

NOTICE OF INTENT TO DISPOSE OF REAL PROPERTY

For the Sale and Development of Affordable Housing

Pursuant to Section 163.380, Florida Statutes

The **City of Pensacola Community Redevelopment Agency (the City)** hereby gives notice of its intent to dispose of real property located within the CRA district boundaries. This action is in accordance with the provisions of **Section 163.380, Florida Statutes**, governing the disposition of real property within community redevelopment areas.

Property Description:

- **Property Name:** Pensacola Motor Lodge
- **Location:** 2305 W Cervantes St., Pensacola, FL 32505 and 2301 W Cervantes St., Pensacola, FL 32505
- **Parcel ID(s):** 000S009060010173 and 000S009060030173
- **Acreage:** Approximately 1.57 acres and 0.12, totaling 1.69 acres combined.
- **Current Use:** Vacant former motel property, in disrepair.

PURPOSE

The City intends to sell the above-referenced property to a qualified developer for redevelopment with the goal of delivering long-term affordable housing of for-sale and/or rental units. This effort supports the City's commitment to expanding housing options that meet the needs of the community, promote long-term neighborhood stability, and align with the urban design principles outlined in the [Westside-CRA-Plan-Update-2025](#).

Desired Development Outcomes

The successful proposal must include a development concept that meets the following priorities and design expectations for affordability, quality, urban design, and community alignment:

- For-sale or rental units primarily serving households earning at or below 120% of the Area Median Income (AMI), with a preference for mixed affordability serving a wide range of incomes.
- A mechanism to ensure long-term affordability. (e.g. deed restrictions.)
- Construction of units within a reasonable timeframe following property conveyance.
- As identified in the [Westside-CRA-Plan-Update-2025](#), LEARNING FROM GREAT NEIGHBORHOODS (p. 78), proposals should incorporate the following principles of good design:
 - Site design must be cohesive, have good connectivity, and ease of access.
 - Emphasize neighborhood-scale development with diverse building types and architectural variety, moving beyond repetitive designs to foster a cohesive, community-integrated neighborhood.
 - Parking drive aisles should be designed with enhancements to make them "street-like," i.e. with shade trees, non-circuitous sidewalks, street furniture such as benches, trash receptacles, and streetlights.
 - Design standards call for buildings with clear fronts and backs, with front facades oriented toward public streets or street-like drives and rears facing inward. Service areas, parking, and outdoor spaces should be located at the rear or center of blocks.

- Affordable housing built with high-quality, durable materials that are comparable in quality to moderate market-rate projects to ensure affordable projects will not be easily identified or stigmatized.

It should be noted that the conveyance of the property will be by sale, for which the terms will be subject to negotiation with the selected developer.

Due Diligence Material

To assist proposers, the City is including the following:

1. **Survey** of 2301 and 2305 W. Cervantes Street – Appendix “A”
2. **Environmental Assessments**: Phase I (July 18, 2023) and Phase II (October 6, 2023) – Appendix “B”
3. **Asbestos-Containing Materials (ACM) Survey** (September 13, 2023) – Appendix “C”
4. **Sidewalk Easement Agreement** for Parcel 000S009060030173 (executed February 12, 2025).
Note: This change is not reflected in the attached survey. – Appendix “D”
5. **Property Condition Assessment** (August 2, 2023) – Appendix “E”
6. **Property Appraisal** (April 21, 2023) – Appendix “F”

The City makes no representation or warranty, expressed or implied, regarding the accuracy or completeness of the above material. Proposers are solely responsible for performing their own independent due diligence and verification in preparing the submittal.

ZONING AND SITE DEVELOPMENT STANDARDS

The parcel is zoned C-3, Commercial Zoning District (Wholesale and Limited Industry) allowing for numerous uses including multi-family residential. The parcel is located in the CRA Urban Design Overlay District (CRAUDOD) ([LDC Sec. 12-3-31](#)) designed to preserve and maintain the urban pattern and architectural character of Pensacola’s redevelopment areas.

Density: The density for this parcel is 35 du/acre. However, several mechanisms exist to allow for greater density as follows:

- Voluntary green building incentive ([Sec. 14-2-296](#)) – 25%
- Residential density bonuses ([LDC Sec. 12-3-109](#)) – Up to 35%. *To maximize the use of the Property the City may consider sponsoring density bonuses for affordable housing from its donor sites as described in LDC Sec. 12-3-109.*
- Live Local Act (LLA) enacted by the State of Florida will allow for a density of 135 du/acre, subject to the provisions within SB 102.

Height: The height limit for this parcel is a maximum of 10 stories per the CRAUDOD standards (See [LDC Sec. 12-3-31](#), Table 12-3-31.7).

***It is important to note that two potential opportunities exist for added flexibility in height as follows:

- **Height Bonus:** In January 2024 the Pensacola City Council added a **height bonus** provision to the Land Development Code to allow height to reach up to 150 feet at the property or setback line for this site, subject to Planning Board review and approval (See [LDC 12-3-121\(d\)\(9\)](#)).
- **CRAUDOD Standard Modification Process** – See LDC [Sec. 12-3-31 \(6\)](#) .

Expedited permitting for affordable housing is available. Details are available on the City website via the following link: <https://www.cityofpensacola.com/DocumentCenter/View/23263/Affordable-Housing-Expedited-Permitting-Policy-Website-Form>

The demolition of structures older than 50 years in age is subject to the City's Historic Building Demolition Review process outlined in [Sec. 12-11-5\(5\)](#), which may require review by the City's Architectural Review Board (ARB). A historic structure demolition application was submitted by the CRA to determine whether projects proposing demolition would require review by the full ARB. One of the reviewers determined the buildings to be historically significant and referred the application to the full board. For projects proposing demolition, it is important to note, that should the board determine the buildings to be historically significant, demolition cannot be prohibited but only delayed sixty (60) days pursuant to Sec. 12-11-5(5)e.5.i.(a)-(b) of the City code.

Development Team Qualifications

The City is looking for a qualified developer to undertake the planning, permitting/entitlement, and development of affordable housing on the Property.

Requirements:

- A detailed summary of the development organization's experience in acquiring and delivering affordable, workforce, and/or mixed-income housing projects comparable to the vision for the property.
- A brief description of up to 3 most comparable projects that the developer has successfully developed. For each, include project name, address, photographs, references, development timeline (from design submittal to Certificate of Occupancy), and indicate the roles of team members involved.
- Developers should include as part of their team *experienced* home designers and/or architects to ensure that proposed site plans and architectural designs integrate with the Westside district's future goals as outlined in the [Westside-CRA-Plan-Update-2025](#).
- Brief biographies of key team members to demonstrate relevant expertise and roles in the project.
- Letters of commitment from key partners, such as the architect, contractor, or other professionals involved.

Development Program

The City is seeking to understand the developer's proposed affordable housing development concept including housing structures and units, and any ancillary amenities.

Must include, at minimum, the following:

- A **narrative summary** of the proposed housing program, clearly describing the **number and type of housing units** to be developed, such as multi-family homes, townhomes, or other residential formats, and anticipated site amenities.
- Demonstrate compliance with the CRA Urban Design Overlay Standards as indicated in the [Westside-CRA-Plan-Update-2025](#), as indicated in the above section, under "Desired Development Outcomes."

If selected for negotiation, the developer may be asked to provide a graphic summary of the development intent to include conceptual plans, elevations, renderings, site amenities, etc. Anticipated housing units shall include unit type (mix), unit square footage, and estimated parking counts. The plans may be expected

to include proposed improvements to mobility and activating street-fronts through building orientation fronting the primary street (Cervantes Street) and massing preferences described above, community and/or park space, pedestrian forecourt, common areas, patio spaces and/or other similar elements, locations for proposed on-site and off-site parking, as well as, ways in which the development implements the City's goals of preserving the urban and traditional neighborhood context.

Developer should include these elements in their submittal to the extent possible.

Affordability Plan

As stated in the [Westside-CRA-Plan-Update-2025](#) (p. 78), *"If possible, affordable projects should aim to serve a range of incomes by offering a range of unit types and sizes, or by building in long-term affordability through subsidy for a portion of units."* This guidance underscores the importance of mixed-income development as a strategy to promote economic diversity, housing choice, and long-term community stability.

Requirements:

- Specify the income levels to be served by income cohort (% AMI), including the targeted percentages of Area Median Income (AMI), the proposal should include an affordability plan that supports either for-sale, rental, or a combination of both housing types, based on the developer's intended approach.
- Describe how long-term affordability will be preserved and for how long, including the anticipated sales and/or rental prices for each unit type and the AMI levels the units are intended to serve.
- If applicable, outline any stewardship strategies or resale controls to help maintain affordability over time.

Financial Capacity and Pro Forma

The City is interested in obtaining the optimal development for the Property. The proposal must include the **proposed purchase price** for the property, along with a summary of the anticipated sources of financing, including any combination of private and/or public funding. While not required, a development budget and high-level pro forma are strongly encouraged to demonstrate project feasibility. Additionally, the developer may be asked to provide evidence of financial capacity to successfully complete the project in accordance with the proposed timeline.

INCENTIVE REQUESTS

It is the City's intention to avoid the need for tax incentives on this project to the extent practicable. Consideration is expected to be limited to existing tax incentive policies and programs. Consideration of all incentive requests will be subject to return-on-investment review and gap analysis. Awards for additional incentives will be subject to negotiation and may only be made at the discretion of the Mayor and the Community Redevelopment Agency and/or City Council.

In the event of consideration of an incentive request, the City may require a 15-year pro forma and operating budget beginning from the period of site control. The proforma analysis may be expected to include construction/permanent financing assumptions, the development team's proposed equity contribution, and any anticipated or requested funding from County, State, Federal, or other supporting entities and agencies.

Development Schedule

The City desires that the Property be developed as soon as possible, consistent with requirements for entitlements, work necessary to create a satisfactory market setting, the conveyance schedule, etc. The proposal must include a **Project Schedule** outlining the anticipated timeline for **property conveyance, permitting, design, construction, and sale and/or lease-up of units**. Additionally, the proposal should include a **phasing plan** that clearly identifies the sequence and timing of each phase of development.

Marketing and Stewardship

The City is looking for developers and/or management/leasing team members who have broad experience marketing and managing projects of a similar scale and profile.

Requirements:

- A narrative summary of the marketing and management approach and brief bios of the key team members who will oversee the marketing and management effort.
- Development team must demonstrate significant experience in the marketing, management, and stewardship of affordable housing development of comparable profile. The City desires to understand the underlying marketing approach, vision, and management and stewardship approach that the developer views for this site.

EVALUATION CRITERIA AND PROCESS

For qualified parties invited for further negotiation, the City will evaluate the merits of each proposed development program and its respective development team relative to each other, as well as, relative to alternate means of fulfilling its objectives for the Property.

A technical review will be performed and submittals evaluated. The review will be referred to City administration for further consideration. The City administration will recommend a development partner to the City of Pensacola Community Redevelopment Agency and/or City Council for final approval. As noted below, adequate experience and capability, which shall be determined at the sole discretion of the City, to successfully undertake the proposed project is a minimum standard which shall be met.

SUBMISSION AND/OR QUESTIONS INSTRUCTIONS

The City may consider any qualified proposals submitted by **11/05/2025 at 5:00 PM local time** for further negotiation. Parties invited for further negotiation shall be diligent in providing any additional final detail required, which may include the additional detail provided herein, no later than **the established timeframe provided by the city** after notification of intent to further negotiate.

Questions, proposals and all submitted materials shall be addressed and submitted in writing to: reddevelopment@cityofpensacola.com.

DISCLAIMER

The City reserves the right to take any action it deems to be in its best interest, including the decision to take no action. The receipt or acknowledgment of any proposal, or any additional information provided for negotiation purposes, does not confer any rights or interests in the property to the submitting party.

APPENDIX “A”
Survey

APPENDIX "B"
Environmental Assessments

APPENDIX "C"
Asbestos-Containing Materials (ACM) Survey

Appendix "D"
Sidewalk Easement Agreement

Appendix "E"

Property Condition Assessment

Appendix "F"
Property Appraisal