Housing project has 2nd setback

PRESSREADER/Tampa Bay Times -- June 1, 2017 -- BY CHRISTOPHER O’DONNELL, Times Staff Writer codonnell@tampabay.com or (813) 226-3446. Follow @codonnell_Times.

TAMPA — For the second time in a year, the construction site of an unfinished $25.6 million Tampa apartment complex sat deserted Wednesday after the Tampa Housing Authority fired the insurance company charged with rescuing the troubled project.

The Housing Authority and its development partner announced they were terminating their contract with Berkley Surety Group and its contractor Tron Construction, bringing to a halt work on the Tempo at Encore, a seven-story building on the edge of downtown Tampa.

As underwriter of the project, Berkley took over construction after the Housing Authority fired the original contractor, the Siltek Group, one year ago. Against the wishes of the Housing Authority, however, Berkley hired Tron Construction, a new firm run by Siltek's owners.

Construction workers were told at 10 a.m. Wednesday to leave the site, which was then secured by security staff.

Housing Authority officials said it was obvious the building was not on track for its scheduled August opening, and they doubted it would be finished this year. Part of the problem was that Tron did not have enough workers on site, said Leroy Moore, the agency's chief operating officer.

"I counted 30 people on site," Moore said "There should be 300 people on site at this stage of construction."

There were plenty of other problems with Tron's work, Moore said. Windows were installed incorrectly, leaving the building prone to leaks. A separate clubhouse/office was not built to specifications and had to be demolished and restarted.

The building will now be finished by a new contractor, Moore said. The estimated $10 million cost will come from leftover funds, with the shortfall being made up by the Housing Authority's development partner, Banc of America Community Development Corp.

In exchange, the bank will be entitled to recoup that outlay if it wins, with the Housing Authority, any damages from Tron and Berkley in future litigation.
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Berkley officials said it is not their policy to comment.

The delay will mean a longer wait for sorely needed affordable housing. Tempo was initially scheduled to open in fall 2016. More than 9,000 families applied to live in the development’s 122 subsidized apartments. The other 81 units will be rented at market rate.

Tempo is part of Encore, a 28-acre $450 million mixed-income housing development replacing Central Park Village.

Moore said he is still optimistic that Tempo can be completed this year.

“We have a much clearer path now,” he said.

The Tampa Housing Authority has fired Berkley Surety Group and Tron Construction for problems and slow work on the Tempo at Encore, a $25.6 million apartment project.