

Halloway: This is a deal that would make P.T. Barnum blush

By Debbie Carson, Staff Writer

TEMPLE TERRACE — The months continue to drag on as one snag after another threatens to delay or even kill Temple Terrace's downtown redevelopment effort.

After two hours of discussion last Tuesday night, the council decided to delay its vote to Sept. 3 on the developer's request to postpone closing until December, among other requests.

Pinnacle/Ram says it needs until December to get its financing in place on the \$14.9 million purchase.

The City Council decided that it needed more time to review the developer's latest request and chose to delay the vote until the Wednesday night council meeting. The council date was pushed back one day due to the Labor Day holiday Monday.

The developer's proposal:

- Delay closing until no later than Dec. 15, 2008;
- Developer to pay city's interest on loans from its \$400,000 escrow account – and the interest payments not count toward the purchase price of the project;
- Buy entire property, over time, for \$14.9 million – to be funded with \$8 million at the Dec. 15 closing and \$6.9 million in "seller financing" for 24 months.
- Divide project into three portions: Bullard Parkway frontage, middle section, and Sweetbay center;
- Build the Bullard Parkway and Sweetbay portions first, then build the middle section.
- Community Arts and Education Center to be 30,000 square feet and one story tall – also release city from paying into the common area maintenance so long as the center remains a public use.

A councilman's response:

"Do you intend to close this deal on Sept. 15?" Councilman Ken Halloway asked Ram Development's representative Bob Skinner.

"I do not," Skinner replied.

"I'm kind of an old-fashioned guy," Halloway responded, adding that if someone signs a contract it should be honored.

Halloway continued by saying that the developer was seeking an "IOU" on the \$6.9 million for the middle section of the property, which he expects Pinnacle/Ram to "dump that land right back on us."

"In all probability that could happen," Skinner fired back.

"I think there's a damn good possibility," Halloway retorted. "This is a deal that would make P.T. Barnum blush."

"The ink's barely dry and you're already trying to wriggle out," he added moments later.

The developer's response:

Bob Skinner, of Ram, told the council that his team is dedicated to the project, having spent \$550,000 on consultants.

"We did that on a handshake and faith," Skinner said. "I've done the best I can."

Skinner said that both sides need to stop looking at the project like "it's a we-them thing – it's us."

Skinner took issue with the amount of money the development team would have to pay each month from September until closing in December. The city has said that the developer would be responsible for covering the city's interest on its loans if closing were pushed past September.

That rate has always been quoted at \$130,000 – and represents the entire downtown redevelopment site, from Bullard Parkway to the Hillsborough River on the east side of N. 56th Street.

Skinner said that he recently learned that the developer's carrying costs would be closer to \$25,000.

"I felt a little miffed," he said about the situation.

Councilman Mark Knapp explained that the project size has continued to shrink, but not the city's financial obligations on the property.

The council decided to have staff work out the appropriate interest amount the developer would be required to pay monthly until closing – that price is subject to negotiations between the council and the developer.

A councilman's rallying cry:

Councilman Ron Govin, who has served as the council's point-man in discussions with Pinnacle/Ram, admitted that he might be too close to the project to see it clearly.

"I don't think we have a choice," he said. "We need to move forward."

He told the council that the city could lose more than it could gain if it did not approve the deal.

"There's very little to lose going forward," Govin said. "We've got a plan that was a devil of a plan to put together in case we all forgot about that."

"I just can't see not going forward at no expense at this point versus laying down the sword and throwing ourselves on it for two years," he added, explaining that the city would back to scratch, would have to resend out the request for qualifications to other developers, which could take a minimum of nine months "in the worst, the worst of times."

The council needs more time:

Councilwoman Alison Fernandez said that she could not support the deal without taking more time to weigh the options.

"I want to see something get started," said Fernandez. "But on the other hand I do feel like this plan, we're trying to force something to happen that maybe it's just not right, right now."

Councilman Frank Chillura said that the city was taking too much risk and the developer not enough.

"It's not a pretty picture for anybody right now," he said.

Councilman Mark Knapp said that he was undecided about the proposed deal, noting that the seller financing would need negotiating.

He also said that he doesn't see any reason for the developer to come back to the second part of Phase 1 – the middle section where the arts center would be located.

No mystery

Skinner said during Tuesday's meeting that it was probably the easiest night for him.

"There is no mystery," he said. "The deal is what it is."

He said a few minutes before that if the council does not approve the deal, "We'll move on."