



D.C. REEVES
Mayor

Dear Palafox Street Property Owners,

First and foremost, I greatly appreciate the investment you have made in our city and in our downtown. For many of you, that investment is measured in decades. Most of you put your capital and sweat into this street when there was speedy, one-way traffic, little commercial promise, and a fraction of the pedestrian traffic we see today.

This New Palafox project, a \$10 million re-investment, modernizes the crown jewel of our downtown for the generations to come. In doing so, we have the opportunity to accomplish four key goals: enhanced public safety, critical stormwater infrastructure improvements, long-overdue ADA accessibility and finally, a cohesive, high-quality aesthetic that will drive city residents and valued visitors to Palafox for years to come.

When the FPL utility project was completed in 2022, we knew this would be the one opportunity to address many long-standing issues simultaneously, minimizing the inconvenience for all.

Our City of Pensacola team has worked tirelessly, at a granular level, working through design, an RFP, and now with the contractors to ensure the highest possible level of harmony between business success and inconvenience through the spring.

As you all know, the heartbeat of our downtown is our small businesses and its employees. This project sets a vision and opportunity for them, not just in increased capacity of seating or extra space to sell goods, but ensuring that Palafox remains a beacon well into the future.

I am writing today with two requests of South Palafox property owners:

- **A minimum of \$10,000 in rent relief per leased commercial unit from January to May.** As the property owners will stand to realize the greatest benefit from this long term reinvestment, I respectfully request that you help our small businesses with their fixed costs during this time.

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If the contractors miss the deadline to receive a \$768,000 bonus on May 24, I will propose to council to direct those funds to the small business lessees along Palafox for rent/business interruption relief through a program managed by the DIB.

I believe every small business on Palafox is an investor in this project, and I intend to recognize those small businesses with a historical marker on Palafox so the generations who get to enjoy this renewed street will know who sacrificed to make it happen. **If property owners provide at least \$25,000 of rent relief during this period to non-property owner small businesses, the city will also recognize you as a sponsor of this project and commemorate your contribution.**

- **Private Parking Lot owners make free/reduce parking fees.**

The city will be providing 414 paid spaces around Palafox and making them free during the construction period, an investment in helping our retailers make their customer experience as seamless as possible. I respectfully request that any private parking lot owners adjacent to Palafox Street discount or make free off-peak hours and discounted peak hours to help in the same fashion.

Between the \$10 million project, City staffing bandwidth, \$100,000 for marketing, free parking, early completion bonuses/rent relief, unprecedented accommodations from contractors, I can confidently say that our intentionality for your street – in fact, the entire community's street - is unmatched.

Make no mistake, there will be noise and there will be inconvenience, often the price of bold progress. I assure you we will be relentless in our communication with you and the public on this project and in advocacy for our small businesses during this time.

Thank you in advance for your time and consideration of these requests, and please reach out to me at dcreeves@cityofpensacola.com if you have any questions.

Sincerely,



D.C. Reeves