

TAMPA BAY Business Journal

NOVEMBER 26, 2004

Causeway site owners negotiate \$3-million sale price with FDOT

BY CARL CRONAN

SENIOR STAFF WRITER

TAMPA- A \$3-million price has been worked out for the last remaining large piece of property along Courtney Campbell Causeway to make way for improved traffic connections to Interstate 275 near Tampa International Airport. The 2.4-acre former site of a Red Lobster seafood restaurant that was owned by the family of former Gov. Lawton Chiles was among several high-profile properties the Florida Department of Transportation needed for its Tampa Airport Interchanges project. The price agreed upon by FDOT, Chiles' family and Red Lobster parent Darden Restaurants Inc. during an Aug. 31 arbitration hearing signed earlier this month by Hillsborough County Circuit Judge Gregory Holder. Lawyers representing the property owners contended that the parcel was now valued at \$3.5 million, based on both fair-market value and revenue generated by the restaurant, while FDOT set its own value at \$2.1 million. Had the parties not come to terms in arbitration, the matter would have gone to court in December. "It was a fair resolution of the matter. We were pleased with the result," said Gregory Rix, an eminent domain lawyer with Brigham Moore LLP in St. Petersburg who represented Chiles' estate. It remains to be decided how the \$3 million will be divided between the parties, he said.

A FLORIDA LANDMARK

Red Lobster, a fixture along the causeway since 1969 and one of the seafood chain's original Florida locations, was among several parcels making way for the five-year road construction project that was previously dubbed "Links I." The \$193-million project is designed to improve traffic flow and create an easier connection with I-275, as well as Veterans Expressway and Memorial Highway. The causeway, part of State Road 60, is the primary route between Tampa and Clearwater. As the state's largest property condemning authority, the FDOT budgeted \$66 million for land acquisitions related to interchange construction dating back to 2001. The department is required to pay for things such as loss of property and relocation costs, though not necessarily for any revenue losses related to a land purchase. One of Red Lobster's neighbors along the causeway, Tanga Lounge, took FDOT to court in an attempt to recover not only the value of its site, which measured just over an acre, but also millions of dollars in income lost to the strip club.

REDNER PAID \$1.3 MILLION

A Hillsborough circuit court jury this summer awarded Tanga Lounge owners Joe Redner and Robert E. Rodriguez \$1.3



Gregory Rix: Eminent domain lawyer Brigham Moore LLP in St. Petersburg

million for their property, based on the market value of the land alone. Furthermore, Circuit Judge William Levens ruled that adjacent property connected with a nearby canal was "submerged" and therefore not subject to the same property value as dry land. FDOT agreed to that \$3-million price for the Red Lobster based primarily on the verdict in the Tanga lounge lawsuit which amounted to roughly \$28 per square foot, said Kris Carson, a department spokeswoman in Tampa. Even though the property purchase matter has apparently been settled, FDOT has yet to start construction on the causeway's new interchanges because of a "bi-protest" on the project, Carson said. The department previously declared Amec LLC the low bidder on the project then awarded the contract to the second lowest bidder, Flatiron-Tidewater Skanska, after determining that Amec lacked "sufficient capacity" to bid on the project.

cronan@bizjournals.com / 813.342.2468