



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 22-00873

Community Redevelopment Agency 9/12/2022

ACTION ITEM

SPONSOR: Teniade Broughton, Chairperson

SUBJECT:

SIXTH AMENDMENT TO HAWKSHAW DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS

RECOMMENDATION:

That the Community Redevelopment Agency (CRA) authorize staff to negotiate a Sixth Amendment to the Declaration of Conditions, Covenants and Restrictions for the Hawkshaw Redevelopment Project at 9th Avenue and Romana Street.

SUMMARY:

In June 2017, the Community Redevelopment Agency (CRA) issued a Request for Proposals (RFP) for redevelopment of the property at 9th Avenue and Romana Street (the Hawkshaw Redevelopment Project). The RFP sought development of a high density residential or mixed use project. The project proposal was required to be based on the Hawkshaw Urban Design Guidelines (attached to this item).

Proposals were received from Fred Gunther/Galveztown, LLC and Robert Montgomery. The proposal submitted by Robert Montgomery included 39 multi-family residential units with a Wine World restaurant and two retail and/or office spaces. The contending proposal by Fred Gunther/Galveztown, LLC included 48 residential units (36 condominiums and 12 single family detached homes) and 20,000 square feet of commercial space (office, retail or restaurant). These proposals are attached.

The selection of Robert Montgomery's proposal was approved by the CRA on September 11, 2017 and the development agreement and sale was approved on November 6, 2017 and November 9, 2017 by the CRA and City Council respectively.

Subsequent to closing it was discovered that the stormwater pipe connecting the Technology Park to Admiral Mason Stormwater Park had been placed across the first 30 feet of the 9th Avenue frontage. The discovery resulted in a de facto extension of the project construction deadline (CCR Amendments 1 and 2). On August 5, 2019, the CRA approved a reimbursement for the value of the stormwater easement in the amount of \$160,000. Revised plans were also approved which increased the number of residential units from 39 to 50 units and included the Wine World restaurant and retail or office spaces (3rd Amendment to CCRs).

On October 11, 2021, the Community Redevelopment Agency (CRA) approved a revised design which included an apartment development with 195 to 210 units (4th Amendment to CCRs).

On March 7, 2022, a 5th Amendment was approved which clarified the milestone provisions and order of sequence. The last project milestone pursuant to the CCRs is the application for construction permit, which was required to be submitted by May 31, 2022. Construction plans were not submitted by the deadline; therefore, liquidated damages have begun to be assessed.

The development is bound by the plan defined in the 4th Amendment unless a 6th Amendment is approved. The developer has submitted a proposal for revision of the design plans as follows:

- Changes six, two story row houses on the west portion of the block and a seven-story (5-levels above parking) multi-family complex in the center to three 4-story residential buildings.
- Reduces the number of residential units from between 195 and 210 units to no less than 54 residential units.
- Changes parking from two levels of concealed structured parking to ground floor surface parking located beneath each building.

A presentation will be made by the project development team to review the revised design plans.

PRIOR ACTION:

November 6, 2017 - CRA approved the development agreement/contract for sale of the Hawkshaw property to Robert Montgomery, LLC.

February 26, 2018 - The deed for sale of Hawkshaw property to Hawkshaw Developers, LLC was filed in Escambia County Official Records.

June 10, 2019 - The CRA approved extension of the commencement deadline for the Hawkshaw redevelopment project at 9th Avenue and Romana Street to September 30, 2019 and granted extension of the construction commencement deadline.

August 5, 2019 - The CRA approved the revised design plans, revised construction timeline and changes to the Hawkshaw Redevelopment, LLC. Development Team.

May 10, 2021 - The CRA directed staff to send a letter to the developer requesting a presentation during its June meeting, as well as, written documentation of the developer's diligent and continuous prosecution of construction on the project and previously requested items from the CRA Chairman's letter dated December 17, 2019.

June 14, 2021 - The development team made a presentation to the CRA.

July 12, 2021 - The CRA authorized negotiation of a 4th Amendment to Declaration of Conditions, Covenants and Restrictions for the Hawkshaw Redevelopment Project.

October 11, 2021 - The CRA approved the 4th Amendment to the Declaration of Conditions,

Covenants and Restrictions for the Hawkshaw Redevelopment Project.

March 7, 2022 - The CRA approved the 5th Amendment to the Declaration of Conditions, Covenants and Restrictions for the Hawkshaw Redevelopment Project.

FUNDING:

N/A

FINANCIAL IMPACT:

None.

LEGAL REVIEW ONLY BY CITY ATTORNEY: Choose an item.

[Click here to enter a date.](#)

STAFF CONTACT:

David Forte, Deputy City Administrator - Community Development
Sherry Morris, Development Services Director
Victoria D'Angelo, CRA Assistant Manager

ATTACHMENTS:

- 1) Request for Proposal
- 2) Hawkshaw Urban Design Guidelines
- 3) Robert Montgomery Proposal
- 4) Fred Gunther/Galveztown LLC Proposal
- 5) Revised Plans - 3rd Amendment
- 6) 3rd Amendment to CCRs
- 7) Revised Plans - 4th Amendment (Current Plans)
- 8) 4th Amendment to CCRs
- 9) 5th Amendment to CCRs
- 10) Revised Plans - Proposed 6th Amendment
- 11) Proposed 6th Amendment to CCRs

PRESENTATION: Yes