following criteria:

1. The City Council is authorized to employ staff to fill the following positions or discharge the following functions: Budget Analyst, Assistant City Attorney, Council Executive, Executive Assistant, and such other staff as may be deemed warranted in the performance of Council's legislative function.
2. All positions filled by the City Council shall conform to the requirements of the City Charter.
3. Each approved position shall be filled by majority vote of the City Council, and each employee so hired shall be regarded as an "at will" employee under Florida law and shall serve at the pleasure of the City Council. A majority vote of City Council shall be required to remove any employee so employed.
4. The compensation and fringe benefits of each employee hired shall be fixed by Council in accordance with the pay plan and employee benefits extended to comparably employed employees of the City of Pensacola. Each employment contract shall be executed by the Council President.
5. All employees of the Office of City Council shall be regarded as employees of the City of Pensacola, shall be responsible to the City Council through the President of the Council and shall be supervised by the Council Executive.

6. In the performance of their duties, the staff of the Office of City Council shall be directed by the Council President or by formal Council action.

SECTION 2. If any word, phrase, clause, paragraph, section or provision of this ordinance or the Application thereof to any person or circumstance is held invalid, or unconstitutional, such finding shall not affect the other provision or applications of the ordinance which can be given effect without the invalid or unconstitutional provisions or application, and to this end the provisions of this ordinance are declared severable.

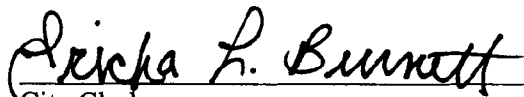
SECTION 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4. This ordinance shall become effective on the fifth business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the City Charter of the City of Pensacola.

Adopted: March 12, 2005

Approved: 
President of the City Council

Attest:


City Clerk

RECEIVED



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 17-00322

Community Redevelopment Agency

6/5/2017

ACTION ITEM

SPONSOR: Jewel Cannada-Wynn, Chairperson

SUBJECT:

CRA MEETING SCHEDULE AND TIME

RECOMMENDATION:

That the Community Redevelopment Agency (CRA) recommend that City Council consider rescheduling future Agenda Conference meetings to immediately follow CRA meetings to permit CRA meetings to be held at 3:30 p.m. each month.

SUMMARY:

Community Redevelopment Agency meetings are currently scheduled to follow the City Council Agenda Conference each month. The CRA has discussed asking City Council to consider a rescheduling to allow future CRA meetings to begin at 3:30 P.M., preceding, rather than following the Agenda Conference. This schedule change will facilitate the CRA's ability to act upon agenda items that must be referred to City Council for deliberation and action before Council meets to set its agenda.

PRIOR ACTION:

None

FUNDING:

N/A

FINANCIAL IMPACT:

None

CITY ATTORNEY REVIEW: Yes

5/19/2017

STAFF CONTACT:

M. Helen Gibson, AICP, CRA Administrator
Victoria D'Angelo, Assistant CRA Administrator

ATTACHMENTS:

None

PRESENTATION: No



Memorandum

File #: 17-00353

Community Redevelopment Agency

6/5/2017

ACTION ITEM

SPONSOR: Jewel Cannada-Wynn, Chairperson

SUBJECT:

REJECTION OF PROPOSALS TO DEVELOP THE CRA-OWNED PROPERTY AT 9TH AVENUE AND EAST ROMANA STREET (HAWKSHAW)

RECOMMENDATION:

That the Community Redevelopment Agency (CRA) approve the Hawkshaw Proposal Evaluation Committee recommendation to reject both responses to the Request for Proposals and to direct NAI Halford to continue marketing the site.

SUMMARY:

At its February 6, 2017 meeting, the CRA directed NAI Halford to proceed with the release of a Request for Proposals (RFP) to develop the Hawkshaw site at 9th Avenue and E. Romana Street. The CRA, further, approved the following appointments to the Proposal Evaluation Committee: (1) NAI Halford Representative DeeDee Davis, (2) Christian Wagley and (3) CRA Vice-Chair Andy Terhaar, to evaluate responses and provide a recommendation to the CRA for selection of a preferred developer.

On February 23, 2017 NAI Halford released the RFP. The deadline for submission of proposals to Halford was May 15, 2017. Two proposals were received. The Proposal Evaluation Committee met on May 24, 2017 to score the proposals and make a recommendation to the CRA for final approval. The committee recommended that the CRA reject both proposals and direct NAI Halford to continue to market the property.

PRIOR ACTION:

May 9, 2016 - The CRA approved issuing a Request for Proposals (RFP) for one realtor from the City's list of Qualified Real Estate Professionals to market CRA-owned property.

August 9, 2016 - The CRA approved a contract with NAI/Halford for realtor services for disposition of CRA-owned properties.

December 23, 2016 - CRA staff issued a 30 day public notice of intent to dispose of CRA-owned properties and requested proposals with a January 23, 2017 response deadline.

February 6, 2017 - The CRA directed NAI Halford to release an RFP for the Hawkshaw site and appointed an evaluation committee to evaluate responses and provide a recommendation for selection of a preferred developer.

February 23, 2017 - NAI Halford released the Hawkshaw RFP.

May 15, 2017 - Deadline for responses to the RFP.

May 24, 2017 - The Proposal Evaluation Committee met to review and rank proposals and provide a recommendation to the CRA.

FUNDING:

NA

FINANCIAL IMPACT:

As properties are sold, the CRA will benefit from tax revenue generated as a result of returning parcels to the tax roll. The CRA will receive initial revenue for the property it sells and future revenue from increased ad valorem property values. The cost of realtor services will be paid from proceeds of any property sales.

CITY ATTORNEY REVIEW: Yes

5/26/2017

STAFF CONTACT:

M. Helen Gibson, AICP, CRA Administrator

ATTACHMENTS:

- 1) Letter from NAI Halford Regarding Evaluation Committee Recommendation
- 2) Response - Gunther Properties
- 3) Response - Pinnacle Management
- 4) Proposal Scoring Sheets

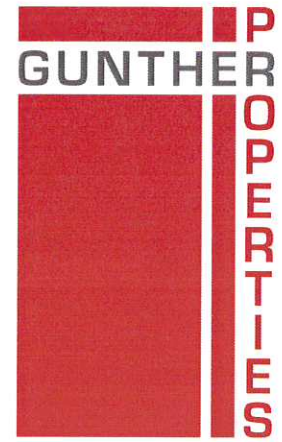
PRESENTATION: No

To: Community Redevelopment Agency
From: DeeDee Davis, NAI Halford
Date: May 24, 2017
Subject: Hawkshaw Evaluation Committee

Dear Members of the CRA,

The Hawkshaw Evaluation Committee met on May 24, 2017 to discuss the two proposals that were submitted for the property. After thorough consideration of the strengths and weaknesses of each, the committee unanimously voted to not accept either proposal at this time. Neither provided enough information to effectively convey compliance with the Urban Design Guidelines that are in place for this property.

Recommendation of the Hawkshaw Evaluation Committee:
Reject, at this time, the proposals submitted by Pinnacle Management and Investments and Galveztown, LLC. Continue the marketing plan with new deadlines and requirements in order to secure a qualified developer for the Hawkshaw property.



Hawkshaw Proposal

May 15, 2017

Fred Gunther, CCIM

P 850.433.0666

F 850.470.6397

fred@guntherproperties.com

www.guntherproperties.com

Tab 2 – Table of Contents

- Tab 3 Offer
- Tab 4 SBE Certification
- Tab 5 Standard Documents
 - Expression of Interest
 - Authorized Representative

Tab 3 – Offer

May 15, 2017

Ms. DeeDee Davis, SIOR
NAI Halford
24 W. Chase Street
Pensacola, Florida 32502

Re: Hawkshaw RFP

Ms. Davis,

I am pleased to submit this response to the above referenced request for proposal on behalf of Galveztown, LLC, a Florida Limited Liability Company, comprised of me (Fred Gunther) and The Myers Group, Inc., which is solely owned by my brother, Brad Myers. We have been investing in properties in this area for years and are now focusing on projects which we see as opportunities for community building within the City. Galveztown, LLC is currently redeveloping the former YMCA site at 400 N. Palafox Street into a mix of commercial and residential uses. I have enjoyed working successfully with the City of Pensacola since 2005, when I partnered with local architect, Scott Sallis, in response to an RFP issued by the City to redevelop a vacant parcel near City Hall. The result was the development of the Lofts on Intendencia, a workforce housing project located downtown at the Northeast corner of Reus and Intendencia Streets. The townhomes were completed on time, sold for the agreed upon price range of \$162,500 to \$175,000 and were all delivered to individuals meeting the City of Pensacola's required income restrictions. The units are located within the City's Urban Core CRA and continue to generate approximately \$6,000 in ad valorem tax revenue annually.

Another project within the City of which I am proud, is the redevelopment of three contributing structures in the downtown Historic District which sat neglected for many years, located at 503, 507 and 509 E. Government Street. I purchased these buildings in 2015, along with local business partners, and we invested an additional \$400,000 renovating and expanding the structures. The buildings are located in the City's Urban Core CRA and generate over \$6,000 in ad valorem tax revenue annually. The building at 503 E. Government serves as the offices for Gunther Properties and Dalrymple Sallis Architecture.

In addition to Gunther Properties, the development team for this proposal also includes the following development consultants, advisors and lenders:

Dalrymple|Sallis Architecture, LLC

Rebol-Battle & Associates, LLC - Civil Engineers

Jay Brindley, Scott Covell, Sanjiv Kapur, James and Jennifer Waters - Consultants

ServisFirst Bank

Tab 3 – Offer

We are offering to pay \$2,000,000 for the property with the development to be phased so payment in full will be made within 3 years from approval. At least 34 residential units totaling over 50,000 square feet, as well as over 6,000 square feet of commercial space, will be completed within seven years. As the property is developed, subdivided and sold, the City of Pensacola Community Redevelopment Agency (CRA) would receive 125% of the price paid per square foot for the entire parcel, until the entire amount owed is satisfied. For example, if half the parcel is developed and sold initially, the CRA would receive \$1,250,000 towards the amount owed of \$2,000,000 at that time. We estimate the assessment for 56,000 square feet of improvements developed on the site will be at least \$180/square foot or approximately \$10,000,000. This should result in new annual ad valorem tax revenues of over \$150,000 per year. The design of this mixed use development will be modern, with all of the buildings being three stories or less. We believe a design with this scale will be perfect for connecting the modern features of the Gulf Power building to the nearby Aragon development and Historic District. Gunther Properties, LLC, which is designated as a SBE with the City of Pensacola, will handle the marketing of the development. More details regarding my experience can be found at www.guntherproperties.com/success-stories. All requested site plans, parking configurations, conceptual elevations, etc. will be provided to the CRA for review and approval within thirty days from acceptance of the proposal. In addition, any member of the development team will have the option to exercise a right to participate in the project as a principal prior to execution of a contract with the CRA.

Alternatively, if the CRA prefers to close quickly, we are willing to pay \$1,600,000 for the property with only a 90 day due diligence period and a 30 day close thereafter (within 120 days from project approval), but it would have to be a simple sale of the land only with no special conditions or requirements imposed on the property other than the GRD zoning requirements. Both proposals require the City ensures access to the North side of the block via Colfax Street and to the South side of the block via Romana Street. In addition, any required retention will flow to the retention area at Admiral Mason Park rather than be provided on site.

We appreciate your time and consideration and are excited to have the opportunity to partner with the CRA in this endeavor.

Sincerely,



Fred Gunther, CCIM

Tab 4 – SBE Certification



FINANCIAL SERVICES
PURCHASING

June 21, 2016

Fred Gunther
Gunther Properties, LLC
503 East Government Street
Pensacola, FL 32502

Dear Mr. Gunther:

Please be advised that your company has been approved for the City of Pensacola's Small Business Enterprise program. Your company's name will appear in the City's Small Business Directory. This certification remains valid for five years from the date of this letter, and you will be notified when re-certification is due.

The City appreciates your participation in the SBE program and its procurement efforts. If you have any questions in this matter, or if your contact information changes, please contact me at 435-1835.

Sincerely,

A handwritten signature in blue ink that reads "Rebecca Donahue".

Rebecca Donahue
Administrative Officer I

Tab 5 – Expression of Interest

Hawkshaw Development Opportunity

Request for Proposal

Deadline Submission: May 15, 2017

Galveztown, LLC hereby expresses an interest in pursuing opportunities to develop 2.2 acres in the 100 S 9th Avenue Block of Pensacola, Florida, otherwise known as "Hawkshaw."

Project Overview: shall be based on Hawkshaw Urban Design Guidelines. Please go to <http://www.cityofpensacola.com/documentcenter/view/6626>

Proposals (3 hard copies and one electronic version) are due by 5:00 pm CST on May 15, 2017.

Please return this Proposal to

Attention: DeeDee Davis, SIOR

NAI Halford

24 W. Chase Street

Pensacola, Florida 32502

Tab 5 – Authorized Representative

Authorized Representative: Fred Gunther

Title: Manager

Date: 5/15/17

Evaluation committee will recommend one preferred proposal to CRA for consideration. The CRA reserves the right to accept or reject any or all proposals.

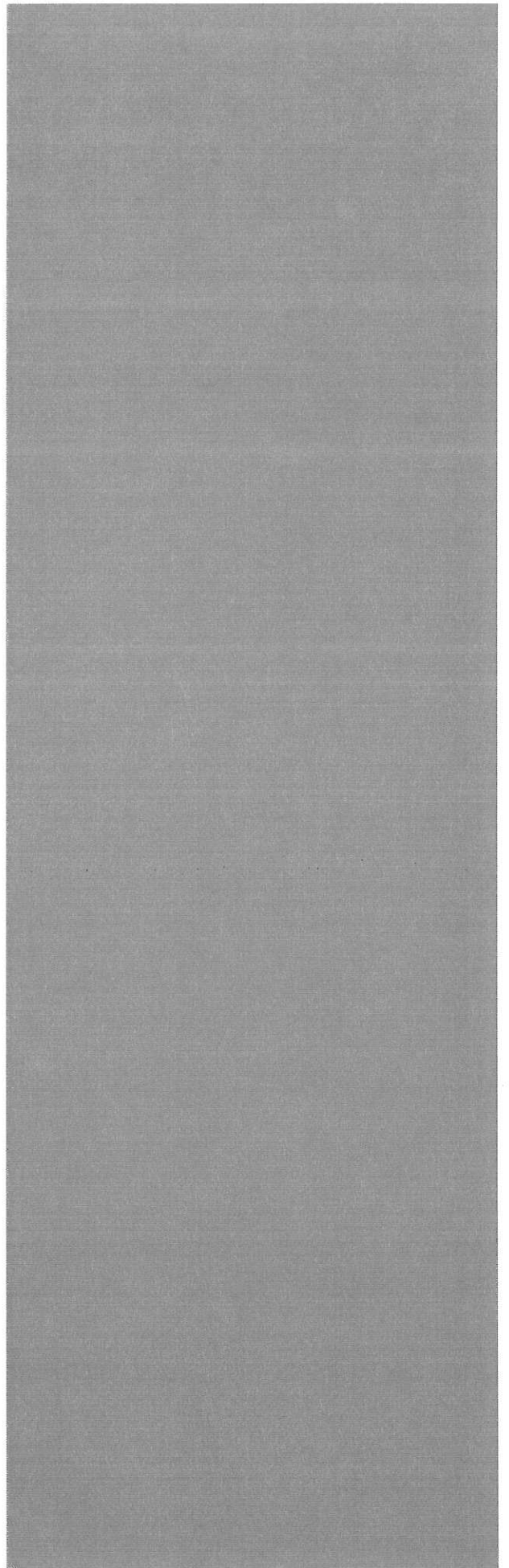
The vicinity of southern 9th Avenue and the subject property is envisioned to be developed as a walkable, urban mixed-use corridor. The CRA seeks a high-density residential or mixed use Project. Proposers are advised to conduct necessary research, beyond re-view of these documents, to establish existing conditions of this property and to properly understand the requirements of its redevelopment including but not limited to the Hawkshaw Urban Design Guidelines.

No Known Environmental Conditions

The CRA is not aware of unusual existing regulated environmental conditions that could render development of this site infeasible. A reasonable due-diligence period will be in effect between selection of the successful proposer and contract closing.

Note: Upon the publication of any solicitation for sealed bids, requests for proposals, requests for proposals, requests for qualifications, or other solicitation of interest or invitation to negotiate by any authorized representative of the City of Pensacola or the Community Redevelopment Agency, City Council, any party interested in submitting a bid, proposal, or other response reflecting an interest in participating in the purchasing or contracting process shall be prohibited from engaging in any communication pertaining to formal solicitations with any member of the Community Redevelopment Agency Board or any member of a selection/evaluation committee for RFPs, whether in person, by mail, or by electronic communications until such time as the CRA has completed all action with respect to the solicitation.

Additionally, any material submitted in response to the RFP will become a public document pursuant to Florida Statute 119.07. All proposal forms must be submitted in a sealed envelope and be signed by an authorized representative of the Proposer.



Pinnacle Management -- Downtown Pensacola Hawkshaw Development

5/15/17

Team/Experience/Credentials

Mitesh Patel -- President/Owner Pinnacle Management
Champaklal Patel -- Vice President/Shareholder

Please see attached Resume of our past developments, projects, and overall qualifications and experience to develop, build, and manage a successful mixed used development.

We have a history of taking properties that are unfinished, closed down, or in bad shape and turning them around to improve the overall area of that property with several examples right here in Pensacola. Best Western Plus Blue Angel Inn at 2390 W. Detroit Blvd was an unfinished project that was at a completely stand still for over 7 years which we purchased and took over the property from the bank, completed construction, and have successfully managed the property for the last 10+ years. The Baymont Inn and Clarion at 7330 and 7200 Plantation road were in terrible shape, the Clarion was closed down; we opened the hotel back up, renovated both properties and helped ignite the revival to the University Mall area. The Americas Best Value Inn at 7194 Pensacola Blvd was foreclosed, in need of repair and renovations we purchased the property from Hancock Bank, turned it around and have very successfully managed the property for almost 5 years. We appreciate the challenge, enjoy being able to improve the area, and are well qualified to manage successful developments of all shapes and sizes.

Overall Project Description

We are proposing a mixed use development that would include 45 to 50 upscale condominiums in a 4 to 6 story building (depending on parking requirements and needs), several small shops/restaurants/retail space totaling anywhere from 7,500 square ft to 10,000 of space, additional green space for outdoor dining, walking the shops, outdoor seating. With being the owners of the current 5 acre parcel next door and this 2 acre parcel; we would completely have all rights to Colfax street; which we would like to bollard off, lay down pavers and make it a very nice outdoor, walkable, dining, and sitting area for the public to use while visiting the shops or restaurants. Storm water drainage would be directly into the Admiral Mason Park access that is currently in place for this parcel.

Our offer price for the purchase of this property would be \$550,000 plus property tax abatement allowance for the first 3 years (Development and ramp up period)

Completion Schedule

Design and Planning stage for a project of this magnitude will take 3 to 4 months, construction of this project would last 12 to 14 months; bringing total time of commencement to 15 to 18 months.

We are requesting property tax abatement for the first 36 months on our total 7+ acres of development to offset additional cost associated with flood zone requirements, constructing on pilings, etc. that would drive the cost of this development up much higher.

Project Financing and Economics

We have currently taken over full control of the 5+ acre parcel adjacent to this parcel for \$3M, have worked with several banks locally for past projects in our area and use local bank in our area for all of our banking needs. We would close on this offer for this parcel if approved with an all cash deal within days of approval.

This project when completed will provide the City of Pensacola with a great amount of property taxes and even greater increase sales tax with the shops and restaurants as well.

MITESH C. PATEL - Resume

4031 Stefani Road
Cantonment, Fl. 32533
Email: tishpatel@cox.net

EDUCATION:

2002 Bachelors Degree University of West Florida in Finance and Business Management

2003 Florida Real Estate License (Voluntarily Inactive)

2009 CHO Certified

WORK / BUSINESS EXPERIENCE

1997 – 2002 General Manager of Executive Inn (Pensacola, Florida)

2003-2005 Owned/Managed 2 Convenience Stores/Gas Stations (Pensacola, Florida)

2005-2007 Fully Renovated and Managed Hampton Inn (Ocean Springs, Ms.)

2006 Temporarily Managed and Sold Super 8 Motel (Moss Point, Ms)

2007 Completed Construction and Opened Best Western Blue Angel Inn (Pensacola, FL.)

2008-2009 Completed Construction and Opened Best Western Troy Inn (Troy, AL)

2009 Completed Construction and Opened Holiday Inn Express (Pensacola, FL.)

2010 Purchased Baymont Inn and Suites (formerly Holiday Inn Express) Pensacola, FL.

2010 Purchased Closed down Clarion Inn (formerly Holiday Inn) Pensacola, FL.

2010-2011 Renovated Baymont Inn and Opened closed down property as Americas Best Value Inn and Suites

2012-2013 Purchased and Renovated Americas Best Value Inn (Pensacola, FL.)

2016 Purchased Property in Downtown Pensacola for Development of 2 New Hotels

Thank You,



Mitesh Patel

Company History and Background of Pinnacle Management and Investments, LLC
Champaklal Patel (Majority Shareholder) and Mitesh Patel (Managing Member)

PROFESSIONAL EXPERIENCE

<u>COMPANY</u>	<u>POSITION HELD</u>	<u>DURATION</u>	<u>No. OF YEARS</u>
Millwood Motel Millbrae, CA.	Manager	Sept. 1974 to March 1976	2 Years
Apex Motel Modesto, CA.	Owner/Mgt	March 1976 to Dec. 1982	6 Years
Budget Inn Turlock, CA.	Owner/Mgt	April 1979 to Dec. 1982	3 Years
Travel Inn Pensacola, Fl.	Owner/Mgt	May 1983 to Jan 1996	14 Years
Executive Inn Pensacola, Fl.	Owner/Builder/Mgt	Feb. 1984 to Present	33 Years
Days Inn Moss Point, Ms.	Owner/Builder/Mgt	July 1991 to Present	26 Years
Comfort Inn Mobile, Al.	Owner/Builder	Aug. 1994 to 2013	19 Years
Super 8 Motel Moss Point, Ms.	Owner/Builder/Mgt	May 1996 to 2007	11 Years
Hampton Inn Biloxi, Ms.	Owner/Builder/Mgt	Sept. 1997 to 2007	10 Years
Ramada Ltd. Meridian, Ms.	Owner	May 1992 to 1999	7 Years
Constructed Home Pensacola, Fl.	Owner	Feb. 1997 to Present	20 Years
Microtel Inn & Suites Louisville, Tx.	Owner	July 1998 to 2004	6 Years
Comfort Suites Spring, Tx.	Owner	Sept. 1998 to 2005	7 Years
Guru Krupa Mtg. Co. Pensacola, Fl.	Owner/Mgt	Jan. 1999 to Present	18 Years
Circle A Food Mart	Owner/Mgt.	Jan. 1985 to Present	32 Years

Pensacola, Fl.			
CMP Food Mart Pensacola, Fl.	Owner/Mgt.	March 2003 to Present	14 Years
Best Western Pensacola, Fl.	Owner/Builder/Mgt	Opened Feb. 2007 to Present	10 Years
Comfort Suites Mobile, Al.	Owner/Builder	Opened Dec 2007 to 2014	7 Years
Holiday Inn Express Pensacola, Fl.	Owner/Builder	Opened Aug 2009 to Present	8 Years
Americas Best Value Inn Pensacola, Fl.	Owner	Purchased in 2010 to Present	7 years
Baymont Inn and Suites Pensacola, Fl.	Owner	Purchased in 2010 to Present	7 Years
Americas Best Value Inn Pensacola, Fl.	Owner	Purchased in 2012 to Present	5 Years

ADDITIONAL QUALIFICATIONS

With over 35 years of experience in the hotel industry including site selection, planning, construction, financing, and management of every property purchased or built from 1976 to present, we have been able to build a strong portfolio of diversified properties in the southeast region of the United States.

Our long term goal is to sell off older properties in our portfolio and with those resources move into the upscale/upper mid-scale franchised properties around a 60 mile radius of Pensacola, Florida, and to acquire management contracts for other properties within our area to fully diversify our portfolio within a local area, operated through our management company. We have recently decided to diversify our portfolio by looking to tap into the convenience store, strip mall, and fast food industry. We have many years of experience in the convenience store industry and now are looking into nationally recognized fast food restaurants in our comfort zone which is approximately within a 40 to 90 mile radius.

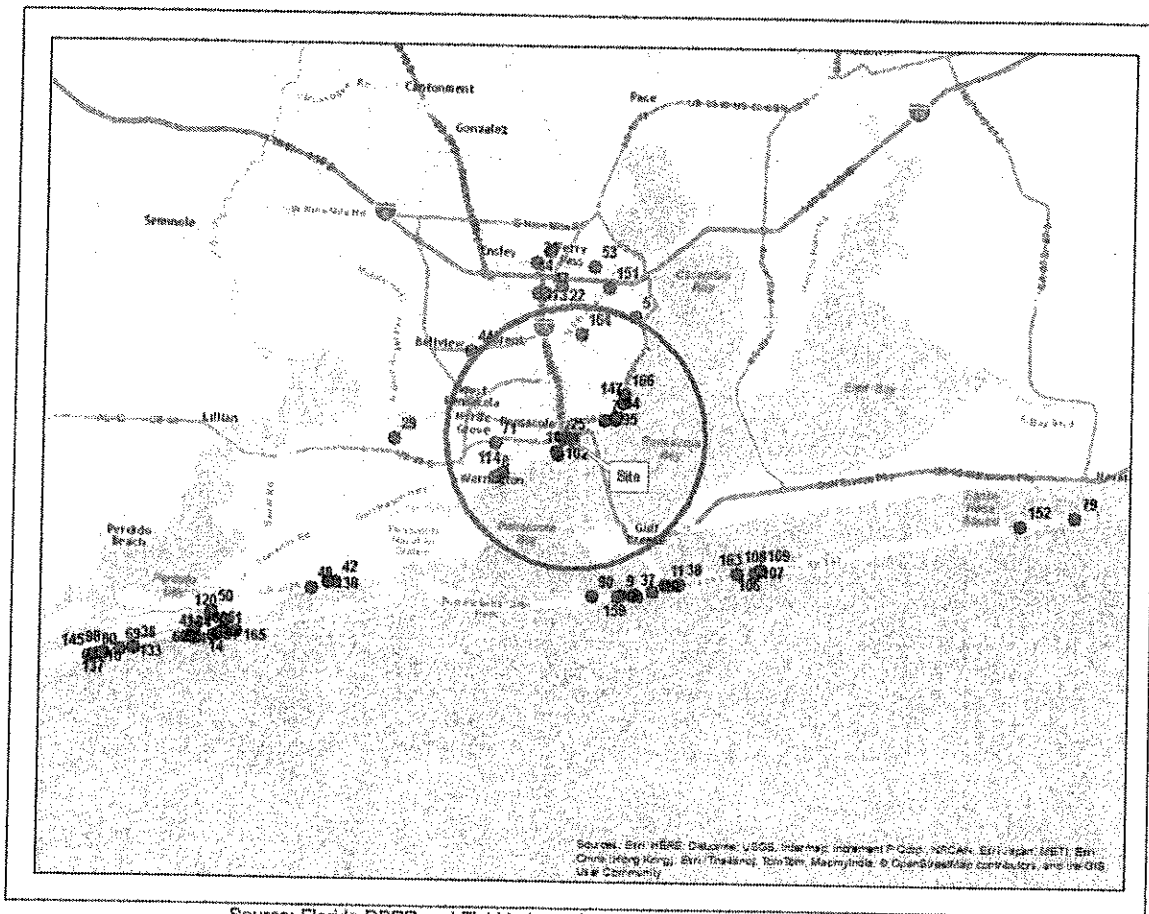
This is a family owned business that is now into our second generation of management and ownership. We have always been conservative in our growth to carefully and quietly grow our company to benefit our investors, partners, employees, and the community in which we live and support.

4.0 Condominium Analysis

4.1 Condominium Supply and Sales History

Similar to the hotel analysis, Fishkind evaluated the condominium market throughout Escambia County and specifically the downtown Pensacola market. Map 5 shows the condominium projects greater than 50 units throughout the county. Table 14 summarizes the competitive set of condominiums and Map 6 provides a summary of the competitive set of projects within five miles along Pensacola Bay, Florida.

Map 5. Escambia Condominium Projects (>50 units)

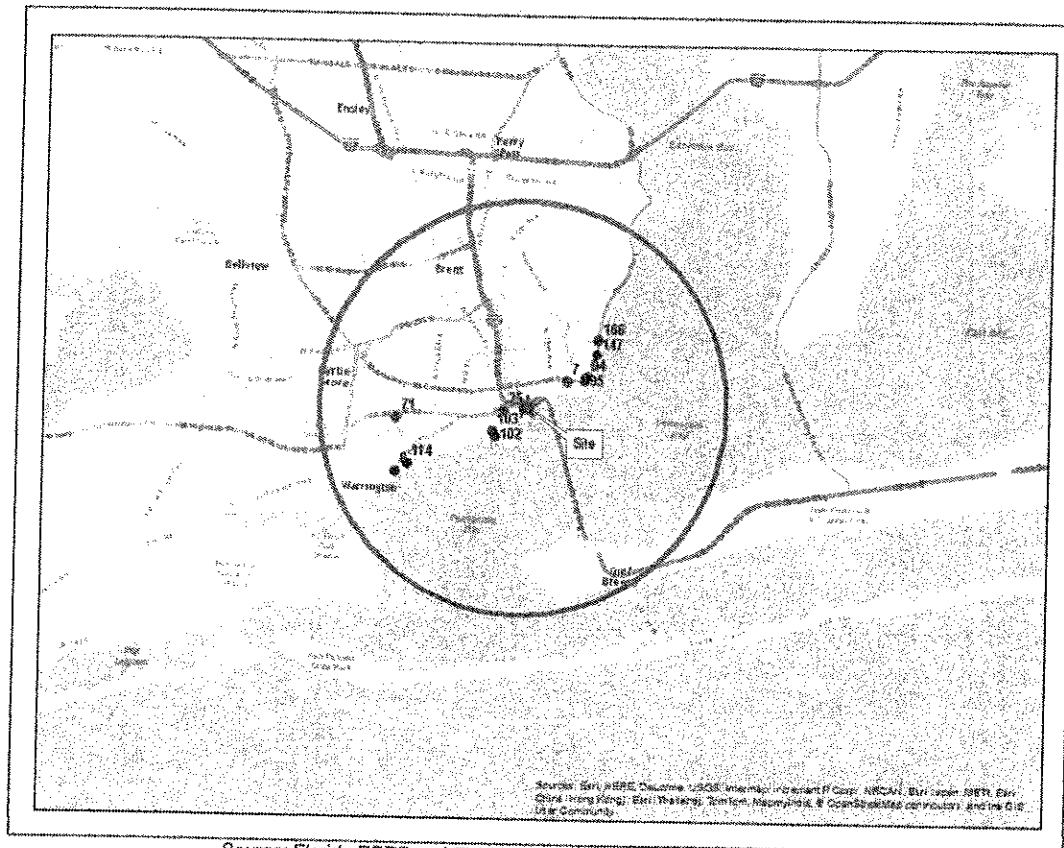


**Table 14. Pensacola Condominium Projects
(within 5 miles near Pensacola Bay)**

ID	Condo Name	Street	City	State	Zip	Units	Year Recorded
102	PORT ROYAL CONDOS	301 PORT ROYAL WAY	PENSACOLA	FL	32502	55	1985
103	PORT ROYAL, A CONDO	94 PORT ROYAL WAY	PENSACOLA	FL	32501	60	1984
71	MARTINIQUE ON THE BAYOU, A CONDO	201 STILLMAN STREET	PENSACOLA	FL	32505	66	2005
7	BAYOU BREEZE CONDO	300 BAYOU BLVD	PENSACOLA	FL	32503	68	1982
95	PENSACOLA SCENIC ARMS CONDO	600 SCENIC HWY	PENSACOLA	FL	32503	72	1982
94	PENSACOLA RICHELIEU THE, A CONDO	710 SCENIC HWY	PENSACOLA	FL	32503	74	1981
114	RIVIERA 615 CONDO	615 BAYSHORE DR	PENSACOLA	FL	32507	94	1974
8	BAYSHORE CONDO	825 BAYSHORE DR	PENSACOLA	FL	32507	98	1980
147	SPYGLASS POINT, A CONDO	2201 SCENIC HWY	PENSACOLA	FL	32503	120	1982
25	CARLTON PALMS, A CONDO	224 EAST GARDEN STREET	PENSACOLA	FL	32501	141	1995
166	WINDCHASE BAY, A CONDO	2299 SCENIC HIGHWAY	PENSACOLA	FL	32503	176	1983

Source: Florida DBPR and Fishkind and Associates, Inc.

Map 6. Condominium Projects in Pensacola (>50 units)



Fishkind gathered historical data regarding sales of the competitive set of condominium projects within the 5-mile radius and near Pensacola Bay. Table 15 summarizes the findings and Figure 14 shows the relationship between sales and average sale price.

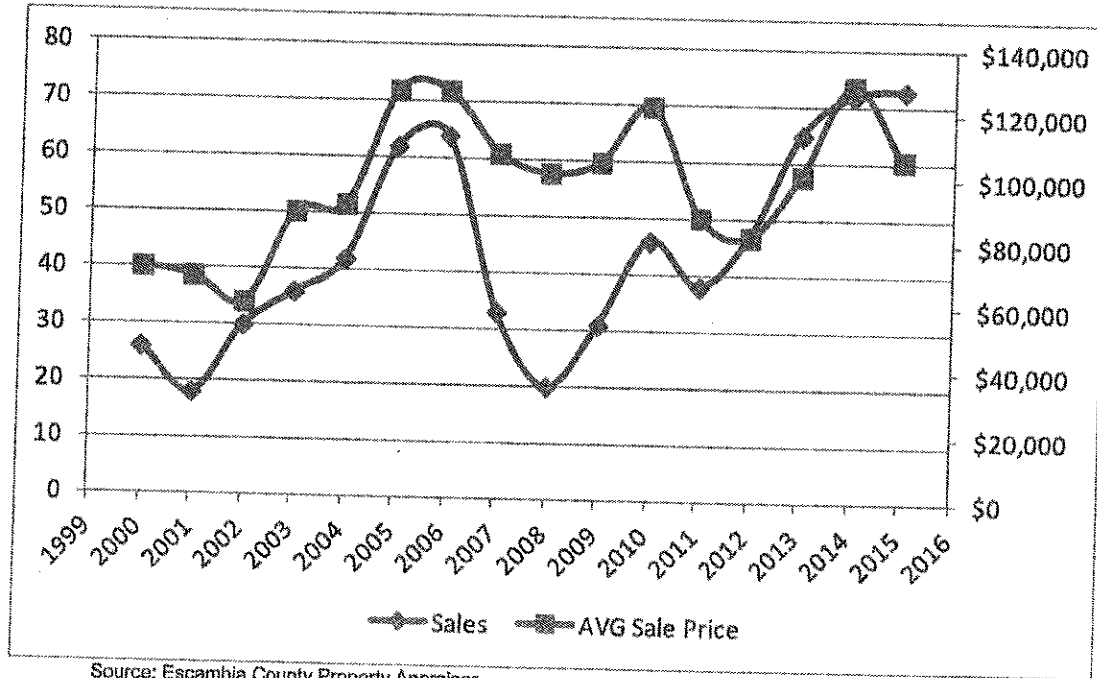
**Table 15. Pensacola Condominium Sales History
(5-mile Radius along Pensacola Bay)**

Sale Year	Sales	AVG Sale Price	AVG SQFT HTD	AVG Sale\$/SQFT
2000	26	\$70,292	994	\$67.63
2001	18	\$67,617	1,081	\$60.44
2002	30	\$59,717	902	\$65.83
2003	36	\$87,875	1,054	\$78.44
2004	42	\$90,431	893	\$97.57
2005	62	\$125,827	934	\$127.19
2006	64	\$125,873	749	\$172.13
2007	33	\$106,806	895	\$121.17
2008	20	\$101,040	955	\$108.17
2009	31	\$104,643	1,047	\$94.95
2010	46	\$274,085	908	\$435.25
2011	38	\$87,918	994	\$78.60
2012	47	\$82,068	1,026	\$71.97
2013	65	\$101,152	956	\$90.72
2014	72	\$129,100	1,120	\$97.76
2015	73	\$106,227	909	\$97.45
2016	13	\$71,031	778	\$85.12
Grand Total	716	\$112,847	952	\$121.92

Source: Escambia County Property Appraiser and Fishkind and Associates, Inc.

Based on the property appraiser data, the average year built of the condominium projects within the market of the subject site is 1985. From 2000 through 2015, average sales volume is just over 40 units annually. The average sales price has increased 50.1 percent from \$70,292 in 2000 to \$106,227 in 2015; the average annual sales price per square foot has increased from \$67.63 in 2000 to \$97.45 in 2014, which is a 44 percent increase.

**Figure 14. Pensacola Condominium Annual Sales Data
(2000 – 2016YTD)**



Fishkind conducted a similar analysis of the group of condominium projects along Pensacola Beach, concentrated beyond the Pensacola Bay Bridge. Table 16 summarizes the sales activity of these condominium projects from 2000 through 2015.

Table 16. Pensacola Beach Condominium Sales History

Sale Year	Sales	AVG Sale Price	AVG SQFT_HTD	AVG Sales/SQFT
2000	36	\$203,589	1,224	\$160.84
2001	28	\$218,355	1,248	\$170.98
2002	41	\$249,546	1,279	\$188.78
2003	120	\$349,610	1,454	\$235.65
2004	109	\$491,929	1,483	\$324.75
2005	37	\$458,938	1,297	\$341.73
2006	173	\$535,248	1,507	\$343.87
2007	57	\$486,258	1,403	\$338.45
2008	68	\$505,137	1,463	\$323.16
2009	94	\$361,731	1,473	\$240.19
2010	76	\$346,858	1,444	\$228.70
2011	117	\$344,097	1,421	\$232.40
2012	116	\$377,836	1,453	\$242.15
2013	160	\$346,923	1,365	\$240.65
2014	160	\$340,777	1,339	\$241.17
2015	186	\$491,324	1,356	\$345.27
2016	18	\$485,500	1,464	\$311.66
Grand Total	1,596	\$404,450	1,410	\$274.16

Source: Escambia County Property Appraiser and Fishkind and Associates, Inc.

Based on the property appraiser data, the average year built of the condominium projects within the market of the subject site is 1993. From 2000 through 2015, average sales volume is 99 units annually. The average sales price has increased 141 percent from \$203,859 in 2000 to \$491,324 in 2015; the average annual sales price per square foot has increased from \$160.84 in 2000 to \$345.27 in 2015, which is a 115 percent increase.

There is a stark difference between the condominium product offered within the City of Pensacola and the product along Pensacola Beach with the beach product being priced more than \$300,000 than the competitive set in the City of Pensacola and more than \$150 per square foot than the competitive set. The data suggests that the beach condominium market limits demand for condominiums within the urban core. Given the limited drive-time distance from the beach to Pensacola there is limited ability to match the beach amenity.

4.2 Condominium Conclusions and Recommendations

Fishkind prepares long-term economic forecast models at the county level for Florida Counties. Forecasts are prepared for population and households by age and income for owners and renters. This long-term forecast incorporates Fishkind's three year short-term economic forecasts which currently are produced through year 2017 (see Section 2.0).

Typically the demand forecast is generated; however, given the pricing constraints for condominiums within the urban core, Fishkind does not believe a condominium project represents the highest and best use of the site. In addition, no new condominium projects have entered the Escambia County market since 2007. This site would be highly speculative given the competition offered by the beach and Fishkind does not believe the site can command the price point or offer the necessary amenity package on its existing footprint to command a higher price point. Given the market forces, condominium development does not represent the highest and best use for the subject property.

5.0 Retail Analysis

5.1 Subject Site Study Area and Retail Character

The area surrounding the site is highly commercial. The site is walkable and strategically located within the urban center. The site is located adjacent to the Pensacola Historic District and within a 10 to 15 minute walking distance of Pensacola Bay Center, which is the multi-use civic center. The Amtrak rail station is a 10 minute walk and it is under a three minute walk to the waterfront Veterans Memorial Park.

It is not on the main passerby vehicular traffic portion of 9th street. Vehicular traffic at the site falls off rapidly from 15,000 vehicles, on the through portion of 9th Street north of the site, to 5,000 vehicles on 9th street in front of the site. Generally speaking, traffic has declined 15% since 2010; however, since 2012 traffic counts have been improving.

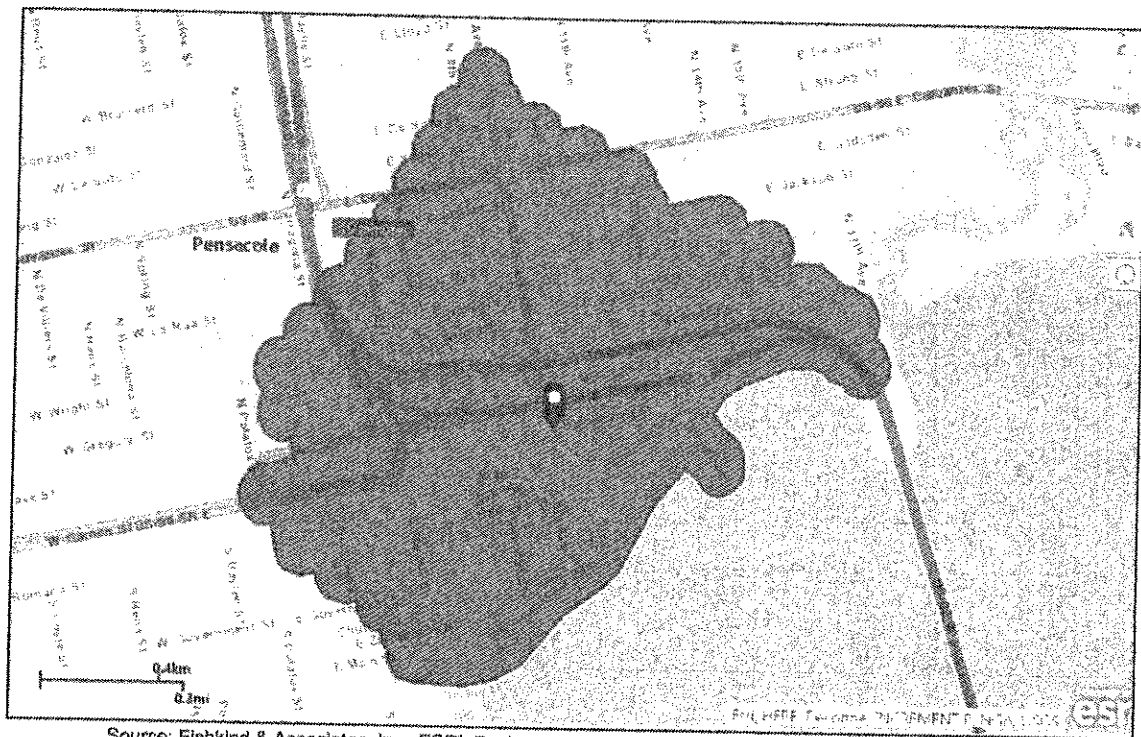
It is estimated there are more than 4,000 service and government workers employed within a 15 minute walk of the subject site. Also within this walkable area are 885 homes. Because the site is urban and not on the key portion of the through street, for retail purposes it is not a "drive to" destination. Further, at less than 5 acres in size, the site does not have sufficient scale or mass to become a retail attractor. From this perspective, the retail potential of the site is suited to accommodate internally generated demand and capture some of the pedestrian worker, resident, and park visitor traffic.



The Pensacola Bay Center hosts ice hockey games, events, concerts and conventions throughout the course of the year. With 10,000 seats and an estimated 150 events per year, total visitor attendance and throughput at the Bay Center is estimated to exceed one million persons.

To the east of the Pensacola Bay Center, within a block or two of Gregory Street, there are numerous quality sit-down restaurants. These include Carrabbas, Outback Steakhouse, McGuire's Irish Pub, The Melting Pot and others. These restaurants are displayed on the Pensacola Bay Center website indicating nearby places to eat. The Gregory Street corridor serves as the commercial restaurant district accommodating Pensacola Bay Center patrons. The subject site is within this walkable restaurant submarket to the Pensacola Bay Center and can support a quality sit-down restaurant at this location. An analysis of existing retail supply within the 15 minute walkable area (Map 7) indicates there is in excess of 800,000 square feet of existing retail space in more than 150 retail properties.

Map 7. Retail Market Area within 15-Minute Walk of Site



Source: Fishkind & Associates, Inc.; ESRI, Business Analyst Online

Most of this retail space is located on parcels under 1 acre in size, with building area under 10,000 square feet. There are a handful of small retail buildings and centers from 15,000 to 50,000 square feet within the walking market. These smaller centers include a Walgreens, Barnes Supermarket and Family Dollar (please see Appendix 2). Much of the remaining space is comprised of restaurants and small retail service businesses such as auto parts, fitness center, tailors, medical, services and banks. While the character of nearby walkable retail is mediocre, the subject site size is too small to accommodate larger modern uses. In addition, the neighborhood street grid is such that larger uses which generate high traffic volumes would not be appropriate in the subject location.

As a result of these retail conditions, there is only minimal unmet need for additional retail space at the subject site, beyond restaurants. Small ancillary uses to support hotel needs and very limited neighborhood convenience needs may also be supported. Such ancillary uses could accommodate up to 1,500 square feet of convenience/grocery/newsstand uses.

5.2 Neighborhood Findings

The combination of on-site hotel generated retail demand, plus capture from surrounding workers, households and Pensacola Bay Center patrons, indicates there is sufficient demand to support 7,500 square feet of quality sit-down retail restaurants. This could be one large restaurant of 6,500 square feet or two smaller more intimate restaurants of 3,500 square feet each.

Table 17. Retail Demand from On-site and Nearby Land Uses

Source of Site Specific Retail Demand	Units/Rooms/Empl/Visitors	Retail Demand (sq ft)
Pensacola Bay Center Event Visitor Capture*	1,100,000	1,604
Hotel	115	2,400
Households within 15 minute walk	885	2,213
Service Workers within 15 minute walk	4,155	1,296
TOTAL Retail Demand (sq ft)		7,513

*Estimated annual visitors

Source: Fishkind & Associates, Inc.

6.0 Financial Model and Analysis

The primary drivers of revenue for the hotel are the occupancy rate, the average daily rate, and the number of hotel rooms. The primary expenses for the hotel are the operating departmental and overhead costs, as well as the debt service for the hotel construction.

Given the market analysis, Fishkind assumes that the project will include sit down restaurant within the hotel operation. Section 6 explains the assumptions used in estimating profitability. The financial pro forma summary is attached as Appendix 3.

6.1 Hotel Room Revenue

The model assumes a 100 room Upper Midscale to Upper Scale hotel with its first full year of operation in 2020. The estimated occupancy rates are 68.6%, 68.9%, and 69.9%, respectively, in 2019, 2020 and 2021. The scale-up in occupancy is expected to occur as market awareness of the new hotel is more widely circulated. The occupancy rate is consistent with rates observed over the past decade within this class of hotels. The ADR is forecast to be \$125 in 2020, which would be consistent with the market growth rates observed in this class of hotels. Table 18 summarizes the historic and forecast occupancy and ADR rates for the market.

Table 18. Hotel Market History and Projections

Year	Change in Supply	Change in Demand	Change in Occupancy	2010-2015 Net Change in Demand	Historic & Forecast Occupancy	\$ADR
2010					69.63%	\$102.61
2011	22	-25	-2.45%	-47	67.18%	\$105.38
2012	0	49	2.97%	49	70.15%	\$107.28
2013	140	5	-5.19%	-135	64.95%	\$108.29
2014	99	216	8.05%	117	73.00%	\$109.75
2015	67	37	-0.61%	-30	72.40%	\$116.17
2016	0	57	2.97%	57	75.37%	\$119.31
2017	282	77	-9.10%	-205	66.27%	\$121.45
2018	187	17	-6.55%	-170	59.71%	\$122.60
2019	0	129	8.9%	129	68.59%	\$124.25
2020	100	97	-0.18%	-3	68.42%	\$131.52

Source: Smith Travel Research and Fishkind and Associates, Inc.

6.2 Other Hotel Revenues

Food and Beverage revenues are estimated at \$23,059 per room¹. Annual food and beverage revenues are shown as part of the project revenue in Appendix 3. No other revenues sources are projected within this model.

6.3 Departmental Profit

Profits are calculated as a percentage of revenues for the room, and food/beverage at 76% and 33%, respectively. These percentages are based on data provided by STR and Fishkind's prior experience with full-service hotel projects in Florida.

6.4 Overhead/Unallocated Costs

Unallocated costs are costs essential to the operations of the hotel project. However, these costs are not directly attributable to any one revenue source. These costs include G&A, management, marketing, utilities, repairs and maintenance and capital reserves. These expenses total to approximately 23% of total hotel revenues. Appendix 3 shows the unallocated costs.

6.5 Other Deductions

Other deductions are expenses not related to the operations of the hotel. However, these expenses are required for the hotel to operate. These include franchise fees, insurance, property taxes, and leases.

6.6 Equity Investment

Table 19 and Appendix 3 summarize the estimated equity investment for the new project. The land acquisition is the first component of equity investment estimated at \$3,210,000. In addition, there is an estimated \$2.6 million, or 20%, of the total construction funds of \$13.0 million.

6.7 Debt

It is anticipated that the project will finance approximately \$10.4 million in order to build the project. Funds will be obtained from a bank and include \$13.0 million in construction funds less an additional equity requirement of \$2.6 million.

¹ Smith Travel Research



Hawkshaw Evaluation

Development Opportunity at Corner of 9th Avenue and East Romana Street
Hawkshaw

Evaluation Sheet

Name of Firm: Pinnacle Management

Reviewer: Andy Terhaar

	Points Available	Points Given
1. Financial Viability	0-30	5
a) Nature of private financing interest		
b) Experience and qualifications of development and management team		
c) Revenues to the City and CRA from sale		
d) Revenues to City and CRA in projected Ad Valorem taxes		
e) Demonstrated ability to commence, perform and complete construction activities as scheduled		
2. Anticipated Benefits to Community	0-20	5
a) Enhance surrounding land uses/neighborhood characteristics		
b) Promote Downtown Pensacola as vital/creative place to live, work, play		
3. Compatibility of Architectural Quality and Character to Hawkshaw Urban Design Guidelines	0-30	5
a) Site development pattern		
b) Use of appropriate and compatible materials and details		
c) Appropriateness of building height/mass		
4. Density/Maximizing number of residential units	0-20	10
5. SBE or MBE firm participation	0-5 (bonus)	0

Total Points 25

Hawkshaw Evaluation

Development Opportunity at Corner of 9th Avenue and East Romana Street
Hawkshaw

Evaluation Sheet

Name of Firm: GALVEZ TOWN, LLC

Reviewer: Andy Terharr

	Points Available	Points Given
1. Financial Viability	0-30	5
a) Nature of private financing interest		
b) Experience and qualifications of development and management team		
c) Revenues to the City and CRA from sale		
d) Revenues to City and CRA in projected Ad Valorem taxes		
e) Demonstrated ability to commence, perform and complete construction activities as scheduled		
2. Anticipated Benefits to Community	0-20	0
a) Enhance surrounding land uses/neighborhood characteristics		
b) Promote Downtown Pensacola as vital/creative place to live, work, play		
3. Compatibility of Architectural Quality and Character to Hawkshaw Urban Design Guidelines	0-30	0
a) Site development pattern		
b) Use of appropriate and compatible materials and details		
c) Appropriateness of building height/mass		
4. Density/Maximizing number of residential units	0-20	5
5. SBE or MBE firm participation	0-5 (bonus)	5

Total Points 15

Hawkshaw Evaluation

Development Opportunity at Corner of 9th Avenue and East Romana Street
Hawkshaw

Evaluation Sheet

Name of Firm:

Gunther Properties

Reviewer:

Christine Wagley

	Points Available	Points Given
1. Financial Viability	0-30	20
a) Nature of private financing interest		
b) Experience and qualifications of development and management team		
c) Revenues to the City and CRA from sale		
d) Revenues to City and CRA in projected Ad Valorem taxes		
e) Demonstrated ability to commence, perform and complete construction activities as scheduled		
2. Anticipated Benefits to Community	0-20	10
a) Enhance surrounding land uses/neighborhood characteristics		
b) Promote Downtown Pensacola as vital/creative place to live, work, play		lack of info.
3. Compatibility of Architectural Quality and Character to Hawkshaw Urban Design Guidelines	0-30	5
a) Site development pattern		
b) Use of appropriate and compatible materials and details		lack of info.
c) Appropriateness of building height/mass		
4. Density/Maximizing number of residential units	0-20	10
5. SBE or MBE firm participation	0-5 (bonus)	5

Total Points 50

Hawkshaw Evaluation

Development Opportunity at Corner of 9th Avenue and East Romana Street
Hawkshaw

Evaluation Sheet

Name of Firm:

Pinnacle Management

Reviewer:

Christian Wagley

	Points Available	Points Given
1. Financial Viability	0-30	15
a) Nature of private financing interest		
b) Experience and qualifications of development and management team		
c) Revenues to the City and CRA from sale		
d) Revenues to City and CRA in projected Ad Valorem taxes		
e) Demonstrated ability to commence, perform and complete construction activities as scheduled		
2. Anticipated Benefits to Community	0-20	10
a) Enhance surrounding land uses/neighborhood characteristics		
b) Promote Downtown Pensacola as vital/creative place to live, work, play		lack of info. provided
3. Compatibility of Architectural Quality and Character to Hawkshaw Urban Design Guidelines	0-30	10
a) Site development pattern		
b) Use of appropriate and compatible materials and details		lack of info.
c) Appropriateness of building height/mass		
4. Density/Maximizing number of residential units	0-20	10
5. SBE or MBE firm participation	0-5 (bonus)	0

Total Points

45

Hawkshaw Evaluation

50
20
15

Development Opportunity at Corner of 9th Avenue and East Romana Street
Hawkshaw

Evaluation Sheet

Name of Firm:

Galveztown, LLC

Reviewer:

D. Davis

	Points Available	Points Given
1. Financial Viability	0-30	
a) Nature of private financing interest		
b) Experience and qualifications of development and management team		
c) Revenues to the City and CRA from sale		5
d) Revenues to City and CRA in projected Ad Valorem taxes		
e) Demonstrated ability to commence, perform and complete construction activities as scheduled		
2. Anticipated Benefits to Community	0-20	7.5
a) Enhance surrounding land uses/neighborhood characteristics		
b) Promote Downtown Pensacola as vital/creative place to live, work, play		
3. Compatibility of Architectural Quality and Character to Hawkshaw Urban Design Guidelines	0-30	7.5
a) Site development pattern		
b) Use of appropriate and compatible materials and details		
c) Appropriateness of building height/mass		
4. Density/Maximizing number of residential units	0-20	
5. SBE or MBE firm participation	0-5 (bonus)	7.5

Total Points

~~15~~ 20

need more info

Hawkshaw Evaluation

45
30
25

Development Opportunity at Corner of 9th Avenue and East Romana Street
Hawkshaw

Evaluation Sheet

Name of Firm:

Pinnacle

Reviewer:

D. Davis

	Points Available	Points Given
1. Financial Viability	0-30	10
a) Nature of private financing interest		
b) Experience and qualifications of development and management team		10
c) Revenues to the City and CRA from sale		
d) Revenues to City and CRA in projected Ad Valorem taxes		
e) Demonstrated ability to commence, perform and complete construction activities as scheduled		
2. Anticipated Benefits to Community	0-20	10
a) Enhance surrounding land uses/neighborhood characteristics		
b) Promote Downtown Pensacola as vital/creative place to live, work, play		
3. Compatibility of Architectural Quality and Character to Hawkshaw Urban Design Guidelines	0-30	
a) Site development pattern		
b) Use of appropriate and compatible materials and details		
c) Appropriateness of building height/mass		
4. Density/Maximizing number of residential units	0-20	
5. SBE or MBE firm participation	0-5 (bonus)	

Total Points

30

undocumented
need more info