

Ram/Pinnacle backs out of Temple Terrace redevelopment project

Tampa Bay Business Journal - by [Michael Hinman](#) Staff Writer

Temple Terrace city officials are scrambling to figure out where to go next as the partnership between Ram Development Co. and the former **Pinnacle Realty Advisors** has officially pulled out of the city's downtown redevelopment project.

In a letter to City Manager Kim Leinbach late Monday, Ram Development attorney Karen Geller said Temple Terrace LLC is terminating its \$14.9 million purchase agreement for 20.4 acres near Bullard Parkway and North 56th Street.

What next?

The city council has scheduled an emergency meeting for Friday to plot out what the city will do now that its \$45 million redevelopment project is stalled once again.

Geller said the reason for Ram Development's withdrawal stemmed from a contractual issue not being satisfied, something echoed by city spokesman Michael Dunn Tuesday.

"We think it's largely due to the economic environment we're in right now," Dunn said. "We're sorry things couldn't work out, but we're ready to go forward with whatever needs to be done to get the project back on track."

Calls seeking comment early Tuesday afternoon were pending with Geller as well as Scott "Skipper" Peek Jr., managing partner of Pinnacle Realty Advisors in Temple Terrace that recently merged with **Panattoni Development Co. Inc.** of Sacramento.

While it's unclear whether Panattoni's acquisition of the local agency played a role in the Ram/Pinnacle team pulling out of the project, Dunn did say that the developers were struggling to get a secondary commercial tenant into the mixed-use development.

Sweetbay, which already operates a grocery store on a neighboring property, was slated to be the main anchor of the new commercial complex, and clothing store **Marshalls Inc.** had committed to serving as a junior anchor, Dunn said. However, the purchase agreement required two junior anchors, and the Ram/Pinnacle team was unable to get that second slot filled.

City may have to seek third developer

The city council **approved a \$14.9 million purchase agreement** with Temple Terrace LLC on April 15 that would pay out \$730,000 per acre, just below the \$15.3 million the city paid for the property over the last several years, representing \$750,000 per acre. Following development of the first half of the project, the Ram/Pinnacle team would then negotiate for the second half of the property to complete what city leaders had hoped would be a pedestrian-friendly downtown destination.

The city already had committed \$5.7 million to landscape North 56th Street that would include decorative lighting, benches and other safety enhancements. The city also was set to contribute \$1 million toward the installation of underground utilities in the area, while the majority of road and utilities improvements would be funded from federal, state and local grants.

The city has been working on a redevelopment project for downtown since late 2000 to replace what it saw as a blighted shopping center. Over the later years, the city acquired parcels within the shopping center with the hopes of finding a developer.

In 2005, after an exhaustive search, city officials thought they found one in Unicorp National Developments of Orlando, which had planned a \$300 million mixed-use project that would raze the existing shopping center and replace it with retail, office space and hundreds of condominiums.

However, Unicorp struggled to come to an agreement with **Delhaise Group** (NYSE: DEG), the Belgium owner of Sweetbay, which had a long-term lease on the property that also dictated what kind of uses the land would have. By July 2006, Unicorp dropped out of the project and the city was forced again to look for a development partner.

A new beginning ... lost

In October 2006, the city chose the team of Pinnacle Realty Advisors and Ram Development out of a group of developers that includes national firms like **Vlass Group**, MJ Lant Developments and DeBartolo Development LLC. With that, the city also accepted a largely scaled down project to meet economic conditions of the time of less than \$50 million.

Dunn said Ram/Pinnacle's pullout was not necessarily a surprise. The developers and the city had been going back and forth on the purchase agreement for months, despite an approval of a final agreement last July.

Ram Development is asking for a return of its escrow of \$400,000. However, Dunn said such a request would have to be reviewed by the city's legal department.

The city council will meet as the **Community Redevelopment Agency** beginning at 8:30 a.m. Friday at City Hall on 56th Street, several blocks from the development site, and then will forward final recommendations to a special city council meeting immediately after.