

## **ADD-ON LEGISLATIVE ACTION ITEM**

**SPONSOR:** City Council Member Teniadé Broughton  
D.C. Reeves, Mayor  
City Council Member Allison Patton

### **SUBJECT:**

RESOLUTION NO. 2023-023 - COMMUNITY REDEVELOPMENT AGENCY (CRA)  
ACQUIRING REAL PROPERTY AT 401 NORTH REUS STREET

### **RECOMMENDATION:**

That the City Council adopt Resolution No. 2023-023:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PENSACOLA, FLORIDA, RELATING TO COMMUNITY REDEVELOPMENT WITHIN THE URBAN CORE COMMUNITY REDEVELOPMENT AREA; PROVIDING FINDINGS; APPROVING AND AUTHORIZING THE EXPENDITURE OF CRA FUNDS TO ACQUIRE CERTAIN REAL PROPERTY THEREIN LOCATED AT 401 NORTH REUS STREET IN FUTHERANCE OF THE PURPOSES ESTABLISHED IN CHAPTER 163 PART III, FLORIDA STATUTES, AND THE URBAN CORE REDEVELOPMENT PLAN; AND PROVIDING AN EFFECTIVE DATE.

**HEARING REQUIRED:** No Hearing Required

### **SUMMARY:**

The adopted Urban Core Community Redevelopment Plan identifies acquisition of property as a key redevelopment activity. Acquisition of the property located at 401 N. Reus Street will support the CRA and City's objectives, by securing real property to be used to further the goals and objectives of the redevelopment plan and Chapter 163, Part III Florida Statutes and will be used for such purposes, including but not limited to affordable housing and preservation and conservation of the district.

The property is located within the historic Belmont and DeVilliers neighborhood and is the former site of the historic Smith's Bakery. Due to its cultural significance and condition, the property was recently listed on the Florida Trust for Historic Preservation's 2022 Florida's 11 to Save list. The site encompasses almost a full city block, containing 2.28 acres of land. Due to the size and historic significance of this site, it is anticipated that acquisition will facilitate both historic preservation, community space and affordable housing. However, further analysis and community input will be necessary to further establish the redevelopment plans.

Due to the time constraints associated with facilitating acquisition of this particular property, a fair market value appraisal could not be performed. Alternatively, the City has obtained a broker's opinion of value (BOV) from Beck Partners. In keeping with the City's

policy for the use of commercial real estate service professionals. The estimated value is between \$1,400,000 to \$1,625,000. An offer will be made to the seller for an amount up to \$1,500,000. The offer amount is justified based on the redevelopment goals established by Chapter 163, Part III, Florida Statutes, including but not limited to, increasing the supply of affordable housing, preservation and conservation of the district, remediation of conditions of blight and future increases in the tax base.

**PRIOR ACTION:**

August 15, 2022 - The CRA approved the FY 2023 budget which included funding for acquisition and redevelopment.

January 17, 2023 - The CRA approved the FY2023 unencumbered carryover resolutions for the Urban Core Redevelopment District for acquisition and redevelopment funding.

**FUNDING:**

Budget:	\$ 1,575,000	Urban Core TIF Fund (up to)
Actual:	\$ 1,500,000	Land Purchase (Up to)
	<u>75,000</u>	Estimated Closing Costs
	\$ 1,575,000	

**FINANCIAL IMPACT:**

Funds are available from the 2023 Urban Core TIF Fund.

**STAFF CONTACT:**

Don Kraher, Council Executive  
David Forte, Deputy City Administrator - Community Development  
Sherry Morris, Development Services Director  
Victoria D'Angelo, CRA Assistant Manager  
Deana Stallworth, Property Lease Manager

**ATTACHMENTS:**

- 1) Resolution No. 2023-023
- 2) ESCPA Record - 401 N. Reus Street 32501
- 3) Brokers Opinion of Value

**RESOLUTION NO. 2023-023**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PENSACOLA, FLORIDA RELATING TO COMMUNITY REDEVELOPMENT WITHIN THE URBAN CORE COMMUNITY REDEVELOPMENT AREA; PROVIDING FINDINGS; APPROVING AND AUTHORIZING THE EXPENDITURE OF CRA FUNDS TO ACQUIRE CERTAIN REAL PROPERTY THEREIN LOCATED AT 401 N. REUS STREET IN FURTHERANCE OF THE PURPOSES ESTABLISHED IN CHAPTER 163, PART III, FLORIDA STATUTES AND THE URBAN CORE REDEVELOPMENT PLAN; AND PROVIDING AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PENSACOLA, FLORIDA AS FOLLOWS:**

**SECTION 1. AUTHORITY.** This Resolution is adopted pursuant to the Constitution of the State of Florida, the Community Redevelopment Act of 1969 codified in Part III, Chapter 163, Florida Statutes (the "Act"), Chapter 166, Florida Statutes, and other applicable provisions of law.

**SECTION 2. FINDINGS.** It is hereby ascertained, determined, and declared that:

(A) On September 25, 1980, the City Council (the "City Council") of the City of Pensacola, Florida (the "City") adopted Resolution No. 55-80 which created the Community Redevelopment Agency (the "Agency") of the City of Pensacola, Florida and declared the City Council to be the Agency as provided in Section 163.357, Florida Statutes.

(B) On September 25, 1980, the City Council of the City of Pensacola adopted Resolution No. 54-80, describing the Urban Core Community Redevelopment Area (the "Redevelopment Area") and finding such to be a "blighted area" as defined in Section 163.340, Florida Statutes, and in need of redevelopment, rehabilitation, conservation and improvement, which finding and determination was reaffirmed in Resolution No. 65-81, adopted by the City Council on October 22, 1981.

(C) On March 8, 1984, the City Council adopted Ordinance No. 13-84 which established the priority area for redevelopment and the Redevelopment Trust Fund for the Urban Core Community Redevelopment Area as therein described ("the Trust Fund").

(D) On March 27, 1984, the City Council adopted Resolution No. 15-84 and approved the first Community Redevelopment Plan for the Urban Core Community Redevelopment Area. This 1984 Plan identified specific community redevelopment projects to be funded from the Redevelopment Trust Fund.

(E) On January 14, 2010, the City Council adopted Resolution No. 02-10, which repealed the Community Redevelopment Plan dating from 1989 as amended and adopted the Urban Core Community Redevelopment Plan dated 2010 (the "Redevelopment Plan").

(F) The acquisition of property for affordable housing, preservation and conservation of the district and remediation of blight in the Redevelopment Area is contemplated by and is an objective of the Redevelopment Plan and Chapter 163, Part III, Florida Statutes.

(G) Truth for Youth Inc. (the "Seller") owns a parcel of real property located in the Redevelopment Area, at 401 N. Reus Street, Pensacola, Florida, Parcel ID# 000S009010010015 (the "Property") and may agree to sell the Property to the City for the value of up to \$1,500,000.

(H) The City of Pensacola, Florida hereby determines that acquisition of the Property will facilitate the goals and objectives of the Redevelopment Plan and Chapter 163, Part III, Florida Statutes.

### **SECTION 3. PURCHASE OF THE PROPERTY AUTHORIZED.**

(A) The City Council hereby determines that it is necessary and in the best interests of the health, safety and welfare of the City, the Redevelopment Area and the inhabitants thereof to acquire the Property, that such acquisition shall advance the community redevelopment objectives of the Redevelopment Plan and shall constitute and serve the purposes of "community redevelopment" within the meaning of and in accordance with the Act, and such acquisition is hereby authorized.

(B) The cost to acquire the Property shall be paid with CRA funds consisting of Trust Fund revenues.

(C) Upon acquisition of the Property, the Property shall be utilized by the City solely to further the goals and objectives of the redevelopment plan and Chapter 163, Part III Florida Statutes and will be used for such purposes, including but not limited to affordable housing and preservation and conservation of the district. Any conveyance of the Property, or portion thereof, by the City to a third party for such purposes shall be conveyed with instrument(s) effectuating such conveyance, which may include restrictions upon, and covenants, conditions, and obligations assumed by, the third party to ensure that the Property is developed

and/or used for the purposes outlined in Chapter 163, Part III, Florida Statutes and the then effective Urban Core Redevelopment Plan.

(D) The Mayor is hereby authorized and directed to take all actions necessary to effectuate the provisions of this Resolution.

**SECTION 4. SEVERABILITY.** If any one or more of the provisions of this Resolution should be held contrary to any express provision of law or shall for any reason whatsoever be held invalid by a court of competent jurisdiction, then such provisions shall be null and void and shall be deemed separate from the remaining provisions of this Resolution.

**SECTION 5. CONFLICTS.** All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 6. EFFECTIVE DATE.** This Resolution shall become effective on the fifth business day after adoption, unless otherwise provided pursuant to Section 4.03(d) of the Charter of the City.

Adopted: \_\_\_\_\_

Approved: \_\_\_\_\_

Delarian Wiggins, President

ATTEST:

\_\_\_\_\_

Ericka L. Burnett, City Clerk




BROKER OPINION OF VALUE

Subject Address: 401 N Reus														
Sale Comps														
#	Address	Photo	Date Sold	Acres	SF (Land)	Price	SF (Improv)	\$/AC	\$/SF (Imp)	Zoning	FLU	Comments	% Adjusted	Adjusted \$/SF
S	<a href="#">401 N REUS ST 32501</a>			2.28	99,530		21,303			C-3	COMMERCIAL			
1	<a href="#">3615 N M St</a>		5/16/2022	1.01	44,113	\$ 610,000.00	16,060	\$602,350.15	\$37.98	HC/LI	C	2 Bldgs	-20%	\$30.39
2	<a href="#">3110 N DAVIS HWY 32503</a>		9/30/2021	0.64	27,887	\$ 500,000.00	15,069	\$781,005.94	\$33.18	C-3	COMMERCIAL	4 Buildings; adjust down for location and condition	-20%	\$26.54
3	<a href="#">712 N T ST 32505</a>		7/25/2022	0.19	8,202	\$ 225,000.00	6,604	\$1,194,901.75	\$34.07	C-3	COMMERCIAL		-15%	\$28.96
4	<a href="#">10 S 3rd St</a>		4/15/2022	0.32	13,983	\$380,000	8,544	\$1,183,800.62	\$44.48	Com	MU-U		-20%	\$35.58
												Adj \$/PSF	Adj Price	
												Average	\$ 30.37	\$ 646,923
												Median	\$ 29.67	\$ 632,122
												St Dev	\$ 3.31	\$ 70,471
												95% Conf St. Dev	\$ 3.24	\$ 69,061
												Sample Size	4	
												Significance Level	0.05	



BROKER OPINION OF VALUE

Subject Address: 401 N Reus													
Sale Comps													
#	Address	Photo	Date Sold	Acres	SF (Land)	Price	\$/AC	Zoning	FLU	Comments	% Adjusted	Adjusted \$/AC	
S	<a href="#">400 Reus St 32501</a>			2.28	99,530			C-3	COMMERCIAL				
1	<a href="#">400 Blk W. Jackson</a>		6/17/2021	0.77	33,532	\$ 702,000.00	\$911,925.18	R-NCB	RESIDENTIAL NEIGHBORHOOD COMMERCIAL	2 Bldgs	-15%	\$ 775,136	
2	<a href="#">605 W Garden St.</a>		1/23/2021	5.76	250,906	\$ 2,275,000.00	\$394,965.28	C-3	COMMERCIAL	adjust up due to size	5%	\$ 414,714	
3	<a href="#">555 S. G St</a>		2/18/2022	1.54	67,200	\$ 1,000,000.00	\$648,214.17	C-3	COMMERCIAL	Superior location	-10%	\$ 583,393	
4	<a href="#">512 N. D St</a>		4/28/2022	1.39	60,723	\$846,000	\$606,886.66	R-1A	Medium Density Residential	inferior location	10%	\$ 713,036	
											Adj \$/Ac	Adj \$/AC * SF of subject	
											Average	\$ 621,570	\$ 1,420,224
											Median	\$ 648,214	\$ 1,481,105
											St Dev	\$ 159,369	\$ 364,143
											95% Conf St. Dev	\$ 156,179	\$ 356,853
											Sample Size	4	
											Significance Level	0.05	

Restore Full Version

General Information		Assessments				
<b>Parcel ID:</b>	000S009010010015	<b>Year</b>	<b>Land</b>	<b>Imprv</b>	<b>Total</b>	<b>Cap Val</b>
<b>Account:</b>	131076000	2022	\$339,635	\$58,216	\$397,851	\$378,954
<b>Owners:</b>	TRUTH FOR YOUTH INC	2021	\$339,635	\$55,251	\$394,886	\$344,504
<b>Mail:</b>	2299 COUNTRY PLACE CIR PENSACOLA, FL 32534	2020	\$472,536	\$56,733	\$529,269	\$313,186
<b>Situs:</b>	401 N REUS ST 32501	<b>Disclaimer</b>				
<b>Use Code:</b>	WAREHOUSE, DISTRIBUT	<b>Tax Estimator</b>				
<b>Taxing Authority:</b>	PENSACOLA CITY LIMITS	<b>Enter Income &amp; Expense Survey</b>				
<b>Tax Inquiry:</b>	<a href="#">Open Tax Inquiry Window</a>	<b>Download Income &amp; Expense Survey</b>				
Tax Inquiry link courtesy of Scott Lunsford Escambia County Tax Collector						

Sales Data					
Sale Date	Book	Page	Value	Type	Official Records (New Window)
06/21/2010	6607	309	\$750,000	WD	
10/1992	3249	699	\$110,000	WD	
Official Records Inquiry courtesy of Pam Childers Escambia County Clerk of the Circuit Court and Comptroller					

2022 Certified Roll Exemptions
FRATERNAL AND OTHER
Legal Description
BEG SE COR BLK 15 N 89 DEG 58 MIN 32 SEC W ALG S LI BLK 15 400 52/100 FT TO SW COR BLK 15 N 0 DEG 1 MIN 26 SEC W ALG...
Extra Features
ASPHALT PAVEMENT CHAINLINK FENCE CONCRETE PAVING METAL FENCE MISC

**Section Map Id:**  
[CA095](#)

**Approx. Acreage:**  
2.2849

**Zoned:**  
C-3

**Evacuation & Flood Information**  
[Open Report](#)

Launch Interactive Map

[View Florida Department of Environmental Protection \(DEP\) Data](#)

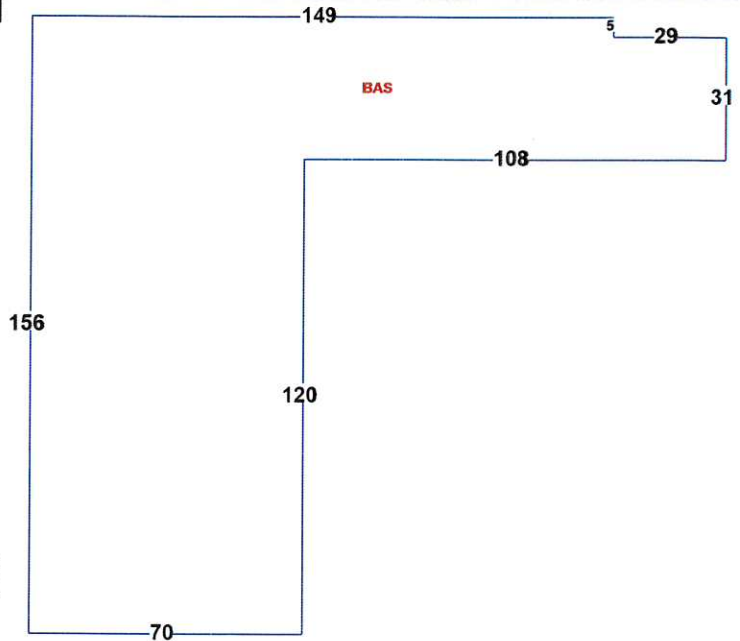


**Buildings**

Address: 401 N REUS ST, Year Built: 1918, Effective Year: 1948, PA Building ID#: 17620

**Structural Elements**

DECOR/MILLWORK-MINIMUM  
DWELLING UNITS-0  
EXTERIOR WALL-BRICK-COMMON  
FLOOR COVER-CONCRETE-FINISH  
FOUNDATION-SLAB ON GRADE  
HEAT/AIR-UNIT HEATERS  
INTERIOR WALL-PLASTER DIRECT  
NO. STORIES-1  
ROOF COVER-BLT UP ON WOOD  
ROOF FRAMING-WOOD FRAME/TRUS  
STORY HEIGHT-18  
STRUCTURAL FRAME-WOOD FRAME



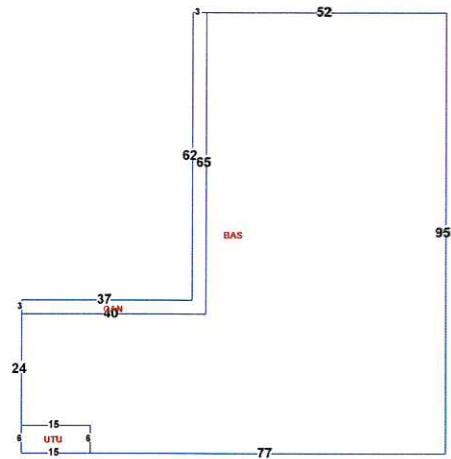
Areas - 14663 Total SF

BASE AREA - 14663

Year Built: 1964, Effective Year: 1964, PA Building ID#: 17621

**Structural Elements**

DECOR/MILLWORK-MINIMUM  
DWELLING UNITS-0  
EXTERIOR WALL-CONCRETE BLOCK  
FLOOR COVER-CONCRETE-FINISH  
FOUNDATION-SLAB ON GRADE  
HEAT/AIR-NONE  
INTERIOR WALL-EXPOSED BLK/BRK  
NO. PLUMBING FIXTURES-2  
NO. STORIES-1  
ROOF COVER-METAL/MODULAR  
ROOF FRAMING-RIGID FRAME/BAR  
STORY HEIGHT-18  
STRUCTURAL FRAME-MASONRY PIL/STL



Areas - 6446 Total SF

BASE AREA - 6050

CANOPY - 306

UTILITY UNF - 90

Year Built: 1964, Effective Year: 1964, PA Building ID#: 17622

Structural Elements

DECOR/MILLWORK-MINIMUM  
DWELLING UNITS-0  
EXTERIOR WALL-CONCRETE BLOCK  
FLOOR COVER-CONCRETE-FINISH  
FOUNDATION-SLAB ABOVE GRDE  
HEAT/AIR-UNIT HEATERS  
INTERIOR WALL-EXPOSED BLK/BRK  
NO. STORIES-1  
ROOF COVER-METAL/MODULAR  
ROOF FRAMING-RIGID FRAME/BAR  
STORY HEIGHT-10  
STRUCTURAL FRAME-MASONRY PIL/STL

Areas - 10449 Total SF

BASE AREA - 9308  
CANOPY - 244  
UTILITY FIN - 897

Year Built: 1986, Effective Year: 1986, PA Building ID#: 17623

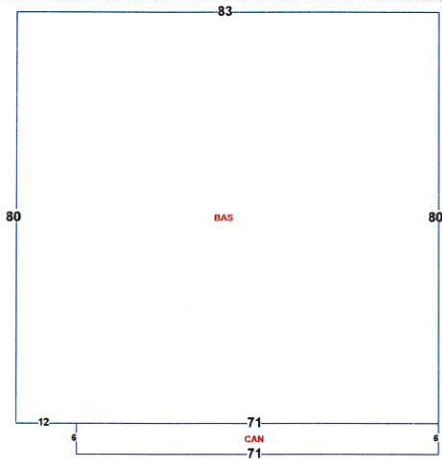
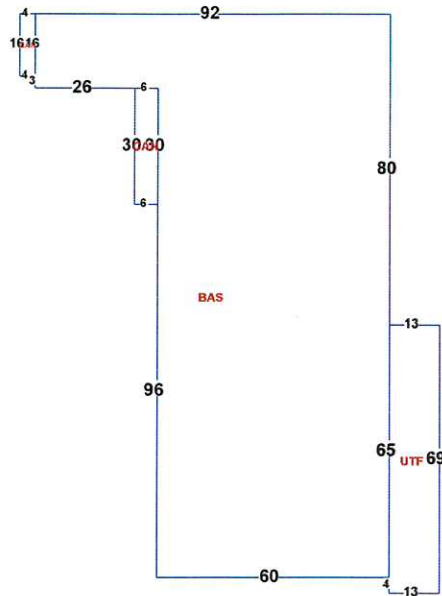
Structural Elements

DECOR/MILLWORK-MINIMUM  
DWELLING UNITS-0  
EXTERIOR WALL-METAL-MODULAR  
FLOOR COVER-CONCRETE-FINISH  
FOUNDATION-SLAB ABOVE GRDE  
HEAT/AIR-UNIT HEATERS  
INTERIOR WALL-UNFINISHED  
NO. STORIES-1  
ROOF COVER-METAL/MODULAR  
ROOF FRAMING-STEEL TRUSS/FRM  
STORY HEIGHT-16  
STRUCTURAL FRAME-RIGID FRAME

Areas - 7066 Total SF

BASE AREA - 6640  
CANOPY - 426

Year Built: 1964, Effective Year: 1964, PA Building ID#: 17624

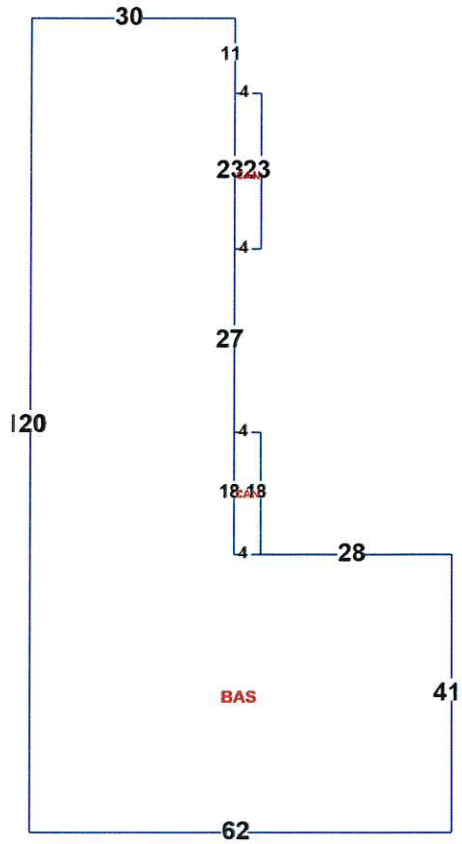


Structural Elements

DECOR/MILLWORK-BELOW AVERAGE  
DWELLING UNITS-0  
EXTERIOR WALL-CONCRETE BLOCK  
FLOOR COVER-CARPET  
FOUNDATION-SLAB ON GRADE  
HEAT/AIR-CENTRAL H/AC  
INTERIOR WALL-DRYWALL-PLASTER  
NO. PLUMBING FIXTURES-4  
NO. STORIES-1  
ROOF COVER-BLT UP ON WOOD  
ROOF FRAMING-WOOD FRAME/TRUS  
STORY HEIGHT-9  
STRUCTURAL FRAME-MASONRY PIL/STL

Areas - 5076 Total SF

BASE AREA - 4912  
CANOPY - 164



Images



2/6/2023 12:00:00 AM

The primary use of the assessment data is for the preparation of the current year tax roll. No responsibility or liability is assumed for inaccuracies or errors.