



## Dealmakers: Glitches won't stop luxury hotel

By [Waveney Ann Moore](#), Times Staff Writer  
 In print: Wednesday, October 22, 2008


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
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ST. PETERSBURG — A foreclosure lawsuit will have no effect on a construction project slated to bring a 22-story luxury hotel to downtown, those associated with the undertaking say.

Businessman Daniel M. Harvey Jr., who owns Harvey's 4th Street Grill and has developed several Checkers restaurants, says the legal problems involving two of three pieces of property on which the hotel will be built are being remedied. He blamed the problem on the current credit crunch.

"This financial blip will be taken care of in the next week. My intentions are to roll the property into the development free and clear," he said.

As Harvey straightens out the legal issues, the project must clear another hurdle. The hotel planned for the 100 block of Fourth Avenue NE will displace two historic buildings. The developer and preservationists are discussing the issue.

Punit R. Shah, president of the Liberty Group, which is buying the site from Harvey for the four-star hotel, said the project is proceeding as planned. "Basically, we're working on construction drawings and permitting at this time," said Shah, whose company opened a new Holiday Inn at Busch Gardens last week.

Shah said current economic conditions will not delay construction.

"There's still a great demand in the downtown St. Petersburg area for a luxury hotel product," he said.

"St. Petersburg, with the surprise of the World Series, is going to understand the real demand for hotel rooms downtown. I literally have friends coming in from all around the country for the World Series, and they're having to stay in Sarasota and north Clearwater Beach just because they can't find a room, and that greatly affects the amount of money coming to local businesses. That's why we're so excited about the project."

He said the green hotel, with 252 rooms and suites, would boast a "global brand" name. Plans call for 14,000 square feet

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of meeting space, a 290-vehicle parking garage and a high-end restaurant and coffee shop on the ground floor.



The 1.1 acres on which the hotel is to rise includes the historic Henry-Bryan and Bay Gables houses. Liberty Group wants to move the Henry-Bryan house to the Historic Old Northeast and demolish or give away the Bay Gables to anyone willing to cart it away. Shah said the firm's engineers have determined that Bay Gables, which houses the Chateau France restaurant, cannot be moved.

Preservationists would like to see both buildings saved. "Right now, we're bringing in experts to look at Bay Gables, in particular, to make a determination on whether or not that building can be saved," said Will Michaels, president of St. Petersburg Preservation.

"If the building cannot be saved, then we think that there should be a significant mitigation made for the harm this is causing city landmarks and historic resources on Fourth Avenue NE, as provided for in the land development regulations."

The hotel is a great project, Michaels said, and members of his group are trying to find "the right balance between development and historic preservation."

The deal to buy the property from Harvey is "subject to the approvals of the relocation and demolition" of the historic buildings, Shah said.

The Oct. 9 lawsuit filed by BB&T said Harvey owes about \$1-million, plus fees and other charges, on the property's mortgage. During an interview Monday, Harvey said he recently made a \$450,000 payment and that the remaining sum would be financed by a local bank. BB&T did not want to renegotiate the loan, he said.

"I paid on time for six years. This type of loan doesn't meet their criteria anymore. Banks have made it so hard to borrow money," he said.

Shah said Liberty Group hopes to begin construction next year and complete the hotel in the winter of 2010.

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>>FAST FACTS

Homes' history

Henry-Bryan house, 146 Fourth Ave. NE, built in 1912; Queen Anne Cottage style. Designated a local historic landmark in 1994.

Bay Gables house, now the Chateau France restaurant, 136 Fourth Ave. NE. Built in 1910, it is a Vernacular style home, with Queen Anne and Colonial Revival elements. Designated a local historic landmark in 1994.

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