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Vlass Group officially on board Temple Terrace redevelopment

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

Temple Terrace city officials took a tremendous step forward Tuesday signaling for negotiations to begin with a partnership involving Vlass Group out of Atlanta to build the city's long-awaited, \$150 million downtown development.

The city council moved forward with Temple Terrace Investments LLC -- a partnership that includes Vlass, [M.J Lant Developments Inc.](#) and Marketplace Advisors Inc. -- despite being told that its outstanding debt for more than 19 acres of property where the first phase will be built will rise from \$17.8 million to \$23.8 million. Diane Reichard, the city's finance director, said that money could be recouped after construction is finished through net rental income, tax incremental financing, utility taxes and franchise fees, and a quarter-mill property tax assessment allocated for redevelopment.

Holding off on the project could be more costly in the long run, Reichard said.

"As we delay this project every year, we have to have service payments," she said, adding it would increase the city's expenses by nearly \$800,000. "And we're losing potential TIF income."

The Vlass plan for a mixed-use center on 38 acres near the intersection of Bullard Parkway and North 56th Street includes 400,000 square feet of office, retail, municipal and condominium space. Vlass is the third developer brought in for the task, following Unicorp National Developments of Orlando and later a partnership between Ram Development Co. and the former Pinnacle Realty Advisors in Tampa.

The project, as it's been proposed, did get the thumbs up from two builders not involved with the redevelopment effort, including Bill Martin of Kearney Cos.

"You're going to have debt regardless of what's going to happen," Martin told the council. "You're handing off the baton to this property to a partner that you feel confident will move the ball forward."

With the initial approval, Vlass principal Mike Vlass told the council he would begin work immediately on a development agreement and work to have it with city officials by mid-March.

"In our development agreement, we'll have 36 months from the day we sign our development agreement" to break ground, Vlass said. "We have no reason, and we gain nothing by waiting. We are just spending money right now, coming out of my pocket, and that gets old after a while. We want to get something started and get the buildings built."