

Frequently Asked Questions

Requests for Letters of Interest for Reuse or Redevelopment of the Former Pensacola Motor Lodge at 2305 W Cervantes Street

3/15/2024

Question	Answer
What is the reason that the City is offering the property via long term ground lease and not sale.	The long-term ground lease is more desirable to the City due to its ability to ensure the use of the land over time.
Will my response be rejected if I submit an LOI that differs from the terms sought in the solicitation? (ex. requesting a sale vs. lease of the property?)	No. The RLOI requests feedback from the development community.
What is the conveyance type for the site?	Long term ground lease. Lease fee waived until April 1, 2037.
Is the site in a CRA? Explain the area.	The site is located along an urban renewal corridor within the City's designated Westside CRA.
Has the City undertaken any environmental analysis, a property condition assessment, or a survey?	Yes, these documents can be found in the Appendix of the RLOI.
Is the City requiring rehabilitation or can demolition and redevelopment be proposed.	The RLOI invites submittals for rehabilitation, new construction or a mixture of both.
Will the deadline be extended?	At this time the City is not anticipating an extension.
Would the City consider donating the land to a non-profit agency?	The City's preference is long term land lease, but requests for donation may be included in the RLOI response.
Will the City only convey the property to a developer or can non-profits apply?	Non-profit organizations are eligible to submit, however, they must have the capacity to develop and operate the project either by themselves or through (a) development partner(s).
Would the City be willing to provide funding towards the demolition, renovation or redevelopment of the site?	Incentive requests may be considered on a case-by-case basis. Please see page 10 of the RLOI under "Additional Incentives" for more information.
Would the City be willing to abate taxes to support the project.	Incentive requests may be considered on a case-by-case basis. Please see page 10 of the RLOI

Frequently Asked Questions

Requests for Letters of Interest for Reuse or Redevelopment of the Former Pensacola Motor Lodge at 2305 W Cervantes Street

3/15/2024

	under “Additional Incentives” for more information.
Is the property vacant?	Yes, the property is fully vacant of renters, however, the buildings have not been gutted.
Has the City obtained any quotes regarding the potential costs associated with a complete demolition of the Property?	Yes, the consultant that performed the Property Conditions Assessment (PCA) provided an estimate to clear the site (removal of paved/concrete areas + demolition and removal of 12 structures and their foundations. This estimate included a 10% contingency. The estimate for the full scope was \$487,850. An estimate to demo the interiors only was \$88,700. Details are included in the PCA which is located within the Appendix of the RLOI.
Is the City prepared to entertain providing project-based Housing Choice Vouchers?	The City may consider project basing Housing Choice Vouchers (HCV) for this development in accordance with existing City of Pensacola Housing Section 8 Housing Choice Voucher Administrative Plan, which would necessitate a formal Request for Proposals process. The use of Project Based Vouchers (PBV) must be in compliance with federal regulations at 24 CFR Part 983, HUD required subsidy layering reviews, accessibility requirements under Section 504 of the Rehabilitation Act of 1973, and other federal regulations. Developments requesting at least 9 PBVs will be subject to Davis Bacon construction requirements. Any proposals would also be subject to HUD Field office approval and the availability of vouchers and budget authority to be project based. Responses to this RLOI interested in PBVs should provide information on the number of PBVs requested, anticipated unit mix, and proposed maximum rents under the “subsidy” component of their submittal.
In the Property Condition Assessment report as prepared by Moran Construction Consultants, they only reported the cost of further investigation for the water/sanitary lines,	At this time, the City does not.

Frequently Asked Questions

Requests for Letters of Interest for Reuse or Redevelopment of the Former Pensacola Motor Lodge at 2305 W Cervantes Street

3/15/2024

foundations, sanitary waste and vent, and electrical service. Does the City possess any further information on these infrastructure items? The water/sanitary lines being the age that they are and buried, present a significant cost risk to any successful developer.	
As it relates to the land, if this effort proceeds with a long-term land lease, for developer financing purposes, would the City take a second position on the land.	This would need to be further negotiated.
In the presentation, it was stated that certain bond funding was ultimately used by the City to purchase the property, and that the terms and conditions of the bond funding would apply to the land and any construction on it. Is the information regarding the bond requirements available and has the City Attorney taken a position and issued a letter on any requirements that would be an ongoing land use restriction, such as period of affordability, annual reporting, site limitations (these being beyond the income limitations disclosed in the meeting).	Due to the tax exemption of the bonds, the City must either waive lease fees during repayment or donate the land. We are not aware of any additional restriction or reporting that would be required of the developer as a result of the City's use of the bond proceeds. See page 9 of the RLOI under "Site Control" for more information
The initial part of the Lambert Advisory group presentation was very difficult to hear on the website recording. Is their slide presentation available in a pdf format?	Yes, it is posted to the Development Opportunities webpage on the City website.