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Does this mean “back to square one” ??

## Requiem For A Strip Mall: Ram/Pinnacle Cashes Out

Tuesday, September 23, 2008

On September 8, our City received official notice that Ram/Pinnacle (R/P) would not honor their contractual obligations under the Purchase and Sales Agreement which they had signed last April. In accordance, R/P demanded return of their \$400,000 security deposit. Reason given by R/P was that they were not able to satisfy the conditions precedent to contract performance (conditions, incidentally, which were self-imposed). This would seem to indicate that, as of September 8, R/P had withdrawn from the project. However, as in most of our dealings with R/P, what they said was not necessarily what they meant. At a special meeting of the Council on September 12, it became readily apparent that R/P, by “threatening” to walk away from the project, was really attempting to leverage the Council into a more favorable purchase and sales agreement. This tactic had been used, successfully, by R/P many times in the past to push the Council into accepting what normally would have been seen as an unacceptable proposition.

I'm fully aware that our good citizens are frustrated by this course of events and are wondering why we, the Council, cannot get our project off of the drawing board and into the ground. A few thoughts on the matter. First, please recall that the goal of our City was to have constructed a “New Urban” town center which would stretch from the river to Bullard Parkway. New Urban developments incorporate a balance of retail, commercial, and residential establishments in an upscale, pedestrian friendly, park-like setting, with vehicle parking restricted to covered garages and locations on the periphery of the development. In essence, it is the antithesis of the ubiquitous strip mall, where most of the land is taken up with asphalt and concrete parking lots. The City decided upon this goal because 1) the Terrace Plaza strip mall had failed and was in a “blighted” condition—a situation not likely to be improved with time; 2) revitalizing the area in the New Urban style, as had been done by cities and

municipalities throughout Florida and our nation, was deemed the best if not the only way to bring the area back to a sound position of structured growth and economic prosperity; and 3) a New Urban development would attract retailers in that it would impart a true sense of permanence, as well as contain a built-in market (on site residents) for their goods and services. This was the goal and the City purchased the land, redesigned the building codes, and worked the infrastructure to support the accomplishment of that goal. Comes Ram/Pinnacle.

R/P entered the developer competition sweepstakes with a New Urban design for the area and the world renown Cooper-Cary new urban architects as partners on their team. With those credentials, R/P was selected as our developer of choice. However within weeks of their selection R/P was making the rounds of Council members with a much different, scaled down plan than that which we had seen and approved during the competition process. Explanation was that if we expected R/P to build what we had been shown, we had "chosen the wrong developer". The implication here was that it was their way or they would hit the highway. This scenario was to be repeated throughout our 18 month relationship with R/P. R/P would present a plan which they would declare to be "final", the Council would discuss and eventually approve, and then R/P would announce, a few months later, that the plan was not doable and that we would need to consider a new series of options. Cooper-Cary, in the meantime, had disappeared from the project. One had to wonder if Cooper-Cary was being used as an advertisement instead of as an active participant. Financing followed the same pattern. R/P would propose a financing scheme, which, if implemented, would serve to give the City a haircut, with the provision that we could go along or they would "walk".

If R/P succeeded at anything it was in having us take our eyes off of the ball, the ball being the City goal of a New Urban town center. They reminded me of a friendly fellow working in a back alley off of Broadway (NYC) with a small fold up table, three walnut shells, and a green pea. "Hey buddy, want to make a few easy bucks? Watch where I put the pea and guess what shell it's under." After losing all of his cash, the "mark" too late realizes that the pea was never under any of the shells, but rather was in the sharper's back pocket. The pea was the City plan. Bottom line is that if we had stayed with R/P to it's illogical conclusion, we would have ended up with a risky cash position with nothing to show except the vague promise to build something, sometime in the indeterminate future; and that something would have been a cheap, cookie-cutter strip mall. Adios R/P.

But does this mean that the City must go back to "square one", regroup, reload, reconsider, etc.? Don't think so. News is that the second finisher in the developer competition (Michael Vlass) has expressed interest in doing our project. Mr. Vlass, a true new urban developer, will come down to talk and present some proposals about the middle of October. I hope that I'll have some better news to report at that time.

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