

\$15M Sanford waterfront hotel project picks up steam

BY RICHARD BILBAO

Ongoing talks with potential hotel brands within the past month may be a sign that work on a \$15 million, five- to six-story, 150-room hotel in Sanford will get under way sometime later this year.

In 2008, Frank Cerasoli, managing partner for TFA IV LLC in Lake Mary, proposed building a three- or four-star waterfront hotel with 15,000 square feet of meeting space in Sanford.

Cerasoli has met with hotel groups, the latest in late November, which he declined to identify. He also is searching for potential joint-venture partners to help him finance the project.

The engineering firm on the project is CPH Engineers in Sanford, which completed a floor plan and other preliminary drawings for the hotel. In addition, the property has city approvals on a 1.4-acre lakefront site on Marina Isle near downtown Sanford.

Bob Tunis, economic development director for the city of Sanford, expects the project to pick up steam this year as construction costs have dropped.



Cerasoli



Tunis

However, "The economy is still a bit too fragile, and there's a lot of moving pieces to this puzzle," said Trish Walden, associate adviser/broker for Sperry Van Ness/Paradigm Commercial Real Estate in Lake Mary, which is helping advance the project. "The most we can see happening this year would be securing investors, a brand and a plan of attack."

The hotel industry, in particular, is fragile right now. In the last two weeks of December, area hotel occupancy was 57.2 percent, down 8.9 percent from the year-ago period. In addition, revenue per available room — a key industry measurement of health — dropped to \$46.70, down 18.3 percent for the week of Dec. 20-26 from the same period in 2008. The average daily rate also fell to \$81.66, down 10.3 percent for the same period.

Even so, now's the time to build, said Mark Wylie, president and CEO of Associated Builders and Contractors' Central Florida chapter. "The cost of building materials and labor is down 30 percent or more from 2007 or early 2008."

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