

City could choose 3rd downtown developer Thursday

(15 reads)

By Debbie Carson

TEMPLE TERRACE — Despite an unsteady economy that has made it difficult for businesses – including developers – to get financing for projects, one firm believes it can build a \$150 million development in the heart of Temple Terrace. And get started in three years.

The Vlass Group, of Atlanta, has been known to finance some projects, getting 100 percent of its money from banks. By the same token, the firm has financed projects 100 percent with its own cash without getting banks involved. How much The Vlass Group would need to borrow from lenders or the credit market for the Temple Terrace project remains to be seen.

“I’ve never been turned down for a loan,” said Michael Vlass, president.

The Vlass firm wants to take on Temple Terrace’s downtown redevelopment project, finally bringing forth the city’s seven-year vision of revitalizing the southeast corner of N. 56th Street and Bullard Parkway south to the Hillsborough River.

City leaders are proceeding with caution after they heard what could be the salvation for the downtown redevelopment project last week. The council has scheduled a special meeting at 8:30 a.m. Thursday, Oct. 23, to discuss all of its downtown options – which includes moving forward with negotiations with The Vlass Group.

The firm presented plans for a \$150 million, nearly 590,000-square-foot downtown project that would include 102 residential units and hundreds of thousands of square feet of retail, office and restaurant space. More than 57,000 square feet has been earmarked for civic uses including a City Hall.

Vlass told the council that he would expect to have an agreement between his firm and the city within 60 to 90 days. He would begin negotiations with tenants – including Sweetbay and Marshalls – immediately following.

Vlass made a couple caveats for the timetable, saying that there are two reasons why the project might not come together – a lack of tenants “or your expectations aren’t realistic.”

Depending on how leasing goes given the current economic state of the market, construction could start in three years.

“This plan is like a breath of fresh air,” said Councilman Ken Holloway.

After hearing the proposal, which includes a 3-level parking garage tucked behind a 3-story mixed-use building, he asked the council to accept The Vlass Group as the city’s development partner to begin negotiations.

His fellow council members declined, noting that they had specifically asked for a special meeting to explore all of their options publicly before making any decisions.

“We can sit on our thumbs for the next six months waiting for all the right answers,” Holloway said.

His fellow council members did express support for the presented site plan, though.

Other options for the city council to consider include:

- Holding onto the property and continue making interest payments until the market turns around and then try selling it outright.
- Go ahead and sell the property outright and most likely take a loss on the sale.
- Try to develop it on their own without having a developer on board.


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- And perhaps build the Arts and Education Center or a new City Hall within the site now to show the residents that something is happening with the downtown project.

What The Vlass Group envisions for Downtown Temple Terrace

- 15 buildings between Bullard Parkway and Riverhills Drive
- 370,224 square feet of non-residential development
- 219,294 square feet of residential uses (potentially)
- 102 possible residential units
- New city park at the retention pond (outflow) with water fountain feature

The Vlass Group's timeline

- 60 to 90 days from Oct. 23 – have agreement in place between Vlass and Temple Terrace.
- 6 to 9 months from then – have agreements with Sweetbay and Marshalls and begin leasing the site to other tenants.
- Following shortly thereafter – construction starts. (It could take a few months to a year after lease agreements depending on the market).
- Construction between Chicago Avenue and Bullard Parkway to start 3 years from now – if all goes well – later if the market worsens.

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