

# PALM BEACH GARDENS TOD MASTER PLAN



**FINAL DRAFT  
SEPTEMBER 2018**

*prepared by*

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*for the*

City of Palm Beach Gardens



PALM BEACH  
*Gardens*



Federal Transit  
Administration



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## EXECUTIVE SUMMARY

### Introduction

In October 2017, the City of Palm Beach Gardens (City), in collaboration with the Treasure Coast Regional Planning Council (TCRPC) and the South Florida Regional Transportation Authority (SFRTA), held a public economic development and urban design charrette to study ways to improve mobility, quality of life, and economic vitality around the planned Tri-Rail Coastal Link station in Palm Beach Gardens. Funding for the charrette and TOD master plan was provided through a Federal Transit Administration (FTA) Pilot Planning Grant secured by the SFRTA for station area planning activities along the planned Tri-Rail Coastal Link Corridor. Funds were disbursed through the “South Florida Transit Oriented Development” (SFTOD) grant program, and the City was selected as one of the recipients. Additional matching funding was provided by the City.

Land development patterns around transit stations, along with the connectivity and access to stations from surrounding areas, are highly correlated with successful transit systems. Accordingly, there is a need for thoughtful land use anticipated around future station areas to increase the competitiveness of an entire transit corridor, especially to secure competitive federal or state funding for system development. This includes an assessment of existing and planned land development patterns around planned stations and along planned transit corridors. The SFRTA has concluded transit-oriented development (TOD) is the most important factor for ridership on the Tri-Rail system. As defined by the SFRTA, TOD is “a mixed-use pattern of pedestrian-friendly, higher density development with reduced parking around transit stations.”



*Rendering of the new Tri-Rail Coastal Link Station*



*Artist rendering of the redevelopment of Loehmann's Plaza*



*Images: TOD is not a one-size-fits-all approach, but rather, as depicted in the various TOD images above, station area development corresponds to the land development context of communities.*

There are four key characteristics the SFRTA emphasizes in its TOD definition for the region:

1. A continuous infill pattern extending at least a half-mile from stations that is safe, pedestrian friendly, and reduces auto-dependency;
2. An increased mix of uses to support vibrant activity around stations;
3. Higher density to support ridership and boost local economies, with diversified housing types that support all walks of life; and
4. Reduced or eliminated parking requirements to stimulate business investment, generate increased local revenue, and encourage transit usage.

Tri-Rail service today runs on the South Florida Rail Corridor (SFRC) (formerly owned by the CSX railroad), indicated by the western red and blue lines in the above graphic. Tri-Rail provides service to 18 stations along the 72-mile service segment from the Mangonia Park station in central Palm Beach County to Miami International Airport. Since the service began in 1989, there have been plans for the service to be extended onto the FEC rail corridor into Palm Beach Gardens as part of the “Jupiter Extension” service segment. Other segments on the FEC would connect the historic coastal downtowns from Jupiter south to downtown Miami. Renamed the “Tri-Rail Coastal Link” (TRCL), the ultimate service network is illustrated on the map above, with service planned for both the SFRC and FEC rail corridors, from northern Palm Beach County south to Miami-Dade. A future station in Palm Beach Gardens has long been identified as critical for the “Jupiter Extension” due to the station’s high ridership forecast and intensity of workplace and entertainment destinations the City has to offer.



Above: Tri-Rail Coastal Link segments map

**1. Miami-Link Segments**

1A: Service into Downtown Miami  
TIMING: Fall 2018

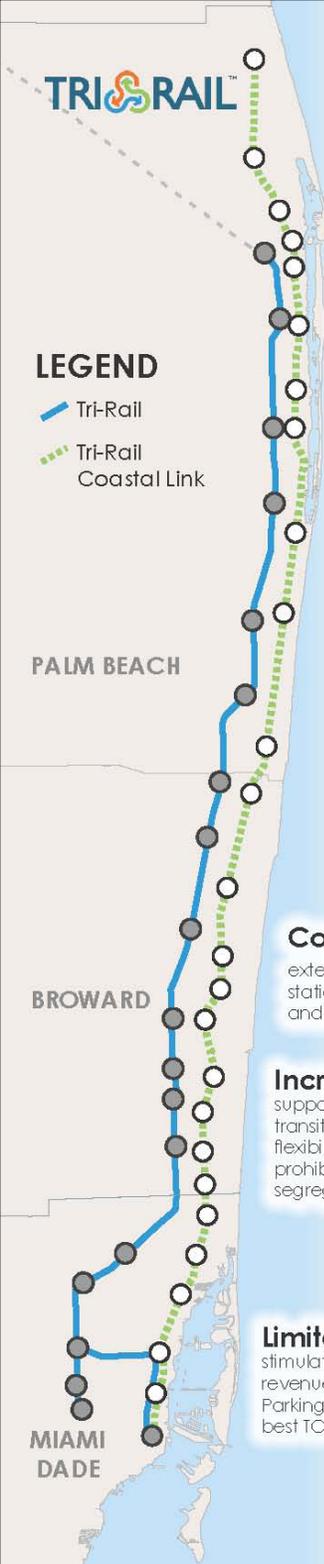
1B: Downtown Miami to Aventura  
TIMING: Planning 2018  
Service 2022 ?

**2. Jupiter Extension Segment**

West Palm Beach to Jupiter  
TIMING: Planning 2018  
Service TBD

**3. Central Segment(s)**

West Palm Beach to Aventura  
TIMING: Planning TBD  
Service TBD



**LEGEND**

- Tri-Rail
- - - Tri-Rail Coastal Link

PALM BEACH

BROWARD

MIAMI  
DADE

## Transit Oriented Development Policy

Advancing Vibrant Communities and a More Prosperous Region

SFRTA is a transit agency that provides a critical service for Southeast Florida's economy and quality of life. To fulfill our role, SFRTA needs funding to survive and grow, and one of our primary revenue sources is ticket sales. Without Transit Oriented Development (TOD) we cannot operate and make sound investments in passenger rail.

TOD is the most important factor for ridership. TOD is a mixed-use pattern of pedestrian-friendly, higher density development with reduced parking around transit stations - all factors that help generate revenues for local governments and Tri-Rail.

Local governments are the leaders to advance TOD in the region through zoning and development regulations. Although it can be challenging to balance engineering, design, and political considerations, successful TOD must embrace higher density, reduced parking, and a broad mix of uses surrounding the station at its core. Without these characteristics, TOD cannot be supported along the Tri-Rail service corridors.

TOD has many benefits to residents, businesses and local governments, but the SFRTA needs it for one reason: ridership. As a partner with local governments and the development community, SFRTA advocates zoning and land development regulations that maximize these principles.

**Continuous Infill Pattern**

extending at least a half-mile from transit stations that is safe, pedestrian-friendly and reduces auto-dependency.

**Increased Mix of Uses**

supports vibrant communities near transit stations. The greatest market flexibility occurs when few uses are prohibited rather than traditional segregation of uses.

**Limited or No Required Parking**

stimulates business investment, generates local revenue, and encourages people to use transit. Parking requirements may be eliminated for the best TOD market response.

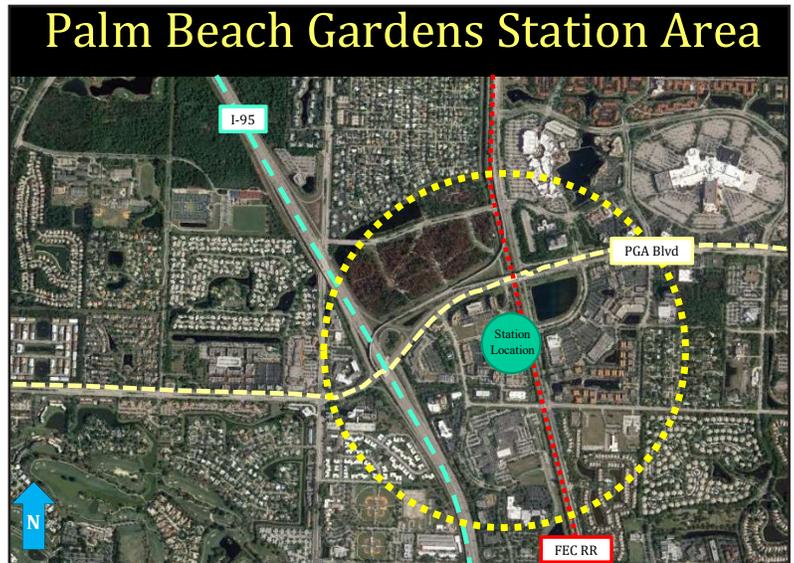
**Higher Density**

benefits ridership and local economies, especially when it averages 75 du/acre, yielding up to 40,000 units in the half-mile surrounding transit stations, and includes housing for all walks of life.

Image Source: Dan Hamon & Associates

*Transit-Oriented Development (TOD) is a priority consideration for the extension of Tri-Rail service in the region. The SFRTA has adopted a TOD policy, described in the image above, that highlights TOD's importance for ridership, economic development, and station accessibility.*

Accordingly, for the City of Palm Beach Gardens, the goal of the SFTOD planning effort is to identify ways to improve transit-oriented development (TOD) conditions around the planned station to reflect the character of the City, facilitate future mobility, support system ridership, and enhance the economic sustainability of the area. This planning effort is also designed to advance the implementation of “Complete Streets,” which is a local, regional, and national priority to improve transportation facilities with multi-modal characteristics to provide the best and safest accommodations for all users – motorists, cyclists, pedestrians, and transit users.



*The aerial above indicates the development pattern surrounding the station as well as properties within the ½-mile radius that is a key focus in TOD planning.*

The key elements of the Palm Beach PGA Station Area TOD Master Plan include:

- The creation of a physical master plan for the anticipated PBG Tri-Rail Coastal Link Station Area, which considers a future station location, roadway reconfigurations and mobility enhancements, advances Complete Streets initiatives, illustrates desirable infill and redevelopment opportunities that support transit-oriented development, and reflects the community’s vision for the future of the City;
- The development of TOD design concept scenarios for select properties within a district centered around a station location South of the intersection of PGA Boulevard and the FEC railway. The TOD district extends in all directions, and illustrative TOD design concepts have been developed for several key sites for infill development and redevelopment. These sites include PGA Station, former Loehmann’s Plaza, Legacy Place, Downtown at the Gardens, and The Gardens Mall;
- The development of a Market Overview which reviews historic, existing, and projected market conditions and demographics and analyzes key market trends within the study area, the City of Palm Beach Gardens, and relevant areas within the region;
- Coordination with all relevant agencies, including but not limited to the City, SFRTA, Florida Department of Transportation (FDOT), Palm-Tran, Palm Beach Transportation Planning Agency (TPA), and local governments; and
- Recommendations for the City to implement TOD, improved walkability and connectivity, and desired economic development in the area.

## What is Transit Oriented Development (TOD)?

### TOD is ...

- Development within ¼ to ½ mile of Station or along Transit Corridor (10-minute walk)
- Mixed-Use with Higher Density & Intensity than Surrounding Area
- Pedestrian & Bike-Friendly
- Controlled Parking
- Streetscapes & Site Design focused on Pedestrian Flow

**The New Real Estate Mantra**  
Location Near Public Transportation  
MARCH 2013



*Transit-Oriented Development (TOD) is a land use pattern that is correlated with the most successful transit systems in the U.S. and internationally. Characterized by a strong urban form and good pedestrian friendliness, TOD and land use patterns are considered by FTA among the evaluation criteria for funding new or expanded transit systems.*

## TOD vs. TAD



- **Transit Oriented Development**
- vs.
- **Transit Adjacent Development**
  - Auto-oriented uses
  - Large surface parking lots
  - Disconnected from adjacent sites; internally focused
  - Pedestrian unfriendly
    - Suburban office campuses
    - Big-box format retail
    - Storage facilities & industrial

*While Transit-Oriented Development is considered highly beneficial for transit systems, land development patterns that are auto-oriented, disconnected, and low-density are considered detrimental to successful transit service. Termed “transit-adjacent,” uses such as suburban office campuses, big-box format retail, storage facilities, and industrial warehouses are considered non-contributing and can reduce ridership per acre of land within a station area.*

**Study Area**

The project area for the Palm Beach Gardens Station Area TOD Master Plan is focused on, but not limited to, properties within the area generally bounded by Kyoto Gardens Drive to the North, Burns Road to the South, Military Trail to the West, and Campus Drive to the East. This area includes those properties for which any portion lies within the half-mile radius from the station. In prior development approvals, the City had selected the “PGA Station” development (formerly known as Parcel 5-B) as the site within which the future Tri-Rail station would be accommodated. The priority station location had been previously determined to be west of the FECRR rail corridor, south of PGA Boulevard, at the eastern terminus of Design Center Drive. In the TOD planning effort, two potential station locations were tested, including the priority site as well as a site further south abutting RCA Boulevard. The analysis concluded the City’s previously selected site offers greater benefits and TOD development potential than the alternative location.



**Noted Parcels within the Study Area**

- |     |   |    |                                 |
|-----|---|----|---------------------------------|
| 1A. | Recommended Station Location (Option A) | 4. | The Gardens Mall                |
| 1B. | Alternate Station Location (Option B)   | 5. | Downtown at the Gardens         |
| 2.  | “PGA Station”                           | 6. | FPL Campus (Future Development) |
| 3.  | “Legacy Place”                          | 7. | “Loehmann’s Plaza”              |



*As illustrated in the image above, the recommended site of the future Palm Beach Gardens Tri-Rail station is identified as Option A - to the west of the FEC rail corridor, south of PGA Boulevard, and adjacent to the “PGA Station” development at the eastern terminus of Design Center Drive. The City’s approvals for this development site include requirements for the station to be accommodated with access through the site and parking to be funded through station development activity. The image illustrates a TOD development pattern that is consistent with the TOD policy as adopted by the SFRTA.*

## **Overview of the Process**

Providing a meaningful and consistent forum for public involvement has been a baseline tenet of the Palm Beach Gardens TOD Master Plan process. The collaborative efforts of the City of Palm Beach Gardens, South Florida Regional Transportation Authority (SFRTA), South Florida Regional Planning Council (SFRPC), Florida Department of Transportation (FDOT), and Treasure Coast Regional Planning Council have ensured that many varying opportunities for community input have been provided. Below is a brief outline of the key public involvement efforts to date.

- Due Diligence and Pre-Charrette Interviews: Research was conducted with City staff to understand the City’s regulatory documents and development approvals and concepts for properties within the study area. In addition, individual interviews of elected officials, city staff, members of city advisory committees, local business owners, residents, and other community representatives were conducted to gain input on project issues and address any questions pertaining to the process;

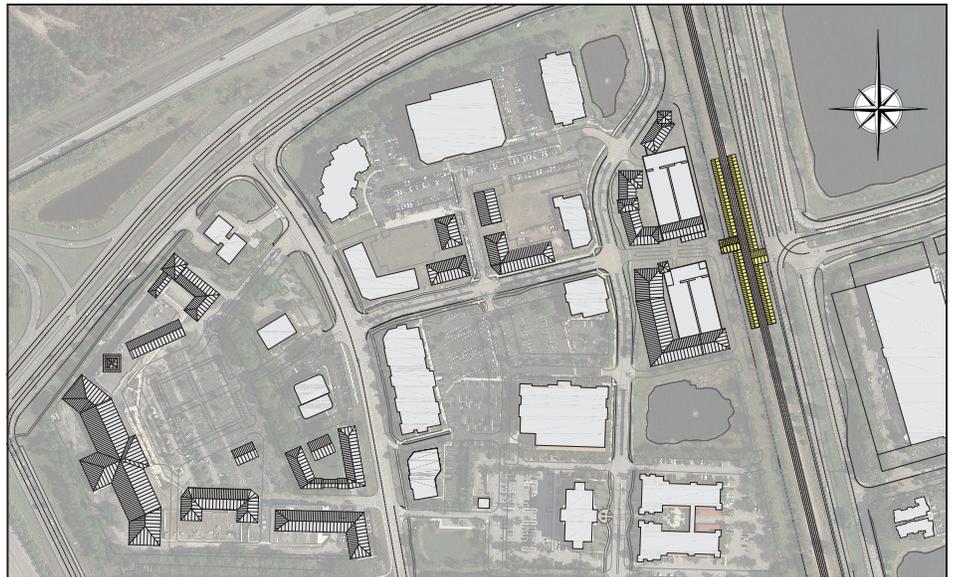
## Overview of the Process

- Public Workshops and Design Studio: Two public workshops to obtain public input were held on October 19, 2017 at the Emergency Operations Center at the Palm Beach Gardens City Hall (one in the morning geared to business community representatives and a second one in the evening geared to residents). In addition, a public design studio was convened at the Treasure Coast Regional Planning Council office from October 23rd-25th, 2017.

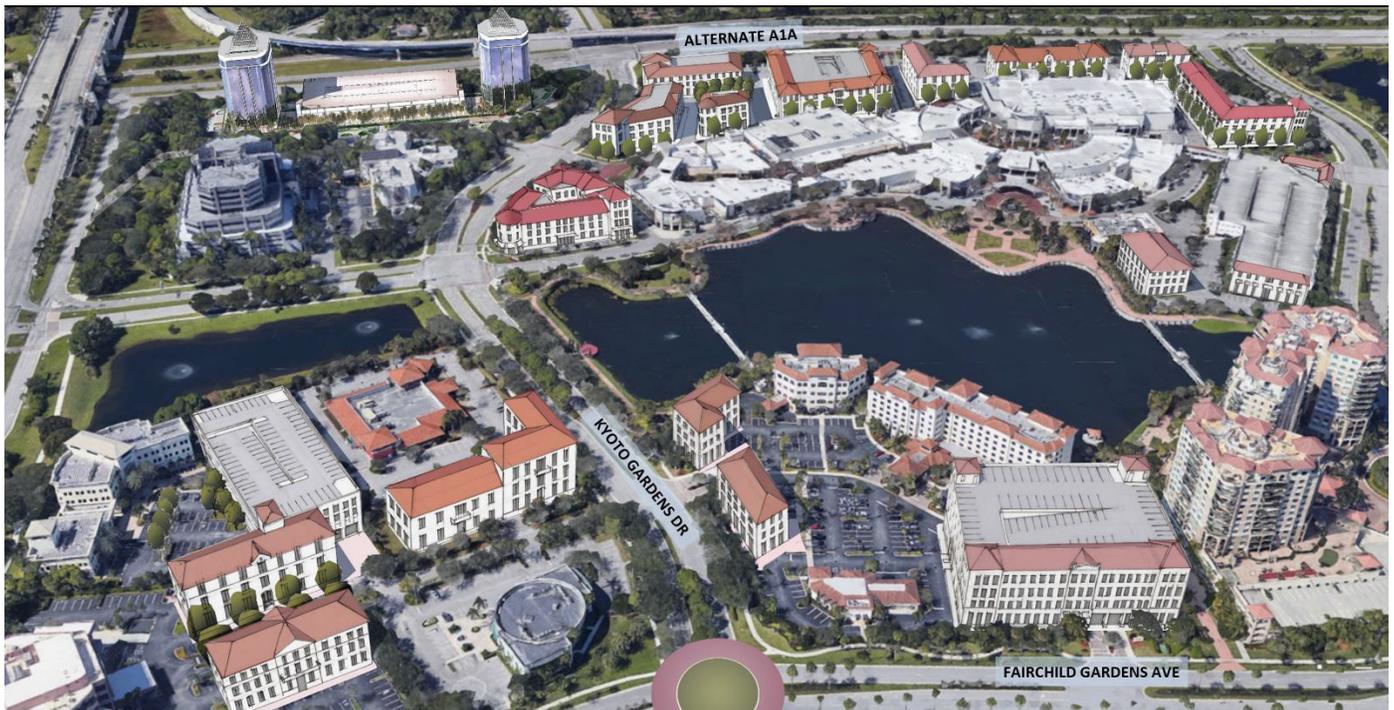


*The public workshop on October 19th, 2017 at the Emergency Operations Center at the Palm Beach Gardens City Hall was well attended by City elected officials and staff, business and property owners, residents, and other community representatives.*

- Work-in-Progress Presentations: An initial Work-in-Progress presentation was provided to the Palm Beach Gardens City Council and public on November 2, 2017, at the Palm Beach Gardens City Hall. Work completed by the charrette team to date was presented to the public, and additional comments and input were gathered. Additionally, a public presentation regarding the status of master plan development was provided to the Palm Beach Gardens City Council on June 7, 2018. Additional staff working sessions and presentations to the business community were conducted from November 2017 through July 2018 to further refine the master plan and recommendations.



*Following the public workshops, the design team worked in a studio format from October 23-25, 2017 to analyze key sites and develop TOD conceptual designs.*



*Because every transit trip begins and ends as a pedestrian journey, the hallmarks of well-planned TOD are pedestrian-friendliness and interconnectivity between and among sites. The most successful TOD districts are the most walkable ones. The TOD infill pattern illustrated here, with new buildings framing an extension of Kyoto Gardens Drive towards The Gardens Mall (above), and an infill development along Kyoto Gardens Drive as it approaches A1A (below), is designed to improve the pedestrian experience and encourage walking rather than driving between sites. The roundabout suggested at the intersection of Kyoto Gardens Drive and Fairchild Gardens Avenue (the mall perimeter road) is a way to slow traffic, improve safety for both drivers and pedestrians, and help beautify the area.*

## Market Summary

A market analysis was conducted to help guide the recommendations and strategies of the master plan, including an assessment of demographics, market trends, and forecasts with a focus on four categories of use: residential, workplace/office, lodging/hospitality, and retail. Key findings are noted below.



### Demographics & Employment:

- The City's population is nearing 55,000 people, with a forecast of nearly 60,000 in the next five years. Overall, residents of the City have higher incomes and education levels than the County average.
- City' population tends to be older than the County's (median age of nearly 51 versus 45 years), and is forecast to become older over time, with most growth among 65-74 and 75+ age brackets.
- PBG has nearly 40,000 jobs across roughly 3,100 registered businesses (nearly 6% of the total County jobs). However, the City's workforce is also getting older, with a declining number of Millennials among its workers. This trend could be redirected with land use modifications to enable more workforce housing and lifestyle/entertainment centers, improving the City's competitiveness for attracting this fastest-growing segment of the workforce.



*Uses in the City's PGA corridor are evolving, with new office, retail/entertainment, and mixed-use opportunities to increase the City's competitiveness and modernize offerings*

### Residential:

- The City's housing stock is primarily single-family residential, and all housing markets (single-family and multi-family) are stabilized with low vacancies and higher than average values.
- There is modest demand (440-770 units/year) for new residential units; however, existing approvals in the western portions of the City may require special policy approaches to allow the station area to become more competitive if desired to help balance the City's demographics.

### Workplace/Office:

- The PBG office market is strong, containing roughly 2.5 million square feet or 10.5% of the County-wide supply. Vacancies are low, with quantities of office space already entitled City-wide and especially in the western portions of Palm Beach Gardens.
- FPL's pending office campus could stimulate new office development within the TOD district along with a strategic and targeted economic development effort as part of station area plan implementation.

### Lodging/Hospitality:

- Occupancy rates are high among City's hotels, with demand for 3-4 new hotels over the next 10 years.

### Retail:

- PBG is a successful regional retail destination. Changing trends in national retail markets will require more walkable, mixed-use, and entertainment features in retail centers to maintain their competitiveness and sustainability.

Further discussion of the market findings is presented in Chapter 2, and the full market report is included in Appendix C.

### Key Recommendations of the Plan

1. Advance development of the Tri-Rail station on the City's previously selected station location, (West of the FEC rail corridor and South of PGA Boulevard, within the "PGA Station" development), with transit-supportive development in the immediate vicinity.
2. Consider incentives to encourage moderate density residential infill development to balance the City's residential housing stock, enhance viability of commercial sites, reduce traffic impacts, and increase the City's competitiveness.
3. Establish TOD Overlay Zoning in the TOD Station Area to require land development in a manner consistent with the SFRTA TOD Policy and to obtain public realm improvements (e.g., civic open space, wider sidewalks, contributions towards mobility fund) through development incentives (e.g., height, density, FAR, parking requirements).
4. Consider changes to the City's land development regulations and comprehensive plan to provide incentives for multi-family residential development in the core TOD area surrounding the planned station location; this housing should be geared towards "essential services" that is geared towards "essential services" and other employees within the Palm Beach Gardens Central Business District.
5. Modify PUD agreements on parcels within the TOD station area to require a transit-supportive pattern of development, including minimum building heights, increased densities and floor-area ratios, build-to lines (in place of minimum building setbacks), limited surface parking areas, enhanced pedestrian facilities, transit/trolley accommodations, and public realm improvements.
6. Implement the City's Mobility Plan recommendations to fund capital improvements that enhance pedestrian, cyclist, and transit connectivity as well as Tri-Rail station development.
7. Identify key mobility plan improvements for improved connectivity within the TOD station area and integrate into City's capital improvements plan.
8. Require new and modified roadway connections through development and redevelopment activity to create a walkable, pedestrian-friendly roadway network for improved mobility, connectivity, and access.
9. Work with The Gardens Mall owners to advance mobility improvements such as an extension of Kyoto Gardens Drive east to mall entrance, installation of roundabouts and sidewalks, and conversion of surface parking lots to structures.
10. Enable the transition of existing suburban-style retail to a more urban-style retail, with improved walkability, greater mix of uses, controlled parking, and lifestyle enhancements.
11. Advance partnerships with Palm Beach North Chamber and Housing Leadership Council to develop incentives for "essential services housing."

## Next Steps

- City adoption of Station Area Master Plan Report
- Integration of findings and recommendations into Mobility Plan
- City Council discussions regarding potential amendments to City's Comprehensive Plan, Land Development Regulations, and PUD agreements over time
- Negotiations with private land owners to advance TOD design concepts on properties within TOD station area.
- Consideration of funding mechanisms for future Tri-Rail station and trolley circulator (either as part of Mobility Plan or as stand-alone financial discussion)
- Continued inter-agency dialogue with SFRTA, FDOT, and Palm Beach TPA as well as Palm Beach County and municipal partners in support of Tri-Rail Coastal Link service extension onto FEC rail corridor to northern Palm Beach County



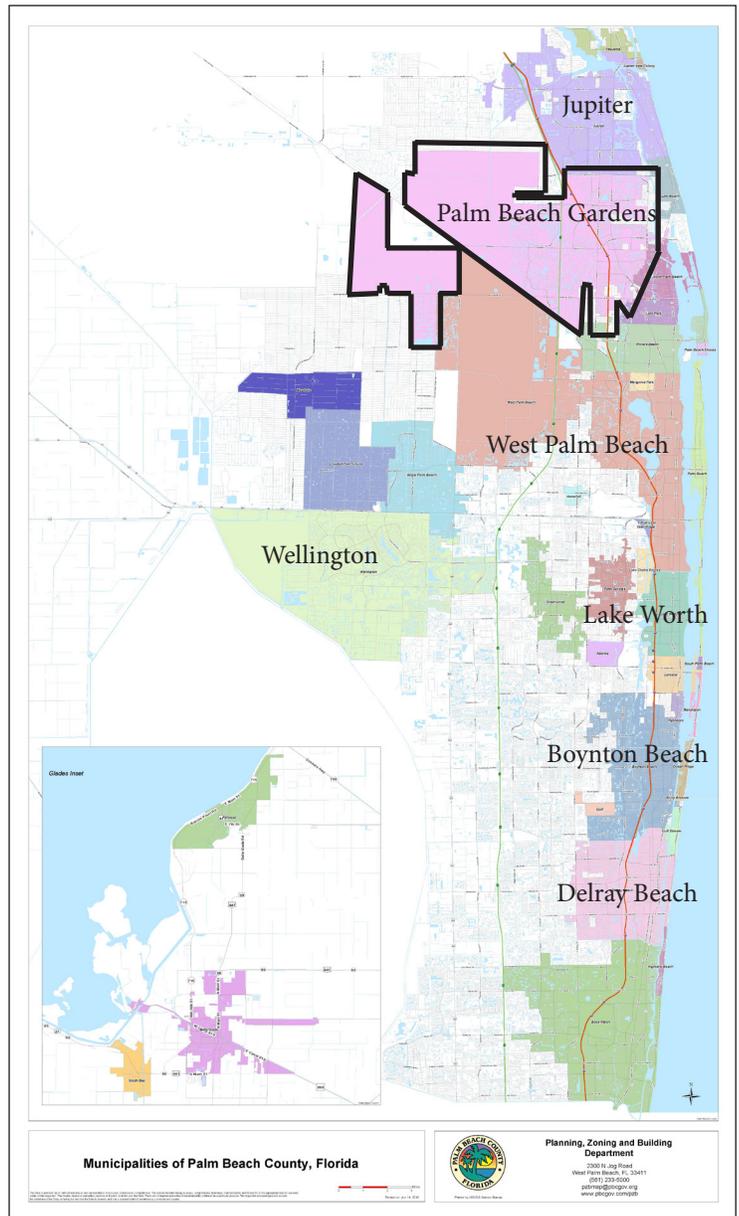
*Conceptual drawing of the view looking East at PGA Boulevard and the FEC Railway at the new TRCL station and redevelopment beyond.*

**MARKET OVERVIEW**

**Overview of Market and Economic Analysis**

To guide the recommendations and strategies of the master plan with realistic market-driven development expectations, a market analysis was performed to understand future growth potential in the City. WTL+a, in partnership with Retail Development Strategies, LLC, undertook a comprehensive analysis of the City, including an assessment of demographic data, market conditions and historic, current, and forecasted development potentials among four key uses: residential, workplace/office, lodging/hospitality, and TOD retail. This chapter contains a summary of the key findings. The full report, titled “Market & Economic Analysis: Palm Beach Gardens TOD Station Area Master Plan” by WTL+a, is attached as Appendix C of this report.

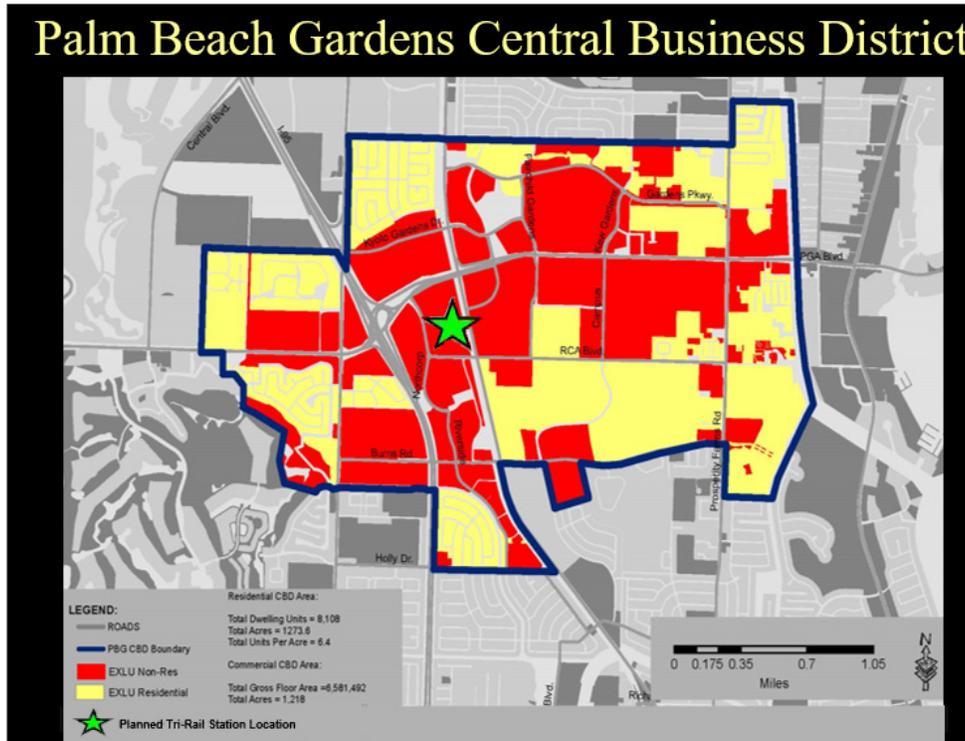
The economists note that while typical market studies consider a five- to ten-year time-frame for the absorption of new uses, TOD is a much longer process than that of conventional real estate analysis and market projections. In locations in which sufficient time has passed, there has consistently been a substantial increase in land values, and developers now market rail station proximity as a key amenity across multiple land uses, but it takes decades for market forces to be fully realized. Therefore, the economists suggest the Palm Beach Gardens TOD Station Area Plan consider a twenty- to thirty-year time-frame for build-out. Near-term development activity will serve as building blocks for the longer-term realization of TOD benefits, and there are several key parcels within the half-mile TOD station area for which redevelopment will likely occur in the short-term. Well-planned TOD development, with strong walkability and connectivity from the future station to adjacent parcels, represents critical near-term “quick victories” to establish the expected pattern of infill and redevelopment that ultimately make the City’s Tri-Rail station accessible and successful.



*The market study for the Palm Beach Gardens TOD Station Area utilized County-wide as well as city-specific data.. The City of Palm Beach Gardens, located in northern Palm Beach County, is outlined in the map above.*

**The Market Analysis Study Area**

To properly analyze economic characteristics of the City of Palm Beach Gardens, the market study utilizes national, state-wide, and county data for comparison. The City is located in northern Palm Beach County as illustrated in the maps in this section. The Palm Beach Gardens TOD station area is within the City’s Central Business District (CBD), which is centered on PGA Boulevard and spans generally from U.S.1 west past I-95 to PGA Commons/Midtown. Maps of these study areas are included in this section.



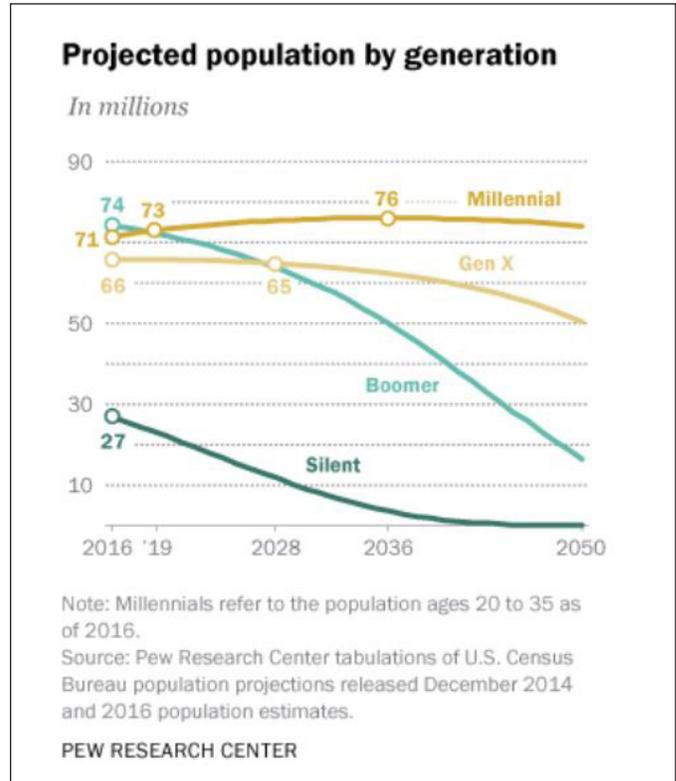
*The Palm Beach Gardens Central Business District (CBD) extends from roughly PGA Commons/Midtown (west of I-95) to U.S.1. As indicated on the map above, the future station location, indicated by the green star, is located just east of I-95 in the center portion of the CBD.*

**Summary of Market/Development Potential**

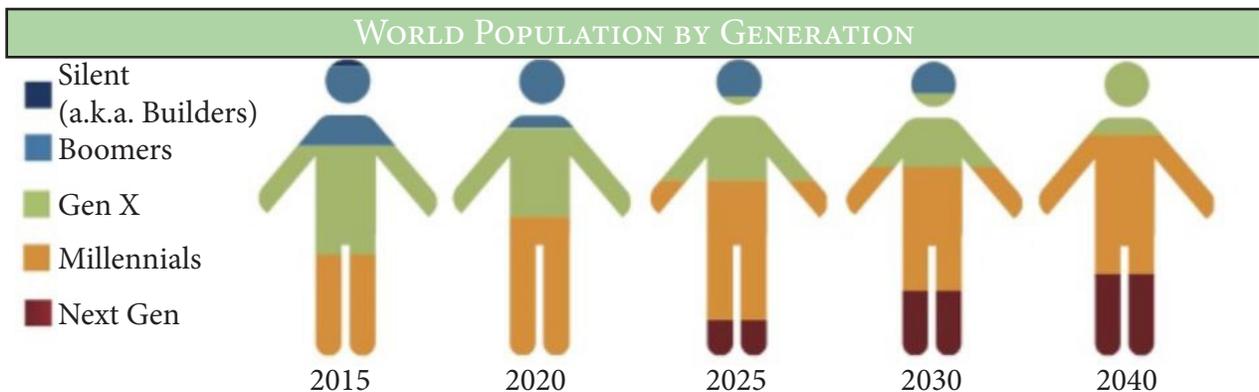
The market analysis focuses on four sectors: housing, workplace/office, lodging/hospitality, and retail demand. Noted characteristics regarding the City’s general demographic composition along with key findings for each sector are noted below, with greater detail available in the full market report (Appendix C).

**City Demographics**

- The City’s population is approximately 54,700 residents in 27,600+ households, which represents roughly 3.8% of Palm Beach County. The City experienced a growth rate of approximately 2.65% over the past five years, with a five-year forecast for an additional 4,300+ new residents in 1,960 new households.
- Palm Beach Gardens’ population tends to be older on average than the County, with a median age of 50.6 years and forecast to rise to 51.8 years by 2022. By comparison, Palm Beach County’s median age is 45.5 with a forecast increase to 46.2 by 2022.
- It is noteworthy that the City’s forecasted population growth will be greatest in two age cohorts: ages 65-74 and 75+ (the “Boomer” and “Silent” generations). This is counter to County-wide and national trends that indicate a rising population in younger “millennial” age brackets.
- The City is an affluent community, with average household incomes in 2017 of almost \$110,700 per year. More than a third of households having annual incomes greater than \$100,000 per year; projected to rise to \$123,400 by 2022. The city’s forecasted average household income of \$123,400 by 2022 is well above the Palm Beach County forecast of \$96,900.

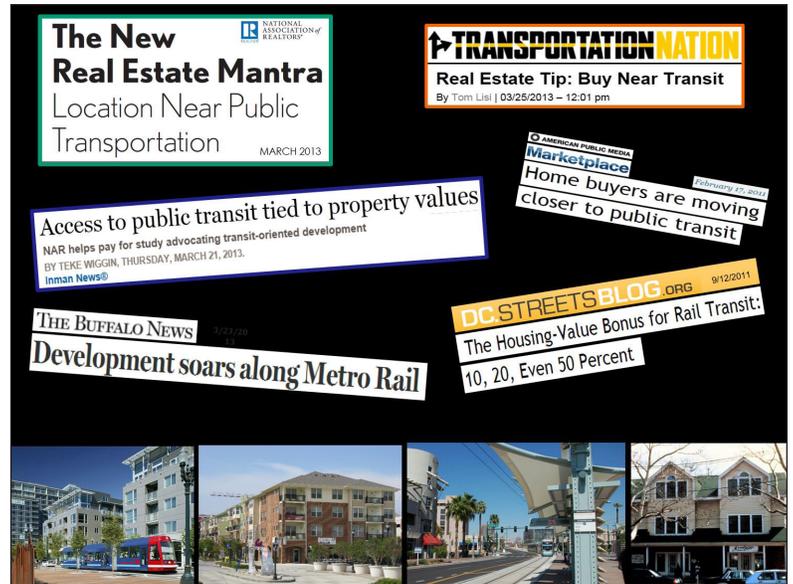


As illustrated in the charts above and below, “Millennials” are quickly becoming the largest cohort in the U.S. and World, surpassing the “Boomers” and “Silent” generations, both of which will experience declining overall populations in the coming years. A modified array of residential housing types, including smaller, multi-family units, could help diversify the City’s residential base, thereby increasing its attractiveness to younger residents.



**Housing**

- The City’s housing stock is primarily single-family residential, with higher average unit values (\$429,000) than the average Palm Beach County values.
- Based on Census data, the City’s housing market appears stabilized for both single-family and multi-family, with generally high occupancies and a vacancy rate of only roughly 5%.
- With a household size remaining at 2.12 persons per household, growth projections suggest the City will grow by 9,000 to 16,400 persons over the next ten years, generating annual residential demand for 420-770 new residential units.



*Studies by the National Association of Realtors and others have found that housing near transit stations increases in value up to 42% more than similar types of units outside of a station area.*

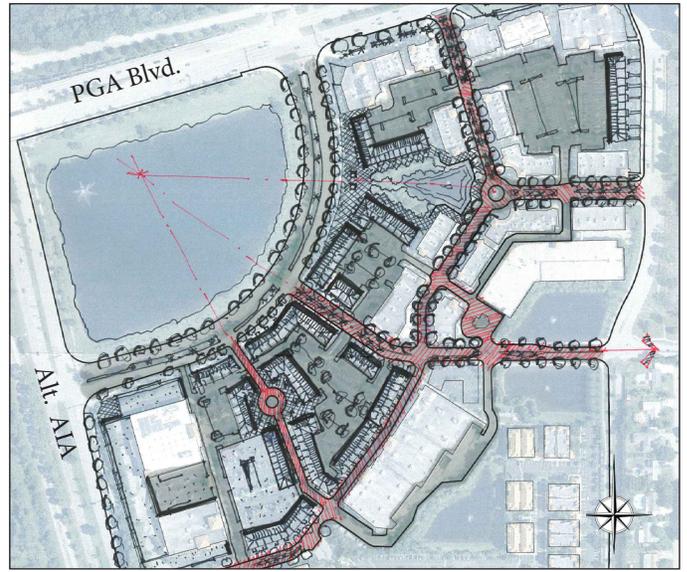
- Housing data indicates the City’s housing stock consists primarily of low-density housing, with pockets of moderate-density buildings. This includes single-family attached and detached (82%) and multi-family units (18%), with only 6.6% of the city’s housing stock contained within multi-family buildings of 10 or more units.
- There are existing approvals for substantial quantities of residential units in the western portion of the City which may delay demand and absorption in the TOD area. Consequently, incentives through zoning or other mechanisms may be appropriate to help stimulate TOD residential development near the planned station. National trends suggest TOD units would likely be smaller, multi-family units, which could help balance the City’s residential and workplace demographics (as they would be more attractive for Millennials). Further, by enabling more live/work proximity, TOD-supportive units in the core of the City could also help improve traffic flows through trip capture and shift to other modes like transit, biking, and walking.



*Based on market data, existing multifamily residential units in the station area are highly amenitized and tend to be fully occupied. Pictured above are two representative projects.*

### Housing

The introduction of residential uses into retail developments such as Legacy Place represents a strategic opportunity for the City to diversify its residential composition with smaller, multi-family units that can both take advantage of the retail amenities as well as support them economically. Improving the competitiveness of individual sites such as this one, with an expanded mix of uses and increased activity, will contribute to the overall success of the TOD District.



For Legacy Place, the current retail directory (top left) indicates buildings in color and parking areas in gray; a conceptual TOD infill program (top right and bottom) illustrates the potential location of new residential units and pedestrian improvements. The compatibility of new potential development, with a suggested scale of three- to five-story buildings, is illustrated above. New parking structures that could accommodate all replaced and required parking are lined with occupiable space. The new Tri-Rail Coastal Link Station proposed across Alternate AIA provides ready access to transit for the new residents.

## Employment

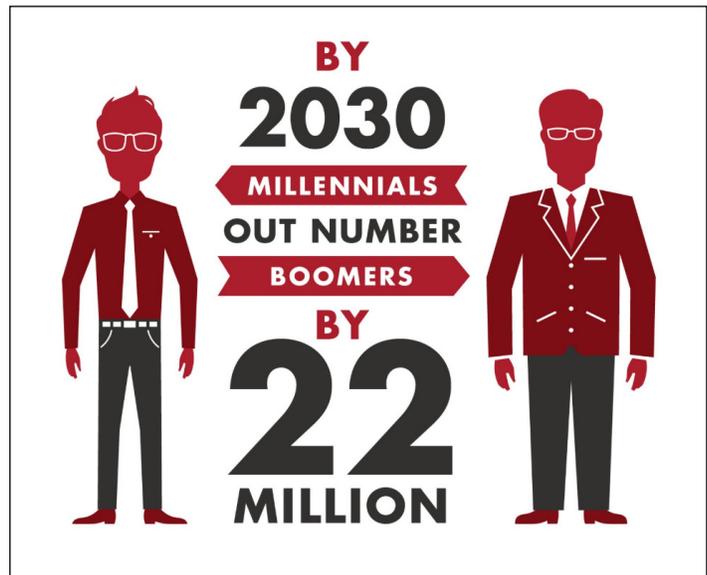
National data suggests Palm Beach County contained approximately 668,800 full-time jobs in 62,750 registered businesses in 2016 (latest available data). This reflects a jobs-to-population ratio of 0.46 (meaning there is almost one-half job for every one of the 1,441,700 residents in the County). This reflects the presence of larger employment centers such as downtown West Palm Beach, Palm Beach Gardens, and Riviera Beach as compared to the state-wide jobs-to-population ratio of 0.39, reflecting the large number of retirees in the state.

The City's jobs-to-population ratio is much higher at 0.72, which is generated by the City's diverse business mix, concentration of businesses along commercial corridors such as PGA Boulevard, and the sizable retail presence throughout the City. Of the County's total job inventory, more than 39,600 jobs are in the City (5.9% of the County), dispersed among 3,129 registered businesses.

The three largest sectors generating demand for workplace real estate in the Gardens include: Retail Trade (11,300+ jobs), Other Services (6,300+ jobs), and Finance/Insurance and Real Estate (5,800 jobs). Together, these three sectors account for more than 23,400 jobs or fully 60% of the 39,600 jobs in the City. "Other Services" includes such industries as automotive repair and maintenance.

Another key analytical finding relates to the City's ten-year employment trends and the age of employees, as the age of the Palm Beach Gardens workforce is rising while the average age of the national and statewide workforce is getting younger.

- In the past decade, the number of employees 29 and younger declined by almost 2,400 citywide, reflecting a decrease of 3.1% per year.
- The number of employees between 30 and 54 years old also declined by roughly 2,000 employees, reflecting a decrease of 1.3% per year.
- The City's workforce is aging, with increases in the number of employees 55 years of age and older (gaining 1,800 workers in this cohort).
- These trends are accelerating in the City's Central Business District, with higher rates of decline for younger workers and a faster rate of increase for older workers.

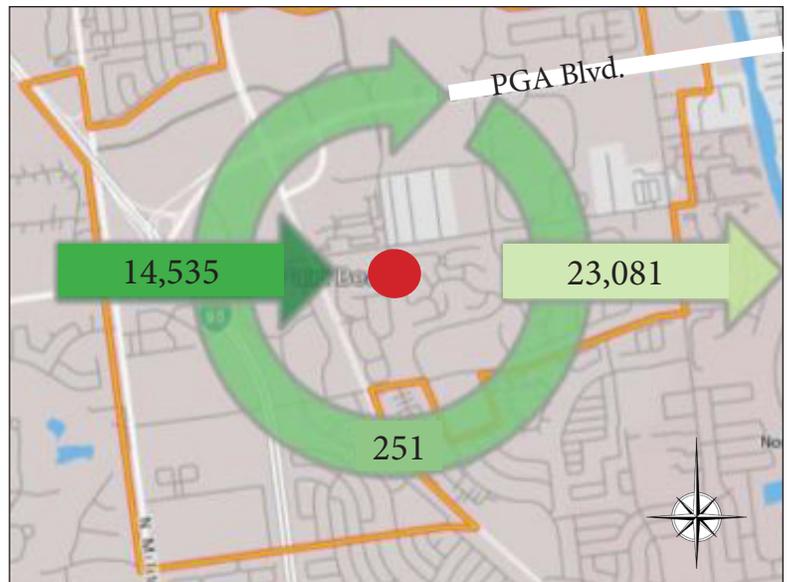


*Millennials are the fastest growing segment of the U.S. workforce, triggering adjustments in workplaces across the U.S.*

These statistics relate to the competitiveness of the City's workforce trending forward, as national forecasts indicate more younger employees in the job market in the next several decades. As the TOD station area could represent housing and employment opportunities that tend to be more attractive to millennials, enhanced TOD development in this area could enable the City to modify these trends in out-years, thereby increasing the City's competitiveness and desirability for what will become the fastest growing segment of workers in the coming decades.

## Employment

There is roughly a 4:1 ratio of inbound commuters (workers driving into the core of the City's CBD) versus those who commute outbound to jobs elsewhere. Increasing housing within the core area will help balance commuter flows, reducing demand on the City's roadway network. Because millennials prefer job locations that are closer to housing, this highlights a potential strategy to help increase the desirability of City jobs for this growing segment of the workforce.



*The map above illustrates the daily commuter activity into and out of the core of the City's central business district. As indicated, 14,535 daily commuters travel into the CBD and 23,081 leave the central part of the City to work elsewhere on a daily basis. Only 251 people live and work within the district.*

## Workplace/Office

Palm Beach County's office market contains approximately 23.5 million sq.ft. of office use, with more than 3.02 million sq.ft. of vacant space. This reflects a year-end 2017 vacancy rate of 12.9%. Recovery from the 2007-2009 recession and net new job growth have contributed to net absorption County-wide of more than 1.61 million sq.ft./year for the past four years, or just over 400,000 sq.ft./year. County-wide office rents have been increasing, from just under \$28/sq.ft. in 2014 to just over \$37/sq.ft. at year-end 2017. There is roughly seven years of vacant inventory to be absorbed.

The strength of the County-wide market is focused in two general submarkets:

1. The Glades Road Corridor, which has averaged nearly 85,000 sq.ft./year of net absorption over the past four years; and
2. Northern Palm Beach County (includes Palm Beach Gardens as well as Jupiter, North Palm Beach, and Lake Park), which has averaged nearly 77,000 sq.ft./year of net absorption in that time-frame.

Office data indicates the City's portion of the northern County submarket contains an inventory of approximately 2.5 million sq.ft., accounting for roughly 10.5% of the County's total office inventory. Vacancy rates in the City's submarket have been declining for the past five years, from 20.4% in 2012 to 15.6% in 2017, with rents ranging from \$20/sq.ft. to a high of nearly \$43/sq.ft. on PGA Boulevard. While the market has been improving over the past five years, annual office absorption in the City has been uneven, ranging from 6,700 sq.ft. to 42,400 sq.ft., producing an average annual absorption of roughly 14,000 sq.ft.

**Workplace/Office**

On the office supply side, the City has approved or entitled a significant amount of new office space totaling 3.3 million sq. ft. The market analysis considers 615,908 sq. ft. of approved projects in the CBD (only one, Gardens Corporate Center with 223,943 sq. ft. of space, is under construction) and 671,176 sq. ft. elsewhere in the City. It should be noted the market study does not consider the 2.0 million sq. ft. of office space at Avenir and 913,000 sq. ft. of owner-user office space as part of the FP&L campus on PGA Boulevard due to uncertainties related to their timing and phasing.

The analysis of office development potentials in the TOD district assumes the existing approved/entitled office projects will be delivered for market occupancy, thereby leaving no “unallocated” demand for new office space outside of these projects. Given the limited net leasing activity and the large amount of approved, unbuilt office space, a significant increase in market share of office-using jobs in Palm Beach Gardens will be needed to support the large amount of office space approved by the City.

Representing just over 10% of the County’s total office inventory, the City has entitled considerable office use that is unbuilt as of the time of the market analysis. Due to limited absorption and uncertainties surrounding the timing of delivery of entitled office, the TOD District may require focused economic development strategies to enhance office development.

Considering these metrics, a broader, carefully crafted set of public economic development strategies focused on business retention and recruitment, use of public regulatory and/or financial incentives, and/or targeted recruitment of office tenants as part of developer pre-leasing efforts may be critical in underpinning the availability of financing for these approved, unbuilt office projects.



*Sketch of proposed PGA Office Center FPL Site.*

*Credit: FPL*



*Sketch of Class A office under construction at Gardens Corporate Center.*

*Credit: DiVosta*



*Sketch of potential future hotel at the PGA Station site.*

*Credit: Stiles/ BBX Capital*

## Retail

The City is a known retail market with several well-established retail centers that serve as regional destinations and provide a greater range of offerings beyond that which the City’s population alone supports. The Gardens Mall in particular is a significant regional retail agglomeration, consuming a 100-acre portion of the City’s CBD, and its continued success is key to the success of the overall TOD District.

Palm Beach Gardens households spend an average of \$25,400 per year on consumer retail goods, totaling approximately \$650.9 million per year. Given national trends and demographics, the retail centers in the City will become more competitive with the introduction of residential mixed-use, increased quantities of food and beverage along with entertainment opportunities, improved “lifestyle/entertainment” characteristics, pedestrian-scale enhancements, and transit access. As the largest retail development in the CBD, The Gardens Mall is of significant importance as a redevelopment candidate with improved connectivity to adjacent parcels.

Continued success of retail in the TOD District will help the competitiveness and sustainability of other uses and contribute to the overall economic production of the station area. Particularly relevant to the City’s retail composition and continued success is the consideration of the U.S. retail industry, which is in transition both as an economic driver and as a land use model. Aside from the impact of online sales, there are more complex underlying forces affecting retail, which are highly relevant to the City and the success of the TOD District. The factors affecting retail in the US are summarized on the following page.



*The City of Palm Beach Gardens is a well-established retail destination with many forms of retail development. Modernizing the City’s retail experiences, with improved lifestyle/entertainment characteristics, enhanced pedestrian-scale activity, and better connectivity will increase the competitiveness of the TOD District.*



*The TOD infill concept, illustrated in the image to the left, is designed to address the changing trends in retail by adding more active spaces to Downtown at the Gardens, a mix of residential and office uses, and improving walkable connections to the Gardens Mall, for which a similar infill pattern is suggested.*

### Factors Affecting U.S. Retail

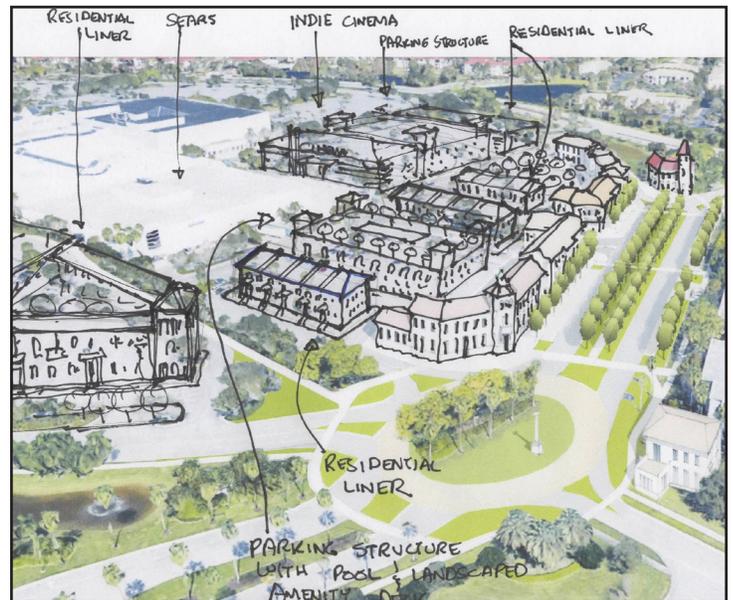
- First, as a general condition, the United States is oversupplied with retail space, in shopping centers, “big box” stores, and standalone retail stores, with an estimated 26 sq. ft. of retail per capita while, by comparison, European countries average about 2.5 sq. ft. per capita. Reflecting this oversupply and changes in consumer preferences, the mall industry is undergoing a major transformation. After doubling U.S. shopping center space between 1980 and 2010 (from 3.3 billion sq. ft. to 7.2 billion sq. ft.), national retail organizations forecast about one-third of existing malls in the U.S. closing over the next 10 years due to overbuilding, too much competition, declining sales, and/or spatial obsolescence.
- Second, luxury and service will continue to generate business, with well-established, high performing luxury-oriented centers such as The Gardens Mall projected to continue to do well. While hundreds of existing malls are likely to close, powerhouse shopping centers like The Gardens Mall will likely continue to thrive as shopping destinations but will need to reposition to attract the different shopping and consumption patterns of Millennials. Several case studies of mall redevelopment are included in the full market report included in Appendix C.
- Third, while U.S. department stores dominated malls as anchors for the first 75 years of the 20th century, more recent trends have supported the rise of discount chains (e.g., Target, TJ Maxx) in their place. Sears has struggled significantly in the past five years, and its presence at The Gardens Mall requires creation of alternative redevelopment strategies for both the Sears site as well as the inline stores in the mall that flank the department store.
- Fourth, online shopping is widely available for consumers to ‘comparison shop’ for product pricing, variety, and special sales promotions; however, select merchandise categories (such as higher priced apparel, shoes and other size-sensitive consumer goods) still draw customers into stores. Many consumers “shop” online but make final purchases in stores, and it is projected that fully three quarters of all non-food sales will be in stores in 2020.
- Finally, the ‘Baby-Boomer’ market (approximately 80 million people) is aging away from continuing major consumer spending; however, the comparably-sized Millennial generation is the rising force in retail. Millennials have different retail habits, preferring experiences (such as entertainment and dining out with friends) to traditional product purchasing. Millennials dine out twice as often as aging Boomers and don’t want to drive, preferring alternative transportation modes to access lifestyle centers instead of traditional mall shopping environments.



Rendering above depicts the transformation of the East end of The Gardens Mall near the existing Sears store.

**Retail**

Consistent with national retail trends, The Gardens Mall has an oversupply of parking (approximately 7,000 spaces) that consume a considerable amount of real estate but are increasingly underutilized. Even on the busiest shopping days, a growing number of parking spaces remain vacant. Further, with the decline of retailers like Sears, vacant parking lots such as the one associated with Sears become more obvious as redevelopment opportunities. The concept illustrated to the right and above considers national retail and housing trends and introduces residential, entertainment, and retail uses while maintaining parking (if desired) in structures. A roundabout is suggested to slow traffic, improve pedestrian connectivity, and help beautify the entry to this new potential subdistrict at the mall that could be more effectively serviced by a future City trolley circulator.



Early sketch of the East end of the Gardens Mall.

**Lodging/Hospitality**

Palm Beach Gardens contains 1,625 hotel rooms in nine properties, accounting for a nearly 10% share of the County’s total hotel room inventory. The larger competitive market contains 15 properties and 2,219 rooms. County-wide tourist and visitor traffic has increased from nearly 5.5 million in 2012 to 7.2 million visitors in 2016, representing a compound annual growth of 7.7% over five years. City events have continued to grow, especially with successful sporting events like the Honda Classic PGA golf tournament as well as youth sports competitions that generate demand for overnight stays. Over the past six years, average annual occupancies have increased from nearly 68% to almost 75% in 2016; with a six-year average of 72.5% between 2011 and 2016.

Hotel performance metrics meet the threshold required by the capital markets of sustained annual occupancies ranging from 65% to 72% to warrant capital market-based financing of new hotel construction. This performance analysis suggests there is sufficient demand/investment-level performance necessary to justify the addition of new hotel rooms in Palm Beach Gardens or its immediate surrounding trade area. Based on data provided by City staff, more than 900 rooms are entitled in multiple new hotels in the city, and demand indicates the potential for 3-4 new hotel developments through 2026.



*The City’s hotel market is healthy, with more than 1,600 rooms dispersed among nine properties. Strong occupancies indicate demand for 3-4 new hotels through 2026. The Loehmann’s Plaza property represents an especially strong hotel location due to its proximity to the planned transit station and visibility from I-95.*

SUMMARY OF MARKET / TOD DEVELOPMENT POTENTIALS		
USE	FORECAST PERIOD	GENERAL TOD MARKET POTENTIALS
Housing	25-30 years	1,900 - 2,400 units within TOD <i>Strongest demand in TOD district will be for smaller units and multi-family (townhouse, condo, apartment)</i>
Workplace/Office	8 years	Up to 275,000 SF <i>New demand could be affected by delivery of FPL and office development in Western portions of the City</i>
Retail	Undefined	Repositioning existing retail as lifestyle/entertainment could enhance additional retail, especially with introduction of residential and hotel
Lodging/Hospitality	10 years	3-4 new hotel developments

## TOUR OF THE PLAN

### Introduction

The Palm Beach Gardens TOD Master Plan process is designed to evaluate land use and mobility conditions to identify preferred patterns that will provide the most transit-supportive conditions in and around the City's future Tri-Rail Station. Properties within the station area are mostly developed, with a mix of retail, office, hospitality, industrial and residential uses. However, these sites were developed in a suburban pattern that tends to highlight vehicular circulation and parking with limited connections and accommodations for cyclists and pedestrians and may be appropriate for redevelopment.

For successful TOD, the key criteria include walkability, connectivity, land uses that are mixed vertically as well as horizontally, and an urbanized format that helps naturally create comfortable pedestrian spaces along transportation corridors. Accordingly, the station area master plan concepts illustrate ways in which these TOD principles could be applied to develop or redevelop properties within the station area, with consideration of market demand and the City's close attention to detail and architecture. This chapter is organized as follows:

- (1) Discussion of TOD
- (2) Station Location Assessment
- (3) Overview of TOD Conceptual Designs
- (4) Discussion of Connectivity

The recommended pattern of infill development and redevelopment illustrated in the master plan would complement the City's desire for improved mobility and connectivity, help reduce vehicular trips on the roadway network, enhance economic development, and enable the City to better meet market demand for housing and non-residential uses as it continues to evolve and advance. Well-planned infill development in this manner would provide benefits to the City immediately with improved economic productivity from land development, enhanced destination quality in the City's core area, much-needed choice in residential development, and enhanced mobility through the district. These outcomes can be achieved in the years preceding Tri-Rail service to the City, and when implemented, would actually improve the funding competitiveness for the overall system.

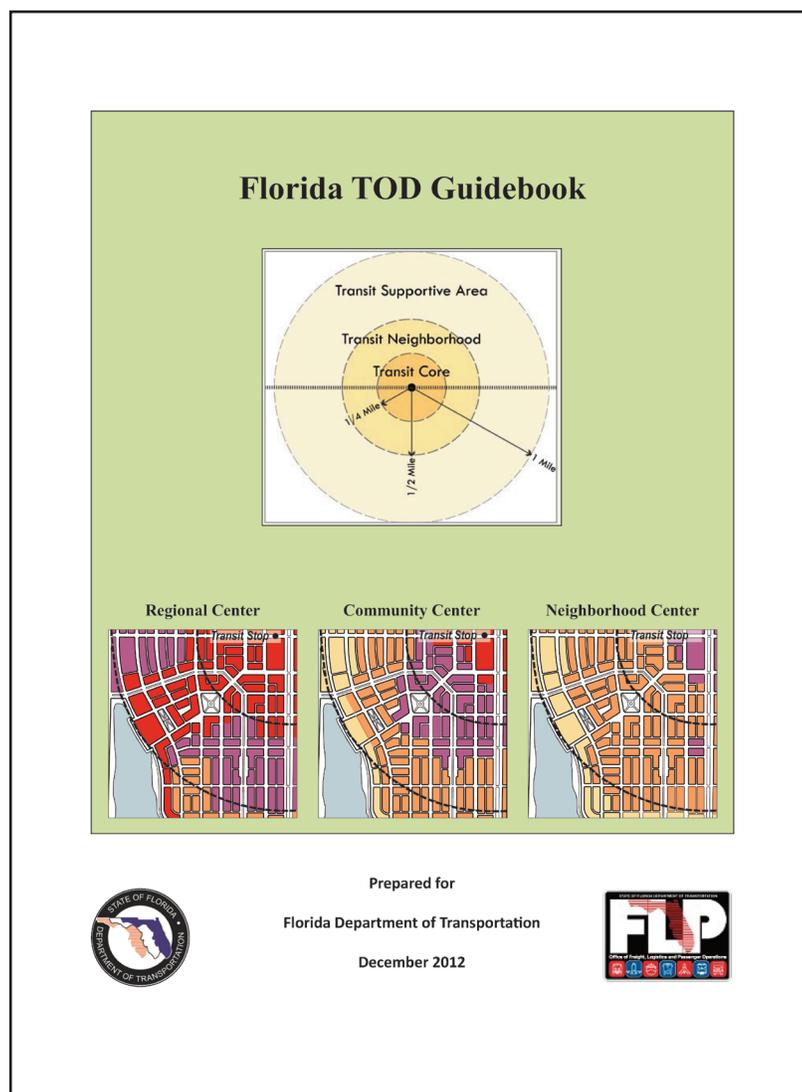


*This image illustrates a conceptual infill pattern for the "Legacy Place" site, adding residential that could be geared towards "essential services" employees. The new Tri-Rail station is illustrated in the foreground on the "PGA Station" site, with a northbound train leaving the future station.*

## SECTION 1: TRANSIT-ORIENTED DEVELOPMENT

Transit Oriented Development (TOD) is a strategy that is associated with the most successful transit services and the communities served by them. Because TOD helps generate ridership, economic development, and quality of life enhancements, the Federal Transit Administration (FTA), which provides funding for transit services, and the SFRTA, which provides the Tri-Rail service, have prioritized TOD as part of an overall transit service development program. The SFRTA has determined TOD is a core part of the regional transportation strategy. The SFRTA defines TOD as “a mixed-use pattern of pedestrian-friendly, higher-density development with reduced parking around transit stations – all factors that help generate revenues for local governments and ridership for Tri-Rail ... more people living and working around TriRail stations will increase ridership and make the region more successful and livable.”

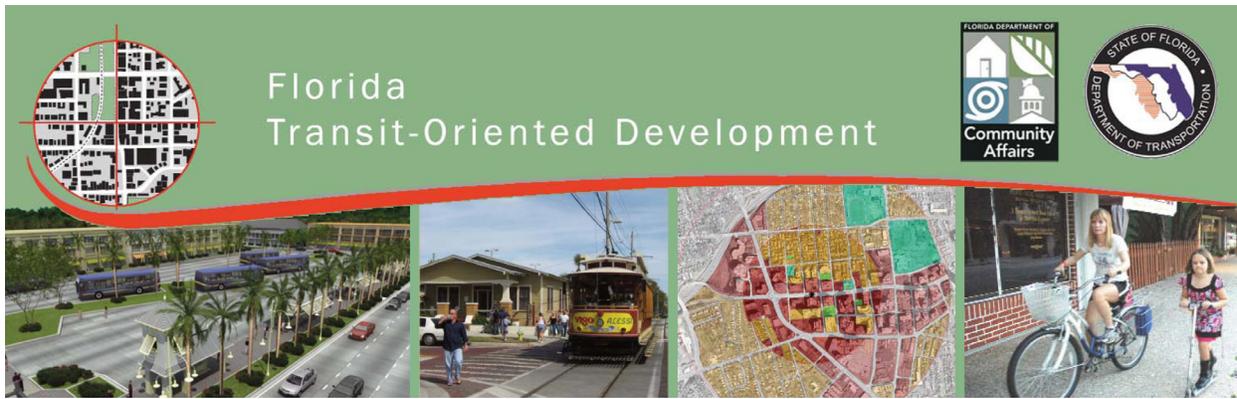
TOD is further defined by the State of Florida in state statutes and by the Florida Department of Transportation (FDOT) because of its contributions towards the efficiency and effectiveness of the overall transportation network. FDOT’s more detailed definition of TOD is included in this section.



### What is TOD?

TOD focuses on the land use patterns located within a quarter- to a half-mile of transit stations and corridors served by a premium transit system. TOD maintains a strong emphasis on mobility, walkability, connectivity, urban form, and a mix of uses arranged in a pattern of higher density and intensity than typically found beyond the half-mile “transit shed.” In addition to providing higher ridership potential, well-designed TOD offers a range of uses accessible by pedestrians, thereby reducing demand for vehicular traffic and parking while enhancing mobility and access by other modes (e.g., walking, cycling, riding transit). By closely coordinating land use with transit systems, TOD patterns of development provide a stronger economic return on transit investments, frequently yielding higher rents and property values, and better-developed markets for a range of uses. These economic benefits help reinforce TOD development activity, expanding both the real estate market as well as ridership for the transit service. These in turn increase further demand for TOD land development in a cyclical fashion.

(SOURCE: Florida TOD Guidebook, FDOT, December 2012)



Well-planned TOD is designed as a highly walkable, interconnected series of streets and blocks that has a comfortable urban form, with pedestrian friendliness as a hallmark of the design. By locating building fronts near roadways, shielding them from large expanses of parking, pedestrian corridors are well-defined, shaded, and protected from the elements.

By locating active building uses (such as display windows, sidewalk cafes, and interactive features) along roadway frontages, pedestrian corridors are more interesting and safer. An expanded mix of uses, with a combination of residential, retail, office, recreational, and other active uses, helps create ideally eighteen hours of daily activity, which further enhances the liveliness of streetscapes and safety through “natural surveillance.”

## Design Features Of Well-Planned TODs

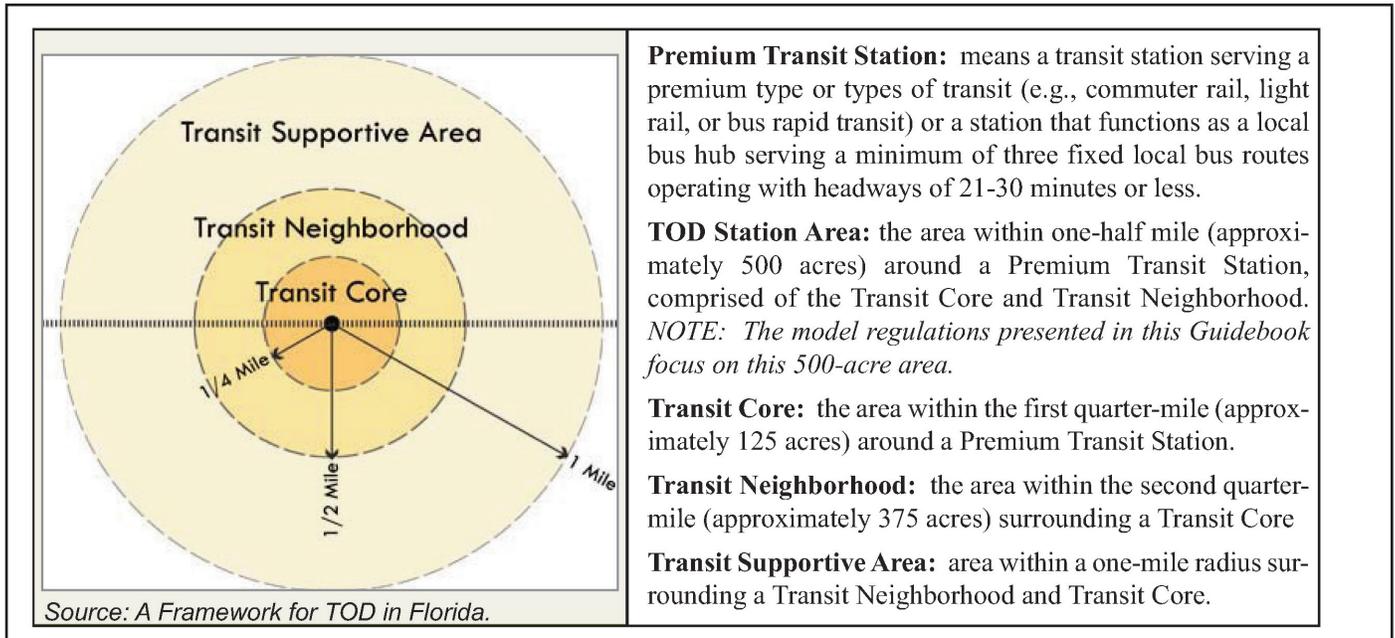
- **Demographic Suitability**
  - Population, households & employment within ½-mile Station Area & in larger transit shed
- **Streets and Blocks**
  - Designed to provide safe & convenient access to transit stations
  - Primary focus on pedestrians; cars are secondary
  - Streets narrow enough to cross easily on foot
  - Blocks of 400-600 LF with high grid density
  - Continuous sidewalks
- **Good Mixture of Buildings and Uses**
  - Vertical & horizontal mix of retail, office, restaurants, residential & others
  - Creates 18 hours of daily activity
  - “Eyes on the Street” provides natural surveillance
- **Building Design & Placement**
  - Properly located buildings create walkable streets & sense of enclosure
  - Active uses along ground floors; residential & office above
  - Continuous “pedestrian itinerary” without large tracts of vacant land or surface parking lots
  - Building fronts face other fronts; transition at rear property lines; windows & doors at street edge
- **Proper Parking Placement & Treatment**
  - Reduced parking & restricted (not oversupplied)
  - Shared & structured parking (design & economics)
  - Located to create pedestrian patrons for businesses
- **Additional Considerations**
  - Tie-in with other transit modes
  - Public open space
  - Civic & cultural uses

SOURCE: FL TOD Guidebook, Dec 2012

The FL TOD Guidebook details the various design features of well-planned TODs as summarized in the graphic above.

## TOD's Relevance to the City of Palm Beach Gardens

The City of Palm Beach Gardens is a highly successful full-service city with a broad range of residential, workplace/office, industrial, recreational, and civic uses. Since the inception of the City by John D. MacArthur as a “garden city” intended to create the ideal place for families to realize the American dream, Palm Beach Gardens has developed with a focus on civic beauty, high quality development, and desirable lifestyle amenities.



By definition, TOD focuses on the properties that immediately surround a transit station. The inner “transit core” is critical for establishing successful pedestrian connections extending ultimately through the entire transit supportive area. The further the pedestrian connections extend, the more extensive the transportation and ridership benefits extend from a transit station.

Transportation access and connectivity is a key consideration to support economic development and maintain a high quality of life in communities. As Florida continues to grow, transportation systems have become busier and are forecast to continue this trend. The state of Florida has acknowledged the need to diversify the transportation network with multi-modal solutions... facilities that can accommodate the diverse range of modes used by the traveling public. One part of the solution is “complete streets,” which are streets designed for all users: motorized (in vehicles) and non-motorized (on foot, bike, scooter, transit, etc.). Larger-scale mobility planning is another piece of the success story, with a transportation network that offers a wider range of choices, including local and regional transit.



The City's Mobility Plan considers a new Tri-Rail station as a major hub for commuters and visitors to Palm Beach Gardens.

At the state level, FDOT's long-range transportation plan is highly multi-modal, with a integrated network of facilities for travel by car, bus, train, air, and sea as well as bike and pedestrian. Regionally, the SFRTA

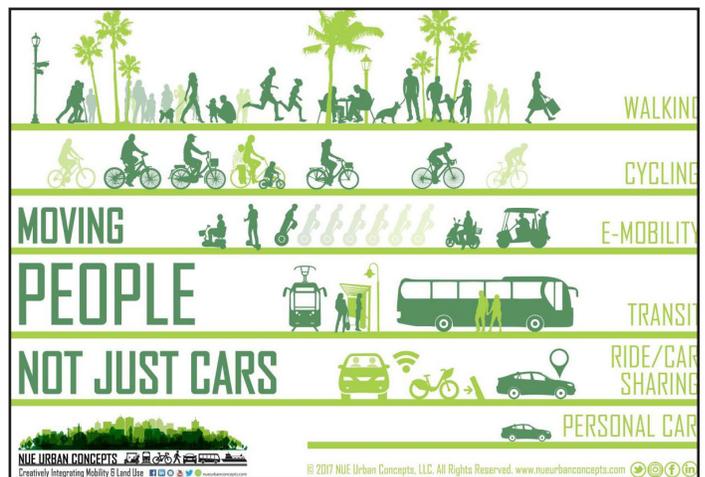


The City of Palm Beach Gardens is a thriving community known for its robust economy, beautifully-detailed public spaces, and a high quality of life. As pictured above, the signature PGA flyover, viewed across Lake Victoria, symbolizes the City’s commitment to public art and its sense of place.

operates the Tri-Rail service, with a three-county commuter rail system with plans to expand into northern Palm Beach County, bringing a commuter rail station into Palm Beach Gardens as a central feature of the Tri-Rail Coastal Link.

At the City level, Palm Beach Gardens is actively evaluating changing transportation conditions and planning for improved mobility, with consideration of a City trolley circulator, improved bicycle/pedestrian network, and enhanced access to a future Tri-Rail station. The City’s pending Mobility Plan, contemplates the new Tri-Rail station and a host of multi-modal improvements. Improved local and regional mobility is good for business and residents in the City. Both employees and patrons of City businesses will benefit from improved access, and multi-modal solutions that include transit can actually reduce peak-hour demand on the roadway network. Residents are also benefited by improved access to jobs, entertainment, and recreational destinations outside the City, which contribute to a more sustainable region.

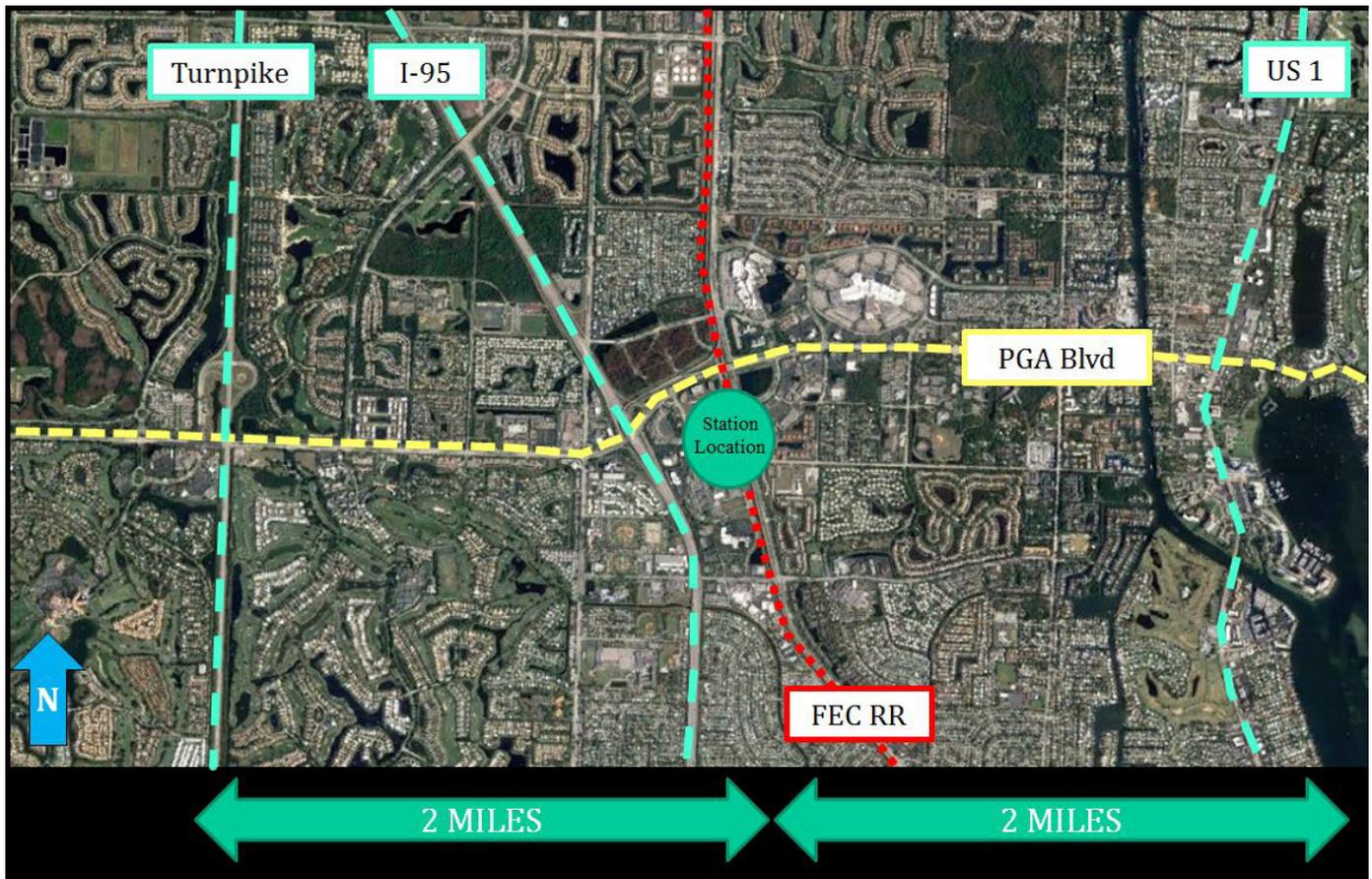
Implementing TOD in and around the planned Tri-Rail station area is already acknowledged to improve ridership and access to a future transit investment. But beyond the relationship to Tri-Rail, TOD as a land development pattern offers a range of other immediate and long-term benefits to the City. By improving interconnections between and among workplaces and residences, TOD offers efficiency improvements to the transportation network, enabling easier access on foot or by bike, local trolley, or shorter trips by car. These can reduce demand on the roadway network and provide other environmental and health benefits. Higher density development within the City’s CBD also benefits adjacent land uses, whereby complementary businesses can operate synergistically. This creates improved information and resource sharing, faster product development, and more comprehensive solutions. Residential uses integrated into workplace districts can further reduce transportation impacts and also increase employee productivity and health. Together, the benefits of TOD can begin to materialize well before the introduction of the transit service that helps expand them, with implementation of the City’s long-range plans, improved economic development, and enhanced quality of life for its residents.



The most competitive and livable communities are focused on “moving people, not just cars,” as illustrated by the City’s Mobility Plan team.

## SECTION 2: POTENTIAL STATION LOCATIONS IN PALM BEACH GARDENS

The City of Palm Beach Gardens has long anticipated its future Tri-Rail station to be located near PGA Boulevard, which is the main east/west corridor through the municipality. PGA Boulevard contains exits for both Interstate 95 and the Florida Turnpike, and the corridor traverses the heart of the City's central business district. Setting the stage for its future station, the City included a provision in the Planned Unit Development requirements for the "PGA Station" site (formerly known as "Parcel 5B"), wherein development on the site must accommodate the location of a commuter rail station and supporting parking areas on the eastern edge of the property, east of RCA Center Drive, generally at the eastern terminus of Design Center Drive. The general area is indicated in the PGA Station Area Map below.



As illustrated in the map above, the recommended future Tri-Rail station location just south of PGA Boulevard is easily accessible from the Florida Turnpike, I-95, and US1.

Prior station analyses also tested potential station locations north of PGA Boulevard, on the “wedge” property (between PGA Boulevard and the PGA on-ramp) and at the intersection of Kyoto Gardens Drive and Alternate A1A. However, for the purposes of this station area analysis, the City focused on the PGA Station property as its preferred location. There are several key advantages offered by the PGA Station site, including access, visibility, development potential, and proximity to major destinations.

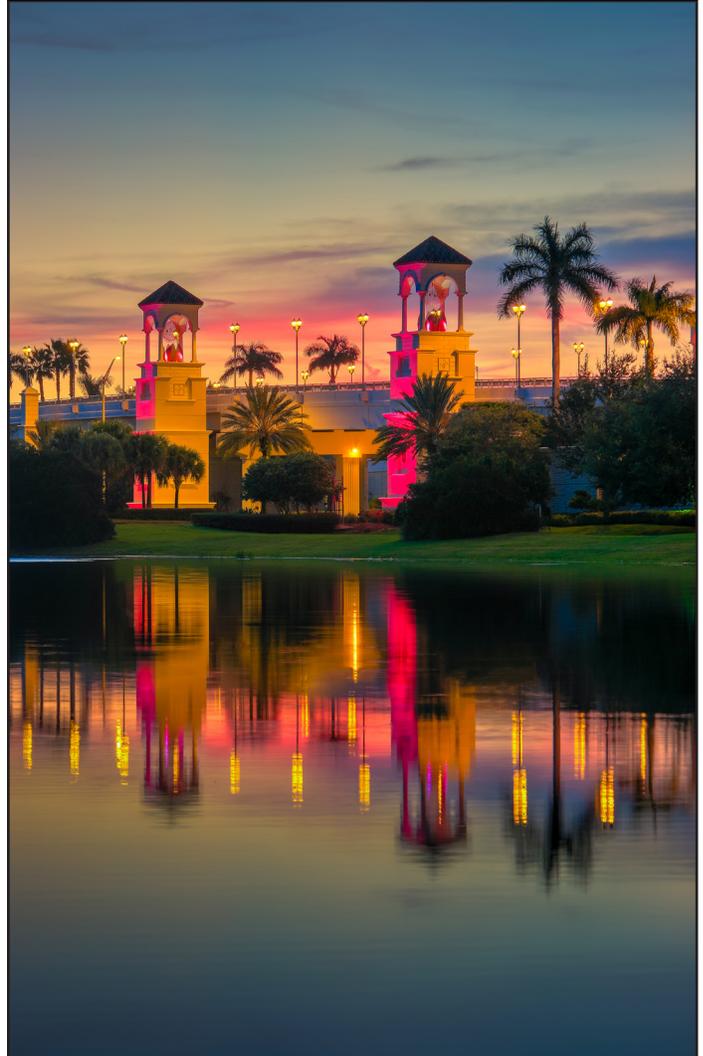
**ACCESS & VISIBILITY:** The PGA Station site has good access from PGA Boulevard via RCA Boulevard and is visible across the FEC rail corridor from Alternate A1A. RCA Center Drive, an internal north/south roadway, provides a direct connection from Kyoto Gardens Drive to the eastern extension of RCA Boulevard, and the future station could terminate the vista of this road. This roadway network allows for good access and vehicular traffic dispersion from the recommended station location. Additionally, the City’s Mobility Plan anticipates a potential trolley route utilizing these roadways to interconnect the station to adjacent sites.

**DEVELOPMENT POTENTIAL:** Development on the PGA Station site is governed by a Planned Unit Development (PUD) agreement with the City. The current PUD approval on the site permits a mix of commercial, office, and hotel, and it is acknowledged a PUD amendment is needed to permit residential on-site. The PUD approval anticipates a station will be built on the eastern edge of the site along the FEC rail corridor, and future development must accommodate station-related parking and access.

**PROXIMITY TO MAJOR DESTINATIONS:**

The PGA Station site is centrally located within City’s central business district (CBD), which contains more than 23,000 jobs in various categories (maps of the CBD are included in this section). Within the half-mile TOD “pedestrian shed” are some of the City’s most prime redevelopment and infill development opportunities, including Loehmann’s Plaza to the west, FPL’s future campus to the north, Downtown at the Gardens and The Gardens Mall to the northeast, Legacy Place to the east, Gardens Medical Center and supporting medical use to the southeast, and the RCA/biotech district to the south. Further, within a five-minute drive are additional retail and mixed-use centers, such as Midtown and PGA Commons along with traditional retail shopping centers, office buildings, and residential development. There are five hotels within the half-mile shed and additional hotels under construction or anticipated. The Palm Beach Gardens campus of Palm Beach State College is also located to the East along PGA Boulevard.

These characteristics reinforce the northern PGA Station location as the prime location within the City for its future Tri-Rail station.



*PGA Boulevard bridge at sunset with Lake Victoria in the foreground*

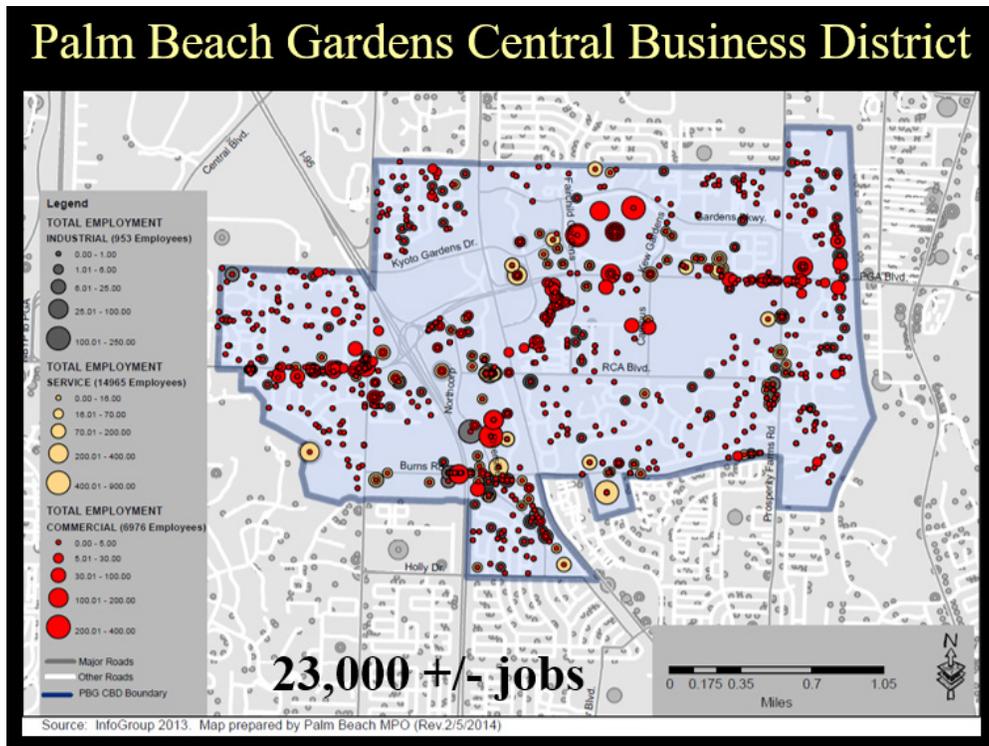
*Source: City of Palm Beach Gardens*



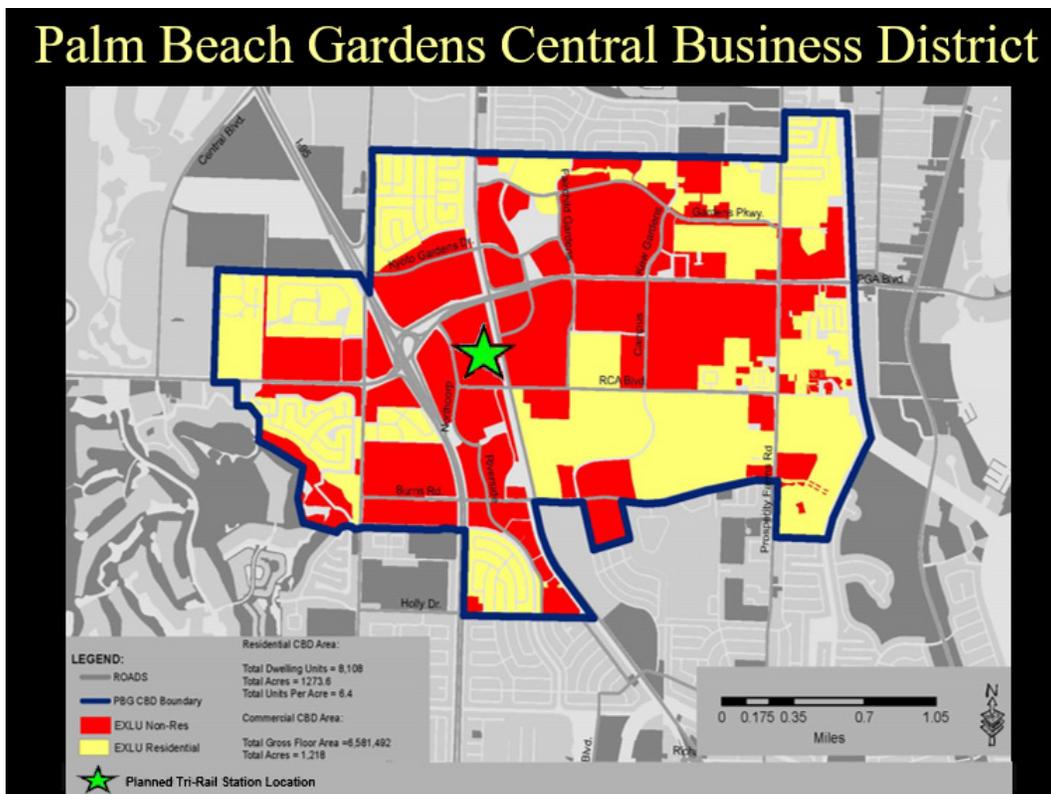
**Existing Conditions of the Study Area**

- |   |   |
|---|---|
| 1A. Recommended Station Location (Option A) | 4. The Gardens Mall                         |
| 1B. Alternate Station Location (Option B)   | 5. Downtown at the Gardens (“The District”) |
| 2. “PGA Station”                            | 6. FPL Campus (Future Development)          |
| 3. “Legacy Place”                           | 7. “Loehmann’s Plaza”                       |

The map above highlights the key parcels in the station area, including both the recommended station location (identified as Option A in the northern portion of the PGA Station site) as well as an alternate location abutting RCA Boulevard (identified as Option B).



The Palm Beach Gardens Central Business District (CBD), outlined in blue on the map above, represents a major employment destination in northern Palm Beach County. National data indicates the CBD contains approximately 23,000 jobs across several categories (industrial, service, and commercial).



The land use mix in the CBD includes both commercial along major roadways and residential that tends to be set away from roadways. Successful TOD is benefitted by a more integrated mix of uses, as illustrated by the master plan concepts designed to improve economic productivity and better balance transportation demands on the roadway network.

### SECTION 3: POTENTIAL STATION LOCATIONS IN PALM BEACH GARDENS

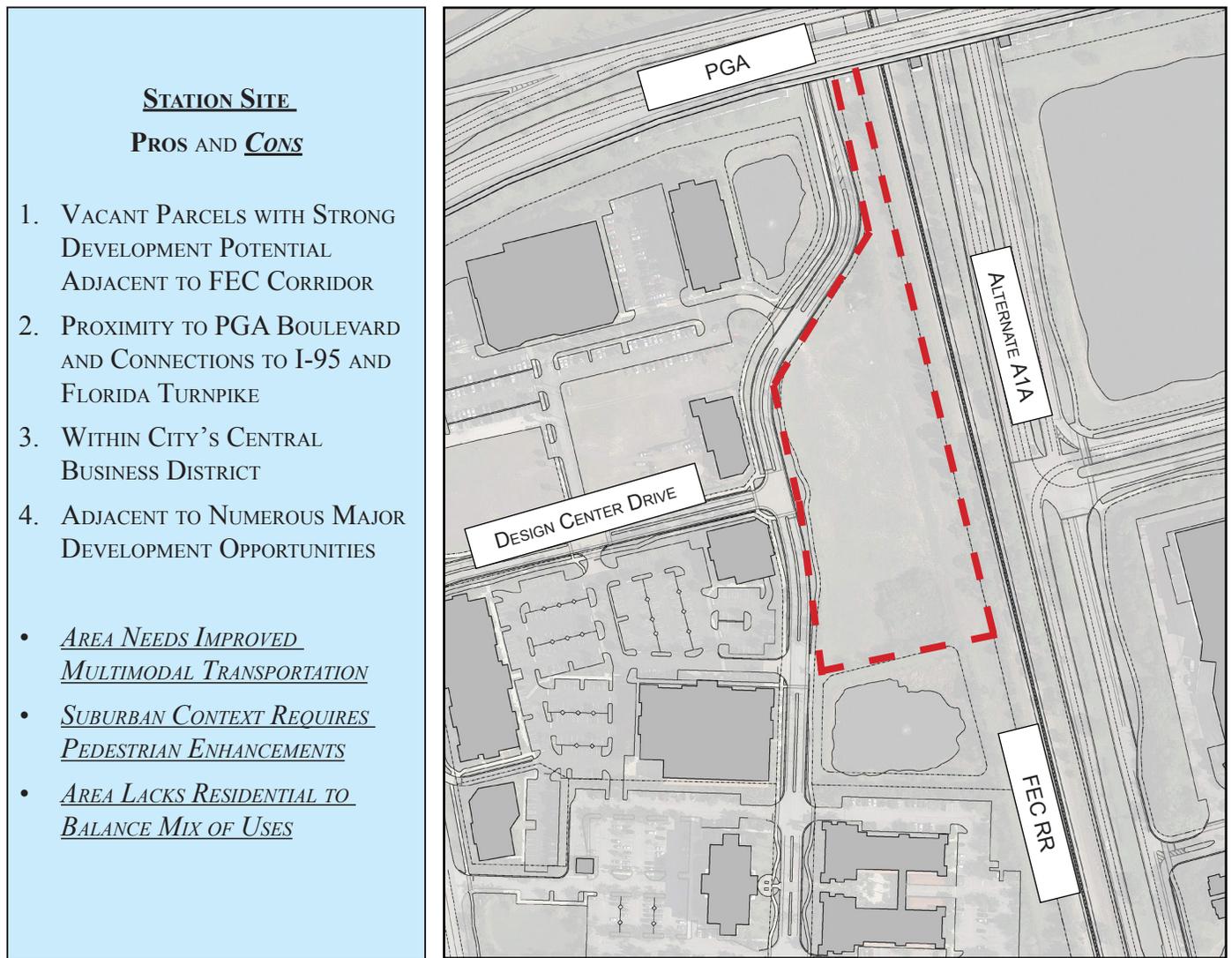
Within the PGA Station project, the preferred station location is located along the northern portion of this site, immediately west of the FEC rail corridor and east of RCA Center Drive, located just south of PGA Boulevard. The station location is positioned to enable the station building to terminate the vista of Design Center Drive, which is an internal entry road from RCA Boulevard. In the City's original PUD approval for the property, conceptual plans for the site required future development to accommodate a future commuter rail platform and parking in this location. The project was originally conceived as a design district, with a concentration of office and furniture retailers in a quasi-warehouse format. As market conditions have evolved, so has the use mix on the property. Office uses remain active on the site; however, demand for furniture sales in this location have declined, leaving a large vacant building near the station with a design that is difficult for re-use due to its high ceiling heights and lack of windows. Early site design concepts tended towards a suburban land use pattern, which placed several key buildings separated from interior roadways by surface parking. Current development plans include a hotel (under construction near RCA Boulevard) and the potential for substantial mixed-use infill, which can urbanize the site and help improve pedestrian connectivity to the future station and through the site.



*The image is a westerly view from RCA Center Drive at the northern end of the recommended station location. Surface parking dominates the current condition, with buildings set at the rear of developable lots.*

**TOD Site**

There were two station locations tested on the west side of the FEC railway, south of PGA Boulevard. The preferred location, identified as Option A, places the future Tri-Rail station platform at the eastern terminus of Design Center Drive. This location offers the ability to maximize the TOD potential of the remaining development sites within the PGA Station project. The station area plan concepts suggest the location of multi-story buildings framing the station to maximize the City’s efficiency and tax yield on the station investment. The buildings could accommodate a variety of uses, but market conditions suggest residential as the preferred use, reinforced by the City’s deficit of multi-family housing. With careful design, a station in this location could be visible from I-95, PGA Boulevard, RCA Center Drive, and across Alternate A1A.



**STATION SITE**

**PROS AND CONS**

- 1. VACANT PARCELS WITH STRONG DEVELOPMENT POTENTIAL ADJACENT TO FEC CORRIDOR
  - 2. PROXIMITY TO PGA BOULEVARD AND CONNECTIONS TO I-95 AND FLORIDA TURNPIKE
  - 3. WITHIN CITY’S CENTRAL BUSINESS DISTRICT
  - 4. ADJACENT TO NUMEROUS MAJOR DEVELOPMENT OPPORTUNITIES
- AREA NEEDS IMPROVED MULTIMODAL TRANSPORTATION
  - SUBURBAN CONTEXT REQUIRES PEDESTRIAN ENHANCEMENTS
  - AREA LACKS RESIDENTIAL TO BALANCE MIX OF USES

*This diagram illustrates existing conditions of the current site for the future Tri-rail Coastal Link Station and associated transit oriented development. The parcel is vacant.*

— — — — — Boundary of Station Site



Existing Building Footprint



## TOD Site

**OPTION A**

*RECOMMENDED STATION LOCATION (PGA STATION PROPERTY, PLATFORM CENTRALLY LOCATED)*

*(DEPICTED IN YELLOW)*

- PREFERRED STATION PLATFORM LOCATION CENTERED ALONG FEC CORRIDOR, TERMINATING DESIGN CENTER DRIVE
- GOOD STATION VISIBILITY FROM PGA BOULEVARD AND ALTERNATE A1A
- INFILL DEVELOPMENT POTENTIAL FOR RESIDENTIAL, HOTEL, COMMERCIAL/OFFICE
- PUBLIC REALM IMPROVEMENTS TO IMPROVE PEDESTRIAN COMFORT AND INTEREST
- URBAN BUILDING PLACEMENT LINES STREETS AND IMPROVES PEDESTRIAN CONNECTIVITY
- INTERNAL ROADWAY NETWORK ASSISTS IN VEHICULAR DISPERSION

**TOD Site**



**OPTION B**

*ALTERNATIVE STATION LOCATION (PGA STATION PROPERTY, PLATFORM LOCATED TO SOUTH)*

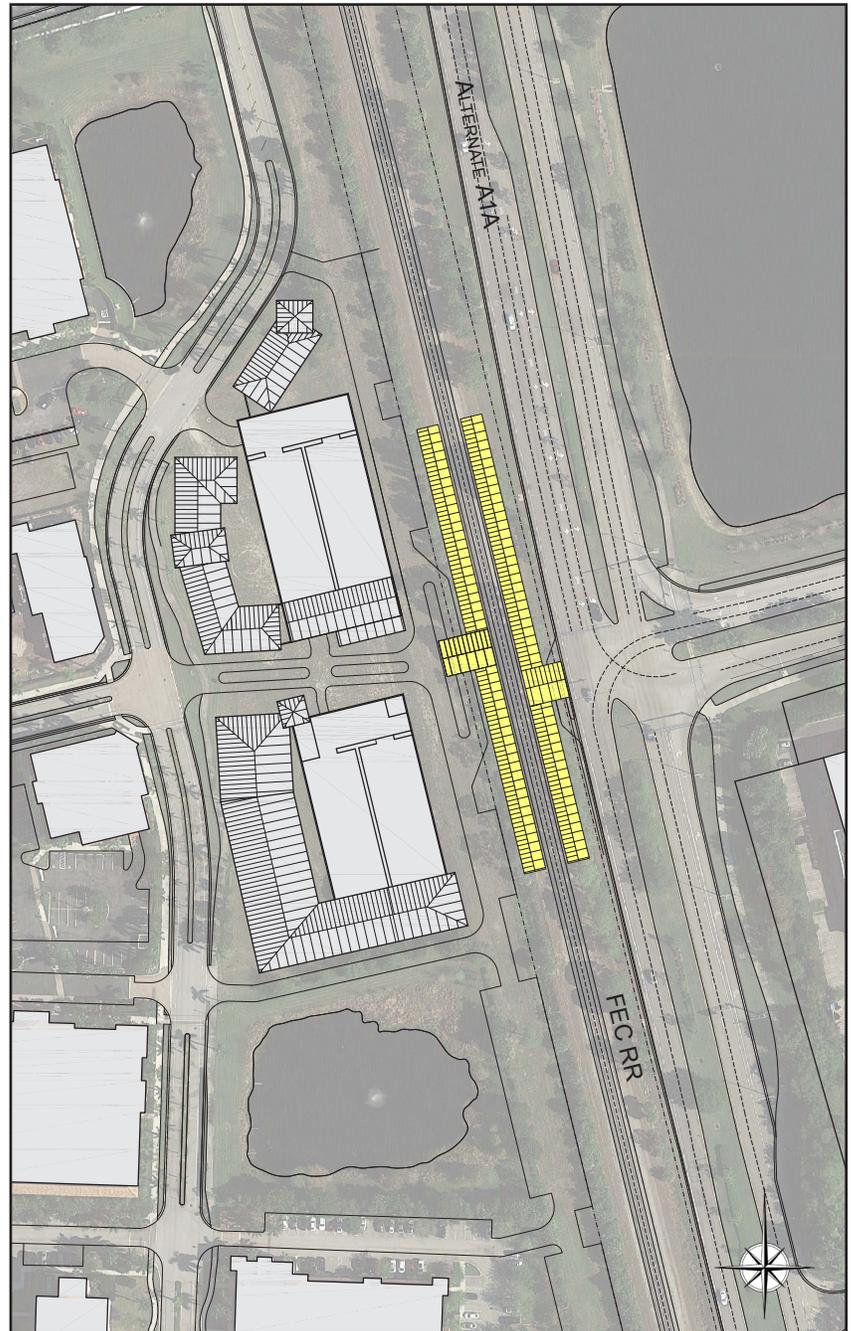
*(DEPICTED IN YELLOW)*

- ALTERNATIVE STATION PLATFORM LOCATION AT SOUTHERN END OF PGA STATION SITE
- LOCATION PROVIDES CLOSER ACCESS TO RCA BOULEVARD BUT LESS VISIBLE FROM PGA BOULEVARD
- PGA STATION SITE CONTINUES TO ENABLE INFILL PROGRAM WITH MIX OF USES
- PUBLIC REALM IMPROVEMENTS TO IMPROVE PEDESTRIAN COMFORT AND INTEREST
- URBAN BUILDING PLACEMENT LINES STREETS AND IMPROVES PEDESTRIAN CONNECTIVITY
- INTERNAL ROADWAY NETWORK ASSISTS IN VEHICULAR DISPERSION

## TOD Site

The sketch plans in this section indicate potential station platform locations, existing buildings in gray, and potential new buildings in footprints with roof detailing. Each of the new buildings could be four to eight stories, with station parking as well as development-supportive parking located in parking structures on site. The suggested building footprints, with building facades running parallel and close to RCA Center Drive and Design Center Drive, are designed to improve the pedestrian desirability and comfort on these roadways. Parking structures would be wrapped with occupiable uses at the ground floor to extend the pedestrian-friendliness of the district.

A second potential location for the station platform was tested as part of the station area plan, identified as Option B in the maps and images in this report. This location is also west of the FEC Railway and east of RCA Center Drive but further south, with a platform that would be abutting RCA Boulevard. Although a platform can be accommodated in this location, it would be less visible from I-95 due to existing buildings immediately to the west and less visible from PGA Boulevard. Existing uses in the immediate vicinity are suburban-scale office buildings with one of the district's hotels (Hampton Inn) on the adjacent block. The current building locations mask the eastern view of a future station location in this area. This location, however, does maintain the same western visibility across the FEC tracks as the recommended location to the north. The Option B location is closer to the Palm Beach Gardens Medical Center and supporting medical offices, and both potential station locations could be comparatively serviced by the City's planned trolley route.



*Option A: Recommended site for future Tri-Rail Coastal Link Station indicated in yellow.*

TOD Site



**PGA STATION SITE - CONCEPTUAL DESIGN**

- INTRODUCES RESIDENTIAL AND OTHER USES TO A HIGHLY VISIBLE SITE WITH HOTEL AND OFFICE
- MOST VISIBLE STATION LOCATION WITH WELL DEFINED ACCESS
- UTILIZES INTERNAL ROADWAY CONNECTIONS
- MAXIMIZES BENEFIT OF STATION TO THE CITY
- ENHANCES CITY CBD, AND FUTURE FPL CAMPUS

*The conceptual rendering above illustrates the location for the future train station and along Alternate A1A in the foreground, with additional infill development to the west. I-95 is visible in the background of the rendering, and PGA Boulevard is to the right.*

## SECTION 4: STATION AREA TOD DESIGN CONCEPTS

The area immediately adjacent to the future train station represents the City’s prime TOD opportunity – it is the “transit core” in the TOD station area. Properties within this inner quarter-mile are typically most affected by station development. The walkability and development pattern of the transit core surrounding the station will contribute directly to the success of the continued TOD pattern that extends through the larger ½-mile station area and beyond. Pedestrian comfort, with shaded, wide sidewalks, traffic calmed streets, buildings lining roadways to create an urban “edge”, and a mix of uses that creates ideally eighteen hours of daily activity are all components of successful TOD districts.

There are several key sites evaluated for the application of TOD design principles as part of the master plan. These include PGA Station, Legacy Place, The Gardens Mall, Downtown at the Gardens, and Loehmann’s Plaza. This section presents a discussion of each site, including entitled development, current use, and conceptual designs for TOD infill and redevelopment to benefit the overall station area. There are dozens of different ways in which TOD principles could be applied to new layers of development on these sites, and the concepts presented in this report are illustrative in nature to enable a more informed analysis of continued development activity over time.

### PGA Station Site:

This parcel, formerly known as Parcel 5B, was originally intended as a design district, with plans for office use along with furniture, interior design, and home décor. Given market changes, the site (identified as Site 2 in the station area reference map on page 32) has undergone ownership changes, and a variety of uses have been proposed. Currently the site contains office use (approximately 80,000sq.ft. including professional office, medical office, and a bank) with a hotel under construction. Given the lack of multi-family residential in the TOD district, the market analysis suggests this location is ideal for multi-family residential to support ridership and enable in-town residential proximate to the station for employees in the district. Market conditions would suggest rental residential would likely be the most appropriate use. In addition to satisfying market demand, the inclusion of residential within the mix of uses will help expand activity on the site. In ideal conditions, a mix of residential, workplace, and retail can create eighteen hours of daily activity (with residential activity typically beginning at 6 AM, commercial/retail activity occurring between 8 AM and 9 PM, and residential activity concluding by midnight). This mix of formal activity within a TOD district helps promote “natural surveillance,” which makes for increased safety and visibility throughout a station area. The development concept for the PGA Station site conservatively suggests the addition of 300 residential units adjacent to the station along with 10,000 sq.ft. of TOD retail space, which would likely be comprised of food and beverage uses along with personal services. Additional residential units could easily be programmed into the site with additional structured parking.



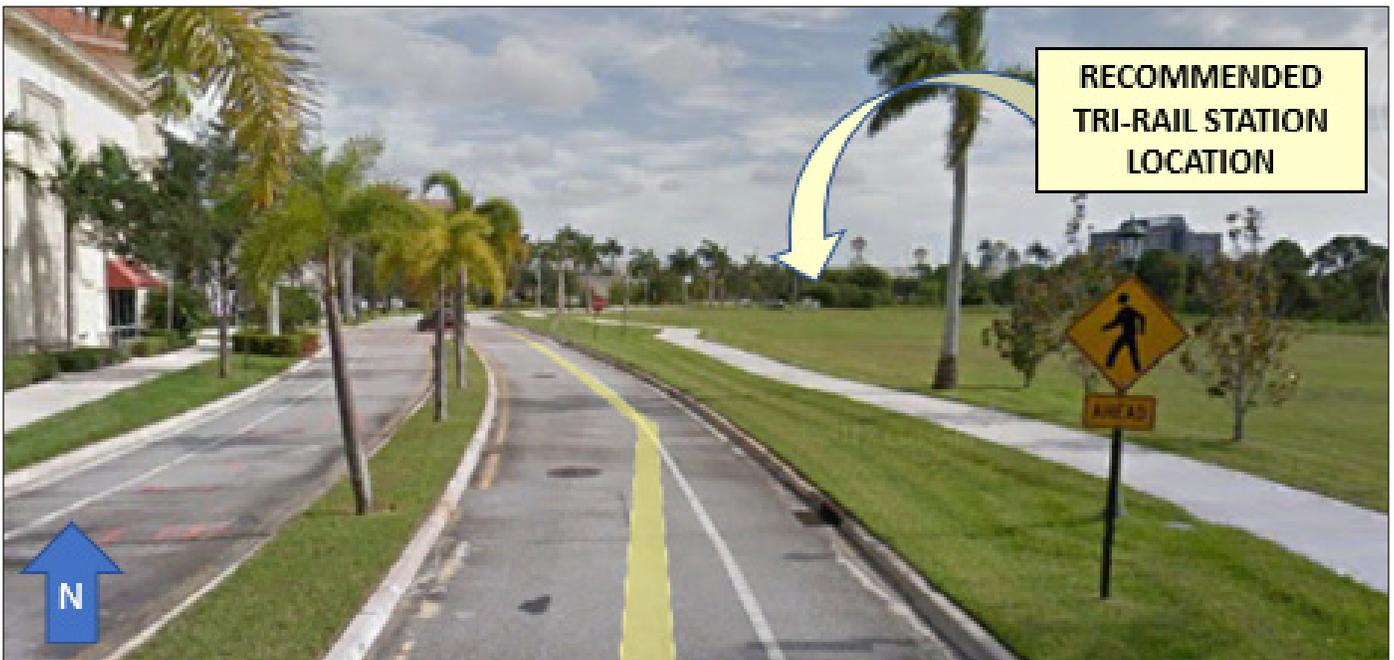
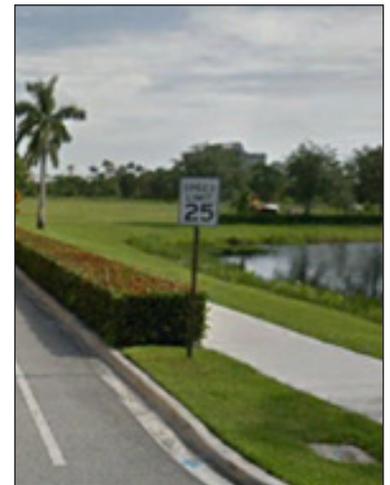
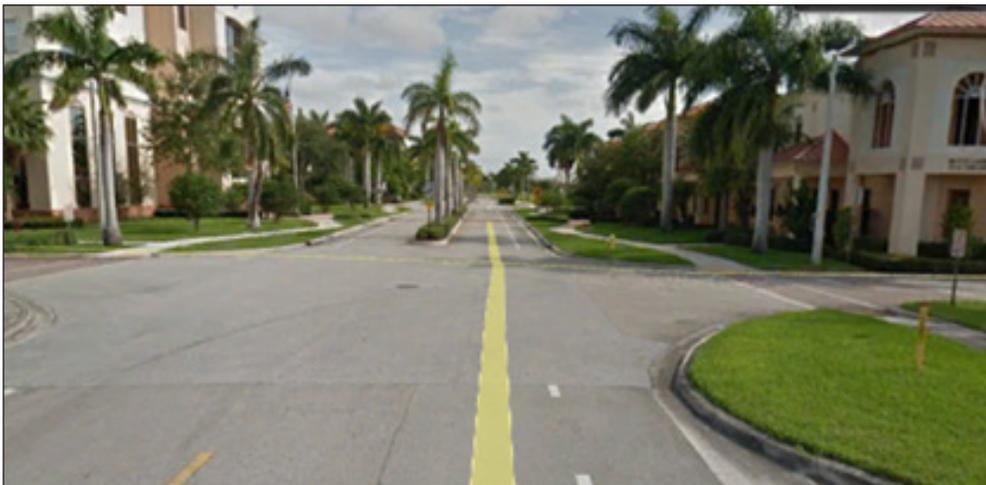
*The aerial photo shows the PGA Station property. The site currently has active office uses and a parking structure, with a hotel under construction fronting Design Center Drive.*

*Credit: <https://www.bbxcapital.com/bbx-capital-real-estate/portfolio/pgs-station/>*

The PGA Station property is bisected by two primary roadways – Design Center Drive, which runs east/west from RCA Boulevard to the recommended station location, and RCA Center Drive, which runs north/south from RCA Boulevard to Kyoto Gardens Drive. These internal roadways are landscaped with paved shoulders for cyclists, sidewalks, and center landscaped medians, which help maintain the 25 MPH design speed.



Photo: PGA Station Sign



The photos above provide views along RCA Center Drive near the recommended station location (looking north). There is a 25 MPH design speed with building façades fronting roadways, sidewalks, a paved shoulder to accommodate cyclists and landscaping. The bottom image shows the conditions approaching the station location. Future building footprints should be located to maintain the build-to setback, with parking areas shielded from street edges.

## PGA Station Site



*The artist rendering above illustrates the future train station with additional infill redevelopment to the West.*

For TOD to be successful in this location, it is critical for the future infill development pattern to continue an urban placement of buildings, set close to street edges, to establish a comfortable, contained space for pedestrian activity. Internally, new building footprints should line drive aisles through parking lots to help establish a block structure and intuitive pedestrian corridors through the site. Parking should be structured to maximize development potential and yield, as the greatest amount of active space should be a goal for the site's development program.

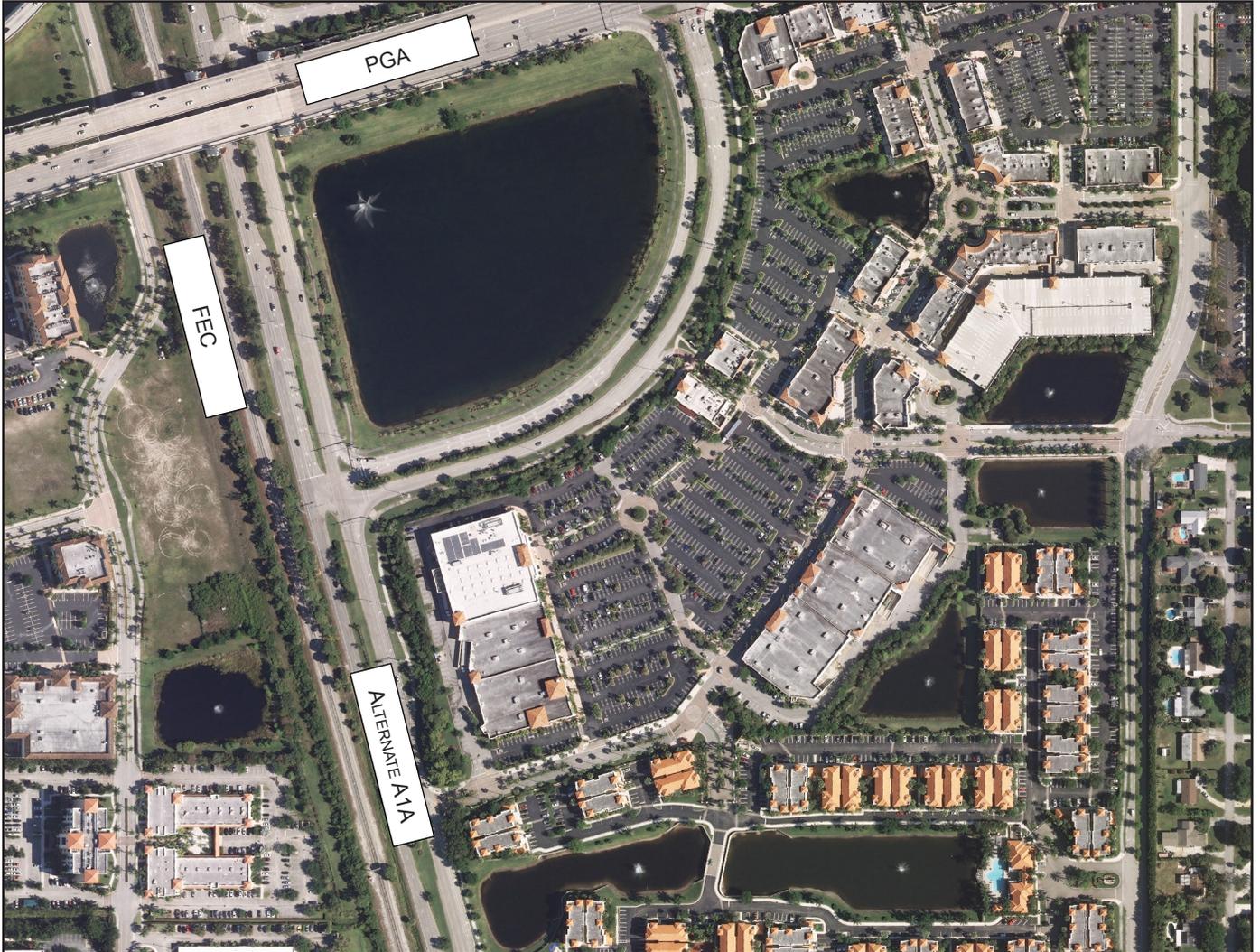
As illustrated in the conceptual renderings, the future Tri-Rail station should be positioned to terminate the vista for travelers heading east on Design Center Drive. New buildings should be sized to maximize the development potential of this site, and parking should be structured to enable the highest yield of developable square footage. Buildings lining the roadway network in this manner help define pedestrian spaces, shade walkways, and provide an interesting pedestrian itinerary, which is critical for extending the pedestrian network. Parking structure should be lined with occupiable space – either residential or nonresidential – to further protect pedestrian corridors from vehicles. The City's architectural palate can be integrated into the station design for a signature civic presence in this location.

**PGA Station Site**

*As depicted above, the future Tri-Rail station is an opportunity for a civic statement, terminating the view for travelers heading east on Design Center Drive.*

It is important to note that a station in this location will require an elevated pedestrian bridge to enable riders to access both the Northbound and Southbound tracks. The station design suggested in this concept integrates the pedestrian crossing in a dignified manner, drawing on themes from existing architectural styles in the area.

Legacy Place Site

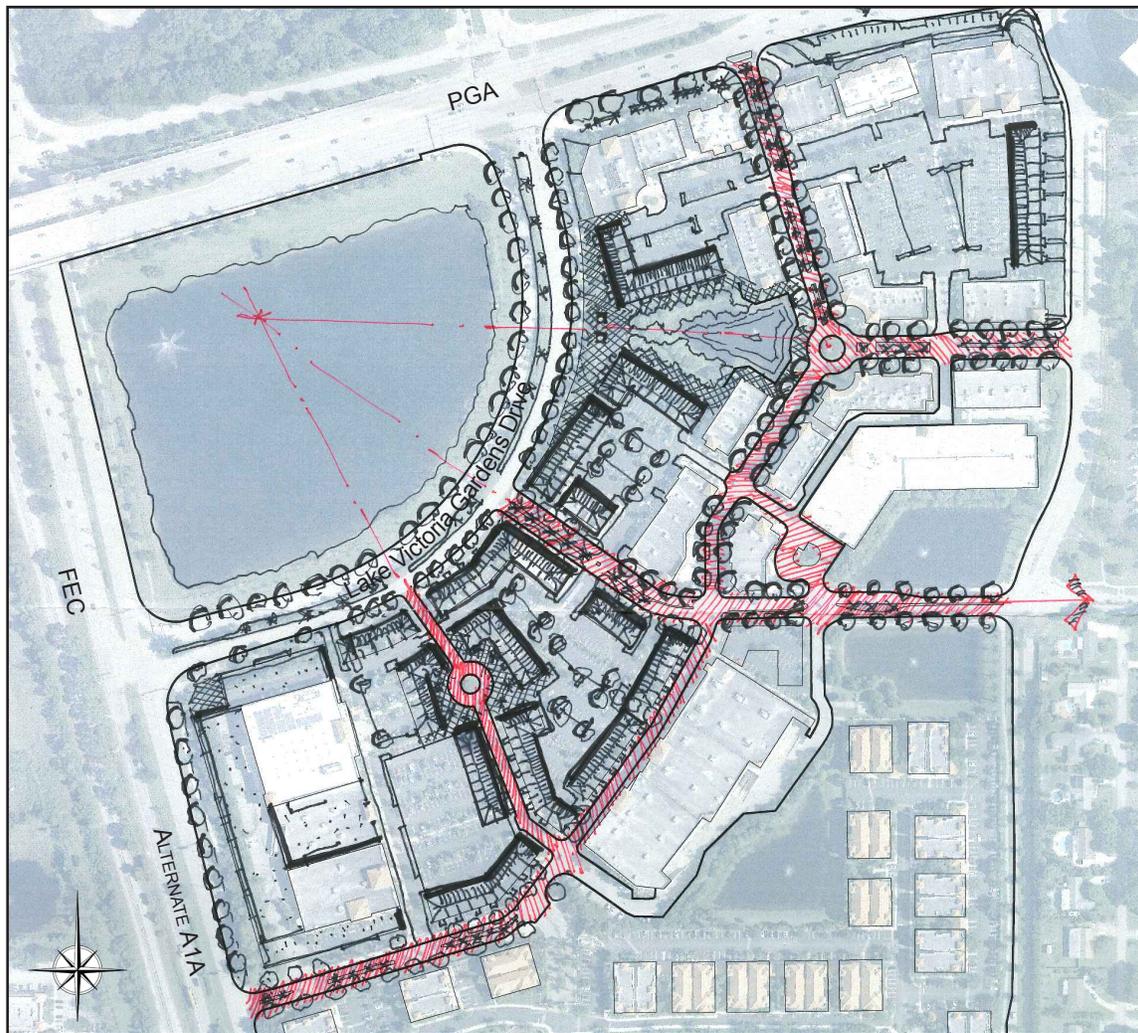


Existing conditions.



Artist rendering of infill development looking Southeast into Legacy Place.

Legacy Place Site



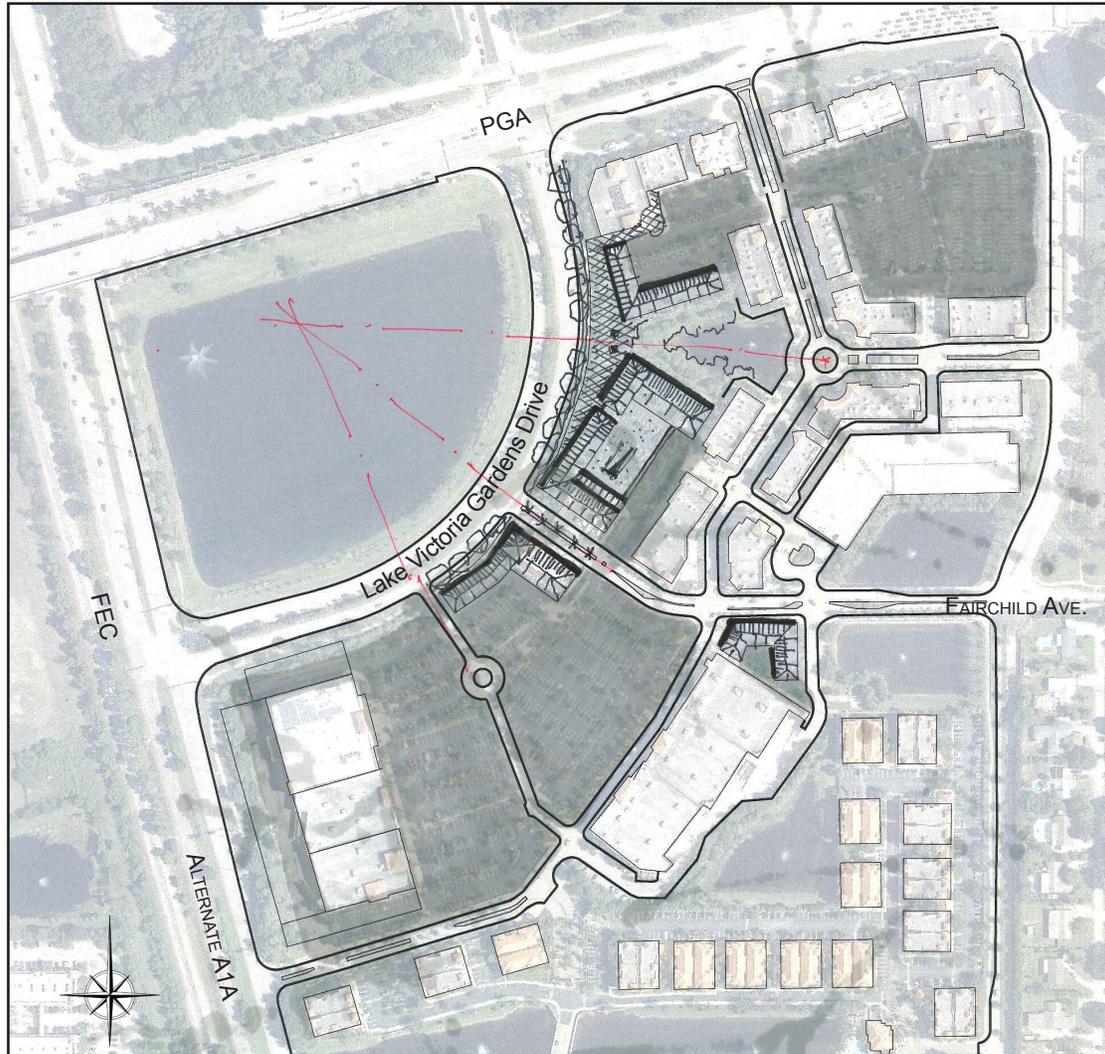
The image above illustrates what could be a build-out condition for a residential infill program on the Legacy Place site, with new residential units framing new roadways. The building facades would help improve pedestrian flows through the site, further reinforcing the viability of retail. Highlighted in red, the improved roadway network includes traffic circles and on-street parking as traffic-calming measures.

Built in the early 2000s, the Legacy Place site represents a hybrid mixed-use design that is horizontally arranged across the approximately 75 acre site (identified as Site 3 in the station area reference map on page 32). Current development on-site includes roughly 54,000 sq.ft. of professional and medical office; 380,000 sq.ft. of big box and smaller retailers, restaurants, and furniture showroom space; and 384 multi-family units on the southern portion of the site that are physically separated from the non-residential use. Given the current transitions in retail shopping experiences, and with the competition from other retail centers in the CBD, Legacy Place is experiencing a number of vacancies in its retail composition, which may increase as big box retailers transition in the coming decade.

**“LEGACY PLACE” SITE - CONCEPTUAL DESIGN**

- INTRODUCES MIXED-USE RESIDENTIAL INTO COMMERCIAL PORTION OF SITE, SUPPORTS RETAIL
- IMPROVES INTERNAL CIRCULATION FOR CARS, PEDESTRIANS, CYCLISTS, AND TRANSIT
- MAXIMIZES VIEWS OF LAKE VICTORIA
- ENHANCES ECONOMIC VIABILITY OF PROJECT
- IMPROVES VISIBILITY FROM PGA BOULEVARD AND ALTERNATE A1A

## Legacy Place Site

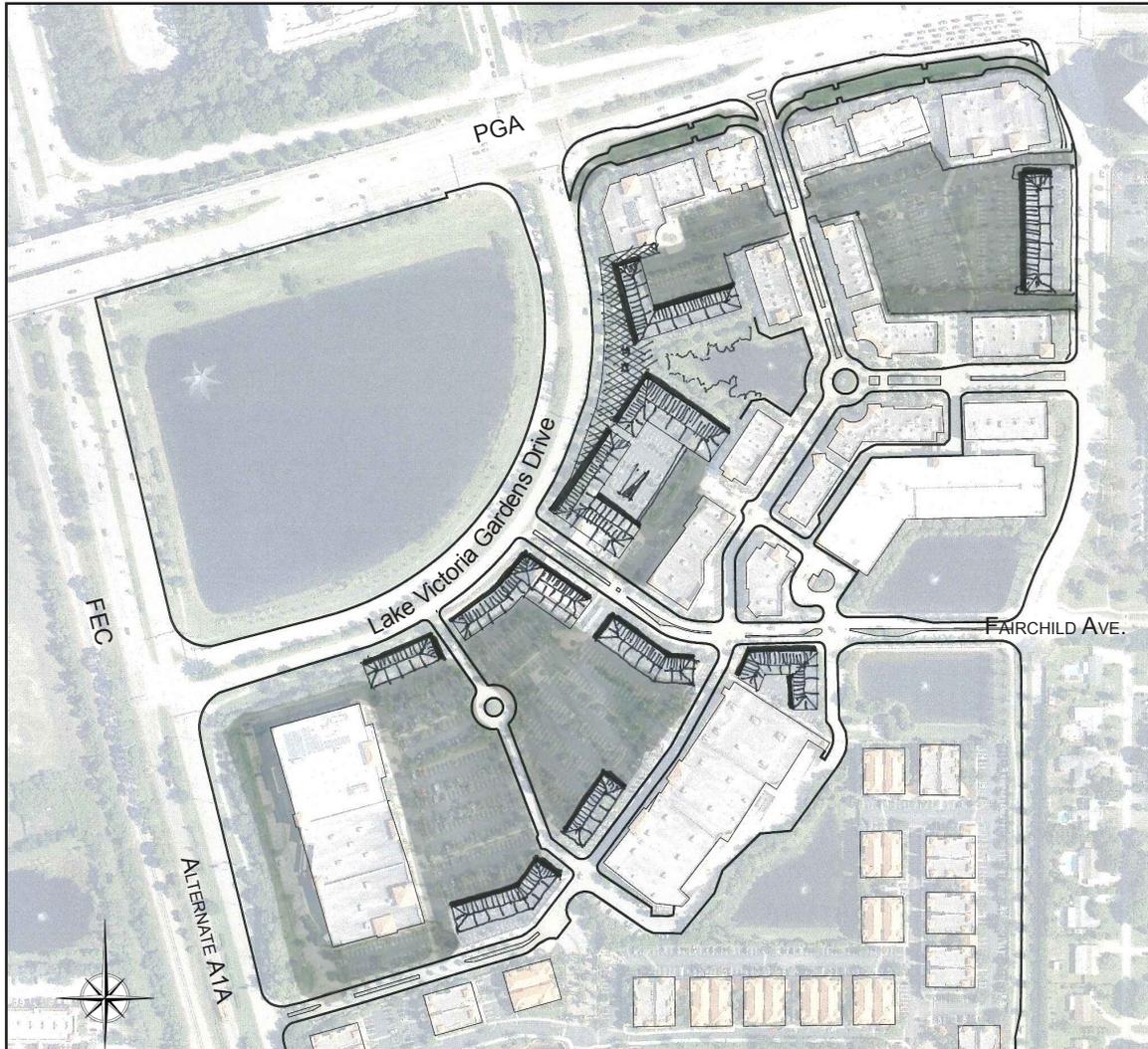


*The Legacy Place site is a strong candidate for residential infill development to improve its function as part of the station area. As depicted above, parking lot drive aisles could become roadways to introduce a pedestrian-friendly block structure. The image above illustrates an early phase of development in the concept, with new residential buildings fronting Lake Victoria Gardens Drive, taking advantage of the spectacular scenic views offered by this water amenity.*

As illustrated in the conceptual design, the Legacy Place project represents an opportunity to integrate residential uses and potentially additional office or retail use. With reorganization of travel-ways through the site and the introduction of streets to create a more walkable block structure, TOD elements could be introduced to better connect the site internally and enable it to be a better contributor to the overall TOD district.

The conceptual redevelopment program suggested in the illustrative drawings for the Legacy Place site suggest the site could easily accommodate an additional 150 +/- new residential units in the commercial portion of the site. With the introduction of a new block structure through the conversion of existing drive aisles to new roadways, new buildings could front roadways to help define pedestrian spaces, adding shade and formality to sidewalk edges. The internal roadway network would benefit from traffic-calming through measures such as traffic circles, on-street parking, and landscaping. Fairchild Avenue, which is a central roadway through the project, would be enhanced to provide a strong connection east to Palm Beach State College. With a “complete

## Legacy Place Site



*The conceptual drawing above illustrates a second phase of infill development possible for the Legacy Place site, with additional residential buildings fronting a new interior roadway delineated through the western parking lot. These residential uses could be live/work units, townhouses, or multi-family, and the new residents would help support the existing retail uses on site.*

streets” treatment, Fairchild Avenue should be designed with superior pedestrian and cycling amenities to elevate this roadway’s role as a multi-modal corridor and component of the City’s future trolley circulator network. A stronger connection between Palm Beach State College and Legacy Place will benefit destinations with new housing and expanded customer opportunities. Enhanced connections through Legacy Place will also benefit the Tri-Rail Coastal Link by easing access for students who choose to use transit to get to campus.

Residential units could be positioned to view Lake Victoria, which is a scenic site amenity that is otherwise only viewed from the back doors of existing commercial uses. The conceptual development program suggests a mix of live/work, townhouse and residential flats (located above commercial uses) along with an additional 82,000 sq.ft. of commercial/office that could alternatively become additional residential units. The design concept includes a new 250-space parking structure if needed to accommodate parking demands for the new uses.

## The Gardens Mall

The Gardens Mall is the largest single-held development parcel in the City of Palm Beach Gardens, consuming approximately 100 acres along PGA Boulevard, and it presents the largest-scale opportunity for redevelopment in the station area (identified as Site 4 in the reference map on page 32). Opening in the late 1980s, the Mall is one of the most successful retail centers in Florida. Current anchors are Nordstrom, Saks Fifth Avenue, Bloomingdales, Macy's and Sears. Ancillary development surrounding the mall includes substantial professional office; hotel; a variety of residential product types (e.g., apartment, condominium, villa, townhouse, single-family); and Downtown at the Gardens, which is a lifestyle center that includes retail, restaurants, a Whole Foods grocery store, and a sixteen-screen movie theatre.

Like most regional malls, The Gardens Mall is surrounded by parking fields containing more than 7,000 parking spaces. This severely limits connectivity to adjoining retail/mixed-use projects. Even the offices developed as outparcels on the fringes of the site are effectively disconnected. Anecdotally, it was presented that office occupants from outparcels drive to the mall rather than walking the 400 to 1,000 feet from the office buildings to the mall's restaurants. Aside from Florida's harsh heat discouraging unshaded pedestrian circulation, there are few, if any, accommodations for pedestrians or bicyclists within the site. The northern



*The Gardens Mall is a top-performing mall in the United States, with nearly 1.4 million square feet of department stores, luxury retailers, and restaurant uses among its retail mix.*

side of the Mall also contains a bus transfer facility for Palm-Tran, which underscores the property's central location and importance within the City's CBD. As with other retail centers in Palm Beach Gardens, The Gardens Mall could benefit by better integrating a network of pedestrian and bicycle pathways, which are illustrated in the conceptual designs for the site.

During research for the station area plan, the instability of Sears as a long-term occupant at the eastern end of the mall was highlighted by the City and Mall representatives, presenting what could become a first-phase redevelopment opportunity for the property. As noted by the project team's economists, there are many alternatives for redevelopment of the Sears pad and its surrounding area. Given the prominence of The Gardens Mall and acknowledging the transition underway in the U.S. retail industry, the market report (contained in Appendix C) includes a series of detailed case studies describing the redevelopment of similar mall properties across the country.

The presence of Sears also presents a strategic opportunity to reposition The Gardens Mall in the larger, highly competitive regional market, while continuing to attract its traditional, higher income customer base. While specific strategies for addressing redevelopment will be determined by the Forbes Company (the mall's owner), the economists suggest that redevelopment of other traditional upscale malls may offer lessons about

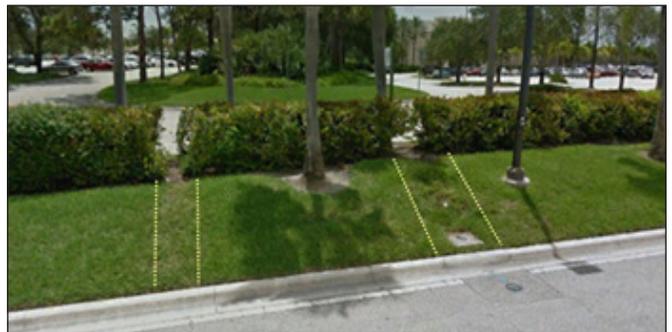
## The Gardens Mall

infill development, opportunities to introduce residential, how to strengthen connections to nearby office buildings that will enhance opportunities to attract Millennials.

The large surface parking lots that surround the Mall and physically separate it from other nearby uses make for an obvious redevelopment opportunity. The market study documents the changing pattern of retail in the United States, with a preference for active retail/entertainment settings versus traditional regional retail. Although The Gardens Mall is successful today as a regional retail destination, its continued competitiveness will be enhanced by greater access and connectivity, the addition of residential uses nearby, and the evolution of its retail mix to include new uses, particularly food and beverage as well as entertainment venues.

There has also been an evolution in the modes of access to the Mall. Residential development over the past twenty years now surrounds the outer edges of the Mall, abutting Fairchild Gardens Parkway and Gardens Parkway with a mix of office, retail, and hospitality uses along Kyoto Gardens Drive and Kew Gardens Drive. This creates both opportunity and demand for pedestrians and cyclists to access the Mall from the surrounding uses. However, there are minimal pedestrian amenities, with a lack of sidewalks and pedestrian crosswalks in the roadway network. Roads are wide, with broad shoulders and limited landscaping, which leads to fast-moving traffic. Conditions for non-motorized users – on bike or on foot – are inconvenient and need lighting, shade, and safety improvements.

The challenges and opportunities are illustrated in the pair of photos to the right that depict a shopper walking through the landscaped berm on the west side of the Mall towards the residential buildings and hotel that front Victoria Gardens Drive. Carrying a coffee cup and shopping bags, the person is heading towards breaks in the hedge and existing well-worn paths through the grass. These informal pedestrian passageways are found all around the Mall property, indicating on-going pedestrian activity.



*Although it was designed primarily for automobile access, clearly there is pedestrian activity to and through the Mall property, as evidenced by the shopper walking through the berm (above-left) and well-worn paths through landscaping (above-right). These images are taken near the intersection of Kyoto Gardens Drive and Fairchild Gardens Avenue, which is a natural connection point.*

## The Gardens Mall

To illustrate the infill development potential at The Gardens Mall, the station area plan tests the introduction of new uses, using TOD principles, in the Sears parking lot. During the development of the plan, there were active discussions underway between the City, Forbes Corporation (Mall owner), and Sears corporation regarding a potential re-use of the Sears building. It is the least utilized portion of the mall and close to the office buildings and residential uses along Fairchild Gardens Drive and Gardens Parkway. As parking areas are controlled in part by department store tenants, the active discussions also lend themselves to modifications regarding the quantity and design of parking areas. The TOD conceptual design could be applied to other parking areas around the Mall and its adjacent uses as well.



*The Gardens Mall, developed in the 1980s, is surrounded by surface parking lots with more than 7,000 parking spaces. The TOD conceptual design was developed for the east end of the property, including the Sears parking lot. The existing condition is pictured above.*

This section contains a series of images that illustrate how this portion of the Mall could be redeveloped over time, in phases, that introduce walkability, improve connectivity, and establish new uses that would contribute to Mall sales and economic productivity. The suggested development program is keyed to market demand, with emphasis on residential and retail/entertainment with restaurants, small-scale retail, and a new arts cinema that could also provide a new gathering space for events in the City.



*Walkability and connectivity are hallmarks of successful TOD. The image above depicts transportation improvements that would improve the access to and through the Mall property, with a roundabout at the Kew Gardens Avenue/Minsk Gardens Blvd. intersection for beautification and traffic calming. New sidewalks and much-needed crosswalks are depicted in white. Median landscaping is also illustrated to further calm traffic and improve the appearance of the roadway.*

**The Gardens Mall**



*The rendering above shows an early phase of development, with residential buildings fronting Kew Gardens Ave. Building footprints would consume parking spaces that could be replaced in the future with garages if needed; however, parking utilization trends suggest these spaces are unneeded.*



*A second phase of infill suggests the development of an arts theatre that could also provide community meeting space, complemented by additional restaurants. These uses are designed to complement the City's wealthier, older demographic with in-town entertainment that is otherwise missing.*

## The Gardens Mall



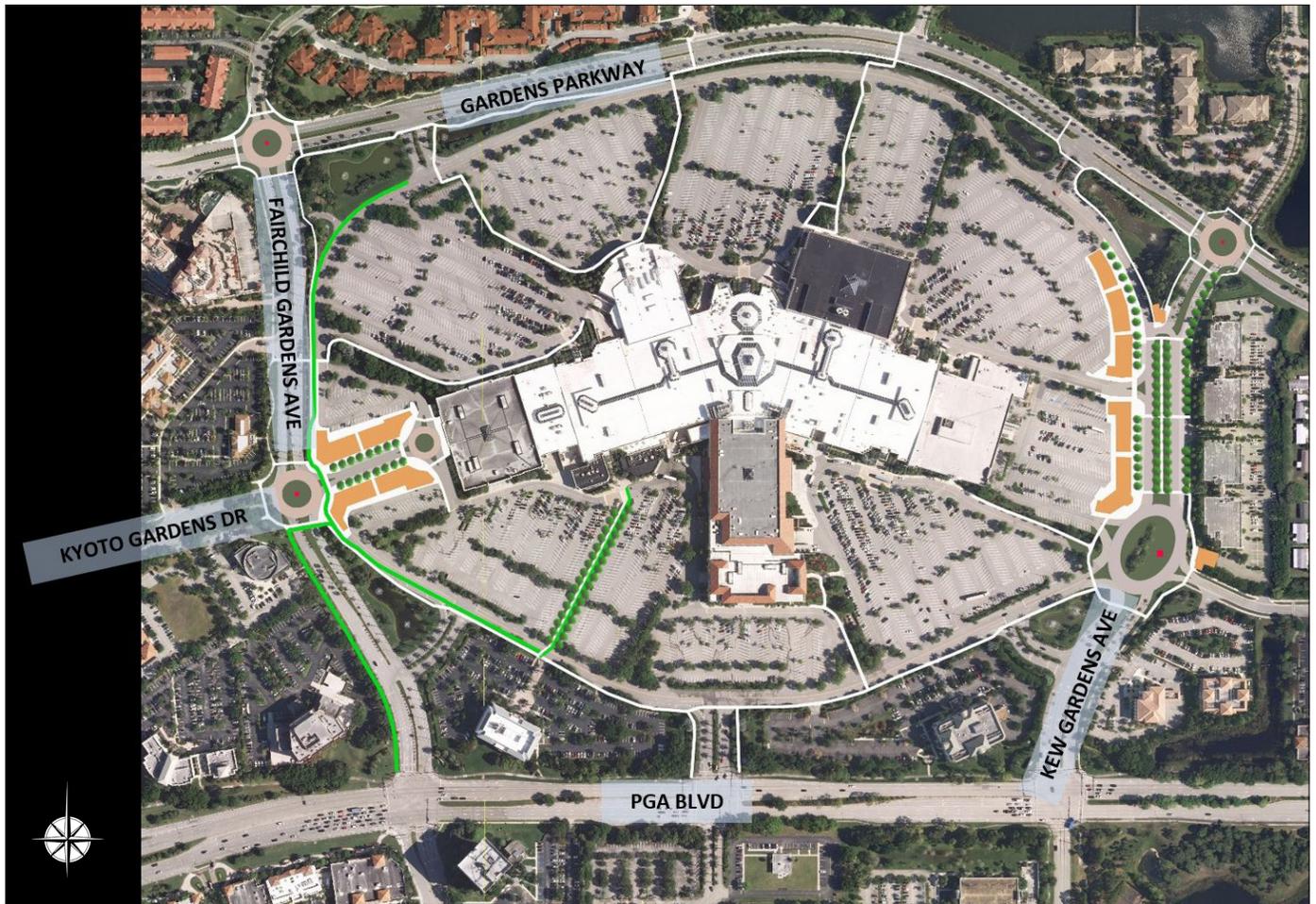
*This image shows continued infill in a third phase, with residential uses lining a parking structure and ground floor active uses to complement the entertainment uses on site. Blocks are well defined, enabling comfortable pedestrian access.*



*The final image in the series shows the concept at buildout, with well-formed blocks, active street frontages, and an efficient use of otherwise often vacant parking areas. The mall parking demand could be accommodated in the garage parking for the new uses. The existing bus terminal located west of the Sears can remain in its current location.*

### The Gardens Mall

As illustrated, the infill development concept utilizing the Sears parking lot could represent at least 250-300 new residential units in a mix of townhouse and multi-family unit types, 50,000-75,000 sq.ft. of additional commercial (retail, office, restaurant), and a 10,000-20,000 sq.ft. theatre (suggested as an arts cinema in the redevelopment concept). Depending on market demand, the number of residential units could be increased by varying unit sizes or shifting some commercial to residential. These concepts could be replicated in other areas around The Gardens Mall to improve connections from existing outlying residential and office uses that have no meaningful pedestrian connections to the Mall itself. In addition to the economic benefits generated by the new development, the increased residential and commercial activity would provide new customers to the Mall, further expanding the economic productivity of the site.



### THE GARDENS MALL / SEARS LOT - CONCEPTUAL DESIGN

- 14 +/- ACRES (+/-1000 PARKING SPACES)
- LAND USE MIX OF RESIDENTIAL, RETAIL, OFFICE, ARTS/THEATER, FOOD/BEVERAGE
- NEW USES, UTILIZING PARKING GARAGES
- IMPROVES MALL COMPETITIVENESS
- CONSISTENT WITH NATIONAL MALL REDEVELOPMENT TRENDS

*Proposed new vehicular and pedestrian connections to The Gardens Mall, with roadways in gray, bicycle paths in green, sidewalks in white, and infill buildings in tan.*

## The Gardens Mall

In addition to the Sears parking lot concept, the master plan also tested a potential extension of Kyoto Gardens Drive to the Nordstrom entrance to the Mall. In interviews and field reviews, there was considerable discussion of the need for improved pedestrian connections to the Mall from Downtown at the Gardens, the Hilton Garden Inn, and the residential and office uses surrounding the Mall. There are existing, well-utilized “goat trails” through the hedge immediately east of the termination of Kyoto Gardens Drive, evidencing pedestrian activity.

To address this deficiency, the images below illustrate a potential extension of the Kyoto Gardens Drive, with a roundabout at Victoria Gardens Drive to help calm traffic and enable safer pedestrian crossings. The rendering also shows improvements for pedestrians (shown in white) and cyclists (shown in green). Framing the roadway are two rows of residential buildings, which could be townhouses or multi-family units, with parking to the rear. These new residential units could house local employees, reducing transportation demands, and provide new consumers for uses in the area.



*The photo above illustrates the existing condition of Kyoto Gardens Drive terminating at Fairchild Gardens Ave. Sidewalks are visible on the western side of the intersection, but neither sidewalks nor crosswalks extend to the Mall.*

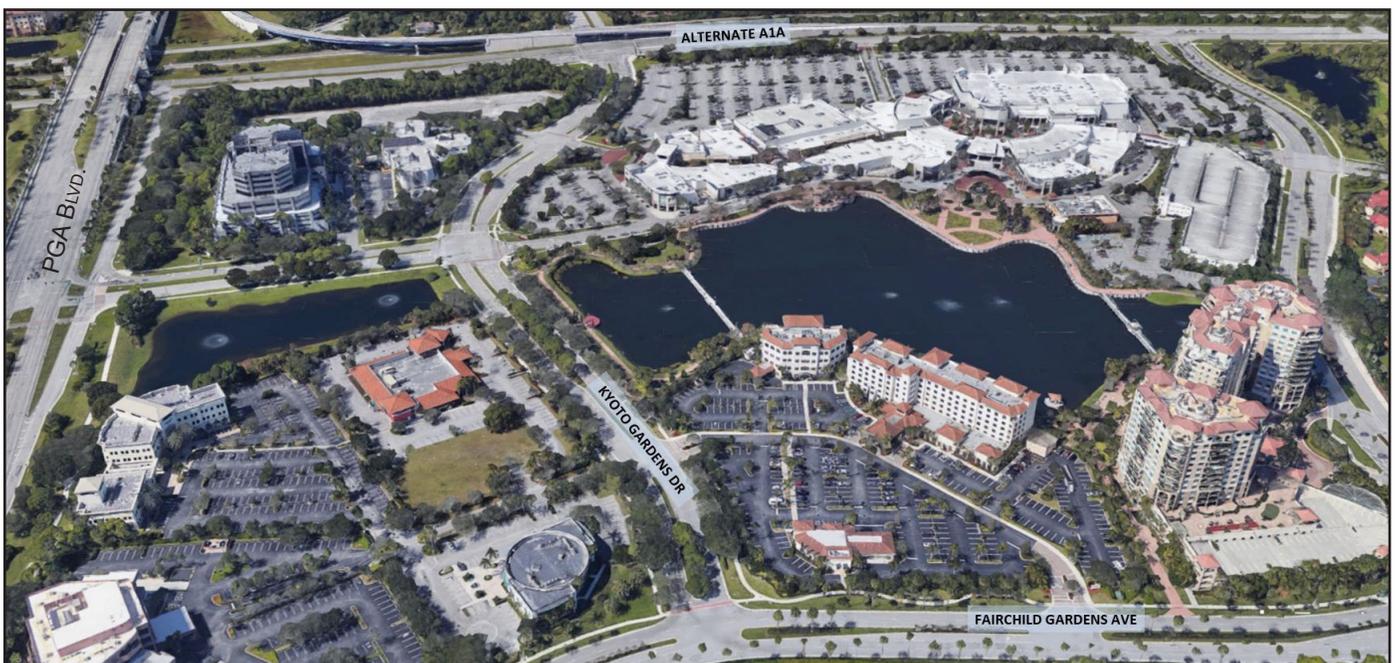


*By extending Kyoto Gardens Drive and introducing a beautified roundabout at its intersection with Fairchild Gardens Ave, the new roadway configuration lends itself to the location of new residential units. These new buildings strengthen the connection between The Gardens Mall and the commercial/entertainment uses west of Victoria Gardens Drive. Formal pedestrian crosswalks are visible surrounding the roundabout, improving both safety and access.*

## Downtown at the Gardens

The Downtown at the Gardens site, also referred to as “The District” by its new owners, is a mixed-use center designed with an emphasis on retail/entertainment. The development program includes a 16-screen Cobb cinema, a variety of restaurants, in-line smaller retailers, and a Whole Foods grocery store. Recent improvements to the project have added a carousel with artistic enhancements, live music programming in the internal amphitheater, and train ride for children. Located at the intersection of Alternate A1A and Kyoto Gardens Drive, the highly visible project has a current development approval for approximately 250,000 sq.ft. retail, 23,000 sq.ft. professional office, and a 68,000 sq.ft. movie theatre. The site has undergone several changes in ownership since its development, and the current owners have indicated a desire to expand the development program with an additional layer of retail/restaurant (fronting the lake and fountain at the eastern edge), Class A professional office, and potentially residential uses.

Downtown at the Gardens is adjacent to professional office space, the Hilton Garden Inn Hotel, and residential towers (The Landmark). Pedestrian traffic between these sites and Downtown is common along the sidewalk network. Although the project is adjacent to The Gardens Mall, with only 1,200 feet separating the two properties, there are no formal pedestrian connections that extend from Fairchild Gardens Avenue to the Mall. Instead, as has been noted in this chapter, pedestrians walk through berms, hedges, and open parking lots to access The Gardens Mall from Downtown at the Gardens. Interviews with residents and business owners indicated this awkward pedestrian journey is common especially for teenagers, whose parents drop them off at the Mall, and then they walk to Downtown at the Gardens for its entertainment offerings, and then back to the Mall to be picked up.

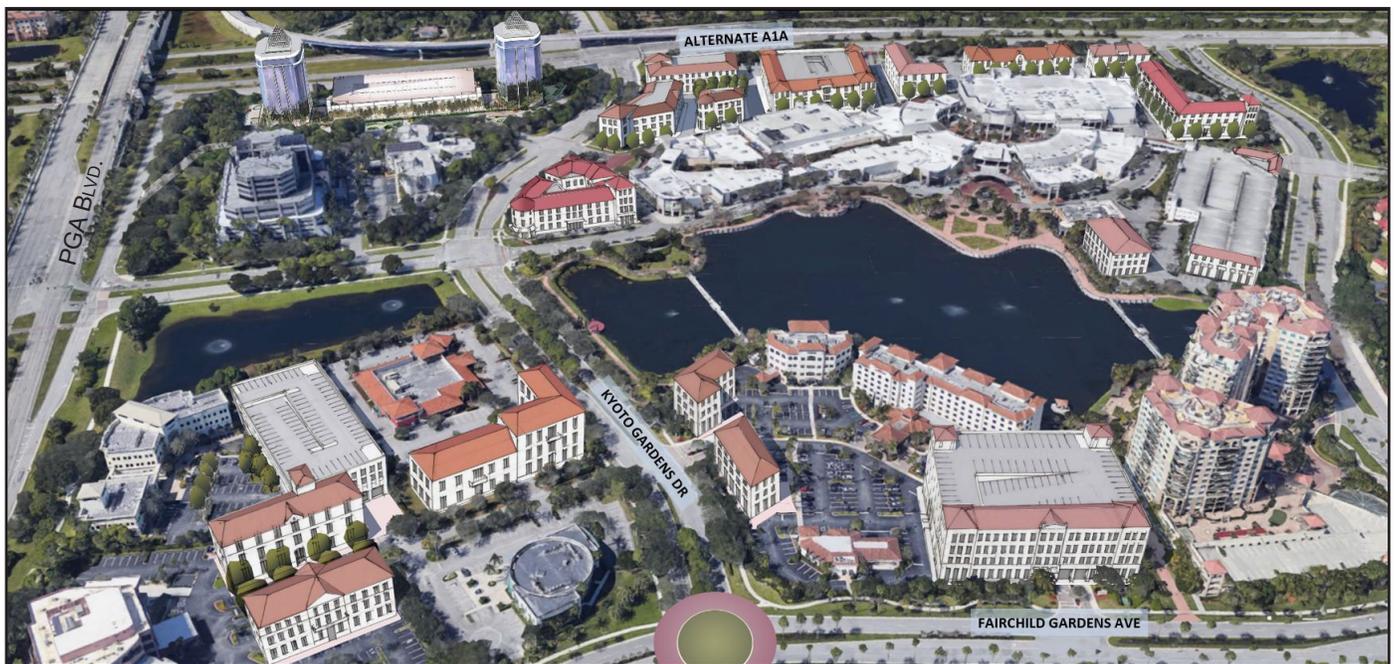


*The aerial photo above depicts the “before condition” for the Downtown at the Gardens property.*

## Downtown at the Gardens

To improve the pedestrian condition and respond to both the new owner's desires and market findings, a conceptual design has been prepared that introduces a mix of uses to this portion of the station area. A pair of images indicates the before and after conditions. In the before aerial, Kyoto Gardens Drive is visible through the center, wherein it terminates somewhat unceremoniously at Fairchild Gardens Avenue, which effectively blocks through-pedestrian and vehicular traffic with a berm and landscaping. In the conceptual design, this connection is improved with a roundabout and full pedestrian network, offering connectivity as well as beautification to the intersection. Additionally, the wide-open design of Fairchild Gardens Avenue encourages speeding on the roadway, which creates a safety hazard for vehicles as well as pedestrians and cyclists. The roundabout and landscaping provide traffic calming to help slow traffic and rationalize the intersection for users.

The infill development concept for the Downtown at the Gardens site suggests the introduction of 250-500 new residential units in townhouse or multi-family unit types, 100,000 sq.ft. office, and a mid-sized hotel of approximately 120 rooms. Building footprints and formats could be varied according to market demand and end users over time, but the urban site design is critical to enhance pedestrian activity, connectivity, and economic competitiveness of the site.



### DOWNTOWN AT THE GARDENS - CONCEPTUAL DESIGN

- ADDITION OF HOTEL, RESIDENTIAL, RETAIL, OFFICE
- ENHANCES EFFICIENT USE OF PROPERTY
- USES INTERNAL ROADWAY NETWORK
- ADDS ROUNDABOUT FOR PERIMETER ROAD
- ADDS PEDESTRIAN CONNECTIONS TO ADJACENT SITES
- ADDS PARKING STRUCTURES TO ADDRESS DEMAND

*The rendering above illustrates a conceptual infill pattern that introduces new buildings along the roadway network to increase economic productivity, enhance destination quality, and improve connectivity. Pedestrian pathways are better defined with the introduction of buildings set close to roadways, ideally with active uses on the ground floor. Parking structures are included within the concept.*

**Future FPL Campus**

One of the most significant and highly anticipated new uses in the station area is the planned Florida Power and Light headquarters immediately north of the recommended station location. The “PGA Office Center,” formerly referred to as Parcel 5A, is approved for 993,000 sq.ft. of office use. Its presence as part of the City’s CBD could stimulate demand for a range of supporting office, retail, residential, hotel, and industrial uses within the station area and throughout the larger portion of northern Palm Beach County. FPL employs approximately 4,000 people at its current headquarters location in Juno Beach, and discussions with FPL representatives indicate up to 40% of the company’s employees commute from locations south of Juno Beach. Accordingly, given the reported commuter patterns, the potential Tri-Rail ridership from the ultimate development of the site could be significant.



*The sketch above, provided by property owner representatives, illustrates a conceptual infill program for the PGA Office Center, where FPL proposes to locate a substantial office presence immediately north to the planned Tri-Rail station.*

The City has received conceptual renderings of the development program that are included in this section. Previous planning efforts conducted for the City included a conceptual design for the property that embraced TOD principles with strong walkability, connectivity, and an urban pattern of buildings that would be contributory towards the larger station area. Those images are included in this section for reference and discussion as the ultimate site development program is determined.



*As illustrated in the artist’s rendering above (from the City’s prior planning work related to the future station), the development program at the PGA Office Center that will include FPL should embrace TOD principles with strong walkability, connectivity, and an urban form that helps complete the pedestrian network along the roadway network.*

## Loehmann's Plaza Site

Located at the Southeast corner of I-95 and PGA Boulevard, west of RCA Boulevard, the Loehmann's Plaza site (identified as Site 7 in the station area reference map on page 32) offers a prime redevelopment opportunity for the City. The existing commercial structures on the site include approximately 70,000 sq.ft. retail in a dated shopping center, 20,000 sq.ft. theatre, and 14,000 sq.ft. restaurant. Built in the 1980s, the site is devoid of tenants and has been underutilized for more than a decade.

The Loehmann's Plaza site is perhaps the most visible redevelopment opportunity proximate to the planned Tri-Rail station site in the City, and it offers a significant TOD opportunity to help expand upon benefits a transit station will provide. Given the market potential for 3-4 hotel developments in the near-term planning horizon and given this site's location abutting I-95, the property is especially well-suited for a substantial hotel development that could capitalize on interstate visibility, adjacency to the future FPL campus (to the immediate north), station proximity, and easy connectivity to the City's CBD through the internal roadway network. The master plan concept suggested for this site illustrates a hotel with up to 500 rooms at the western edge of the property, along with conference facilities, meeting rooms, ancillary uses, and a parking structure. While the hotel could be scaled up or down depending on the ultimate development program, it is important to emphasize the architectural significance and prominence of the eventual building in this highly visible location that serves as a "welcome mat" to the City's central core.



### “LOEHMANN’S PLAZA” SITE - CONCEPTUAL DESIGN

- INTRODUCES HOTEL, RESIDENTIAL, AND OTHER USES TO HIGHLY VISIBLE SITE
- LARGEST POTENTIAL HOTEL FOOTPRINT (CAN ACCOMMODATE ANCILLARY MEETING SPACE AND SUPPORTING USES)
- COMPLIMENTS TRCL STATION, FPL, AND CITY CBD
- EXTENDS STATION AREA INTERNAL ROADWAY NETWORK
- CAPTURES REGIONAL TRAFFIC CLOSE TO I-95

*The aerial photo above illustrates the current condition at the Loehmann's Plaza site. RCA Boulevard is visible in the foreground of the image, with I-95 in the background. The 11-story Marriott Hotel is visible on the left-side of the photo.*

## Loehmann's Plaza Site

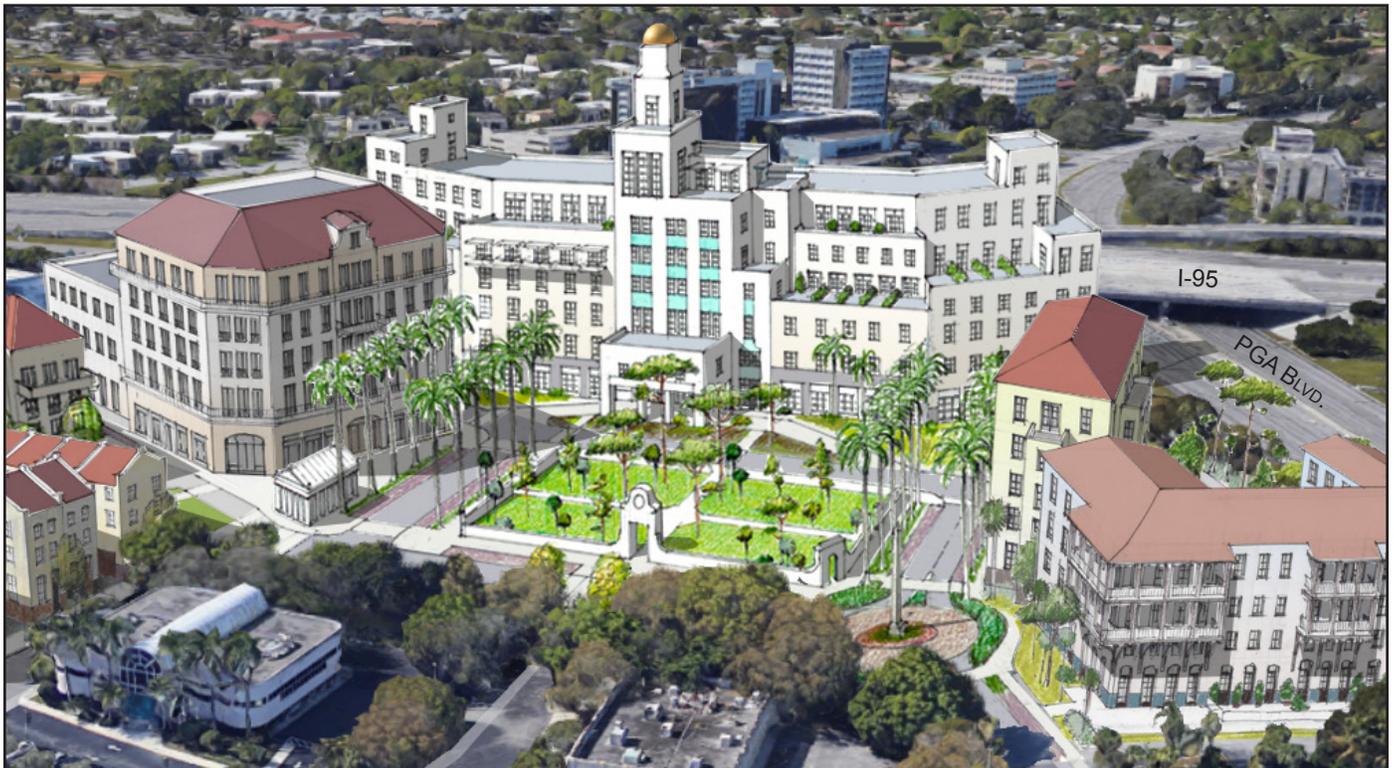
Through a carefully crafted TOD redevelopment plan, Design Center Drive could be extended west into the Loehmann's Plaza site, with an eastern terminus at the future Tri-Rail station and western terminus at a future hotel development. Additional roadways could be created by converting parking drive aisles, which would introduce a block structure to the site and enhanced pedestrian corridors. The roadway network improvements such as those illustrated in the master plan concept are critical components for successful TOD. By extending the eastern roadways into the site, the pedestrian network is extended along with other local transit (e.g., a future City trolley circulator), which are key considerations for accessing the future Tri-Rail station and expanding ridership.



*The rendering above illustrates a potential redevelopment program for the “Loehmann’s Plaza” site. The site’s I-95 visibility makes it a good location for a future hotel development, which is indicated in the artist’s rendering and consistent with the market findings for the station area. The hotel could be flanked by residential buildings containing multi-family or townhouse units, such as those illustrated, or expanded hotel use depending on ultimate market demand.*

## Loehmann's Plaza Site

Complementing a future hotel development, the TOD master plan concept considers the City's market potential for multi-family residential demand and suggests a variety of multi-family residential unit types. The concept illustrates a series of new residential buildings that could accommodate approximately 200 new residential units. As illustrated, the mix could include 16-20 townhouse units and 175 +/- multifamily units, with parking in individual and larger-scale garages. These units could be occupied as traditional residences, or they could be operated in conjunction with a hotel in an extended-stay program. The number of units could be increased with larger-scale buildings if deemed appropriate by the City as the site redevelops and market conditions mature over time.



*To maximize the TOD benefits offered by redevelopment on the Loehmann's Plaza parcel, careful attention should be paid to the roadway network to maximize pedestrian friendliness and ease of trolley access. As illustrated in the rendering above, roadways should be designed with on-street parking and landscaping, which provide traffic calming. Building should front roadways to help define pedestrian corridors. The design concept suggests the development of a large public plaza in front of the hotel to give it a significant presence and add a gathering space that could be utilized for special events and festivities. This plaza would also help visually connect the hotel to the train station, which would be located due east across RCA Boulevard at the opposite end of Design Center Drive.*

## SECTION 5: MOBILITY, ACCESSIBILITY & CONNECTIVITY

The City of Palm Beach Gardens has an incredible array of economic engines, regionally significant destinations, vibrant neighborhoods, and high quality recreational, cultural, and educational opportunities. Having good access to these components is integral to how the City will maintain its competitiveness and high quality of life. “Mobility in the Gardens” ~ the thematic principle for the station area TOD planning effort ~ highlights the importance of the transportation network in tying together the signature components of the City.

Concurrent with the development of the station area plan, the City was developing its Mobility Plan, which is a direct complement to the TOD concepts related to the future Tri-Rail station. The Mobility Plan is designed to analyze the modes by which people move to and through the City, identify needed infrastructure to complete the City’s transportation network, and determine costs and funding options for implementation. The Mobility Plan highlights three basic elements:

- Mobility, which is the ability to move people from place to place by multiple modes;
- Accessibility, which is the ease by which people can utilize various modes to reach their destinations; and
- Connectivity, which is the variety and efficiency of route options people have to use within a community.

NUE URBAN CONCEPTS

MOBILITY PLAN DEFINITIONS

**MOBILITY**  
 Ability to move **people** from place (**origin**) to place (**destination**) by multiple modes (**walk, bike, transit, vehicle**) of travel in a timely (**speed**) manner

**ACCESSIBILITY**  
 Ease at which **people** reach, enter and use modes (**walk, bike, transit, vehicle**) of travel and the ease at which they reach and enter their destination

**CONNECTIVITY**  
 Number of route options **people** have to move from place to place and the directness (**distance**) of those route options to reach their destination. A gridded network of streets provides a high level of connectivity, whereas cul-de-sacs & freeways do not

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*The City’s Mobility Plan utilizes three core transportation elements.*

**Mobility**

The ways in which residents, businesses, and visitors move to and through a community are evolving, with progressive communities embracing a growing array of choices to meet individual needs and demands. The most successful and competitive communities have shifted away from auto-centric transportation networks (that limit transportation options to primarily personal vehicle) to multi-modal networks that offer an array of motorized and nonmotorized choices.

Across Florida and the nation, transportation patterns and choices have been expanding, with an increase in cycling and other human-powered modes, ridesharing modes like Uber and Lyft, and transit option of all shapes and sizes.. Within Palm Beach County, available transit services today range from pedicabs and local trolleys to Tri-Rail commuter rail, Amtrak, and Brightline’s intercity rail. Millennials, already noted as the fastest growing segment of the population, seek workplaces and residential communities where they can avoid driving and instead walk, bike, and take transit. As cities seek to attract these buyers and workers, the transportation network becomes a selling feature.



*Palm Beach Gardens has an array of regionally significant destinations, which will be more competitive as they become better connected.*

**NUE URBAN CONCEPTS** **Personal e-Mobility**

Hoverboards  
UniCycle  
Segways  
Skateboard  
OneWheel

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**NUE URBAN CONCEPTS** **The Next Generation Bicycle**

Elliptical Bike  
Treadmill Bike  
E-Bike  
Copenhagen Wheel

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**NUE URBAN CONCEPTS** **Shared Mobility**

Bike Sharing  
Car Sharing  
Car pooling  
Ride Sharing

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**NUE URBAN CONCEPTS** **Golf Carts & Low Speed Vehicles**

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**NUE URBAN CONCEPTS** **Autonomous Vehicles & Transit**

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**NUE URBAN CONCEPTS** **Rail Transit**

System Map  
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As identified through the City's Mobility Plan analysis, the most competitive cities of the future are finding ways to provide an expanding array of travel modes, because the most connected cities will ultimately be the most successful.

### Accessibility

To accommodate the broader range of users on the roadway network, and to improve safety, mobility, and accessibility, there has been a shift towards the development of “complete streets.” This approach relies on an integration of land use and transportation planning to create holistic transportation systems that can properly accommodate motorized and nonmotorized users. The image below details some of the components, all of which are embodied in TOD: parking behind or within buildings, on-street parking, active ground-floor uses, realms for different modes, pedestrian amenities, and narrow streets that have traffic-calming.

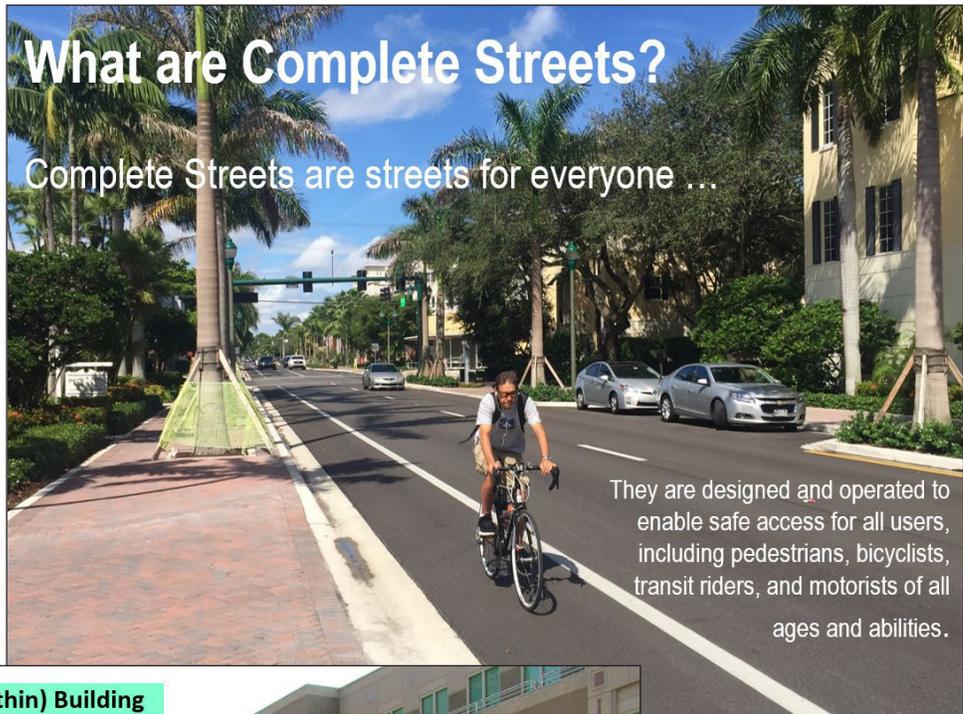
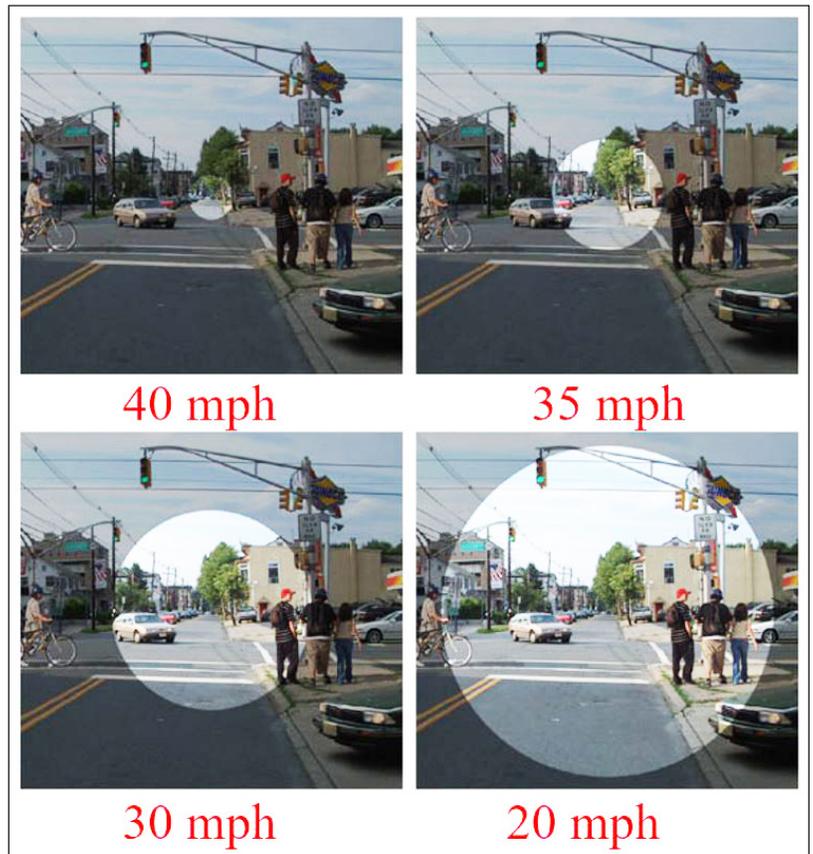


Image Source: ALTA Engineering

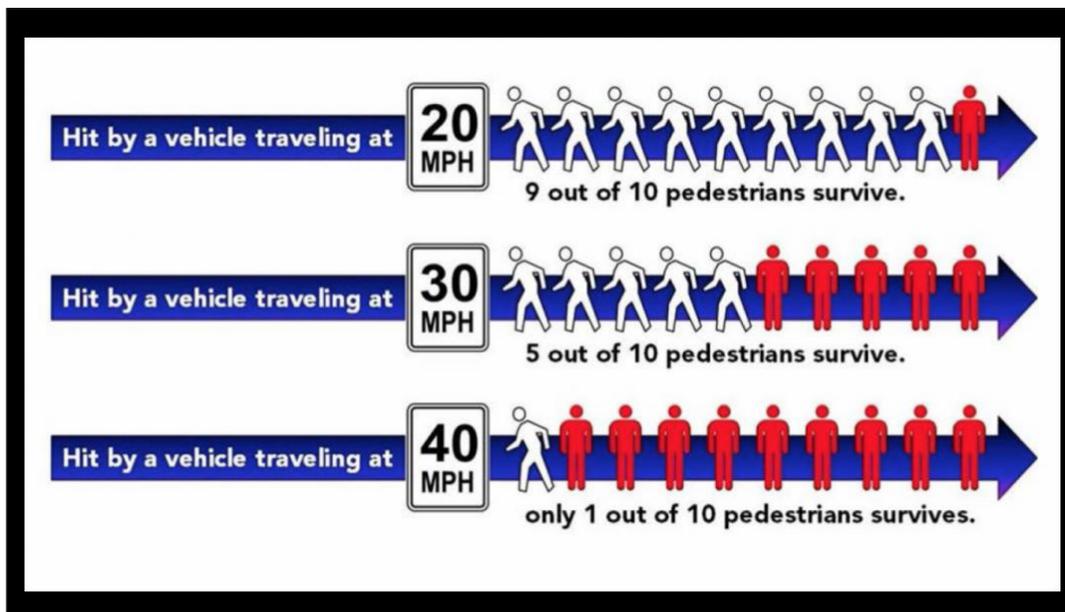
*Complete Streets are a national and state-wide priority and offer safety, functional, and efficiency improvements to the transportation network. TOD principles help create complete streets by integrating land use and transportation as areas develop.*

### Accessibility

Traffic calming is a proven method for slowing vehicular traffic and improving bicyclist and pedestrian safety. Wider roadways with limited landscaping and few deflections cause drivers to naturally increase speed while narrower roadways, with landscaping and well-defined pedestrian pathways, cause drivers to slow down. Faster moving drivers have a narrower range of vision than slower drivers, so pedestrians and cyclists that might be invisible at 40 MPH are inherently safer and less likely to be involved in an accident at 20 MPH. Further, the likelihood of surviving a pedestrian/vehicle or cyclist/vehicle accident are markedly better at slower speeds.



The image above illustrates the benefit of traffic calming. While pedestrians and cyclists are virtually invisible to drivers at 40 MPH, they are clearly visible at lower speeds, which makes for significantly safer transportation networks.

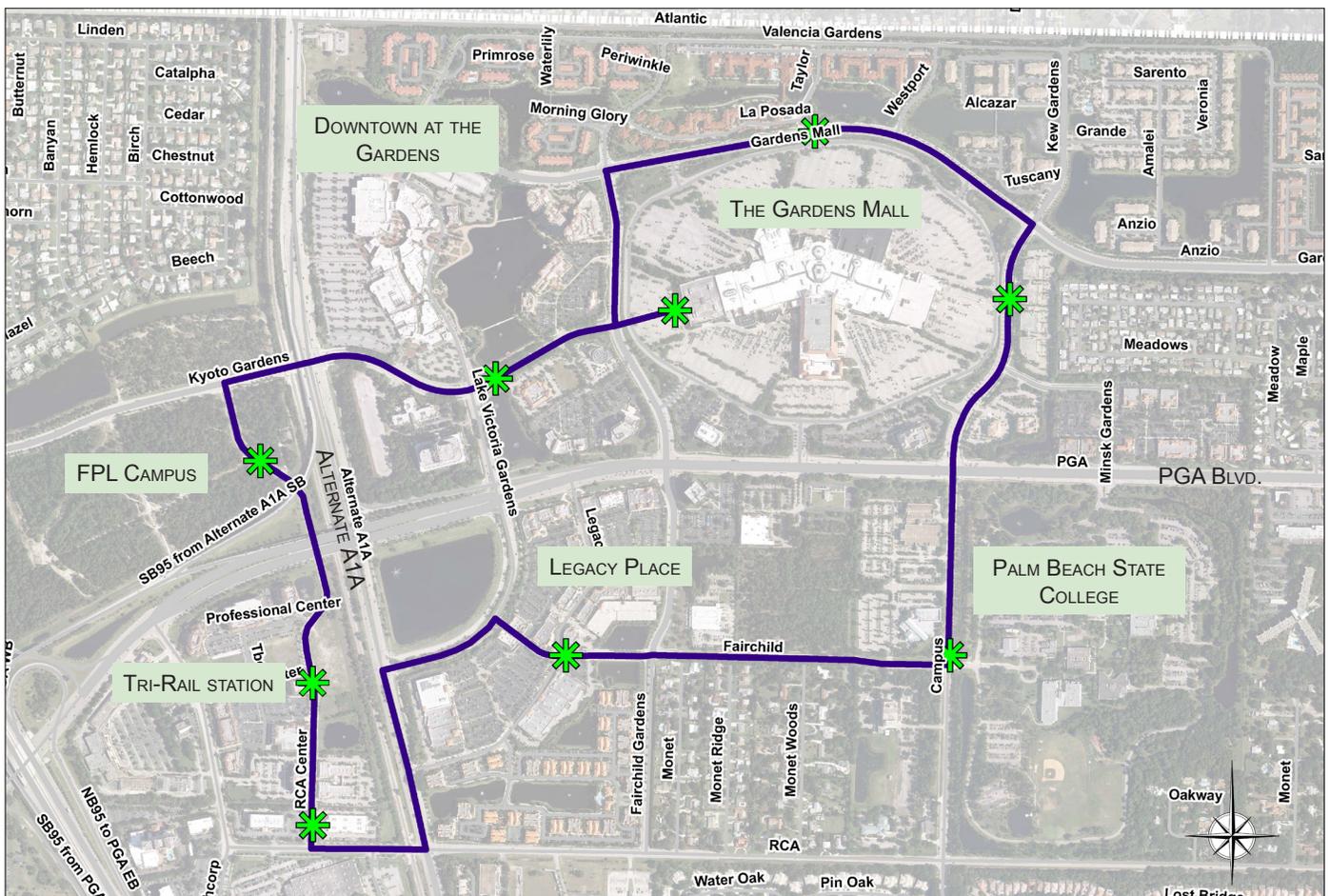


The dangers of higher speeds and pedestrian accidents are illustrated in the graphic above.

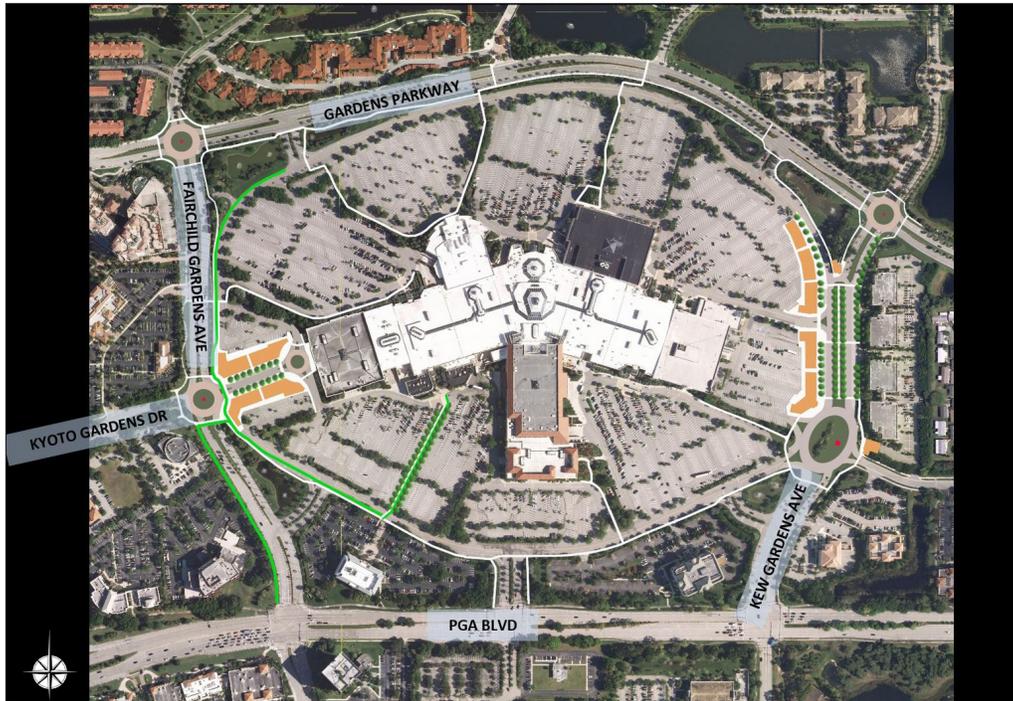
### Connectivity

In consideration of a future Tri-Rail station location, getting riders from the station to their ultimate destination typically relies on an ancillary mode of transportation. Referred to as the “last mile,” there are a variety of means by which riders may access their ultimate destination - workplace, residence, entertainment venue, or other use. The roadway network provides the means by which riders can use a personal vehicle to make that trip. Alternatively, riders may choose to use another transit mode, walk, or bike to reach their travel destination. To gain the most transportation efficiency from the Tri-Rail station, all connecting modes should be convenient, time-saving, comfortable, and safe. The station area plan includes concepts for improving all modes, with representative improvements on various sites within the station area as presented below.

Within the station area, the City has already identified the potential for a trolley circulator to provide access and connectivity among the key destinations in the district. The Tri-Rail station can ultimately become a nexus in the trolley route, providing an interconnection for commuter rail passengers that will deliver them to their ultimate destinations. Other key stops along a trolley circulator route could include RCA Corp/Biotech Hub, Palm Beach State College, Legacy Place, The Gardens Mall, Downtown at the Gardens, and the future FPL Campus. An illustrative route is presented below that utilizes internal roadway connections where possible to help reduce demand on the City’s arterials while improving the efficiency of transportation in the City’s core.



The diagram above depicts a suggested trolley circulator route from the Tri-Rail station that could include stops at RCA Corp/Biotech Hub, Legacy Place, Palm Beach State College, The Gardens Mall, Downtown at the Gardens, and the future FPL campus.



*As illustrated above, there are several different suggested transportation enhancements (e.g., roundabouts, pedestrian pathways, cycle paths, traffic calming, landscaping) surrounding The Gardens Mall that could improve access, mobility, connectivity, and safety as well as bring more patrons and revenue to the Mall.*

## Connectivity

The perimeter roads surrounding The Gardens Mall attracted substantial attention during the public outreach conducted as part of the station area planning effort. Gardens Parkway, Fairchild Gardens Avenue, and Kew Gardens Avenue are without pedestrian facilities, with no sidewalks or crosswalks. Pedestrians walk through berms and landscape hedges between properties or drive from surrounding office buildings that are merely 1,500' from the mall entrance due to the lack of safe, well-defined pedestrian pathways. The concept below contains several interventions designed to introduce pedestrian connections and slow traffic.

- Roundabouts are illustrated at several key intersections – Gardens Parkway/Fairchild Gardens Avenue, Kyoto Gardens Drive/Fairchild Gardens Avenue, Kew Gardens Drive/Minsk Gardens Boulevard, and Kew Gardens Drive/Gardens Parkway. In addition to slowing traffic, the roundabouts help rationalize turning movements for drivers. Each is designed with formal pedestrian crosswalks where none exist today.
- Kyoto Gardens Drive is extended through the existing berm to the Nordstrom face of the Mall. There is regular pedestrian traffic between Downtown at the Gardens, the Hilton Garden Inn, office users west of the Mall, and the Mall itself. The extension of this roadway will formalize this connection, likely increasing shared patrons among the various parcels, which would increase revenues as well.
- Pedestrian network installation is depicted in white lines on the aerial. Pedestrian pathways line all roadways and are extended through landscaped areas to capitalize on the shade offered by mature trees as well as limit impacts on the Mall's parking supply.
- Bicycle network alignment is depicted in green lines on the aerial. With traffic calmed roadways, many roadways in the network can accommodate cyclists in "sharrows," which are lanes marked for joint use by cars and bicycles. In addition, formal bike lanes are included for major roadways to elevate this mode.

## Improving Mobility



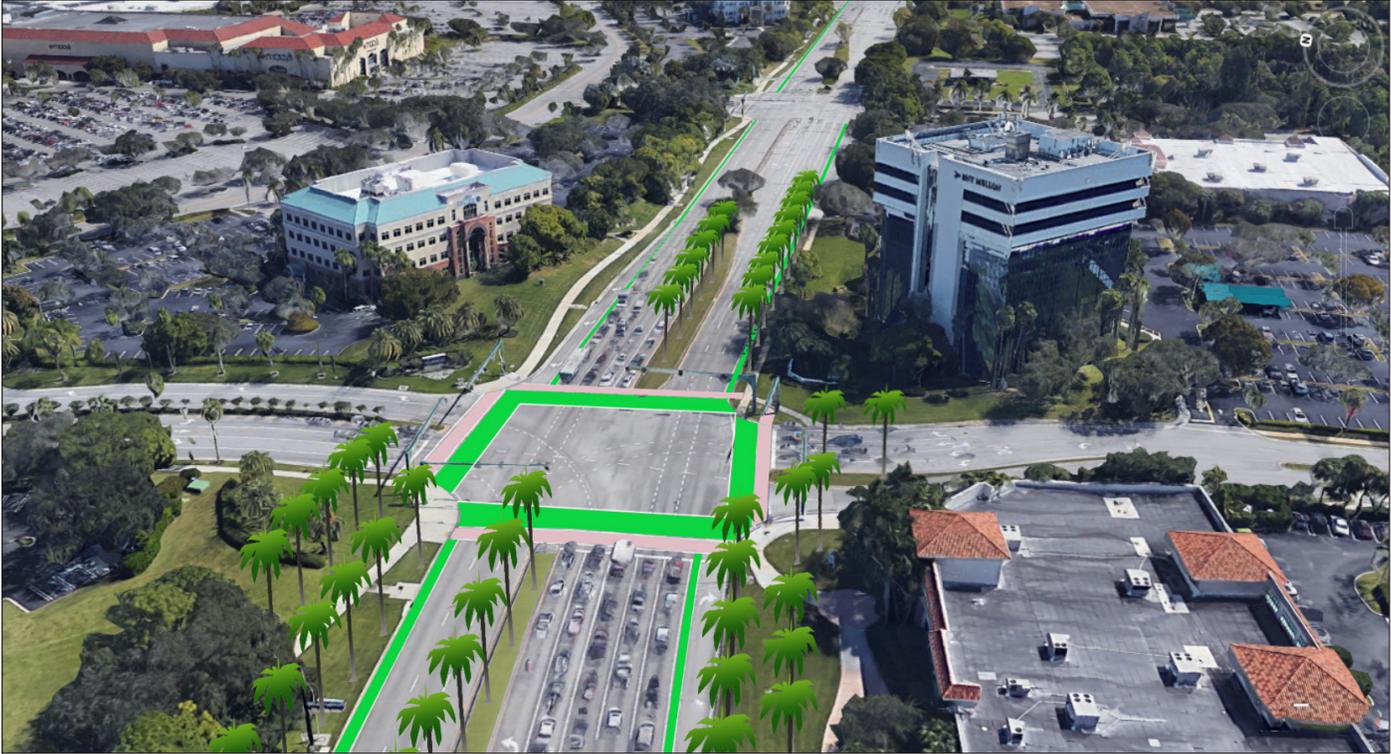
*This photo shows the existing conditions of the intersection of PGA Boulevard and Fairchild Gardens Avenue.*

PGA Boulevard, a six-lane divided roadway, carries a substantial amount of vehicular traffic with increasing demands for cyclists and pedestrians. There are significant regional destinations on both sides of the roadway. The Gardens Mall, Downtown at the Gardens, and substantial office uses are located on the north side of the road, and Palm Beach State College, Palm Beach County governmental offices, and additional substantial office are located on the south side. Palm-Tran bus stops are on both sides, requiring riders to routinely cross PGA for one leg of their trip. The conceptual plan illustrates ways in which pedestrian and bicycle improvements could be added to the corridor and at major intersections to improve safety, connectivity, and access.



*As depicted in the City's Mobility Plan, the images above illustrate the addition of a well-defined facility for cyclists. The median separator enables the bike lane to function as a two-way cycle track, with good protection for cyclists in a highly visible location.*

Improving Mobility



*This photo shows the intersection of PGA Blvd. and Fairchild Gardens Avenue with the addition of green bike lanes and a “bike box” at the intersection for safer crossings.*



*This photo shows the intersection of PGA Blvd. and Fairchild Gardens Avenue with protected bike lanes.*

## Improving Mobility

The various mobility improvements detailed in this section will improve safety and connectivity in the City and improve access to the rich assortment of destinations in Palm Beach Gardens. In addition, by improving internal cross-site access, the combination of improvements will increase trip-capture and "park-once" access to these sites, enabling employees, patrons, residents, and visitors to move within the station area with a reduction in the number of vehicular trips. Combined with an increase in residential uses interspersed throughout the district as illustrated in the conceptual plans, this can reduce demand on the roadway network, allowing the City to expand its economy and more efficiently utilize its transportation infrastructure.

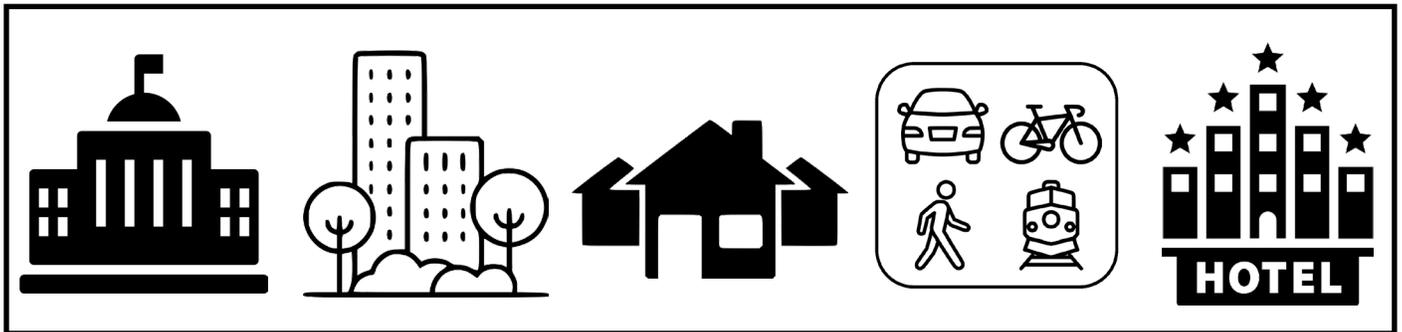


Image: NUE Urban Concepts LLC

**KEY RECOMMENDATIONS & IMPLEMENTATION**

The success of any master plan depends upon its ability to be implemented economically and consistently within a given timeframe. To that end, the recommended projects and actions contained in this report have been developed as independent but interrelated projects. Some projects, such as regulatory revisions and mobility planning, are within the City’s control to pursue implementation, with funding and policy prioritization as the primary challenges. Other policy initiatives, such as those related to essential services housing, would be benefitted by City partnerships with other agencies (e.g., Palm Beach North Chamber of Commerce, Housing Leadership Council of Palm Beach County). Transportation projects will also require coordination with other parties, including the Florida Department of Transportation (FDOT), South Florida Regional Transportation Authority (SFRTA), Palm Beach Transportation Planning Agency (PB TPA), and Palm Beach County Palm-Tran along with the Florida East Coast (FEC) Railway and Brightline. The most extensive changes to the TOD environment will result from private investment, with infill redevelopment and new development on private properties that will shape the walkable, liveable, economically vibrant conditions leading to a successful station for the City of Palm Beach Gardens.

**Overview of Key Policy Recommendations**

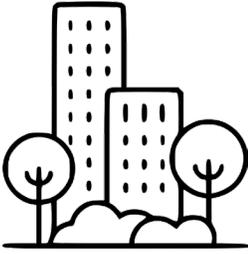


**Entrepreneurial Policy Leadership**

The Palm Beach Gardens TOD Master Plan has illustrated a series of different TOD development scenarios on strategic parcels within the station area. There is strong emphasis on the mixing of land uses and introduction of smaller residential uses, especially geared for employees within the central business district, as a strategic objective in the Master Plan. The City has an opportunity to lead with entrepreneurial policy to assist the market in delivering the higher density development pattern that will make the station area its most successful, both for ridership as well as economic development. A more extensive mix of uses, with expanded options for housing, office, retail/entertainment, and hospitality will produce more balanced use of the transportation network and greater efficiency for utilization of the City’s infrastructure. Further, it will produce an activated and vibrant district, with extended hours of daily activity, producing the “natural surveillance” that creates more “eyes on the street” and a more robust and naturally safe environment.

- Icon images:  
 Government Building: <https://www.onlinewebfonts.com/icon/425801>  
 Skyline – buildings and trees: <https://www.onlinewebfonts.com/icon/473645>  
 Housing: <https://www.onlinewebfonts.com/icon/449312>  
 Car icon: <https://www.onlinewebfonts.com/icon/538230>  
 Bike icon: <https://www.onlinewebfonts.com/icon/538221>  
 Train icon: <https://www.onlinewebfonts.com/icon/538271>  
 Walking icon: <https://www.onlinewebfonts.com/icon/432428>  
 Hotel: <https://www.onlinewebfonts.com/icon/123231>

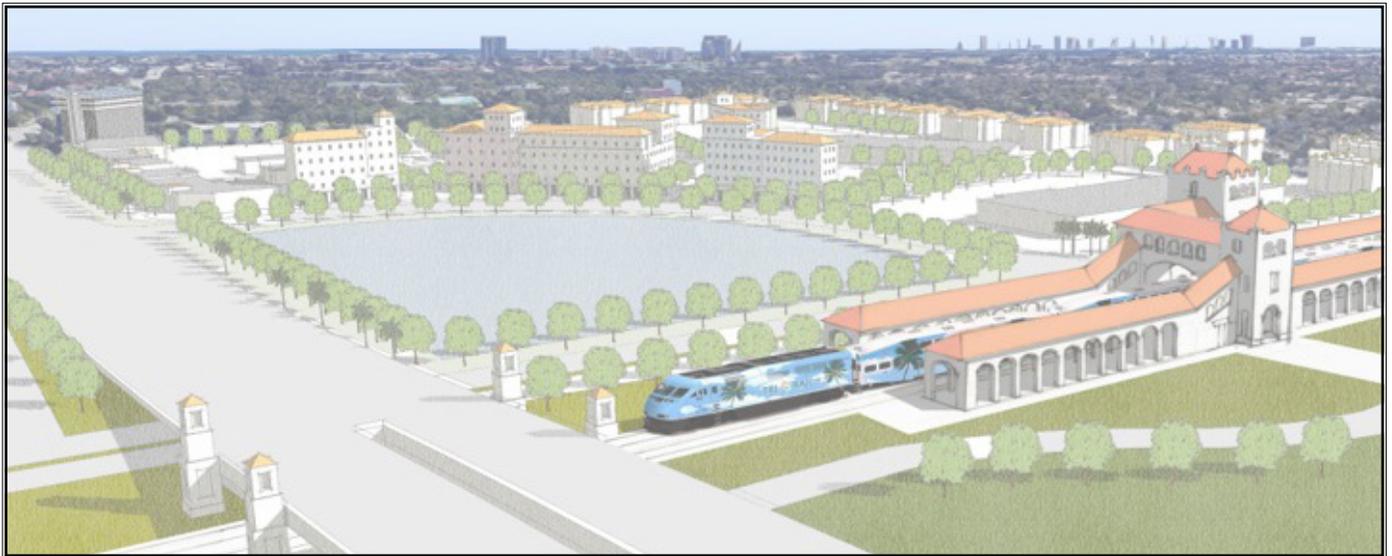
- Comprehensive Plan: The City's Comprehensive Plan can be amended with clear policy direction regarding TOD-supportive land development guidance, such as:
  - Develop a TOD mixed-use future land use designation for the station area with minimum densities of 20-30 du/acre and minimum intensities of 0.6-0.8 FAR, with highest density and intensity assigned to properties within the station core (inner quarter-mile), tiering down to lesser densities and intensity continuing to the full half-mile station area.
  - Adopt policy guidance to require urban patterns of development within the station area to enhance walkability, development density and intensity, and reduce vehicle miles traveled;
  - Establish a mobility fee in lieu of or in conjunction with impact fees to fund transit costs including station, trolley circulator, bicycle/pedestrian infrastructure, and trolley/bus stops.
  - Identify a thoroughfare plan in the transportation element to delineate primary and secondary streets, roadway rights-of-way, and multimodal corridors.
  - Adopt station area economic development incentives with a pool of additional units to be assigned within the station area and time-limited density bonuses that require land development activity to remain valid.
- Land Development Regulations (LDR): The City's LDR can be amended to emphasize regulatory guidance addressing TOD site design requirements, such as:
  - Minimum building heights of two-to-four stories, with the highest minimum building heights in the station core;
  - Minimum densities of 20-30 du/acre, with the highest minimum densities in the station core;
  - Maximum parking allocations, instead of minimum parking requirements, or deferral of parking requirements to lending institutions;
  - Build-to lines instead of setbacks, with a maximum ten-foot setback in the station area;
  - Required interconnectivity and cross-access agreements between adjacent properties to enable parking lots to be interconnected, thereby reducing vehicular trips on the roadway network.;
  - Landscaping requirements that include shade trees on multi-modal corridors;
  - Streetscaping requirements that include transit stops, street furniture, trash receptacles, and shade elements as appropriate; and
  - Minimum 14' ceiling heights for first floors to enable adaptive reuse from residential to non-residential as market conditions evolve and fluctuate.
- TOD Economic Development Incentives: The City's economic development program can be revised to include specific TOD incentives for desired forms of infill development and redevelopment to help facilitate desired land development patterns, especially before the arrival of the train station.  
Examples include:
  - Assignment of additional residential units to station area with time-limited density bonus wherein properties receiving bonus units are required to comply with timetable for site plan submittal, approval, building permits, and active construction on site.
  - Streamlined development approvals for development within station area
  - Impact fee waivers or deferrals for new targeted residential units meeting City criteria (e.g., essential services employees, smaller units in station core, other multi-family formats as appropriate)



### Intensified Station Area

To be successful as a TOD district, the City's station area will need to intensify with additional residential and non-residential uses at higher densities and intensities than the existing pattern. The station area master plan concepts illustrate ways in which new uses can be added to existing sites in various redevelopment approaches. Residential has already been noted as a deficit use for which there is latent demand, especially for smaller, multi-family units (e.g., apartments, condominiums, townhouses, live/work). The station area has an oversupply of open parking fields that detract from the walkability of the area. Alternatively, the introduction of a block structure, with building footprints lining drive aisles, will help urbanize the district, improve walkability, and add energy to areas that are otherwise devoid of activity. There are phasing scenarios presented for each of the key parcels that illustrate how new buildings can be introduced over time, complementing existing business activity on-site. To help promote walkability and urbanism, the City should consider minimum building heights (not fewer than two stories), build-to lines versus setbacks (to bring building fronts closer to roadways), and maximum parking requirements to prevent further over supplying of parking.

To accelerate development in the station area, the City should consider allocating a fixed amount of development intensity (square footage of non-residential and units of residential) to the TOD district that can become available on a first-come, first-serve basis through a streamlined development approval process. This can provide a regulatory incentive for TOD. To discourage speculation, the City should consider time limitations for submittal of site plans, securing site plan approval, initiating construction activity, and completion of phases.

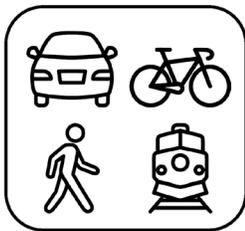


## Expanded Housing Opportunities



Mixing residential and nonresidential uses that correspond to one another is a foundational element of sustainability. In Palm Beach Gardens, prior studies have long-identified a jobs/housing imbalance, which contributes to the heavy daily commuter traffic into and out of the CBD. Adding employee-gear housing into the station area can improve the productivity of existing and future business establishments (e.g., shorter commutes for employees, reduced tardiness) and help the City become more attractive to Millennial employees seeking a mixed-use work environment that reduces daily transportation needs. The integration of housing to produce a truly mixed-use environment can also help promote trip-capture, whereby multi-purpose trips can be accomplished with either shorter trip lengths, a single journey into a park-once environment, or via non-auto modes such as walking, biking, or transit. Trip-capture is another positive outcome from the introduction of more housing, as the mix of workplace and residences in the same district can reduce the number of auto trips generated on the roadway network. This produces infrastructure efficiencies, reduces driving demands, and allows economic expansion with a greater utilization rate for business activity.

A noted deficiency in the City’s housing stock is multi-family housing of all types – townhouses, apartments, condominiums, and live/work residences. There is a correlation between the City’s aging population of residents and workers, declining number of Millennials, and lack of multi-family housing. The commuter inflow/outflow graphic illustrates the very small number of residents living and working in the CBD (a paltry 251 people) versus those driving in daily (roughly 14,500) and commuting to jobs elsewhere (roughly 23,000). The City’s TOD district offers an opportunity for a vibrant, mixed-use district with retail and entertainment destinations within walking, biking, or trolley distance of new potential housing. Not only is this vibrancy attractive for Millennials, it is also a housing environment increasingly sought by empty nesters. From a policy perspective, this could allow the City to better accommodate aging residents who desire the ability to “age in place” and downsize to a smaller unit within the City in which they have raised their children and matured. Actions for the City to consider include increasing densities within the TOD district (either on a site-by-site basis or allocating a total number to the district available on a first-come, first serve basis), reducing parking requirements, streamlining permitting, and establishing incentives for the development of housing within the TOD district to accelerate this investment.



## Improved Mobility, Connectivity & Access

Mobility to and through the City of Palm Beach Gardens, with multiple modes of access and strong, safe connections, will help keep the City competitive and reinforce its high quality of life. Although the City’s travel modes have been primarily via personal automobile, travel patterns have become more diversified, triggering the need for the City to expand the range of travel modes available to its residents, businesses, patrons, and visitors. While the impetus for the TOD station area planning effort is ultimately the arrival of the Tri-Rail station, there are layers within the transportation network that should be addressed immediately to improve mobility, walkability, and connectivity.

Palm Beach Gardens has a primarily suburban roadway network, with a limited number of large, multi-lane roadways, and expansive parking areas that conflict with the goal of walkability. Suburban-scale blocks further weaken walkable characteristics. This was evidenced in the planning process through discussions of office workers driving through large parking lots to reach restaurants 1,500 feet away due to the inhospitability for pedestrians. As identified in the TOD conceptual plans, the placement of buildings along the edge of drive aisles

can help transform “seas of asphalt” into walkable blocks, augmented by improved pedestrian infrastructure (e.g., sidewalks, landscaping, streetscaping). The City can facilitate this transformation with the adoption of a thoroughfare plan that delineates these roadways and specifies building locations through the Comprehensive Plan and LDRs. Fairchild Avenue is highlighted for enhancement east to the Palm Beach State College campus, which will strengthen the connection between the college and core TOD district. The roadway network within The Gardens Mall property, including Kyoto Gardens Drive, Fairchild Gardens Avenue, Kew Gardens Drive, Gardens Parkway and Victoria Gardens Drive can be improved with new roadway connections carved out of existing parking fields. The Gardens Station site would also gain improved access with a block structure transformation as illustrated in the TOD conceptual designs. The City should provide policy guidance through its Comprehensive Plan for the development and implementation of a thoroughfare plan and require the introduction of blocks and an improved network of streets and blocks as redevelopment occurs.

The City’s Mobility Plan includes a detailed capital infrastructure program to complete the City’s pedestrian and bicycle networks, which are further detailed in the TOD conceptual drawings. The City is also anticipating a trolley circulator, with a route conceptually presented in Chapter 3 of this report, along with expanded transit service requiring bus stops and shelters. With this network in place, the planned Tri-Rail station will be accessible through multiple modes, enabling it to operate effectively and efficiently in the City. Given the broader transportation network, the City’s establishment of a mobility fee structure can help fund these improvements along with the Tri-Rail station, which will require funding potentially through grants, developer contributions, mobility fees, and other public/private sources.



**Lodging & Hospitality in the Gardens**

Hospitality is a complementary industry in the City’s CBD, supporting retail centers, office uses, and entertainment destinations. Hospitality is also a complement to the City’s quality of life and enables Palm Beach Gardens to be a destination for significant special events such as the Honda Classic, statewide sporting events, and other tourist activities. Market data assembled for the TOD plan indicates a strong market for hotels in the City, with the potential for three to four new hotels in a ten-

year horizon. The station area includes parcels visible from I-95 and proximate to the pending FPL campus, which underscores their value for hotel development. Because a significant hotel could cross-subsidize the success of other station area uses, the City should consider an array of incentives to help advance hotel development on one or more of the key TOD sites. Incentives could include density bonuses, expedited permitting, reduced parking, financial or infrastructure assistance, or other methods as appropriate.



**Moving Forward**

Ridership estimates for the Jupiter Extension of the Tri-Rail Coastal Link indicate the Palm Beach Gardens station would be the highest ridership station on the segment. The land use and transportation pattern surrounding the future station will be a key determinant in setting the stage for TOD and the future amenity value the station will bring to the City. Early policy leadership to advance TOD in the planned station area will increase the funding competitiveness of the segment. Further, recommended

TOD policies and actions are consistent with market trends today and will make for a more sustainable CBD, regardless of train station timing. The City should not delay implementation, but rather, Palm Beach Gardens should begin implementation immediately to begin urbanizing its CBD, expanding its economic competitiveness, reducing commuter demands through strategic housing actions, and adding quality of life enhancements for its residents, business, and visitors.

**Recommended Implementation Timeframe****SHORT-TERM IMPROVEMENTS (6 MONTHS - 12 MONTHS)**

1. Adopt TOD Master Plan
2. Finalize & Adopt Mobility Plan
3. Determine Desired Density and Height Increases for TOD District
  - a. Consider Bonus Density to be Assigned to TOD District
  - b. Consider Increased Density and Height within TOD Core
4. Initiate Workshop with TOD District Property Owners to Identify Thoroughfare Network
5. Initiate Amendments to Comprehensive Plan to Facilitate TOD
6. Initiate Review of LDRs for TOD Overlay Zone and SFRTA TOD Policy
  - a. Increased Density and Intensity/FAR
  - b. Increased Building Heights
  - c. Reduced Parking Requirements (Maximum Quantity versus Minimum Quantity)
  - d. Build-To Lines versus Building Setbacks
  - e. Public Realm Improvements (e.g., civic open space, wider sidewalks, mobility fund contributions)
  - f. Time-Limited Incentives
  - g. Streamlined Permitting Options
7. Assess City/Other Financial Incentives for TOD Infill
  - a. Consider Density Bonus for Multifamily Infill
  - b. Consider Density Bonus or Intensity Bonus for Mixed-Use
8. Determine Baseline TOD Standards for PUD Amendments within TOD District
  - a. Internal and External Connectivity & Thoroughfares
  - b. Application of TOD Overlay Criteria
9. Initiate Discussions with TOD District Property Owners for Redevelopment/Infill Assessment
  - a. Introduction of Residential and Mixed-Use
  - b. Emphasis on Lodging with Visibility from I-95
  - c. Assessment of Minimum Densities/Intensities for Redevelopment
  - d. Enhanced Connectivity Between and Within Sites
  - e. Parking Efficiencies & Introduction of Block Structure
  - f. Pedestrian Retrofit and Sidewalk/Bicycle Network Improvements
  - g. The Gardens Mall - Roundabouts at Key Intersections, Extension of Kyoto Gardens Drive
  - h. Access/Incentives for Ridesharing Operators
10. Engage Discover the Palm Beaches/Tourist Development Board to Formalize Tracking of Special Event Attendance, Participation and Lodging Impacts

**INTERMEDIATE IMPROVEMENTS (6 MONTHS - 24 MONTHS)**

1. Adopt Amendments to Comprehensive Plan (includes Thoroughfare Plan)
2. Adopt Amendments to LDR/TOD Overlay Zone
3. Adopt Mobility Fee Structure
4. Advance Mobility Plan Improvements in TOD Core Area for Connectivity
  - a. Evaluate specific bicycle, pedestrian, and shade tree enhancements within the ½- mile radius of the TOD District
  - b. Delineate Roadway Grid Retrofit within TOD District Parking Areas
5. Initiate Design of Trolley Circulator Route and Stop Locations
6. Evaluate Incentives for Housing Geared for “Essential Services” and CBD Employees
  - a. Engage Agency Partners (e.g., Palm Beach North Chamber, Housing Leadership Council of Palm Beach County)
  - b. Convene Dialogue with Public Partners and Private Developers to Assess Meaningful Incentives
  - c. Integrate into City Economic Development Program
7. Update Market Study to Reflect FPL Impacts (when development program is known)

**LONGER-TERM IMPROVEMENTS (2 YEARS - 5 YEARS)**

1. Station Design & Funding
2. Advance Multimodal Improvements within TOD District
3. Implement Phased Improvements from Mobility Plan
4. Initiate Trolley Circulator
5. Continued Implementation of TOD Master Plan through Development and Redevelopment

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PALM BEACH GARDENS TOD MASTER PLAN

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APPENDIX A  
CREATION OF THE MASTER PLAN

## Creation of the Master Plan

The Palm Beach Gardens TOD Master Plan was created during a public planning charrette. This public process ensures community participation to determine how to best resolve potential impacts, maximize opportunities, and establish a vision for the future. A team of professionals “the charrette team” helps record the citizens’ ideas, tests the feasibility of the various proposals, and creates a document to record and guide the citizens’ vision.

### Charrette

*Charrette means “cart” in French. An architectural school legend holds that at the Ecole des Beaux Arts, in 19th Century Paris, work was so intense that students continued to draw after climbing onto the carts that carried their boards away to be juried.*

*Today charrette refers to a high speed, intense, and focused creative session in which a team works with citizens on design problems and presents solutions.*

## Due Diligence and Background Research

Research was conducted with City staff to understand the City’s regulatory framework and development approvals and concepts for properties within the station area.

## Pre-Charrette Interviews

The purpose of the pre-charrette interviews is for the charrette team to gain a better understanding of the area’s local issues, shortcomings, and strengths. A series of interviews were conducted with elected officials, City staff, members of City advisory boards, local business owners, residents, and other community representatives to gain input on project issues and background data.

## Public Workshop

A public workshop was held on October 19th, 2017 at the Emergency Operations Center (EOC) at the Palm Beach Gardens City Hall, with an opening presentation that outlined the intent of the project and issues in the area. Citizens were asked to shape a vision for the Tri- Rail coastal link station master plan. After the presentation, participants gathered around tables with an aerial photo of the study area. Each table group debated issues and drew their ideas on the aerial. At the end of the workshop, a representative from each table presented the group’s ideas to the rest of the charrette participants. A summary the suggestions and concerns is contained on the following pages.



### Palm Beach Gardens TOD Public Design Workshop

*The Planning Process for the Thursday Night Workshop*





*An opening presentation will provide an overview of opportunities and concerns.*



*Participants will gather in groups around tables to record their ideas and priorities.*



*Kids view the community from a unique perspective and are welcomed participants.*



*A member from the community will present their table’s plan to the workshop, providing key direction for the plan.*

Please provide your ideas on  
**Thursday, October 19th, 2017 - from 5:00 pm until 9:00 pm** at the  
**Emergency Operations Center (EOC) @ Palm Beach Gardens City Hall**  
**10500 North Military Trail, Palm Beach Gardens**

Refreshments will be provided  
for more information please contact

Dana P. Little, Urban Design Director, Treasure Coast Regional Planning Council, (772) 221-4060, dlittle@terpc.org

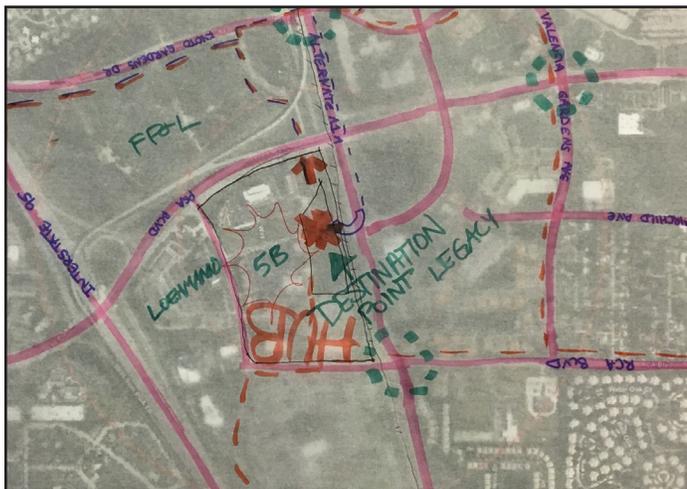
*This Important Planning Effort is Made Possible Through Funding Provided by the City of Palm Beach Gardens, and the South Florida Regional Transportation Authority (SFRTA).*

**Table 1**

**Main Ideas**



- How “Urban” should Palm Beach Gardens become?
- Need to provide mobility for gated communities. How can we “penetrate the gate” ?
- Concerned about traffic and intersections
- Need more shade for sidewalks and pathways.
- We should use the parkway system for access.



- Trolley Routes - inner loop and City-wide
- Trolley around station and East / West along PGA



*Table 1 citizens’ drawing and photos from the public workshop.*

**Table 2**

**Main Ideas**

- Need more shade trees.
- Opportunity to connect the “nodes” in the station area (e.g., mall, college, station)
- Better intersections
- Need better connectivity
- Where to locate trolley routes and stops
- Businesses so kids come home from college to live in the City
- Ways to connect destinations in the City’s core (mall, college, restaurants, movies)
- Safer routes for people walking and biking



*Table 2 citizens’ drawing and photos from the public workshop.*

**Table 3**

**Main Ideas**



- Need essential services housing
- Future development sites
- How to tie the PGA Corridor to the US1 Corridor
- Need better routes for pedestrians Biking safety
- More business could bring more traffic
- Need places for “Millennials” to live
- Bike lanes?
- Safer transportation for cars, people walking and biking
- Add residential to Legacy Place, views of the lake
- Shaded walkways



*Table 3 citizens’ drawing and photos from the public workshop.*

**Studio**

The charrette team listened, recorded, and took notes on the citizens' requests. A design studio was set up at the Treasure Coast Regional Planning Council in Stuart, FL from October 23rd- October 25th, 2017.



**Work-in-Progress Presentation**

A Work-in-Progress presentation was held on November 2nd, 2017 at 6:00 pm, at The Palm Beach Gardens City Hall Council Chambers. Work completed by the charrette team to date was presented to the public, and additional comments and input were gathered.



## Palm Beach Gardens

### TOD Public Design Workshop

*The Planning Process for the Thursday Night Workshop*





*An opening presentation will provide an overview of opportunities and concerns.*



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*Kids view the community from a unique perspective and are welcomed participants.*



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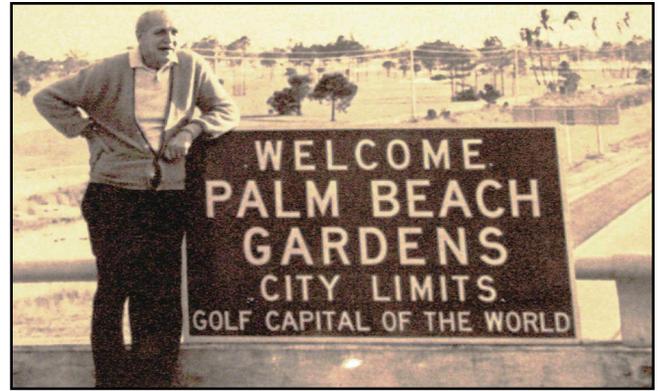
PALM BEACH GARDENS TOD MASTER PLAN

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APPENDIX B  
BACKGROUND AND EXISTING CONDITIONS

## History of Palm Beach Gardens

Prior to the late 1950s, the land area that became the City of Palm Beach Gardens was mostly cattle ranches, pine forests, and swampland. However, in 1959, John D. MacArthur announced plans to develop approximately 4,000 acres to create a community that would house roughly 55,000 people. Mr. MacArthur's chosen name for the City was Palm Beach City. However, due to its similarity with nearby "Palm Beach," permission to use that name was denied, so MacArthur, in keeping with his "garden city" plan, decided to call the City "Palm Beach Gardens." Wanting the new City to be a place to raise a family and earn a living – to realize the American dream John D. MacArthur carved out the City of Palm Beach Gardens from empty miles of dairy cattle grazing land.



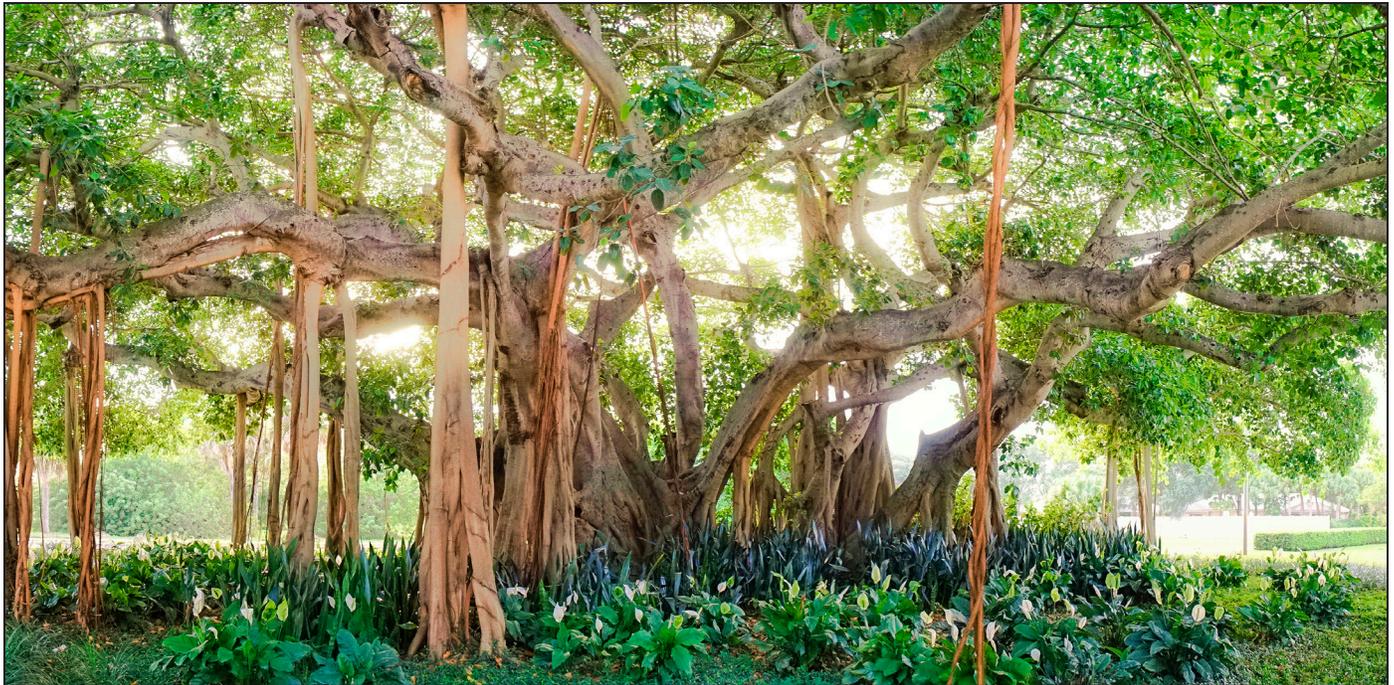
*MacArthur and the Golf Capital of the World 1964*

*Photo: Palm Beach County Historical Society*

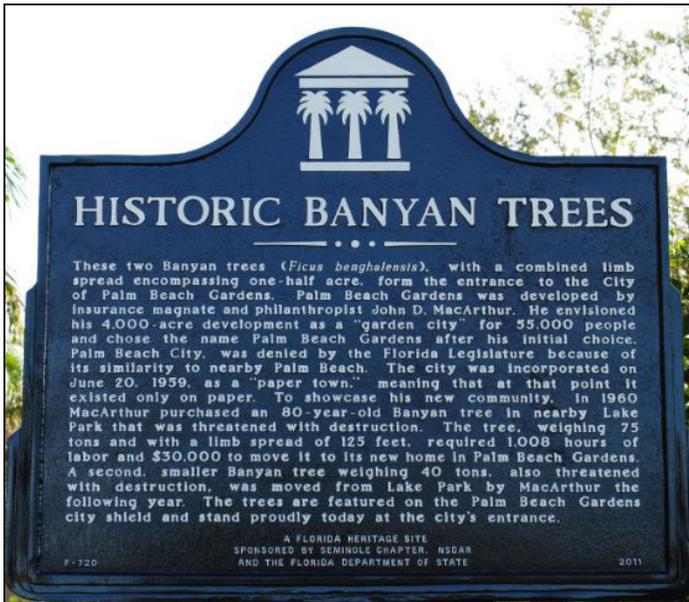


*The city's first historic district starts at the entrance to MacArthur Boulevard. The great banyan trees that were planted in 1961 and 1962 are in the center of the oval, framed on both sides of the road with waterfalls flowing over a large rock wall. The rock facade and waterfalls were gone by the 1980s. Photo: 1962*

*Photo: Historical Society of Palm Beach Gardens*



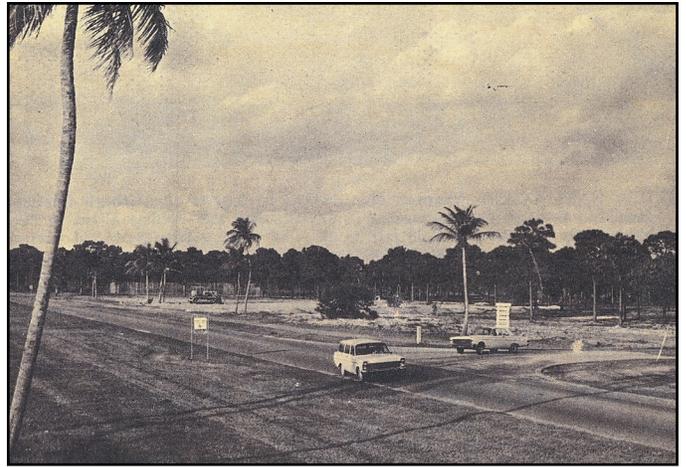
MacArthur Banyan Tree Palm Beach Gardens  
source: City of Palm Beach Gardens



Historic designation sign for the City's banyan trees (located in front of Palm Beach Gardens Courthouse  
source: pbchistoryonline.org

Mr. MacArthur envisioned the City streets lined with trees and flowers. Millions of dollars were carefully invested by MacArthur to create a Florida community with hundreds of waterways, rolling terrain, magnificent mature pine and shade trees, and rich foliage. Because Mr. MacArthur was a lover of trees and Mother Nature, he instructed that City streets and construction go around trees that had been growing there for many years. Although this made for an expensive development approach, MacArthur wanted to build a City that was entirely new and unblemished. Churches were among the first buildings built in the City as MacArthur wanted to ensure the City had a variety of houses of worship to serve residents of all faiths.

By 1964, Mr. MacArthur was satisfied with the industry and recreation in Palm Beach Gardens. With knowledge that the Professional Golfers Association (PGA) was looking for a new site for their home offices and golf courses, MacArthur donated more than \$2,000,000 to the project. In March 1965, the clubhouse was completed, and the PGA moved in. Several PGA tournaments, including the Seniors and the World Cup, were hosted by the City in 1971, but the relationship would not last. In 1972, the PGA moved from the property that would become the J.D.M. Country Club and today is known as Ballen Isles.



*After a decade of successful growth, Desrocher Construction Company built the new Palm Beach Gardens City Hall at a site located near the corner of Burns Road and Military Trail, just south of PGA Boulevard. Circa 1970*

*Photo: Historical Society of Palm Beach Gardens*



*The city's first golf community, developed by John D. MacArthur, was known as PGA National Golf Club from 1964-1973. The clubhouse with its distinctive turquoise tile roof was designed by renowned Miami architect Alfred Browning Parker*

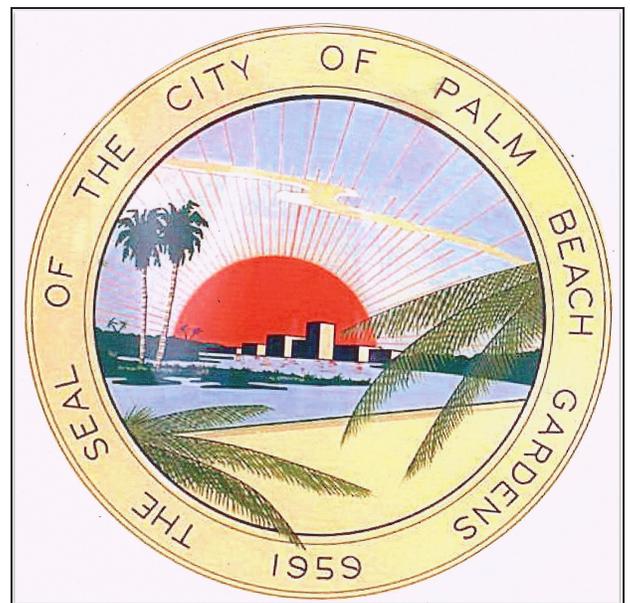
*Photo: Historical Society of Palm Beach Gardens*



*“Mr. Mac,” John D. MacArthur, seen here basking in the glory of his dreams come true, is surrounded by some of golf’s legendary players at the award-winning golf club that he built. To the right of John D. MacArthur (second from left) are golf professionals Gene Sarazen--wearing his traditional “plus four” pants--Sam Snead, and Skip Alexander. MacArthur is wearing his customary attire--a cardigan. Photo: 1971*

*Photo: Historical Society of Palm Beach Gardens*

The City of Palm Beach Gardens has grown steadily since its inception. In 1999, the John D. and Catherine T. MacArthur Foundation sold approximately 14,000 acres of land including approximately 5,000 acres in the City of Palm Beach Gardens. The City Council, entrusted with the responsibility of ensuring quality development, secured agreement with the purchasers to manage the subsequent new growth. The City’s approach to its continued success and prosperity continues to be shaped by the “garden city” philosophy of its founder John D. MacArthur, with emphasis on civic beauty, tree-lined streets and pathways, and a solid reputation as a family-friendly community with a high quality of life. As suggested by the City slogan, the City continues to strive towards “Growing Together in the Gardens.”

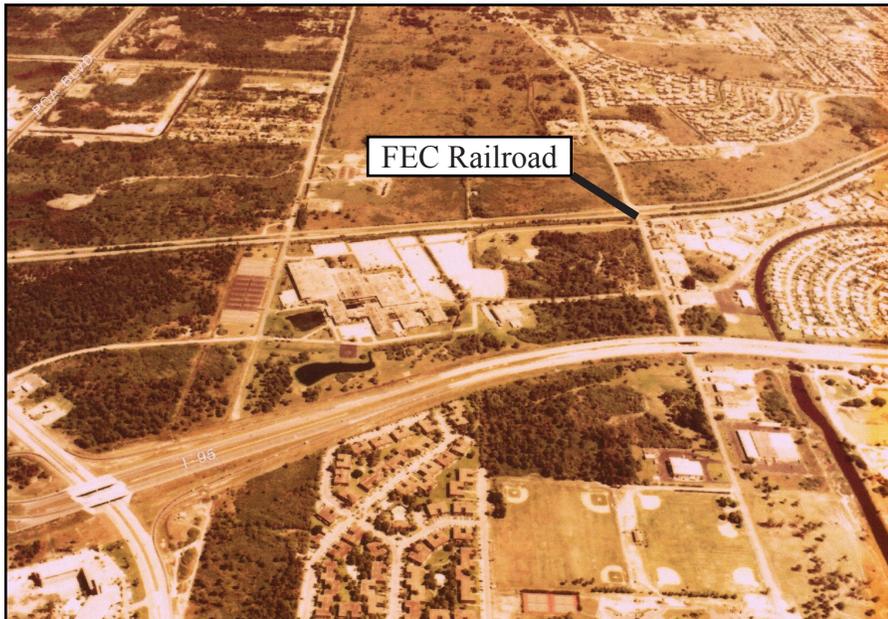


*Original seal of the City of Palm Beach Gardens at its establishment in 1959.  
source: pbgarchives.org*



The 2nd Annual Parade of Homes in 1962 was meant to attract many contractors to the Palm Beach Gardens area and promote John D. MacArthur's vision of a "garden city." This photograph shows one of the flyers that was passed around the community, encouraging everyone to see what the city was all about. Photo: 1962

Photo: Historical Society of Palm Beach Gardens



I-95 and PGA Blvd, 1976 - Aerial View

Courtesy of the Historical Society of Palm Beach Gardens

PALM BEACH GARDENS TOD MASTER PLAN

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APPENDIX C  
MARKET AND ECONOMIC ANALYSIS

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# Market & Economic Analysis

## Palm Beach Gardens TOD Station Area Master Plan

### Palm Beach Gardens, FL



Prepared for:  
**Treasure Coast Regional Planning Council**  
Stuart, FL

On behalf of:  
**City of Palm Beach Gardens**  
Palm Beach Gardens, FL

May 2018

**WTL + a**

Real Estate & Economic Advisors  
Washington, DC—Provincetown, MA  
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## General & Limiting Conditions

Every reasonable effort has been made to ensure that the data contained in this study reflect the most accurate and timely information possible. These data are believed to be reliable at the time the study was conducted. This study is based on estimates, assumptions, and other information developed by WTL +Associates (referred hereinafter as "WTL+a") from its independent research effort, general knowledge of the market and the industry, and consultations with the client and its representatives. No responsibility is assumed for inaccuracies in reporting by the client, its agent and/or representatives, or any other data source used in preparing or presenting this study.

No warranty or representation is made by WTL+a that any of the projected values or results contained in this study will be achieved. Possession of this study does not carry with it the right of publication thereof or to use the name of "WTL+a" in any manner without first obtaining the prior written consent of WTL+a. No abstracting, excerpting or summarizing of this study may be made without first obtaining the prior written consent of WTL+a. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person, other than the client, without first obtaining the prior written consent of WTL+a. This study may not be used for purposes other than that for which it is prepared or for which prior written consent has first been obtained from WTL+a.

This study is qualified in its entirety by, and should be considered in light of, these limitations, conditions and considerations.

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# 1 Executive Summary

## Introduction

WTL+a, a national real estate and economic development consulting firm based in Washington, DC, with significant project experience throughout Florida, was retained by the Treasure Coast Regional Planning Council (TCRPC) to prepare a real estate market and economic analysis of transit-oriented development (TOD) potentials for the area surrounding a proposed rail station in Palm Beach Gardens.

In 2016, the Federal Transit Administration (FTA) awarded a \$1.2 million planning grant to the South Florida Regional Transportation Authority (SFRTA) to conduct comprehensive transit-oriented development (TOD) planning associated with potential Tri-Rail Coastal Link (TRCL) station areas, as part of region-wide Tri-Rail expansion onto the Florida East Coast (FEC) Railway corridor. According to the SFRTA, the TRCL project is planned to introduce new commuter rail service along 85 miles of the FEC rail corridor and provide new regional and intercity mobility, economic development and transportation choices. TRCL is planned to fully integrate its existing system with the FEC rail corridor and connect South Florida's most populous eastern cities between downtown Miami and Jupiter.

Numerous public agencies are partnering with SFRTA in support of TRCL, including the Miami-Dade, Broward, and Palm Beach MPOs; FDOT; the Southeast Florida Transportation Council (SEFTC); the South Florida and Treasure Coast Regional Planning Councils; and several local governments along the FEC corridor. We understand that the Council is assisting SFRTA in administering the planning grant.

The planning grant is focused on several key objectives, including:

- Guide and manage development or redevelopment activities within designated station area(s) or along transit corridors;

- 
- Integrate transit facilities and mobility improvements into a municipality’s land use plans and land development regulations;
  - Support economic development, ridership and multi-modal connectivity;
  - Increase transit access for pedestrian and bicycle traffic and other users; and
  - Promote mixed-use development near TRCL transit stations.

In early 2017, SFRTA/TCRPC invited municipalities in each of the three counties to submit applications for funding assistance to prepare station area master plans and guide the regulatory framework to advance TOD projects surrounding proposed TRCL stations. SFRTA/TCRPC approved applications submitted by the cities of Delray Beach and Palm Beach Gardens (Palm Beach County); Hollywood and Wilton Manors (Broward County); and North Miami Beach (Miami-Dade County).

In Palm Beach Gardens, the primary site for the proposed TRCL station is currently identified as “Site 5B”, one of several development/redevelopment sites located north and south of PGA Boulevard east of I-95. The site is surrounded by major and secondary roadways and other potential redevelopment sites, several of which are currently being reconfigured, expanded or under consideration for future redevelopment.

In its application for a station area master plan, the City’s objectives include:

- Engaging public and private sectors through a series of public meetings and workshop sessions with key stakeholders;
- Evaluating road networks and potentials to increase connectivity between existing office/retail and residential developments;
- Preparing an overview of market and real estate conditions as a benchmark for comparison against current and pending development plans (including requested square footages of land uses such as hotels, residential, retail and office uses);
- Exploring station-area implementation options which will maximize revenues to the City of Palm Beach Gardens to offset estimated future operating and maintenance costs for train service to the Palm Beach Gardens station; and

- Suggesting appropriate implementation strategies for key development sites that reflect market forces in the greater market area.

The primary focus of the TOD station area market analysis will be on several key sites located within a ¼ and ½ mile “area of influence” surrounding the proposed station location south of PGA Boulevard along the FEC tracks (with the primary site identified as “Site 5B”). These include: the areas surrounding The Gardens Mall; “Downtown at the Gardens” (to be re-branded “The District” by ownership); the FP&L site; Parcel 5A; the former Loehmann’s Plaza site; Legacy Place, located south of PGA Boulevard and east of the FEC tracks; and Parcel 5B. These parcels are located on both sides of PGA Boulevard to the east of I-95 and generally within a one-mile radius of the proposed TRCL station.

In its application for a station area master plan, the City’s objectives include:

- Engaging public and private sectors through a public charrette process;
- Evaluating potential design options for community preference;
- Measuring the financial feasibility of those options; and
- Preparing a targeted market analysis.

Based on these objectives, WTL+a has prepared an analysis of real estate market potentials and preliminary economic benefits of several development scenarios prepared by the TCRPC planning team. Our market study focused on two (of four) core uses, housing and workplace/office. In addition, we prepared a preliminary analysis of the potential economic benefits generated in these scenarios. We also worked collaboratively with Retail & Development Strategies, LLC, which focused on two other core uses (TOD retail and lodging/hospitality) and preliminary implementation strategies. While WTL+a and RDS were contracted separately by TCRPC, we have prepared a single, fully-integrated market and economic analysis report for the Palm Beach Gardens TOD Station Area Master Plan.

## **Analytical Timeframe & TOD Precedents**

In considering the economic and market implications of Transit-Oriented Development (TOD) projects, it is noteworthy that the data time-periods used to establish market trends and forecast development potentials are typically shorter than the time required for markets to adjust (and

fully reposition) in response to newly-introduced transit systems. A 10-year timeframe is an industry standard for market and economic analyses.

For our analysis of TOD opportunities in Palm Beach Gardens, a 10-year forecast period was utilized as the basis for evaluating real estate market potentials for new housing (and hotel) uses—by extrapolating five-year population and household forecasts for this 10-year period. For workplace/office uses, WTL+a utilized employment projections prepared by the Florida Department of Economic Opportunity (DEO), the state agency that prepares job forecasts by industry sector for jurisdictions across the state. Notably, DEO projections are provided only in eight-year increments; for Palm Beach County this forecast period is 2016—2024.

Another critical factor in understanding TOD potentials is the recurring and changing cycles of real estate/land uses, which respond to levels of supply and demand, available capital based on likely returns and other national macro-economic forces. Because these cycles do not follow consistent time patterns, economists generally do not consider econometric forecasts beyond 10 years to be reliable, as unforeseen events in the future may significantly alter trend-based analysis. For these reasons, WTL+a and RDS do not generally complete market-based economic models beyond 10 years from the base year of available data.

This is in contrast with the time periods related to transit-oriented development. In established markets with more recent development of extensive transit systems (such as the Washington, DC, San Francisco and Atlanta metropolitan areas), two factors make it very difficult to forecast beyond a 10-year period. The first is the length of time needed to plan and implement the transit systems themselves, a process which oftentimes requires significantly longer than 10 years. Even in a situation like the SFRTA, in which track right-of-way exists (which can be expected to greatly reduce the overall timeframe required if the system's route required land acquisition), engineering, environmental and financial requirements consume years of time. This is in addition to the time required for development of rail equipment, installation of safety gates, switching and other route/system management requirements. At a minimum, it is acknowledged that it will still be several years before all planned elements are in place to initiate rail service in Palm Beach Gardens, including extension of the system north to Jupiter.

In terms of real estate implications, our experience in other markets across the United States suggests additional time beyond implementation of transit service is required to realize TOD development potentials around the most marketable transit stations. For example, in the

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Washington, DC region, the 103-mile WMATA Metrorail system began planning in the 1950s, adopted a specific route plan in 1968, and opened the system's first phase in downtown Washington in 1976. Notably, metropolitan Washington has had unprecedented growth over the past 30 years and is considered a very strong market for real estate development. Now, fully 40 years after the first stations opened, the Metrorail system is the second most heavily used in the U.S., after New York City.

Despite these market and economic strengths (and substantial Federal, state and local government support to complete the rail system), it took fully 10 years for developers and investors to recognize that proximity to Metrorail added real estate value in specific locations. The example of one high-growth corridor—the Orange Line from Rosslyn to Ballston in neighboring Arlington, VA—is telling. A Corridor Sector Plan was created in the early 1980s; this plan envisioned concentrating new development density around Metro stations and up-zoning allowed densities in a three-block wide corridor along the line. Densities would taper/reduce to single-family housing and lower building heights two blocks beyond the core. While that vision was well-received by both residents and local government, it still required 25 years after adoption of the Corridor Sector Plan for the real estate market (and developers) to “catch up” to the original vision. Similar patterns (and timetables) for TOD potentials have been required in multiple stations/submarkets in both the Atlanta and San Francisco systems.

In short, TOD is a much longer process than that of conventional real estate analysis and market projections. In locations in which sufficient time has passed, there has consistently been a substantial increase in land values, and developers now market rail station proximity as a key amenity across multiple land uses, but it takes decades for market forces to be fully realized.

For this reason, there is a special consideration required for the Palm Beach Gardens SFRTA Station Area Plan. We believe that—even with the pace of growth in Florida, the relatively strong economy of Palm Beach County and its competitive position as a residential destination—the impacts of TOD market potentials will not be fully realized within the first 10 years (i.e., the period for which reasonable market and economic projections can be made). In our professional opinion, TOD in Florida, by necessity and experience in other markets, will require 20 to 30 years or longer to be realized.

This does not suggest that nothing could/should happen within this 10-year timeframe. There are major development/redevelopment opportunities in Palm Beach Gardens that will occur as a

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result of creating a rail-based transit system and other market forces (such as market demand for, and the City's deficit of, "essential services" housing"). But realistically (and in contrast with more rapid investment return expectations in the real estate industry), the full investment benefits of TOD along the SFRTA system should not be expected to be realized for at least 20 years.

In conclusion, WTL+a and RDS LLC suggest that market opportunities that fall within the real estate industry's standard 10-year forecast period should not be used to determine longer-term outcomes. Concurrently, industry standards for real estate economics are not conventionally accepted for longer-term statistical projections and may not be a firm basis for 20-year (or longer) forecasts regarding pricing, product types and/or the pace of absorption (i.e., leasing and sales). Historical patterns in other transit-based markets suggest that there will be sustained growth related to TOD potentials, but conventional econometric analysis is not reliable beyond 10 years.

## Key Findings

### Demographic & Economic Profile (Section 2)

- Since 2000, the City's population has increased significantly—with **more than 19,600 new residents and more than 10,100 new households**, reflecting average annual growth rates of 2.65% and 2.99% per year, respectively;
- In 2017, data from ESRI Business Analyst suggests that Palm Beach Gardens **contains over 54,700 residents in 27,600+ households**;
- Five-year forecasts prepared by ESRI Business Analyst through 2022 suggest that Palm Beach Gardens' growth will moderate slightly from the 2010—2017 period, with a forecast population gain of more than **4,300+ new residents in 1,960 new households**. ESRI forecasts suggest that **population growth will be greatest in two age cohorts**: ages 65-74 and 75+;
- After 57,000 job losses during the 2007—2009 recession, the economy of Palm Beach County has significantly recovered—with **110,300 new jobs since 2011**. DEO forecasts suggest the County will gain **81,600 new jobs between 2016 and 2024** (10,200 jobs per year);

- Dun & Bradstreet, Inc. estimates there are more than **39,600 jobs in 3,129 registered businesses in Palm Beach Gardens**, accounting for 5.6% of the 668,800 full-time jobs in Palm Beach County. If the City maintains its fair share, this would translate into **4,600 new jobs citywide over the next eight years**;
- Palm Beach Gardens has *not* fully recovered the jobs lost in the recession. In fact, **2015 citywide employment (latest data available) suggests 2,550 fewer jobs** in the city than in 2005; and
- **One of the most striking findings of our analysis of citywide employment trends is a decline in the number of employees in two age cohorts—ages 29 and younger and 30 to 54 years of age.** Census data indicate that the number of **employees 29 and younger declined by 2,400 citywide**, a decrease of 3.1% per year.

### Real Estate Market Conditions (Section 3)

- The 2017 average unit value of all housing units in Palm Beach Gardens is over \$429,800;
- There are 2,700 units that are seasonally-owned (i.e., occupied for only a portion of the year, such as by snowbirds who vacation in Florida). When these “unoccupied” units (including sold but not yet occupied) are removed from the unoccupied category, the City’s *true vacancy* in 2010 was 5.1%, or 1,404 units. The **2015 American Community Survey (ACS) suggests that true vacancy increased slightly in 2015—to 5.2%** (1,589 units). In effect, the City’s housing market is stabilized, as 5% vacancy is considered industry-standard;
- According to HUD data, there were 2,196 housing units built in the City over the past 10 years, resulting in housing starts averaging 220 units per year;
- Data suggests that the City’s **multi-family rental market is generally stabilized, with generally high occupancies** and achieved monthly rents (\$1.50 per sq. ft.) characteristic of a suburban submarket in South Florida;
- Palm Beach Gardens contains **1,625 hotel rooms** in nine properties, accounting for a 9.6% share of the County’s hotel room inventory. The larger competitive market contains 15 properties and 2,219 rooms. Over the past six years, **average annual occupancies have increased from 67.8% in 2011 to 74.7% in 2016**;

- Hotel performance metrics meet the threshold required by the capital markets of sustained annual occupancies ranging from 65% to 72% to warrant capital market-based financing of new hotel construction;
- The Palm Beach Gardens office submarket also includes Lake Park and North Palm Beach. The submarket contains **3.14 million sq. ft. of office space** (13% of the County). Netting these two communities out of the total suggests a **citywide office inventory of 2,489,000 sq. ft.** Between 2014 and 2017, net absorption in the submarket **averaged 76,700 sq. ft. per year**;
- A detailed survey of 25 office buildings located within or adjacent to the Core Area suggests an inventory of 1,115,900 sq. ft. in buildings ranging in size from 18,000 to 189,100 sq. ft. Vacancy rates have declined—from **20.4% in 2012 to 15.6% in 2017**, but there are uneven patterns of annual absorption. In fact, **overall absorption averaged only 13,925 sq. ft. per year between 2012 and 2017**; and
- According to the City, there are six unbuilt office projects approved (entitled) in the Core Area, which will **deliver 615,900 sq. ft. of new office space**. Only one of these projects, Gardens Corporate Center (formerly Gosman), was under construction at the time of this report. Anticipated delivery dates of the other projects are not known. *Outside the Core Area, there is another 2.67 million sq. ft. of approved, but unbuilt, projects elsewhere in the City.* WTL+a notes that market response (in the form of pre-leasing, achieved rents and annual net absorption) in each project (particularly the Gardens Corporate Center when it is delivered) will indicate the overall depth of demand for new office space in both the Core Area as well as other locations in Palm Beach Gardens for the foreseeable future.

## Real Estate Market Potentials (Section 5)

### Market-rate Housing

As presented in detail in Section 5, two scenarios of housing market potentials were prepared:

#### **Scenario #1**

- Between 2000 and 2017, the City's population increased at a significant, sustained annual rate of 2.65% per year, generating 19,600 new residents and 10,100 new households;

- If the *pace* of growth continues at this historic rate, it yields **16,400 new residents in 7,700 new households (units)** if average household size of 2.12 remains unchanged. This translates into annual demand of 770 units per year;
- Future citywide growth in population/households was allocated to known/approved residential projects (595 units in the Core Area and over 3,000 units outside the Core Area). The City anticipates that up to 1,119 approved units will be built at Alton, with 1,265 units at Avenir (assuming 35% are built) over the next 10 years; and
- This leaves **4,100 “unallocated” units citywide from which proposed TOD residential uses could potentially “capture” over time**. Our analysis assumes 40% to 45% (855 to 960 units) of new housing in Scenario #1 is built within the 10-year forecast period. If so, this yields **potentially achievable capture rates of up to 23%** of future *unallocated* demand for new housing citywide during the forecast period. However, consistent with our national experience in TOD projects, buildout of TOD housing as illustrated in Scenario #1 could potentially take up to 20 to 25 years even under the higher population growth rates assumed in this scenario. This is an example of the contrast between conventional 10-year absorption projections and the more realistic, longer timetable required for TOD projects.

### Scenario #2

- Scenario #2 utilizes ESRI’s annual (lower) growth rate of 1.55% per year, which yields **9,000 new residents in 4,280 new households** (units) citywide if average household size of 2.12 remains unchanged. This translates into annual demand of 420 units per year (within the 10-year projection period); and
- With growth allocated to known/approved residential projects in this lower-growth scenario, there are **650 “unallocated” units citywide from which proposed TOD residential uses could potentially capture**. Our analysis assumes that between 30% and 35% (665 to 720 units) of the housing component in Scenario #2 would be completed within 10 years (i.e., a lower citywide population growth rate during the 10-year forecast period translates into greater competition for market share among future residential projects). In this more conservative growth scenario, buildout of TOD housing as illustrated in the planning concepts could take 25 to 30 years or more.

## Workplace: Office

- Under a “fair share” analysis, Palm Beach Gardens continues to capture 5.6% of future countywide job growth, or approximately 4,600 new employees by 2024. Assuming similar proportions of office-using jobs and occupancy factors translates into gross demand for 343,600 sq. ft. and **net demand for 282,600 sq. ft. of new office space citywide by 2024** after accommodating some growth in existing vacant space;
- The City has approved/entitled a significant amount of new office space totaling 3.3 million sq. ft. The analysis considers 615,908 sq. ft. of approved projects in the Core Area (only one, Gardens Corporate Center with 223,943 sq. ft. of space, is under construction) and 671,176 sq. ft. elsewhere in the City;
- Our analysis of office development potentials in the TOD district assumes that these approved/entitled office projects are delivered for market occupancy, thereby leaving no “unallocated” demand for new office space outside of these projects. (We recognize that the City has also approved 2.0 million sq. ft. of office space at Avenir and 913,000 sq. ft. of owner-user office space as part of the FP&L campus. Due to uncertainties related to timing/phasing of both projects, these were excluded);
- Annual net absorption in the Core Area averaged **only 14,000 sq. ft. per year** over the last five years. **Limited net leasing activity and the large amount of approved, unbuilt office space will necessitate a significant increase in market share of office-using jobs in Palm Beach Gardens** to support the large amount of office space approved by the City; and
- A broader, carefully crafted set of public economic development strategies focused on business retention and recruitment, use of public regulatory and/or financial incentives, and/or targeted recruitment of office tenants as part of developer pre-leasing efforts may be critical in underpinning the availability of financing for these approved, unbuilt office projects.

## Hotel/Lodging

- Over the past six years, **average annual occupancies increased from 67.8% in 2011 to 74.7% in 2016**. For the past three years, **sustained annual occupancies among competitive properties ranged from 74.4% to 74.8%** (with a six-year average of 72.5% between 2011 and 2016);

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- These performance levels meet the threshold required by the capital markets of sustained annual occupancies ranging from 65% to 72% to warrant capital market-based financing of new hotel construction; and
  - This performance analysis suggests that **there is sufficient demand/investment-level performance necessary to justify the addition of new hotel rooms in Palm Beach Gardens** (or its immediate surrounding trade area). Based on data provided by City staff, over 900 rooms are proposed in multiple new hotels in the city.

### **Preliminary Economic Benefits (Section 6)**

At buildout, the TOD concepts could potentially generate:

- Between **500 and 600 one-time construction jobs** and **\$178 to \$197 million in construction wages**. These metrics are highly impacted by timing (i.e., years of construction). A shorter buildout period will generate a higher number of one-time construction jobs and wages;
- Over **300 permanent jobs** in the potential commercial/workplace uses and over \$9.9 million in annual permanent wages; and
- **\$7.9 to \$8.9 million in annual ad valorem/property taxes** for all taxing authorities based on current (2017) millage rates. This includes \$2.2 to \$2.5 million per year for the City of Palm Beach Gardens and \$5.6 to \$6.3 million per year for other taxing authorities.

## 2 Demographic & Economic Profile

The following evaluates those indices that drive fundamental market demand for various land uses to inform transit-oriented development potentials surrounding the future Palm Beach Gardens station. This section of the report focuses on population and household growth, employment trends and forecasts, household incomes and annual retail spending power, the current business mix in Palm Beach County and Palm Beach Gardens, and other economic indicators based on available data that form the basis of potential market support.

This profile and analysis is based on data from various secondary public and private sources, including: U.S. Census Bureau; University of Florida Bureau of Business & Economic Research; City of Palm Beach Gardens and Palm Beach County; ESRI Business Analyst; Dun & Bradstreet, Inc.; and other sources.

### Demographic Trends & Forecasts



WTL+a evaluated historic population patterns and growth forecasts in the core area, the city, and in Palm Beach County using the sources above. Key findings are summarized below, with data illustrated in the accompanying tables.

**Table 1: Regional Population Trends & Forecasts, 2000—2040**

	2000	% of County	2010	% of County	1-Apr 2017	% of County	Change: 2000-2017		Forecasts (3)			% of County	Change: 2017-2040	
							Amount	CAGR (2)	2020	2030	2040		Amount	CAGR (2)
<b>Population</b>														
<b>Palm Beach County</b>	<b>1,131,184</b>		<b>1,320,134</b>		<b>1,414,144</b>		<b>282,960</b>	<b>1.3%</b>	<b>1,465,944</b>	<b>1,619,094</b>	<b>1,735,114</b>		<b>320,970</b>	<b>0.89%</b>
Boca Raton	74,764	6.6%	84,392	6.4%	91,797	6.5%	17,033	1.2%	95,183	107,397	121,178	7.0%	29,381	
Jupiter	39,328	3.5%	55,156	4.2%	61,388	4.3%	22,060	2.7%	66,406	86,291	112,129	6.5%	50,741	
North Palm Beach	12,064	1.1%	12,015	0.9%	12,574	0.9%	510	0.2%	12,666	12,978	13,298	0.8%	724	
<b>Palm Beach Gardens</b>	<b>35,058</b>	<b>3.1%</b>	<b>48,440</b>	<b>3.7%</b>	<b>52,591</b>	<b>3.7%</b>	<b>17,533</b>	<b>2.4%</b>	<b>56,493</b>	<b>71,712</b>	<b>91,033</b>	<b>5.2%</b>	<b>38,442</b>	
Riviera Beach	29,884	2.6%	32,488	2.5%	35,057	2.5%	5,173	0.9%	36,059	39,609	43,509	2.5%	8,452	
West Palm Beach	82,103	7.3%	100,343	7.6%	110,396	7.8%	28,293	1.8%	116,318	138,449	164,791	9.5%	54,395	
<b>Total:</b>	<b>273,201</b>	<b>24.2%</b>	<b>332,834</b>	<b>25.2%</b>	<b>363,803</b>	<b>25.7%</b>	<b>90,602</b>	<b>1.7%</b>	<b>383,125</b>	<b>456,437</b>	<b>545,939</b>	<b>31.5%</b>	<b>182,136</b>	

(1) Based on the 2016-2040 Low-Medium-High Population Forecasts prepared by BEBR. Analysis uses the Medium Growth Scenario for Palm Beach County.

(2) CAGR=Compound Annual Growth Rate.

(3) Population projections for 2017-2040 for selected municipalities assume that each continues the same rate of growth as occurred between 2000-2017.

<http://edr.state.fl.us/Content/population-demographics/data/index-floridaproducts.cfm>

<https://www.bibr.ufl.edu/population>

**Source: U.S. Census Bureau; University of Florida, Bureau of Business & Economic Research; ESRI Business Analyst; WTL+a, revised January 2018.**

## Palm Beach County

- As illustrated in Table 1 above, Palm Beach County’s population increased—from 1.13 million residents in 2000 to more than 1.41 million residents as of the April 1, 2017 state census, reflecting significant population growth of more than 282,900 over the past 17 years. This represents *sustained* annual growth of 1.3% per year;
- For purposes of comparison, selected municipalities surrounding or proximate to Palm Beach Gardens contain a combined population of 363,800 residents, accounting for 26% of the County’s total population. Notably, this share has increased since 2000, with solid population growth, particularly in West Palm Beach, Jupiter, Palm Beach Gardens and Boca Raton. In fact, population in these four specific communities accounted for almost 85,000 of the 90,600 increase since 2000. The average annual growth rate in these communities—1.7% per year—exceeded the 1.3% annual rate in the County; and

**Since 2000, Palm Beach County Added**

**282,960 New Residents**

- Based on the Moderate Growth scenario of long-term population forecasts through 2040 (prepared by the University of Florida/Bureau of Economic & Business Research/BEER), **Palm Beach County is expected to add another 321,000 new residents**, which translates into an annual growth rate of 0.89% per year, for a 2040 population of 1,735,100 residents.

## Palm Beach Gardens

Key demographic characteristics of Palm Beach Gardens are illustrated in Table 2 and summarized below:

- In 2017, data from ESRI Business Analyst suggests that Palm Beach Gardens **contains over 54,700 residents in 27,600+ households;**
- Since 2000, the City’s population has increased significantly—with **more than 19,600 new residents and more than 10,100 new households**, reflecting average annual growth rates of 2.65% and 2.99% per year, respectively;

**Table 2: Demographic Trends & Forecasts—Palm Beach Gardens, 2000—2022**

	2000	2010	2017	% Dist.	2022	% Dist.	Change: 2017-2022	
							No.	CAGR %
<b>Demographic Profile</b>								
<b>Population</b>	35,058	48,473	54,722		59,085		<b>4,363</b>	<b>1.55%</b>
<i>As Share of County</i>	<i>3.1%</i>	<i>3.7%</i>	<i>3.8%</i>		<i>3.9%</i>			
<b>Households</b>	15,559	22,814	25,661		27,624		<b>1,963</b>	<b>1.49%</b>
<b>Avg. HH Size</b>	2.23	2.11	2.12		2.13			
<b>Median Age</b>		48.3	50.6		51.8			
<b>Race</b>								
White		43,287	47,162	86%	49,651	84%	2,489	1.0%
Black		2,133	3,139	6%	3,931	7%	792	4.6%
American Indian		80	105	0%	117	0%	12	2.2%
Asian, Pacific Islander		1,524	2,110	4%	2,619	4%	509	4.4%
Other		662	1,037	2%	1,326	2%	289	5.0%
Two or More Races		787	1,169	2%	1,440	2%	271	4.3%
<b>Total:</b>		<b>48,473</b>	<b>54,722</b>		<b>59,084</b>		<b>4,362</b>	
Hispanic (1)		4,317	6,564	12%	8,606	15%	2,042	5.6%
<b>Age Distribution</b>								
0-14		6,592	7,118	13%	7,448	13%	330	0.9%
15-24		3,966	4,566	8%	4,874	8%	308	1.3%
25-34		5,612	5,721	10%	5,957	10%	236	0.8%
35-44		5,854	6,192	11%	6,715	11%	523	1.6%
45-54		6,815	6,979	13%	6,867	12%	(112)	-0.3%
55-64		7,372	8,127	15%	8,458	14%	331	0.8%
65-74		6,437	8,353	15%	9,337	16%	984	2.3%
75+		5,825	7,666	14%	9,430	16%	1,764	4.2%
<b>Income Profile</b>								
<b>Households by Income</b>								
<\$15,000			7.1%		6.5%			
\$15,000 - \$24,999			6.9%		6.0%			
\$25,000 - \$34,999			8.8%		7.4%			
\$35,000 - \$49,999			13.5%		11.4%			
\$50,000 - \$74,999			16.2%		15.6%			
\$75,000 - \$99,999			12.8%		15.1%			
\$100,000 - \$149,999			14.5%		16.1%			
\$150,000 - \$199,999			6.9%		7.5%			
\$200,000+			13.2%		14.3%			
<b>Average HH Income</b>			\$ 110,688		\$ 123,442			<b>2.2%</b>
<b>Median HH Income</b>			\$ 69,739		\$ 78,927			<b>2.5%</b>
<b>Educational Profile</b>								
<b>Years of Education (2015 American Community Survey/ACS)</b>								
Less than 9th Grade			2.1%					
9th-12th Grade, No Diploma			3.0%					
High School Graduate (Includes Equivalency)			18.0%					
Some College, No Degree			19.8%					
Associate Degree			9.4%					
Bachelor's Degree			28.6%					
Graduate/Professional Degree			19.1%					

(1) Persons of Hispanic origin are a subset of other race categories; therefore, totals do not add.  
[https://factfinder.census.gov/faces/nav/jsf/pages/community\\_facts.xhtml](https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml)

Source: U.S. Census Bureau; American Community Survey; ESRI Business Analyst; WTL +a, November 2017.

- The city’s share of Palm Beach County’s population has steadily increased over the past 17 years—from 3.1% in 2000 to 3.8% in 2017. Over the next five years, ESRI data suggest that rate of increase will moderate—to 3.9% by 2022;
- By comparison, Jupiter’s population increased by over 22,000 new residents, reflecting a compound annual growth rate of 2.7% per year versus Palm Beach Gardens’ 2.4% per year rate;
- A population that is 86% White, 6% Black, and 12% Hispanic;
- An older population, with a median age of 50.6 years, which is forecast to increase to 51.8 years by 2022. By comparison, Palm Beach County’s median age is 45.5 with a forecast increase to 46.2 by 2022;
- An affluent community, with average household incomes in 2017 of almost \$110,700 per year. Fully 35% of households have annual incomes greater than \$100,000 per year;
- Average household incomes are forecast to increase by 2.2% per year over the next five years, to more than \$123,400 by 2022. The city’s average household income is forecast to remain well above its counterparts across Palm Beach County—which is forecast to be more than \$96,900 by 2022;
- Notably, ESRI’s five-year forecasts through 2022 suggest that Palm Beach Garden’s growth will moderate slightly from the 2010—2017 period, with a forecast population gain of more than **4,300+ new residents in 1,960 new households**. This forecast suggests average annual growth rates of 1.55% and 1.49%, respectively; and
- ESRI forecasts further suggest that **population growth will be greatest in two age cohorts** over the next five years: ages 65-74 and 75+. More moderate growth is also expected in the 35-44 age cohort. This is likely to translate into opportunities for specific types of housing, such as age-restricted and independent living/continuing care for older cohorts as well as housing for move-up buyers.

**Solid Population Growth in Palm Beach Gardens Next 5 Years:**

**4,300+ New Residents in 1,960 New Households by 2022**

## Household Incomes & Retail Spending

Household retail spending is the primary driver of demand for retail space such as shopping centers, “Big Box” stores such as Wal-Mart or Target, food & beverage, and specialty or destination retail projects. Also impacting current and future demand for retail space is e-commerce/on-line spending. In fact, in 2017 on-line retail sales in the U.S. represented about 12.5% of all retail consumer spending, and 15% of office worker spending is made on-line.

Household retail spending patterns among households in Palm Beach County, Palm Beach Gardens and in selected nearby communities are illustrated in Table 3.

- With 2017 average household incomes of almost \$110,700, households in Palm Beach Gardens are more affluent than their counterparts elsewhere in both Palm Beach County as well as several surrounding communities, where average household incomes range from \$85,900 in the County to almost \$103,700 in Jupiter. With higher incomes, retail spending patterns are higher—with approximately over 24% of annual incomes spent on various retail categories compared to 23% to 26% in nearby communities. However, forecast growth in incomes (2.2% per year) is expected to be on par with the rate of inflation, suggesting the potential for *real* growth in household incomes among the city’s households over the next five years if inflation remains below this rate;
- **Palm Beach Gardens households spend an average of \$25,400 per year on consumer retail goods**, including clothing, entertainment/recreation, electronics, groceries, food & beverage, household furnishings and health care. This is more than households in Jupiter (\$23,800 per household)—but less than households in Boca Raton (\$27,400 per household). By comparison, average annual household spending countywide is almost \$21,200 per year;
- **Retail spending among the city’s households totals over \$650.9 million per year**, as compared to over \$642 million in Jupiter, \$720 million in West Palm Beach, and nearly \$12.5 billion per year for all County households. Notably, household spending totals are irrespective of location (i.e., spending can occur anywhere).

### Annual Household Retail Spending in Palm Beach Gardens:

**\$650.9 Million Per Year**

**Table 3: Annual Household Consumer Spending, 2016**

	Palm Beach County	West Palm Beach	Boca Raton	Jupiter	Palm Beach Gardens
<b>Total Households (2016-2017)</b>	<b>588,086</b>	<b>43,790</b>	<b>39,845</b>	<b>26,936</b>	<b>25,661</b>
<b>Apparel &amp; Accessories</b>					
Men's Wear	\$ 464	\$ 366	\$ 626	\$ 531	\$ 570
Women's Wear	883	693	1,115	955	1,021
Children's Wear	381	317	449	394	414
Footwear	485	391	667	579	613
Watches & Jewelry	161	122	190	159	171
Apparel Products & Services	109	81	126	112	116
<b>Subtotal:</b>	<b>\$ 2,482</b>	<b>\$ 1,970</b>	<b>\$ 3,172</b>	<b>\$ 2,730</b>	<b>\$ 2,904</b>
<b>Computers</b>					
Computers & Hardware	\$ 233	\$ 184	\$ 262	\$ 224	\$ 239
Software & Accessories	49	38	54	46	49
<b>Subtotal:</b>	<b>\$ 282</b>	<b>\$ 222</b>	<b>\$ 316</b>	<b>\$ 270</b>	<b>\$ 288</b>
<b>Entertainment &amp; Recreation</b>					
Membership Fees for Clubs	\$ 192	\$ 140	\$ 345	\$ 291	\$ 312
Fees for Participant Sports	139	99	156	139	144
Tickets to Theater/Operas/Concerts	77	60	98	80	87
Tickets to Movies/Museums/Parks	104	80	116	100	105
Admission to Sporting Events	70	52	86	72	78
Fees for Recreational Lessons	126	92	204	175	183
Dating Services	0.65	0.65	1.23	1.00	1.10
<b>Subtotal:</b>	<b>\$ 709</b>	<b>\$ 523</b>	<b>\$ 1,007</b>	<b>\$ 858</b>	<b>\$ 911</b>
<b>TV/Video/Audio</b>					
Cable & Satellite TV Services	\$ 960	\$ 757	\$ 1,371	\$ 1,194	\$ 1,279
Televisions	160	127	177	152	163
Satellite Dishes	2	1	2	2	2
VCRs, Video Cameras & DVD Players	11	10	10	8	9
Miscellaneous Video Equipment	13	9	14	12	13
Video Cassettes & DVDs	34	28	22	19	20
Video Game Hardware/Accessories	24	21	40	34	37
Video Game Software	28	24	22	18	20
Streaming/Downloaded Video	6	5	37	32	34
Rental of Video Cassettes & DVDs	25	20	22	19	20
Installation of Televisions	1	1	2	1	1
Audio	132	102	133	114	122
Rental & Repair of TV/Radio/Audio	6	4	6	5	5
<b>Subtotal:</b>	<b>\$ 1,403</b>	<b>\$ 1,110</b>	<b>\$ 1,857</b>	<b>\$ 1,610</b>	<b>\$ 1,725</b>

(1) Consumer spending data are derived from the 2014 and 2015 Consumer Expenditure Survey conducted by the Bureau of Labor Statistics.

**Table 3 (Continued): Annual Household Consumer Spending, 2016**

	Palm Beach County	West Palm Beach	Boca Raton	Jupiter	Palm Beach Gardens
<b>Other Entertainment</b>					
Pets	\$ 596	\$ 439	\$ 852	\$ 764	\$ 803
Toys & Games	125	101	170	148	157
Recreational Vehicles & Fees	223	142	144	130	136
Sports/Recreation/Exercise Equipment	196	145	247	214	226
Photo Equipment & Supplies	88	68	82	72	75
Reading	167	122	193	166	178
Catered Affairs	26	19	48	42	44
<b>Subtotal:</b>	<b>\$ 1,420</b>	<b>\$ 1,036</b>	<b>\$ 1,736</b>	<b>\$ 1,536</b>	<b>\$ 1,620</b>
<b>Food &amp; Alcohol</b>					
Food at Home	\$ 5,549	\$ 4,379	\$ 7,206	\$ 6,245	\$ 6,675
Food Away from Home	3,537	2,771	4,879	4,236	4,500
Alcoholic & Non-alcoholic Beverages	1,144	908	854	718	775
<b>Subtotal:</b>	<b>\$ 10,229</b>	<b>\$ 8,057</b>	<b>\$ 12,939</b>	<b>\$ 11,199</b>	<b>\$ 11,950</b>
<b>Household Furnishings &amp; Equipment</b>					
Household Textiles	\$ 106	\$ 83	\$ 144	\$ 124	\$ 132
Furniture	556	436	851	741	786
Floor Coverings	25	18	37	30	33
Major Appliances	288	210	459	423	436
Housewares	79	60	140	125	131
Small Appliances	49	38	72	61	66
Luggage	10	8	19	16	17
Telephones & Accessories	54	42	99	88	92
Lawn & Garden	475	320	626	568	592
Housekeeping Supplies	777	592	1,029	909	962
Maintenance & Remodeling Materials	292	199	571	503	531
<b>Subtotal:</b>	<b>\$ 2,711</b>	<b>\$ 2,004</b>	<b>\$ 4,047</b>	<b>\$ 3,587</b>	<b>\$ 3,779</b>
<b>Health &amp; Personal Care</b>					
Non- & Prescription Drugs	\$ 682	\$ 494	\$ 751	\$ 674	\$ 711
Optical	94	70	138	121	129
Personal Care Products	512	397	687	598	635
School Supplies	189	156	225	192	205
Smoking Products	467	406	543	462	510
<b>Subtotal:</b>	<b>\$ 1,945</b>	<b>\$ 1,524</b>	<b>\$ 2,344</b>	<b>\$ 2,048</b>	<b>\$ 2,190</b>
<b>TOTAL:</b>					
Total Annual Spending	\$ 12,457,095,234	\$ 720,210,189	\$ 1,092,496,508	\$ 642,077,742	\$ 650,924,881
Per Household	\$ 21,182	\$ 16,447	\$ 27,419	\$ 23,837	\$ 25,366
As % of Average HH Income	24.6%	26.7%	22.7%	23.0%	24.4%

(1) Consumer spending data are derived from the 2014 and 2015 Consumer Expenditure Survey conducted by the Bureau of Labor Statistics.

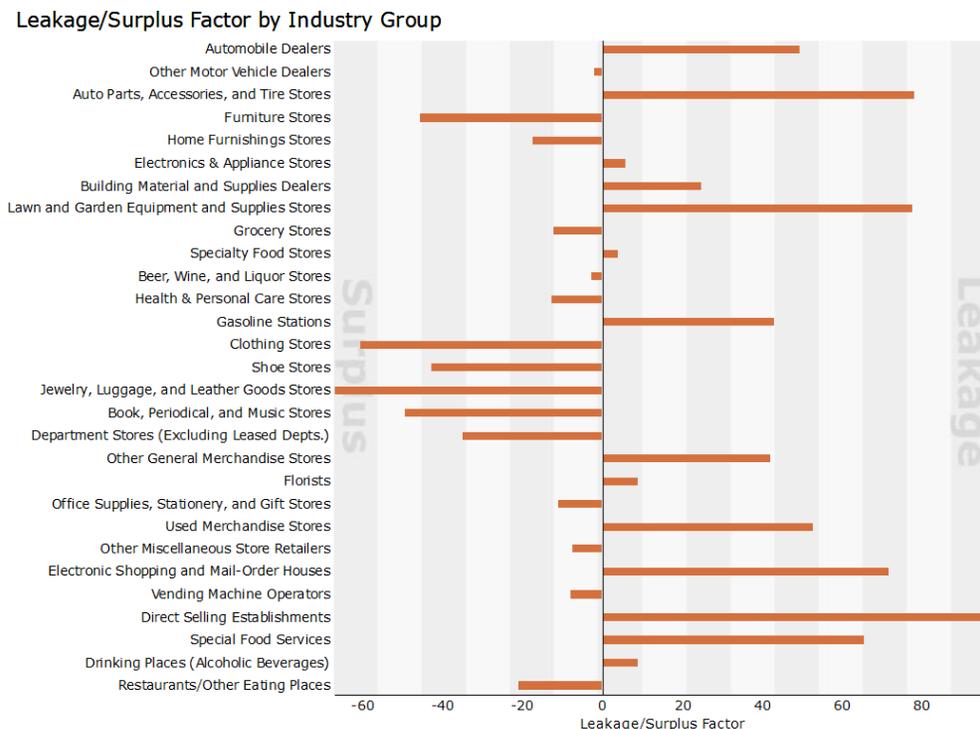
Source: US Department of Labor, Bureau of Labor Market Statistics; ESRI Business Analyst; WTL +a, revised January 2018.

## Retail “Recapture” Opportunities

Another key indicator of retail market potentials involves what is known as “retail opportunity gap”. This compares annual household spending (i.e., “demand”) in specific merchandise categories against estimated annual retail sales by businesses in those same categories (i.e., “supply”). The difference between demand and supply represents the “recapture” opportunity, or surplus, available in each retail category in the reporting geography.

**When demand is greater than supply, there is an apparent opportunity for additional retail space** in that category. By comparison, when demand is less than supply, there is a surplus of sales in that retail category. That is, a positive value in green = a potential recapture opportunity, while a negative value in red = a surplus of sales among businesses, or an “inflow” of sales from outside of the reporting geography. In Figure 1 below, recapture opportunities among specific merchandise categories are on the right side of the graph, while surplus sales (inflow) are illustrated on the left side of the graph. Numerical findings for Palm Beach Gardens are illustrated in Table 4.

**Figure 1: Retail Leakage & Surplus—Palm Beach Gardens, 2017**



**Table 4: Retail “Recapture” Opportunities—City of Palm Beach Gardens, 2017**

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
<b>General Merchandise Stores</b>			
Department Stores Excl Leased Depts.	\$ 135,653,382	\$ 284,007,726	\$ (148,354,344)
Other General Merchandise Stores	56,789,859	23,259,442	33,530,417
<b>Subtotal:</b>	<b>\$ 192,443,241</b>	<b>\$ 307,267,168</b>	<b>\$ (114,823,927)</b>
<b>Clothing &amp; Accessories Stores</b>			
Clothing Stores	\$ 40,160,064	\$ 164,876,023	\$ (124,715,959)
Shoe Stores	8,898,499	22,347,495	(13,448,996)
Jewelry, Luggage, Leather Goods	11,045,536	56,432,566	(45,387,030)
<b>Subtotal:</b>	<b>\$ 60,104,099</b>	<b>\$ 243,656,084</b>	<b>\$ (183,551,985)</b>
<b>Furniture &amp; Home Furnishings Stores</b>			
Furniture Stores	\$ 24,061,540	\$ 64,841,127	\$ (40,779,587)
Home Furnishing Stores	19,946,967	28,479,245	(8,532,278)
<b>Subtotal:</b>	<b>\$ 44,008,507</b>	<b>\$ 93,320,372</b>	<b>\$ (49,311,865)</b>
<b>Electronics &amp; Appliance Stores</b>			
Appliances, TVs, Electronics Stores	\$ 34,504,497	\$ 30,820,424	\$ 3,684,073
<b>Subtotal:</b>	<b>\$ 34,504,497</b>	<b>\$ 30,820,424</b>	<b>\$ 3,684,073</b>
<b>Leisure &amp; Entertainment</b>			
Sporting Goods/Hobby/Musical Instruments	\$ 24,103,203	\$ 42,413,366	\$ (18,310,163)
Books, Periodicals & Music Stores	4,963,506	14,798,803	(9,835,297)
<b>Subtotal:</b>	<b>\$ 29,066,709</b>	<b>\$ 57,212,169</b>	<b>\$ (28,145,460)</b>
<b>Food Services &amp; Drinking Places</b>			
Special Food Services	\$ 2,072,781	\$ 430,554	\$ 1,642,227
Drinking Places - Alcoholic Beverages	11,071,873	9,256,968	1,814,905
Restaurants/Other Eating Places	114,504,119	175,633,614	(61,129,495)
<b>Subtotal:</b>	<b>\$ 127,648,773</b>	<b>\$ 185,321,136</b>	<b>\$ (57,672,363)</b>

**Table 4 (Continued): Retail “Recapture” Opportunities—Palm Beach Gardens, 2017**

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
<b>Food &amp; Beverage Stores</b>			
Grocery Stores	\$ 186,564,200	\$ 240,538,422	\$ (53,974,222)
Specialty Food Stores	8,544,574	7,880,507	664,067
Beer, Wine & Liquor Stores	10,630,467	11,263,727	(633,260)
<b>Subtotal:</b>	<b>\$ 205,739,241</b>	<b>\$ 259,682,656</b>	<b>\$ (53,943,415)</b>
<b>Health &amp; Personal Care Stores</b>			
Health & Personal Care Stores	\$ 79,919,682	\$ 103,768,331	\$ (23,848,649)
<b>Subtotal:</b>	<b>\$ 79,919,682</b>	<b>\$ 103,768,331</b>	<b>\$ (23,848,649)</b>
<b>Building Material, Garden Equipment Stores</b>			
Building Materials & Supplies	\$ 77,887,429	\$ 46,972,259	\$ 30,915,170
Lawn & Garden Equipment & Supplies	6,409,959	808,114	5,601,845
<b>Subtotal:</b>	<b>\$ 84,297,388</b>	<b>\$ 47,780,373</b>	<b>\$ 36,517,015</b>
<b>Miscellaneous Store Retailers</b>			
Florists	\$ 2,273,451	\$ 1,900,192	\$ 373,259
Office Supplies, Stationery, Gift Stores	10,466,381	13,098,687	(2,632,306)
Used Merchandise Stores	10,614,892	3,287,263	7,327,629
Other Miscellaneous Retail Stores	24,960,312	29,216,254	(4,255,942)
<b>Subtotal:</b>	<b>\$ 48,315,036</b>	<b>\$ 47,502,396</b>	<b>\$ 812,640</b>
<b>TOTAL:</b>			
<b>HH Demand vs. Retail Sales</b>	<b>\$ 906,047,173</b>	<b>\$ 1,376,331,109</b>	<b>\$ (470,283,936)</b>
	(2)		

(1) Claritas' "Retail Market Power" data is derived from two major sources of information. Demand data are derived from Consumer Expenditure Surveys fielded by the U.S. Bureau of Labor Statistics (BLS). Supply data are derived from the Census Bureau. The difference between demand and supply represents the "recapture opportunity", or surplus, available for each retail category in the reporting geography. When demand is greater than supply, there is an apparent opportunity for additional retail space in that category. By comparison, when demand is less than supply, there is a surplus of sales in that retail category (i.e., positive value = recapture opportunity, while negative value = surplus of sales).

(2) Total household retail spending excludes spending on Non-Store Retailers (Internet); Motor Vehicle Parts and Dealers; and Gas Stations.

Source: Bureau of Labor Statistics; Claritas, Inc.; ESRI Business Analyst; WTL +a, November 2017.

Another source for household retail spending includes the Bureau of Labor Statistics (BLS) and Claritas, Inc. Key findings for Palm Beach Gardens indicate that:



- These data sources indicate the city's households spend over \$906 million per year. **This estimate is *higher* than annual spending illustrated previously in Table 3 because it includes multiple additional merchandise categories** such as Building Materials, Leisure & Entertainment and Miscellaneous Store

sales. This compares to **estimated citywide store sales of over \$1.37 billion per year** generated by the Gardens' sizable retail inventory, including The Gardens Mall and Downtown at the Gardens. The difference between spending and sales is known as *inflow*; in other words, **there is more than \$470 million in annual retail sales inflow into Palm Beach Gardens** from sources other than resident households; and

- This analysis reveals there are several merchandise categories where *apparent* opportunities could be recaptured to support either new retail development or stronger performance among existing businesses. These include: Other General Merchandise Stores (\$33.5 million); Building Materials (\$36.5 million); and Electronics & Appliance Stores (\$3.6 million).

## Economic Characteristics

### Employment Trends—Palm Beach County

Job growth is a key barometer of demand for “workplace” uses such as multi-tenant office space, industrial parks, retail centers and the like. WTL+a examined trends and forecasts in employment growth, utilizing data for Palm Beach County (i.e., the West Palm Beach/Boca Raton/Boynton Beach Metropolitan Statistical Area [MSA]) as prepared by the state's labor agency, the Department of Economic Opportunity (DEO), for the period between 1995 and 2016. This data is critical to understanding TOD development potentials in Palm Beach Gardens. Key findings are summarized below and illustrated in Table 5:

**Table 5: Palm Beach County Employment Trends, 1995—2016**

Industry Sector	1995	2000	2005	10-Year Change: 1995-2005		2007	2009	2011	2013	2014	2016	10-Year Change: 2007-2016	
				Amount	CAGR %							Amount	CAGR %
<b>In 000s</b>													
<b>Construction</b>	27.7	36.4	47.5	19.8	5.5%	42.0	25.8	24.1	27.4	29.2	35.9	(6.1)	-1.7%
<b>Manufacturing</b>	28.0	28.5	20.9	(7.1)	-2.9%	19.2	16.0	15.4	15.8	16.9	19.6	0.4	0.2%
<b>Transp/Warehousing/Utilities</b>	7.6	8.2	9.8	2.2	2.6%	10.3	9.3	9.3	9.9	10.8	12.5	2.2	2.2%
<b>Trade</b>													
Wholesale	14.8	18.1	22.5	7.7	4.3%	23.8	21.7	21.6	22.3	23.3	23.7	(0.1)	0.0%
Retail	61.3	74.1	76.6	15.3	2.3%	76.7	69.4	71.9	75.4	77.3	84.7	8.0	1.1%
<b>Information</b>	9.5	13.3	11.2	1.7	1.7%	11.0	9.0	9.1	9.6	10.2	10.9	(0.1)	-0.1%
<b>Financial Activities</b>	29.1	37.8	41.3	12.2	3.6%	40.2	35.1	36.5	37.9	39.7	39.7	(0.5)	-0.1%
<b>Services</b>													
Prof'l/Business Services	41.7	82.1	97.5	55.8	8.9%	96.0	84.2	90.5	99.5	104.7	110.8	14.8	1.6%
Education/Health Services	58.1	65.3	77.0	18.9	2.9%	80.3	81.9	83.7	87.0	91.3	99.0	18.7	2.4%
Leisure & Hospitality	53.5	62.5	72.5	19.0	3.1%	74.9	68.9	73.8	77.7	81.2	91.3	16.4	2.2%
Other Services	23.1	25.6	28.6	5.5	2.2%	29.1	27.4	28.2	29.5	31.7	33.4	4.3	1.5%
<b>Government</b>	51.1	57.8	66.7	15.6	2.7%	68.5	66.4	63.8	63.6	62.1	63.8	(4.7)	-0.8%
<b>Total (In 000s):</b>	<b>405.5</b>	<b>509.7</b>	<b>572.1</b>	<b>166.6</b>	<b>3.5%</b>	<b>572.0</b>	<b>515.1</b>	<b>528.0</b>	<b>555.7</b>	<b>578.4</b>	<b>625.3</b>	<b>53.3</b>	<b>1.0%</b>
<i>Change During Period:</i>		104.2	62.4			(0.1)	(57.0)	12.9	27.7	22.7	46.9		

(1) As of year-end for each reported year; 2016 is the latest data available.

<http://floridajobs.org/labor-market-information/data-center/statistical-programs/current-employment-statistics>

Source: US Department of Labor, Bureau of Labor Market Statistics; Florida Department of Economic Opportunity, Bureau of Labor Market Statistics; WTL +a, November 2017.

- **The County added a remarkable 166,600 new jobs in the 10-year period between 1995 and 2005.** This growth, which translates into 16,700 new jobs annually, was focused largely in specific sectors, including: Professional/Business Services (55,800), Construction (19,800), Leisure & Hospitality (19,000) and Education/Health Services (18,900);
- Growth in Professional/Business Services has fueled demand for office space in key locations across Palm Beach County during this period. Other sectors with solid job growth during this period also included Retail Trade (15,300), Government (15,600) and Financial Activities (12,200);
- By contrast, the economic downturn of 2007—2009 resulted in the loss of 57,000 jobs in Palm Beach County. Over the past 10 years (and over multiple economic cycles), job losses have been greatest in Construction (-6,100) and Government (-4,700);
- In only six years between 2011 and 2016, however, **the economy of Palm Beach County has significantly recovered from the 2007—2009 recession, with the creation of 110,300 new jobs;**

Notably, the Services sector, which comprises multiple categories such as Business and Professional Services, Health, Education and Leisure/Hospitality, has gained the largest share of new jobs in the County, exhibiting a net gain of 54,200 new jobs between 2007 and 2016;

**(57,000) Recession-based Job Losses in Palm Beach County**

**Replaced with 110,300 New Jobs Since 2011**

- As illustrated in Table 6, Dun & Bradstreet, Inc. estimates that **Palm Beach County contained approximately 668,800 full-time jobs** in 62,750 registered businesses in 2016, which reflects a jobs-to-population ratio of 0.46. That is, there is almost one-half a job for every one of the 1,441,700 residents in the County and reflects the concentration of larger employment centers such as downtown West Palm Beach, Boca Raton, and Riviera Beach. By comparison, the statewide jobs-to-population ratio in Florida in 2014 (latest data

**Table 6: Business Mix—Palm Beach County, 2016**

NAICS Category	Businesses		Employees	
	No.	% of Total	No.	% of Total
<b>Mining &amp; Natural Resources</b>	<b>1,214</b>	1.9%	<b>11,074</b>	1.7%
<b>Construction</b>	<b>4,527</b>	7.2%	<b>30,635</b>	4.6%
<b>Manufacturing</b>	<b>1,437</b>	2.3%	<b>30,322</b>	4.5%
<b>Transportation &amp; Warehousing</b>	<b>1,499</b>	2.4%	<b>12,288</b>	1.8%
<b>Communications</b>	<b>555</b>	0.9%	<b>6,062</b>	0.9%
<b>Utilities</b>	<b>135</b>	0.2%	<b>4,103</b>	0.6%
<b>Wholesale &amp; Retail Trade</b>				
Wholesale	2,100		23,385	
Retail	12,027		147,679	
- Home Improvement	735		7,371	
- General Merchandise	392		14,870	
- Food Stores	1,094		20,591	
- Auto Dealers/Gas Stations	1,254		15,827	
- Apparel & Accessory Stores	1,133		7,918	
- Furniture/Home Furnishings	1,043		6,871	
- Eating & Drinking Places	3,045		48,394	
- Miscellaneous & Non-store Retail	3,331		25,837	
<b>Subtotal - All Retail:</b>	<b>14,127</b>	22.5%	<b>171,064</b>	25.6%
<b>Finance/Insurance/Real Estate</b>	<b>7,846</b>	12.5%	<b>70,228</b>	10.5%
<b>Services</b>				
- Hotel/Lodging	319		15,292	
- Automotive Services	1,511		7,502	
- Motion Pictures & Amusements	1,714		23,194	
- Health Services	4,850		72,378	
- Legal Services	1,880		14,258	
- Educational Institutions	884		38,503	
- Other Services	15,682		123,696	
<b>Subtotal - Services:</b>	<b>26,840</b>	42.8%	<b>294,823</b>	44.1%
<b>Government</b>	<b>1,074</b>	1.7%	<b>36,427</b>	5.4%
<b>Unclassified Establishments</b>	<b>3,504</b>	5.6%	<b>1,743</b>	0.3%
<b>TOTAL:</b>	<b>62,758</b>	<b>100.0%</b>	<b>668,769</b>	<b>100.0%</b>

<b>ANALYSIS:</b>	
2016 Employment	668,769
2016 Population	1,441,728
Jobs/Population Ratio	<b>0.46</b>

**Source: ESRI Business Analyst; InfoGroup, Inc.; Dun & Bradstreet, Inc.; WTL +a, November 2017.**

**Table 7: State Employment Forecasts for Palm Beach County, 2016—2024**

Employment Category	2016	% Dist.	2024	% Dist.	Change: 2016-2024		
					Total	CAGR	
<b>Agriculture/Mining/Construction</b>							
Agriculture	6,124		5,661		(463)	-1.0%	
Mining	80		88		8	0.0%	
Construction	33,356		38,923		5,567	1.9%	
<b>Subtotal:</b>	<b>39,560</b>	<b>6.1%</b>	<b>44,672</b>	<b>6.1%</b>	<b>5,575</b>	<b>1.5%</b>	
<b>Manufacturing</b>							
Durable Goods Manufacturing	13,095		14,214		1,119	1.0%	
Non-Durable Goods Manufacturing	4,110		4,028		(82)	-0.3%	
<b>Subtotal:</b>	<b>17,205</b>	<b>2.7%</b>	<b>18,242</b>	<b>2.5%</b>	<b>1,037</b>	<b>0.7%</b>	
<b>Transportation/Communications/Public Utilities</b>							
Public Utilities	2,135		2,238		103	0.6%	
Transportation & Warehousing	9,631		10,373		742	0.9%	
<b>Subtotal:</b>	<b>11,766</b>	<b>1.8%</b>	<b>12,611</b>	<b>1.7%</b>	<b>845</b>	<b>0.9%</b>	
<b>Wholesale &amp; Retail Trade</b>							
Wholesale Trade	24,870		27,248		2,378	1.1%	
Retail Trade	81,065		89,861		8,796	1.3%	
<b>Subtotal:</b>	<b>105,935</b>	<b>16.3%</b>	<b>117,109</b>	<b>16.0%</b>	<b>11,174</b>	<b>1.3%</b>	
<b>Finance/Insurance/Real Estate</b>							
Information	10,440		10,573		133	0.2%	
Finance & Insurance	24,666		26,405		1,739	0.9%	
Real Estate, Rental & Leasing	15,792		17,899		2,107	1.6%	
<b>Subtotal:</b>	<b>50,898</b>	<b>7.9%</b>	<b>54,877</b>	<b>7.5%</b>	<b>3,979</b>	<b>0.9%</b>	
<b>Services</b>							
Professional, Scientific & Technical Services	44,886		53,000		8,114	2.1%	
Management of Companies & Enterprises	11,045		12,907		1,862	2.0%	
Administrative & Waste Management	53,754		61,398		7,644	1.7%	
Educational Services	11,172		13,273		2,101	2.2%	
Health Care & Social Assistance	84,914		101,762		16,848	2.3%	
Arts, Entertainment & Recreation	18,530		20,689		2,159	1.4%	
Accommodation & Food Services	60,252		67,754		7,502	1.5%	
Other Services (Except Government)	28,380		30,864		2,484	1.1%	
<b>Subtotal:</b>	<b>312,933</b>	<b>48.3%</b>	<b>361,647</b>	<b>49.6%</b>	<b>48,714</b>	<b>1.8%</b>	
<b>Government</b>	<b>61,817</b>	<b>9.5%</b>	<b>67,215</b>	<b>9.2%</b>	<b>5,398</b>	<b>1.1%</b>	
<b>Self-Employed &amp; Unpaid Family Workers</b>	<b>47,547</b>	<b>7.3%</b>	<b>52,867</b>	<b>7.2%</b>	<b>5,320</b>	<b>1.3%</b>	
<b>TOTAL:</b>	<b>648,230</b>		<b>729,835</b>		<b>81,605</b>	<b>1.5%</b>	
<b>Annual Increase (Rounded):</b>					<b>10,200</b>		

<http://www.floridajobs.org/labor-market-information/data-center/statistical-programs/employment-projections>

Source: Florida Department of Economic Opportunity, Bureau of Labor Statistics; WTL +a, November 2017.

available) was 0.39 (which considers the large number of retirees in the state), while the jobs-to-population ratio for the United States in 2014 was 0.60; and

- Employment is concentrated in specific sectors, including Services (44%), Wholesale/Retail Trade (26%), and Financial Activities (10.5%).

### Employment Trends & Forecasts—Palm Beach County

Employment forecasts for specific jurisdictions in Florida (defined as Workforce Development Regions) are also prepared by the Department of Economic Opportunity in eight-year forecast periods. As illustrated in Table 7 above, these forecasts suggest that:

- **Palm Beach County (DEO Workforce Region #21) is expected to add more than 81,600 new jobs between 2016 and 2024**, reflecting a *sustained* annual pace of 10,200 new jobs annually over this eight-year period; and
- The Services sector is expected to comprise almost 50% of all new jobs in the county—adding over 48,700 new jobs—with the largest gains expected in Health Care, Professional and Business Services and Accommodation & Food Services sectors. This could be expected to fuel demand for professional and medical office space and retail uses.

### Employment Trends—Palm Beach Gardens

- As illustrated in Table 8 below, Dun & Bradstreet, Inc. estimates there are more than **39,600 jobs in 3,129 registered businesses in Palm Beach Gardens**. The city accounts for approximately 5.9% of the 668,800 full-time jobs in Palm Beach County;
- The three largest sectors generating demand for workplace real estate in the Gardens include: Retail Trade (11,300+ jobs), Other Services (6,300+ jobs) and Finance/Insurance and Real Estate (5,800 jobs). Together, these three sectors account for over 23,400 jobs, or fully 60% of the 39,600 jobs in the city. “Other Services” includes such industries as automotive repair and maintenance;
- As noted, Palm Beach **Gardens contains 5.9% of all at-place jobs in Palm Beach County**. This is known as *fair share* and has been considered in our analysis of workplace market potentials in Section 4 of this report;

**Fair Share: Palm Beach Gardens Accounts for  
5.9% of Palm Beach County’s Total Jobs**

**Table 8: Business Mix—Palm Beach Gardens, 2016**

NAICS Category	Businesses		Employees	
	No.	% of Total	No.	% of Total
<b>Mining &amp; Natural Resources</b>	<b>43</b>	1.4%	<b>223</b>	0.6%
<b>Construction</b>	<b>126</b>	4.0%	<b>1,104</b>	2.8%
<b>Manufacturing</b>	<b>39</b>	1.2%	<b>1,255</b>	3.2%
<b>Transportation &amp; Warehousing</b>	<b>62</b>	2.0%	<b>252</b>	0.6%
<b>Communications</b>	<b>16</b>	0.5%	<b>244</b>	0.6%
<b>Utilities</b>	<b>6</b>	0.2%	<b>136</b>	0.3%
<b>Wholesale &amp; Retail Trade</b>				
Wholesale	56		1,128	
Retail	630		11,326	
- Home Improvement	15		340	
- General Merchandise	19		1,777	
- Food Stores	52		1,500	
- Auto Dealers/Gas Stations	33		678	
- Apparel & Accessory Stores	103		1,027	
- Furniture/Home Furnishings	40		508	
- Eating & Drinking Places	173		3,976	
- Miscellaneous & Non-store Retail	195		1,520	
<b>Subtotal - All Retail:</b>	<b>686</b>	21.9%	<b>12,454</b>	31.4%
<b>Finance/Insurance/Real Estate</b>	<b>541</b>	17.3%	<b>5,792</b>	14.6%
<b>Services</b>				
- Hotel/Lodging	19		1,288	
- Automotive Services	19		394	
- Motion Pictures & Amusements	95		2,105	
- Health Services	321		4,882	
- Legal Services	150		894	
- Educational Institutions	39		1,629	
- Other Services	717		6,321	
<b>Subtotal - Services:</b>	<b>1,360</b>	43.5%	<b>17,513</b>	44.2%
<b>Government</b>	<b>40</b>	1.3%	<b>616</b>	1.6%
<b>Unclassified Establishments</b>	<b>210</b>	6.7%	<b>11</b>	0.0%
<b>TOTAL:</b>	<b>3,129</b>	<b>100.0%</b>	<b>39,600</b>	<b>100.0%</b>

<b>ANALYSIS:</b>	
2016 Employment	39,600
As Share of Palm Beach County	<b>5.9%</b>
2016 Population	54,722
Jobs/Population Ratio	<b>0.72</b>

Source: ESRI Business Analyst; InfoGroup, Inc.; Dun & Bradstreet, Inc.; WTL +a, November 2017.

**Table 9: 10-Year Employment Trends—City of Palm Beach Gardens, 2006—2015**

Industry Sector	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	% Dist.	Change: 2006-2015	
												Amount	CAGR %
<b>Agriculture &amp; Mining</b>	215	12	18	5	1	8	35	93	82	75	0.3%	(140)	-11.0%
<b>Construction</b>	3,816	2,373	1,098	876	636	714	497	599	775	786	2.6%	(3,030)	-16.1%
<b>Manufacturing</b>	1,323	1,676	1,743	1,909	876	768	785	769	780	1,053	3.5%	(270)	-2.5%
<b>Transp &amp; Warehousing</b>	149	159	153	123	148	58	63	42	61	49	0.2%	(100)	-11.6%
<b>Utilities</b>	177	182	172	167	152	139	146	140	141	163	0.5%	(14)	-0.9%
<b>Trade</b>													
Wholesale	1,011	916	815	746	774	660	660	626	720	646	2.2%	(365)	-4.9%
Retail	5,325	5,632	5,579	5,000	5,024	6,264	4,822	4,931	5,018	5,549	18.6%	224	0.5%
<b>Information</b>	964	908	893	765	790	849	640	618	606	670	2.2%	(294)	-4.0%
<b>Finance &amp; Insurance</b>	1,721	2,276	1,796	1,758	1,855	2,117	1,660	1,691	2,041	2,048	6.9%	327	2.0%
<b>Real Estate/Rental &amp; Leasing</b>	656	813	820	744	598	735	759	782	723	646	2.2%	(10)	-0.2%
<b>Services</b>													
Prof'l/Business Services	2,451	2,750	2,706	2,559	2,322	2,594	2,560	2,432	2,636	2,750	9.2%	299	1.3%
Management of Companies	303	414	463	451	475	509	483	484	317	401	1.3%	98	3.2%
Administration/Waste Mgmt.	3,479	2,893	3,055	2,226	3,592	3,206	1,549	1,561	2,185	1,879	6.3%	(1,600)	-6.6%
Educational Services	210	236	166	156	196	94	177	378	410	394	1.3%	184	7.2%
Health Care & Social Assistance	4,704	4,696	4,795	5,330	4,885	4,945	4,989	5,373	5,040	5,084	17.0%	380	0.9%
Arts/Entertainment/Recreation	1,097	793	728	628	766	1,093	906	1,126	1,077	1,171	3.9%	74	0.7%
Accommodation & Food Services	3,238	3,306	4,074	3,489	3,608	4,054	4,108	4,003	4,152	4,587	15.4%	1,349	3.9%
Other Services	928	1,100	1,099	1,084	1,012	1,170	1,489	1,250	1,210	1,282	4.3%	354	3.7%
<b>Public Administration/Gov't</b>	648	691	703	650	638	668	642	654	645	631	2.1%	(17)	-0.3%
<b>Total (In 000s):</b>	<b>32,415</b>	<b>31,826</b>	<b>30,876</b>	<b>28,666</b>	<b>28,348</b>	<b>30,645</b>	<b>26,970</b>	<b>27,552</b>	<b>28,619</b>	<b>29,864</b>		<b>(2,551)</b>	<b>-0.9%</b>
Annual Change:	-	(589)	(950)	(2,210)	(318)	2,297	(3,675)	582	1,067	1,245			
Annual % Change:			-3%	-8%	-1%	7%	-14%	2%	4%	4%			
<b>Palm Beach Gardens As % of County:</b>	<b>6.1%</b>	<b>5.9%</b>	<b>5.9%</b>	<b>5.9%</b>	<b>5.8%</b>	<b>5.9%</b>	<b>5.3%</b>	<b>5.2%</b>	<b>5.2%</b>	<b>5.2%</b>		<b>10-Year Avg:</b>	<b>5.6%</b>

Source: U.S. Census Bureau, On-the-Map; WTL +a, November 2017.

- The data also suggest the city's current jobs-to-population ratio is 0.72 (i.e., there is roughly three-quarters of a job for every resident living in the Gardens). This ratio is significantly higher than the County (0.46) and reflects the diverse business mix and concentration of businesses along commercial corridors such as PGA Boulevard as well as the sizable retail presence throughout the city;
- U.S. Census Bureau data indicate the 2007—2010 recession had a significant impact on the city's employment base as over 4,000 jobs were lost. In 2011 and 2013—2015, almost 5,200 new jobs were created. Notably, more than 3,600 jobs were lost in the Retail and Administration sectors in 2012, resulting in a smaller, *net* gain of 1,500 new jobs over this five-year period;
- **In summary, Palm Beach Gardens has *not* fully recovered the jobs lost in the recession. In fact, 2015 citywide employment (latest data available) suggests 2,550 fewer jobs in the city than in 2005.** We note that differences between Dun & Bradstreet (Table 8) and U.S. Census Bureau (Table 9) are attributed to part-time, self-employed and those jobs not contributing to the Unemployment Insurance Fund. Job losses were greatest in Construction (-3,030) and Administrative (-1,600). According to the City, the decline in Administrative positions between 2011 and 2012 reflects the relocation of the G4S headquarters (formerly Wackenhut)—from Palm Beach Gardens to Jupiter—in 2011; and
- As illustrated in Figure 2 below, in 2015, the U.S. Census Bureau estimates that the highest employment densities are concentrated along the PGA Boulevard corridor as well as the area around PGA Boulevard near its interchange with Florida's Turnpike because of the cluster of retail in that location. Another concentration of employment parallels the Alternate A1A corridor both north and south of Burns Road.

### Employment Trends—Study Area

Employment data for the study area ("Core Area") surrounding the proposed rain station site in Palm Beach Gardens is illustrated in Table 10. Key findings suggest:

- 2015 Census data (latest data available) indicate that the **Core Area contained almost 14,800 jobs**. The 2007—2009 recession resulted in the loss of over 2,000 jobs, mostly focused in Construction, Professional/Business Services and Retail;

Figure 2: Citywide Employment Densities—Palm Beach Gardens, 2015

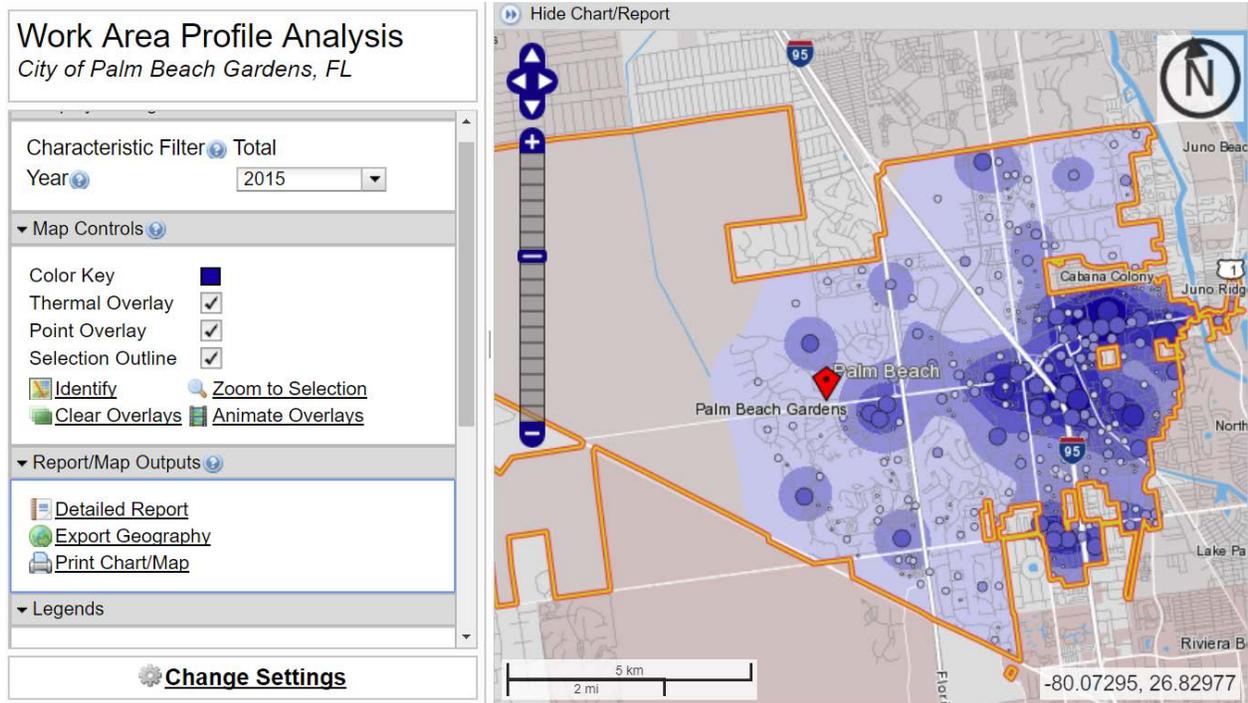
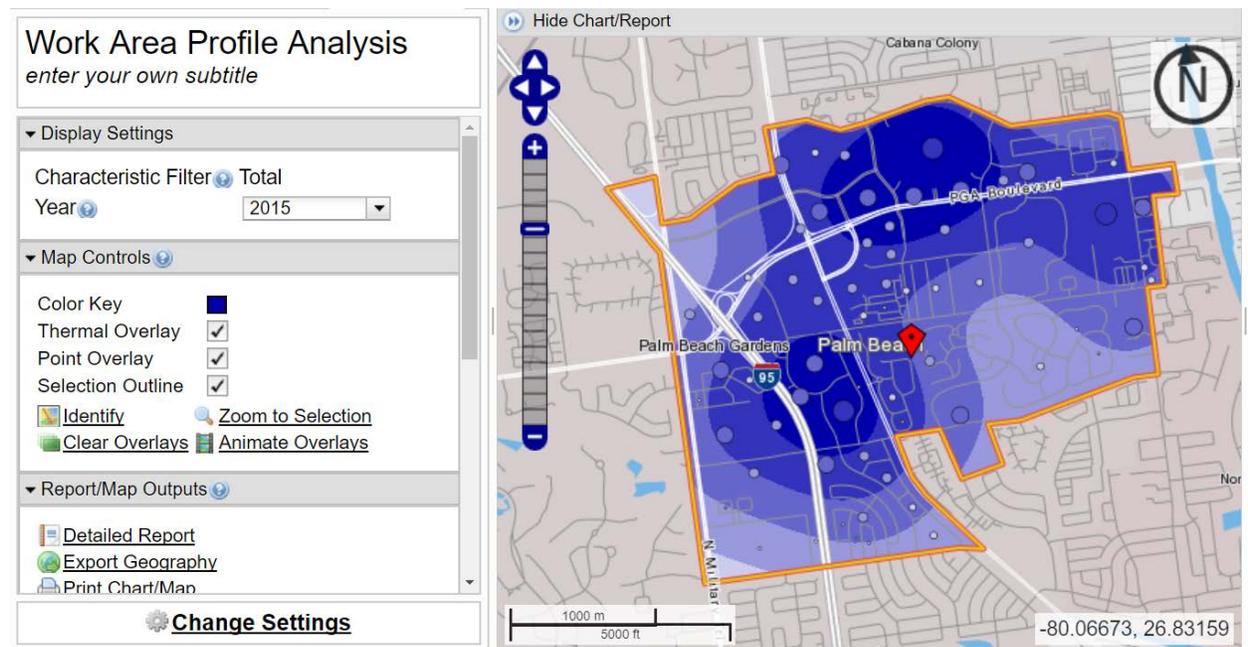


Figure 3: CRA Employment Densities—Study Area (“Core Area”), 2015



- Between 2013 and 2015, employment in the Core Area increased, with the addition of almost 1,600 new jobs, including Professional/Business Services (generating demand for office space), Retail and Accommodation & Food Services;
- The Core Area has generally maintained its share of citywide jobs—in the range of 50%—although this share has fluctuated between 49% and 56%;
- **One of the most striking findings of our analysis of employment trends is a *decline* in the number of employees in two age cohorts—ages 29 and younger and 30 to 54 years of age.** As illustrated in Table 11:

- The number of **employees 29 and younger declined by almost 2,400 citywide**, reflecting a decrease of 3.1% per year. The number of employees between 30 and 54 years also declined by roughly 2,000 employees, reflecting a decrease of 1.3% per year;
- By comparison, in the Core Area the number of workers 29 and under dropped by almost 1,400, reflecting a higher rate of decline of 3.5% per year. The number of workers 30 to 54 also declined (by 420, or 0.6% per year); and
- The data also revealed that **the city’s workforce is aging, with increases in the number of employees 55 years of age and older**—with a citywide gain of over 1,800 workers citywide and 850 workers in the Core Area.

- In conclusion, according to the U.S. Census Bureau over the past 10 years **the Core Area has experienced a net job loss of almost 1,000 jobs**—declining from 15,740 in 2006 to 14,780 in 2015. While smaller gains were noted in several sectors, these were not enough to offset losses in other sectors, particularly Administration/Waste Management, which lost almost 1,100 jobs during this period presumably due to Wackenhut’s relocation.

**Table 10: 10-Year Employment Trends—Study Area (“Core Area”), 2006—2015**

Industry Sector	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	% Dist.	Change: 2006-2015	
												Amount	CAGR %
<b>Agriculture &amp; Mining</b>	203	1	10	2	2	3	2	2	2	1	0.0%	(202)	0.0%
<b>Construction</b>	953	1,286	677	544	409	211	236	265	379	395	2.7%	(558)	-9.3%
<b>Manufacturing</b>	516	785	933	1,232	1,312	1,715	500	557	585	853	5.8%	337	5.7%
<b>Transp &amp; Warehousing</b>	82	86	75	58	72	23	21	13	25	10	0.1%	(72)	-20.8%
<b>Utilities</b>	58	64	62	56	48	20	2	-	2	10	0.1%	(48)	-17.7%
<b>Trade</b>													
Wholesale	278	239	236	206	227	475	488	482	517	501	3.4%	223	6.8%
Retail	3,147	3,580	3,649	3,244	3,089	3,882	2,912	2,865	2,877	3,321	22.5%	174	0.6%
<b>Information</b>	333	337	304	273	292	348	369	354	343	389	2.6%	56	1.7%
<b>Finance &amp; Insurance</b>	1,016	1,267	1,017	983	876	1,188	836	938	1,233	1,196	8.1%	180	1.8%
<b>Real Estate/Rental &amp; Leasing</b>	455	529	386	339	258	390	295	376	364	279	1.9%	(176)	-5.3%
<b>Services</b>													
Prof//Business Services	1,533	1,619	1,486	1,381	1,082	1,280	1,094	1,268	1,441	1,462	9.9%	(71)	-0.5%
Management of Companies	241	356	271	260	272	380	397	393	221	332	2.2%	91	3.6%
Administration/Waste Mgmt.	2,182	1,726	1,682	1,696	1,855	1,948	905	989	1,054	1,087	7.4%	(1,095)	-7.5%
Educational Services	151	146	111	92	123	29	88	268	281	277	1.9%	126	7.0%
Health Care & Social Assistance	2,059	1,928	1,945	2,303	2,117	2,400	2,415	2,524	1,969	1,984	13.4%	(75)	-0.4%
Arts/Entertainment/Recreation	36	78	40	37	30	49	96	85	83	87	0.6%	51	10.3%
Accommodation & Food Services	1,690	1,765	1,973	1,812	1,844	1,874	1,743	1,595	1,637	1,770	12.0%	80	0.5%
Other Services	230	319	313	238	246	276	227	224	239	221	1.5%	(9)	-0.4%
<b>Public Administration/Gov't</b>	584	625	624	587	563	562	567	574	567	611	4.1%	27	0.5%
<b>Total (In 000s):</b>	<b>15,747</b>	<b>16,736</b>	<b>15,794</b>	<b>15,343</b>	<b>14,717</b>	<b>17,053</b>	<b>13,193</b>	<b>13,772</b>	<b>13,819</b>	<b>14,786</b>		<b>(961)</b>	<b>-0.7%</b>
<i>Annual Change:</i>	-	989	(942)	(451)	(626)	2,336	(3,860)	579	47	967			
<i>Job Loss (As % of All CRA Jobs):</i>		6%	-6%	-3%	-4%	14%	-29%	4%	0.3%	7%			
<i>Core Area Jobs As % of City</i>	49%	53%	51%	54%	52%	56%	49%	50%	48%	50%			

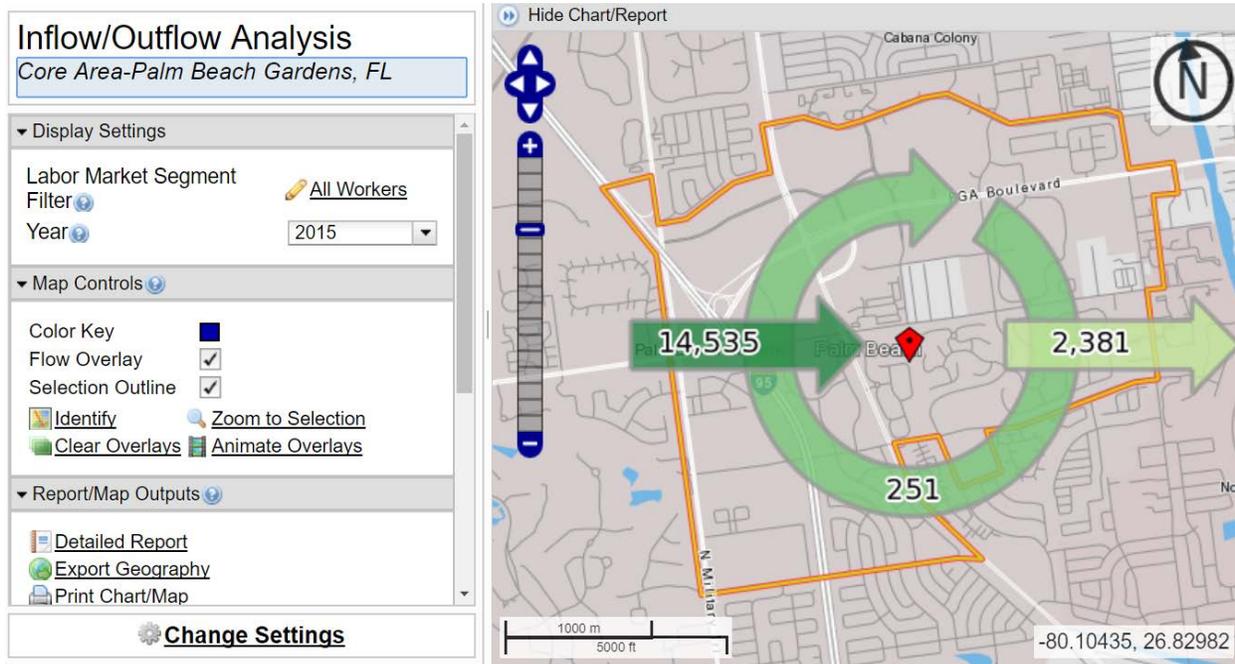
Source: U.S. Census Bureau, On-the-Map; WTL +a, January 2018.

**Table 11: 10-Year Employment Trends, by Age—City & Core Area, 2006—2015**

Age Cohort	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Change: 2006-2015	
											Amount	CAGR %
<b>City</b>												
29 or Younger	9,554	9,420	9,441	7,779	7,760	8,665	6,889	6,765	6,963	7,185	(2,369)	-3.1%
30 to 54	17,703	17,047	16,140	15,793	15,397	16,084	14,552	14,741	15,125	15,711	(1,992)	-1.3%
55 & Older	5,158	5,359	5,295	5,094	5,191	5,896	5,529	6,046	6,531	6,968	1,810	3.4%
<b>Subtotal:</b>	<b>32,415</b>	<b>31,826</b>	<b>30,876</b>	<b>28,666</b>	<b>28,348</b>	<b>30,645</b>	<b>26,970</b>	<b>27,552</b>	<b>28,619</b>	<b>29,864</b>	<b>(2,551)</b>	<b>-0.9%</b>
29 or Younger	29%	30%	31%	27%	27%	28%	26%	25%	24%	24%		
30 to 54	55%	54%	52%	55%	54%	52%	54%	54%	53%	53%		
55 & Older	16%	17%	17%	18%	18%	19%	21%	22%	23%	23%		
<b>Core Area</b>												
29 or Younger	5,119	5,580	5,409	4,736	4,503	5,067	3,616	3,564	3,552	3,729	(1,390)	-3.5%
30 to 54	8,150	8,506	7,843	8,142	7,745	8,900	6,981	7,355	7,285	7,730	(420)	-0.6%
55 & Older	2,478	2,650	2,542	2,465	2,469	3,086	2,596	2,853	2,982	3,327	849	3.3%
<b>Subtotal:</b>	<b>15,747</b>	<b>16,736</b>	<b>15,794</b>	<b>15,343</b>	<b>14,717</b>	<b>17,053</b>	<b>13,193</b>	<b>13,772</b>	<b>13,819</b>	<b>14,786</b>	<b>(961)</b>	<b>-0.7%</b>
29 or Younger	33%	33%	34%	31%	31%	30%	27%	26%	26%	25%		
30 to 54	52%	51%	50%	53%	53%	52%	53%	53%	53%	52%		
55 & Older	16%	16%	16%	16%	17%	18%	20%	21%	22%	23%		

Source: U.S. Census Bureau, On-the-Map; WTL +a, January 2018.

Figure 4: Employee Inflow-Outflow—Core Area, 2015



- As illustrated in Figure 4 above, according to U.S. Census Bureau data, in 2015 the Core Area exhibited a net gain in daily employment, with 14,535 workers who live elsewhere working in the study area, while 2,381 residents leave the study area daily to work elsewhere.

# 3 Real Estate Market Conditions

WTL +a evaluated real estate market conditions in Palm Beach Gardens and in other selected, competitive locations in Palm Beach County to understand how recent market trends, current economic conditions, and future growth affect opportunities for new TOD-supportive development around the proposed rail station site in the Core Area.

This section of the report analyzes historic and current building inventory, occupancy and vacancy levels, annual absorption (leasing) activity, historic development trends, and other appropriate market indices for housing, workplace, supporting commercial (retail) and lodging/hospitality uses based on available data. Key findings are summarized below and illustrated in Table 12 through Table 19.

## Housing

Palm Beach Gardens contains a diverse array of residential neighborhoods. Market metrics of the city's housing stock are illustrated in Table 12 below:

- Based on data from ESRI Business Analyst and the American Community Survey (ACS), the city contains almost 30,500 housing units. Since 2010, ESRI data suggest that the city's housing inventory has increased by almost 2,800 units. This is consistent with housing permit data (as detailed below), which reflect similar expansions of the city's housing supply;
- **The number of owner-occupied units has decreased**—from 59.6% in 2010 to 57% in 2017. Conversely, the number of renter-occupied units increased during this time—from 23% in 2010 to 27% by 2017. Almost 16% of the city's housing stock is “unoccupied” (estimated at 4,805 units);
- The 2017 average unit value of all housing units in Palm Beach Gardens is over \$429,800. Over the next five years, ESRI forecasts suggest that average housing values will increase at a solid, compound annual rate of 4.1% per year—to more than \$507,500. By

**Table 12: Housing Profile—City of Palm Beach Gardens, 2010—2022**

	2010	2017	% Dist.	2022	% Dist.	Change: 2017-2022	
						No.	CAGR %
<b>Housing Tenure</b>							
<b>Owner-occupied</b>	16,485	17,357		18,606		1,249	1.40%
% of Total	59.6%	57.0%		57.1%			
<b>Renter-occupied</b>	6,329	8,304		9,018		714	1.66%
% of Total	22.9%	27.3%		27.7%			
<b>Vacant</b>	4,861	4,805		4,960		155	0.64%
% of Total	17.6%	15.8%		15.2%			
<b>Total Units:</b>	<b>27,675</b>	<b>30,466</b>		<b>32,584</b>		<b>4,909</b>	<b>1.35%</b>
<b>Owner-Occupied Value</b>							
\$0 - \$99,999		967	6%	340	2%	(627)	-18.9%
\$100,000 - \$199,999		3,183	18%	1,922	10%	(1,261)	-9.6%
\$200,000 - \$299,999		3,485	20%	3,285	18%	(200)	-1.2%
\$300,000 - \$399,999		2,860	16%	3,436	18%	576	3.7%
\$400,000 - \$499,999		2,064	12%	2,826	15%	762	6.5%
\$500,000 - \$749,999		2,382	14%	3,484	19%	1,102	0.0%
\$750,000+		2,413	14%	3,311	18%	898	6.5%
<b>Median Value</b>		<b>\$ 336,434</b>		<b>\$ 411,288</b>			<b>4.1%</b>
<b>Average Value</b>		<b>\$ 429,862</b>		<b>\$ 507,505</b>			<b>3.4%</b>
<b>All Housing Units By Structure (2016 American Community Survey)</b>							
1 Unit, Detached		19,163	62.9%				
1 Unit, Attached		5,880	19.3%				
2 Units		244	0.8%				
3 or 4 Units		2,224	7.3%				
5 to 9 Units		670	2.2%				
10 or More Units		2,011	6.6%				
Mobile Home or Other		213	0.7%				
<b>Total Units:</b>		<b>30,405</b>	<b>100%</b>				
<b>Unoccupied Housing Units By Status</b>							
<b>Unoccupied-All Reasons</b>	<b>2010</b>	<b>2016 (ACS)</b>					
Rented (Not Occupied)	71						
For Sale Only	557						
Sold (Not Occupied)	103						
Seasonal Use	2,726						
For Migrant Workers	-						
<b>Subtotal:</b>	<b>3,457</b>						
<b>TRUE VACANCIES</b>							
Other Vacant	606						
Vacant, For Rent	798						
<b>Subtotal:</b>	<b>1,404</b>	<b>1,589</b>					
<b>True Vacancy Rate</b>	<b>5.1%</b>	<b>5.2%</b>					
<b>Total Unoccupied Units:</b>	<b>4,861</b>	<b>5,502</b>					

<https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

Source: ESRI Business Analyst; American Community Survey; WTL +a, December 2017.

comparison, the average value of owner-occupied housing in Palm Beach County in 2017 is over \$327,200. Notably, countywide housing values are forecast to increase at slightly lower rates than Palm Beach Gardens (3.46% per year) over the next five years;

- More specific analysis of the city's unoccupied housing stock indicates that units are unoccupied for various reasons. As a result, this does not accurately reflect actual *vacant* units. U.S. Census data indicate that 4,861 units were unoccupied as of the 2010 Census, as the economic recovery from the 2007—2009 recession ended, and recovery gained momentum. As a result, the number of vacant units in many housing markets has declined with an improving economy. In Palm Beach Gardens, **the number of unoccupied units decreased only slightly between 2010 and 2017**—from 4,861 units in 2010 to 4,805 units in 2017—which is just under 16% of the city's entire housing stock;
- The number of unoccupied units includes over 2,700 units that are seasonally-owned (i.e., occupied for only a portion of the year, such as by snowbirds who vacation in Florida). When such units (as well as other units, such as those that are sold but not yet occupied) are removed from the unoccupied category, **the city's true vacancy in 2010 was significantly lower—5.1%, or 1,404 units**. The 2015 American Community Survey (ACS) suggests that the number of truly vacant units has increased slightly—to 1,589 units in 2015, revealing a true vacancy rate of 5.2%. In effect, the city's housing market is stabilized, as 5% vacancy is considered industry-standard; and
- ACS data reveal that the city's housing stock consists primarily of low-density housing, with pockets of moderate-density buildings. This includes single-family attached and detached (82%) and multi-family units (18%). However, only 6.6% of the city's housing stock, or 2,000 units, consists of multi-family buildings of 10 or more units.

## Housing Starts

To document how population and household growth affects market potentials for new housing in Palm Beach Gardens, WTL+a reviewed information on annual housing starts/residential building permits. This analysis also compares housing starts to household growth to understand whether the pace of one metric is consistent with (or exceeds) the other. Housing starts for the 10-year period between 2007 and 2016 are illustrated in Table 13 below. Key findings indicate that:

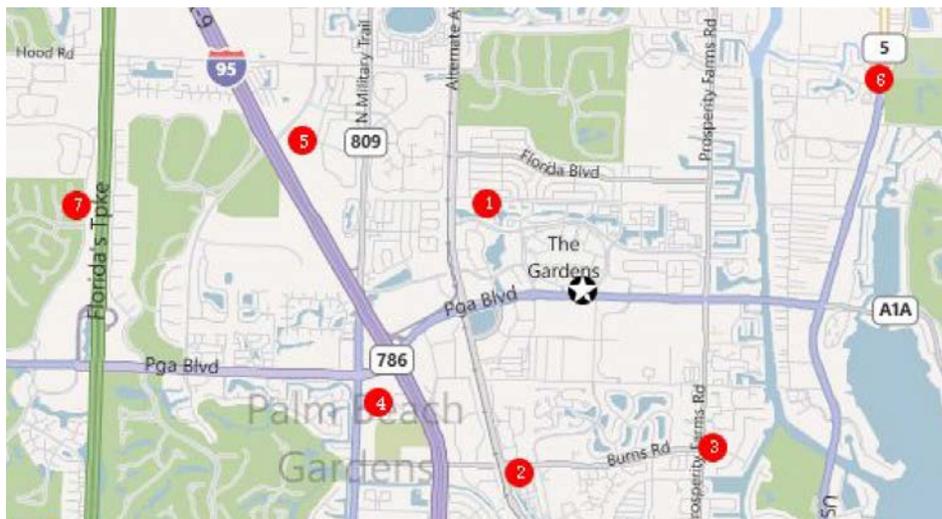
### WTL +a

- Since 2007 (which includes the 2007-2009 recession and subsequent recovery and economic momentum), housing starts across Palm Beach County resulted in delivery of more than 35,500 new housing units, producing a *sustained* annual pace of **3,550 units per year**. In terms of unit distribution, this includes 19,945 single-family units (56% of the total) and over 15,600 multi-family units (44% of the total); and
- In Palm Beach Gardens, according to data provided by the U.S. Department of Housing & Urban Development, **there were 2,196 units built over the past 10 years**, resulting in an average annual pace of 220 units per year. This included 1,521 single-family detached units but only 675 multi-family units (31% of total starts). Palm Beach Gardens accounted for 8% of the County's single-family starts, but only 4% of the County's multi-family units over the past 10 years. Opportunities to increase the City's share of multi-family housing in the future will be dependent on zoning/entitlements, job growth and growth in cohorts that typically occupy multi-family product, such as newly-formed households, empty nesters and retirees.

## Multi-family Rental

WTL+a examined market trends among selected multi-family rental apartment properties located in or near Palm Beach Gardens based on data from REIS, Inc. (a national real estate database), as overall market conditions are key to understanding development potentials for new rental housing as part of TOD-related uses surrounding the proposed rail station. Key findings are detailed in Table 14 and highlighted below:

**Figure 5: Palm Beach Gardens Multi-Family Rental Properties Map**



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**Table 13: Annual Housing Starts—County & Selected Municipalities, 2007—2016**

Municipality	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Change: 2007-2016		
											Total Starts	Annual Average	% of County
<b>Single-family Detached</b>													
Boca Raton	37	30	17	60	218	229	54	66	131	146	988	99	5%
Boynton Beach	61	96	36	9	214	50	115	29	39	20	669	67	3%
Delray Beach	113	38	27	21	57	99	153	111	129	85	833	83	4%
Jupiter	162	245	134	176	196	262	378	364	212	185	2,314	231	12%
<b>Palm Beach Gardens</b>	<b>206</b>	<b>111</b>	<b>76</b>	<b>98</b>	<b>111</b>	<b>194</b>	<b>196</b>	<b>188</b>	<b>154</b>	<b>187</b>	<b>1,521</b>	<b>152</b>	<b>8%</b>
Riviera Beach	48	45	4	1	-	2	5	3	8	10	126	13	0.6%
West Palm Beach	35	17	10	8	15	29	27	107	169	193	610	61	3%
<b>Subtotal:</b>	<b>662</b>	<b>582</b>	<b>304</b>	<b>373</b>	<b>811</b>	<b>865</b>	<b>928</b>	<b>868</b>	<b>842</b>	<b>826</b>	<b>7,061</b>	<b>706</b>	<b>35%</b>
<i>As % of County</i>	32%	46%	28%	30%	43%	40%	35%	34%	32%	36%	35%		
<b>SFD-Palm Beach County:</b>	<b>2,101</b>	<b>1,277</b>	<b>1,102</b>	<b>1,256</b>	<b>1,885</b>	<b>2,172</b>	<b>2,678</b>	<b>2,552</b>	<b>2,625</b>	<b>2,297</b>	<b>19,945</b>	<b>1,995</b>	<b>56%</b>
<b>Multi-family</b>													
Boca Raton	64	70	-	5	-	384	367	403	844	452	2,589	259	17%
Boynton Beach	368	400	-	2	20	298	538	-	525	700	2,851	285	18%
Delray Beach	93	55	217	144	27	687	6	172	234	349	1,984	198	13%
Jupiter	45	5	6	2	2	148	541	342	57	33	1,181	118	8%
<b>Palm Beach Gardens</b>	<b>128</b>	<b>121</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42</b>	<b>180</b>	<b>49</b>	<b>87</b>	<b>68</b>	<b>675</b>	<b>68</b>	<b>4%</b>
Riviera Beach	4	77	-	-	-	-	-	-	-	18	99	10	0.6%
West Palm Beach	4	-	11	-	-	-	-	797	99	321	1,232	123	8%
<b>Subtotal:</b>	<b>706</b>	<b>728</b>	<b>234</b>	<b>153</b>	<b>49</b>	<b>1,559</b>	<b>1,632</b>	<b>1,763</b>	<b>1,846</b>	<b>1,941</b>	<b>10,611</b>	<b>1,061</b>	<b>68%</b>
<i>As % of County</i>	69%	80%	71%	60%	8%	68%	70%	70%	84%	62%	68%		
<b>MF-Palm Beach County:</b>	<b>1,029</b>	<b>905</b>	<b>329</b>	<b>255</b>	<b>614</b>	<b>2,297</b>	<b>2,336</b>	<b>2,519</b>	<b>2,206</b>	<b>3,119</b>	<b>15,609</b>	<b>1,561</b>	<b>44%</b>

<http://socds.huduser.org/permits/>

Source: U.S. Census Bureau; U.S. Dept. of Housing & Urban Development; WTL+a, December 2017.

**Table 13 (Continued): 10-Year Housing Starts—County & Selected Municipalities, 2007—2016**

Municipality	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Change: 2007-2016			
											Total Starts	Annual Average	% of Total	
<b>Total Starts</b>														
Boca Raton	101	100	17	65	218	613	421	469	975	598	3,577	358	10.1%	
Boynton Beach	429	496	36	11	234	348	653	29	564	720	3,520	352	9.9%	
Delray Beach	206	93	244	165	84	786	159	283	363	434	2,817	282	7.9%	
Jupiter	207	250	140	178	198	410	919	706	269	218	3,495	350	9.8%	
<b>Palm Beach Gardens</b>	<b>334</b>	<b>232</b>	<b>76</b>	<b>98</b>	<b>111</b>	<b>236</b>	<b>376</b>	<b>237</b>	<b>241</b>	<b>255</b>	<b>2,196</b>	<b>220</b>	<b>6.2%</b>	
Riviera Beach	52	122	4	1	-	2	5	3	8	28	225	23	0.6%	
West Palm Beach	39	17	21	8	15	29	27	904	268	514	1,842	184	5.2%	
<b>Subtotal:</b>	<b>1,368</b>	<b>1,310</b>	<b>538</b>	<b>526</b>	<b>860</b>	<b>2,424</b>	<b>2,560</b>	<b>2,631</b>	<b>2,688</b>	<b>2,767</b>	<b>17,672</b>	<b>1,767</b>	<b>49.7%</b>	
<b>As % of County</b>	<b>44%</b>	<b>60%</b>	<b>38%</b>	<b>35%</b>	<b>34%</b>	<b>54%</b>	<b>51%</b>	<b>52%</b>	<b>56%</b>	<b>51%</b>				
<b>TOTAL-Palm Beach County:</b>	<b>3,130</b>	<b>2,182</b>	<b>1,431</b>	<b>1,511</b>	<b>2,499</b>	<b>4,469</b>	<b>5,014</b>	<b>5,071</b>	<b>4,831</b>	<b>5,416</b>	<b>35,554</b>	<b>3,555</b>	<b>100%</b>	

<http://socds.huduser.org/permits/>

Source: U.S. Census Bureau; U.S. Dept. of Housing & Urban Development; WTL+a, December 2017.

According to properties reporting to REIS, Inc.:

- We selected seven market-rate rental complexes in or near Palm Beach Gardens that contain 2,689 units. These competitive properties are located between 0.75 and 3.0 miles of the TOD station site. We note that this does *not* necessarily include all multi-family properties in the Gardens or adjacent communities, as there are other rental units/properties that may not report to REIS, Inc.;



- As illustrated in Table 14, among these seven competitive properties, overall vacancy rates have remained stable—in the range of 2.8% to 5% over the past five years. Vacancy rates reflect a “stabilized” market, which the apartment industry considers to be 5%. These seven properties comprise a weighted average size of 1,158 sq. ft. per unit and rent for an

average of \$1,738 per month (\$1.50 per sq. ft.). Another key metric is unit absorption (leasing), which has averaged a minimal two units per year due to stabilized occupancies;

- Among the five competitive properties located in the city, with 2,147 units, vacancy rates remain low—ranging from 1.1% to 5.4%. Three of four properties were built between 1992 and 2004, while The Fountains was built in 1973. All properties were renovated and upgraded in 2014 or 2015; and



*San Matera Apartments*



*The Hamptons Apartments*

- In conclusion, this data suggests that the city's **multi-family rental market is generally stabilized, with generally high occupancies** and achieved monthly rents characteristic of a suburban submarket in South Florida.

**Palm Beach Gardens' Multi-Family Rental Market is Healthy:**

**Low Vacancies & Overall Achieved Rents of \$1.50 per SF**



*Sanctuary Cove—North Palm Beach*



**Table 14: Profile of Selected Multi-Family Rental Properties**

Project/Location	Year Built Class & Height	Average Monthly Concession	Unit Type	No. of Units	Size (In SF)	Per Month		Vacancy & Absorption Analysis				
						Asking Rent	Rent Per SF	Vacant Units	2017	2016	2014	2012
<b>Mira Flores</b> 11900 Valencia Gardens Ave Palm Beach Gardens	1996/2015 B/C 2 floors	\$ 118	1 BR 2 BR 3 BR	87 191 73	715 1,155 1,370	\$ 1,316 1,788 2,072	\$ 1.84 1.55 1.51	19	5.4% (9)	2.7% (3)	1.9% 3	2.7% -
<b>Gardens East</b> 2750 Rio Vista Boulevard Palm Beach Gardens	1992/2014 A 2 floors	\$ 110	1 BR 2 BR	157 290	748 1,035	1,510 1,655	2.02 1.60	5	1.1% 7	2.7% (3)	2.0% 1	2.2% -
<b>Sanctuary Cove I-II</b> 700 Sanctuary Cove Drive North Palm Beach	1996/2008 B/C 3 floors	\$ 108	1 BR 2 BR 3 BR	108 228 83	927 1,179 1,305	\$ 1,408 1,552 1,884	\$ 1.52 1.32 1.44	62	14.8% (47)	3.6% (3)	2.9% 2	3.4% -
<b>The Fountains Apartments</b> 4620 Union Square Boulevard Palm Beach Gardens	1973/2015 B/C 2 floors	\$ 96	1 BR 2 BR 3 BR	179 314 45	830 1,090 1,300	\$ 1,286 1,448 1,730	\$ 1.55 1.33 1.33	16	3.0% (4)	2.3% 5	3.3% 1	3.5% -
<b>The Quaye at PBG</b> 10000 South Gardens Drive Palm Beach Gardens	2015 A 3 floors	\$ 150	1 BR 2 BR 3 BR 4 BR	88 153 73 23	888 1,483 1,719 2,090	\$ 1,658 2,291 2,422 2,834	\$ 1.87 1.54 1.41 1.36	8	2.4% 58	19.6% -	N/A -	N/A -
<b>Villas at Juno</b> 12801 Highway 1 Juno Beach	2001 A 2 floors	\$ 134	1 BR 2 BR 3 BR	- 83 40	- 1,710 1,907	- 1,920 2,050	- 1.12 1.07	2	1.6% 3	8.5% (4)	5.5% (1)	5.0% -
<b>San Merino at Mirasol</b> 100 Portofino Drive Palm Beach Gardens	2004/2014 A 2 floors	\$ 117	1 BR 2 BR 3 BR	139 211 124	877 1,337 1,493	\$ 1,609 1,708 1,842	\$ 1.83 1.28 1.23	20	4.2% (3)	1.9% 4	2.7% 2	3.1% -
<b>COMPARABLES ANALYSIS:</b>												
<b>Total/Weighted Average</b>		\$ 119		2,689	1,158	\$ 1,738	\$ 1.50	132	4.9%	5.0%	2.8%	3.1%
<b>Total Unit Absorption (2012-2017):</b>									5	(3)	8	-
<b>Average Annual</b>									2			

Source: REIS, Inc.; WTL+a, December 2017.

## Hotel/Lodging

WTL+a also reviewed data on market conditions for hotel and lodging uses in this area of Palm Beach County based on performance data provided by STR Global, the industry leader in hotel market data. Performance metrics from this analysis were used to determine market potentials for new hotels as part of a TOD-related development surrounding the proposed rail station in Palm Beach Gardens. In larger population centers and communities with established commercial office concentrations, hotels can serve as an important supporting amenity to corporate and business activity generators, for tourism destinations and for nearby residential clusters.



Hotel quality levels are generally determined by the depth and sustainability of support from available market segments. In areas with lower spending potentials or more price-sensitive consumers (such as logistics-related markets serving truck drivers and others),

market potentials may be best met by a limited-service property (which is defined by the hotel industry to include no on-site restaurant, and limited other amenities such as gyms, meeting/conference/event spaces, swimming pools, spas, etc.) as opposed to higher-priced hotel categories (such as full-service business-oriented hotels, which include all of the above amenities) or destination resort properties oriented toward beaches/waterfronts, golf courses, etc.

As illustrated in Table 15, Palm Beach County contains 16,900 hotel rooms in multiple submarkets across the County. **There are 1,625 hotel rooms in nine properties in Palm Beach Gardens, accounting for a 9.6% share of the County's inventory.** This includes a mix of various classes (as defined by the hotel industry), including midscale (Inn of America), Hampton Inn (upper midscale), DoubleTree Hotel & Meeting Center (upscale) and PGA National Resort and Marriott (upper upscale).

To understand this competitive context, WTL+a obtained performance data from STR Global, the hotel industry's leader in tracking market performance in the lodging industry. Eight of the city's nine hotels report their performance metrics to STR. We also obtained data from a

### WTL + a

selected number of hotels surrounding Palm Beach Gardens, including the Super 8 (North Palm Beach), LaQuinta Inn and Marriott Courtyard (Jupiter) and the Hampton Inn (Juno Beach). These properties provide a larger inventory of 2,219 rooms to gauge market performance.

Hotel occupancies are a principal source of information on business and leisure visitor markets, and measures of demand for hotel development follow general industry patterns that identify markets as ready to add more room capacity. The general thresholds used in the capital markets to test growth capacity for new hotel rooms include Average Daily Rates (or ADRs), and average annual occupancy levels (allowing for possible seasonal changes).

Notably, the hotel industry considers **average annual occupancy between 65% and 72% as a break-even threshold necessary to support additional capacity and warrant development of new hotel rooms.**

**Table 15: Palm Beach County Hotel Inventory, 2017**

Location	No. of Rooms by Property Class						Total Rooms	As % of Palm Beach County
	Economy (1)	Mid-scale (2)	Upper Mid-scale (3)	Upscale (4)	Upper Upscale (5)	Luxury (6)		
West Palm Beach	914	666	484	1,166	1,223	-	4,453	26.3%
Boca Raton	265	249	491	968	1,049	1,047	4,069	24.1%
<b>Palm Beach Gardens</b>	-	<b>95</b>	<b>199</b>	<b>553</b>	<b>778</b>	-	<b>1,625</b>	<b>9.6%</b>
Palm Beach	-	-	98	-	219	905	1,222	7.2%
Delray Beach	17	-	164	294	326	154	955	5.7%
Jupiter	-	152	179	166	347	-	844	5.0%
Boynton Beach	185	100	372	170	-	-	827	4.9%
Riviera Beach/Singer Isl	271	-	-	31	416	-	718	4.2%
Lake Worth	309	20	104	-	-	-	433	2.6%
Lantana	303	-	122	-	-	-	425	2.5%
Manalapan	-	-	-	-	-	309	309	1.8%
Juno Beach	-	-	197	-	-	-	197	1.2%
North Palm Beach	154	-	-	-	-	-	154	0.9%
South Bay	122	-	-	-	-	-	122	0.7%
Wellington	-	-	122	-	-	-	122	0.7%
Highland Beach	-	-	-	-	113	-	113	0.7%
Royal Palm Beach	111	-	-	-	-	-	111	0.7%
Belle Glade	105	-	-	-	-	-	105	0.6%
Palm Beach Shores	-	50	-	-	-	-	50	0.3%
Greenacres	48	-	-	-	-	-	48	0.3%
<b>TOTAL:</b>	<b>2,804</b>	<b>1,332</b>	<b>2,532</b>	<b>3,348</b>	<b>4,471</b>	<b>2,415</b>	<b>16,902</b>	<b>100%</b>
<b>% Dist. by Class</b>	<b>17%</b>	<b>8%</b>	<b>15%</b>	<b>20%</b>	<b>26%</b>	<b>14%</b>		

- (1) Examples of economy class properties include: Days Inn; Extended Stay America; Red Roof Inn; Super 8; and Travelodge.
- (2) Examples of mid-scale class properties include: Best Western; LaQuinta Inn; Quality Inn; Sleep Inn & Suites and Wingate By Wyndham.
- (3) Examples of upper mid-scale properties include: Comfort Inn; Fairfield Inn; Hampton Inn; and Holiday Inn Express & Suites.
- (4) Examples of upscale properties include: Marriott Courtyard; Crowne Plaza; Doubletree; Hilton Garden Inn; Hyatt Place; and Residence Inn.
- (5) Examples of upper upscale properties include: Hyatt Regency; Marriott; Sheraton and Wyndham.
- (6) Examples of luxury properties include: Boca Raton Resort; Seagate Hotel & Spa; Jupiter Beach Resort; The Breakers; Brazilian Court and others.

Source: STR Global; WTL+a, December 2017.

**Table 16: Selected Competitive Hotel Inventory**

Facility/Location	Opening Date	No. of Rooms	% of Supply	Product Class	STR Market Data
<b>Palm Beach Gardens</b>					
Inn of America	Jun 1999	95	4%	Midscale	No
Best Western Plus Hotel & Suites	Feb 2008	83	4%	Upper Midscale	Yes
Hampton Inn Palm Beach Gardens	Jul 1999	116	5%	Upper Midscale	Yes
Homewood Suites Palm Beach Gardens	Sep 2007	94	4%	Upscale	Yes
DoubleTree Hotel Exec Mtg Ctr Palm Bch Gdns	Nov 1970	279	12%	Upscale	Yes
Hilton Garden Inn Palm Beach Gardens	Dec 2008	180	8%	Upscale	Yes
Marriott Palm Beach Gardens	Feb 1990	279	12%	Upper Upscale	Yes
PGA National Resort	Jul 1990	339	15%	Upper Upscale	Yes
Embassy Suites PGA Boulevard	Feb 1990	160	7%	Upper Upscale	Yes
<b>Subtotal:</b>		<b>1,625</b>	<b>71%</b>		
<b>North Palm Beach</b>					
Super 8 North Palm Beach PGA Blvd	Jun 1972	69	3%	Economy	Yes
<b>Subtotal:</b>		<b>69</b>	<b>3%</b>		
<b>Jupiter</b>					
Best Western Intracoastal Inn	Nov 1987	52	2%	Midscale	Yes
La Quinta Inns & Suites W Palm Beach Jupiter	Jan 2006	100	4%	Midscale	Yes
Fairfield Inn & Suites W Palm Beach Jupiter	Apr 2000	110	5%	Upper Midscale	Yes
Courtyard Palm Beach Jupiter	Jun 2014	128	6%	Upscale	Yes
<b>Subtotal:</b>		<b>390</b>	<b>17%</b>		
<b>Juno Beach</b>					
Holiday Inn Express North Palm Beach Oceanvie	Jun 1961	108	5%	Upper Midscale	Yes
Hampton Inn Jupiter Juno Beach	Jun 2001	89	4%	Upper Midscale	Yes
<b>Subtotal:</b>		<b>197</b>	<b>9%</b>		
<b>TOTAL ROOMS:</b>		<b>2,281</b>	<b>100%</b>		
<i>As % of Palm Beach County Inventory</i>		<i>13.5%</i>			

Source: STR Global; WTL+a, December 2017.

**Table 17: Market Performance of Selected Competitive Hotel Properties, 2011—2016**

	2011	2012	2013	2014	2015	2016	Sept YTD 2017	CHANGE: 2011-2016	
								Average	CAGR
<b>Performance Characteristics</b>									
Number of Rooms	2,003	2,000	2,128	2,129	2,128	2,128	2,130	(1)	
Available Room Nights (Supply)	731,095	732,470	731,208	757,392	776,904	777,024	581,372	<b>751,016</b>	<b>1.23%</b>
Occupied Room Nights (Demand)	495,637	510,568	536,664	566,344	578,120	580,205	451,027	<b>544,590</b>	<b>3.20%</b>
<b>Annual Occupancy (%)</b>	<b>67.8%</b>	<b>69.7%</b>	<b>73.4%</b>	<b>74.8%</b>	<b>74.4%</b>	<b>74.7%</b>	<b>77.6%</b>	<b>72.5%</b>	<b>1.95%</b>
Average Daily Rate	\$ 105.32	\$ 109.34	\$ 117.35	\$ 123.79	\$ 131.13	\$ 134.55	\$ 142.65	<b>\$ 120.88</b>	<b>5.02%</b>
(2) Revenue Per Available Room	\$ 71.40	\$ 76.21	\$ 86.12	\$ 92.56	\$ 97.58	\$ 100.47	\$ 110.66	<b>\$ 87.66</b>	<b>7.07%</b>
<b>Year-to-Year % Growth</b>									
Annual Occupancy	-	2.8%	5.3%	1.9%	(0.5%)	0.3%	3.9%		
Average Daily Rate	-	3.8%	7.3%	5.5%	5.9%	2.6%	6.0%		
Revenue/Available Room	-	6.7%	13.0%	7.5%	5.4%	3.0%	10.1%		
<b>Selected Property</b>									
	<b>Rooms</b>	<b>% Dist.</b>	<b>Year Open</b>						
Best Western Plus Hotel & Suites	83	4%	2008						
Hampton Inn Palm Beach Gardens	116	5%	1999						
Homewood Suites Palm Beach Gardens	94	4%	2007						
DoubleTree Hotel Exec Mtg Ctr PBG	279	13%	1970						
Hilton Garden Inn Palm Beach Gardens	180	8%	2008						
Marriott Palm Beach Gardens	279	13%	1990						
PGA National Resort	339	15%	1990						
Embassy Suites PGA Boulevard	160	7%	1990						
Super 8 North Palm Beach PGA Blvd	102	5%	1997						
Best Western Intracoastal Inn	52	2%	1987						
La Quinta Inns & Suites Jupiter	100	5%	2006						
Fairfield Inn & Suites Jupiter	110	5%	2000						
Courtyard Palm Beach Jupiter	128	6%	2014						
Holiday Inn Express NPB Oceanview	108	5%	1961						
Hampton Inn Jupiter Juno Beach	89	4%	2001						
<b>Total:</b>	<b>2,219</b>	<b>100%</b>							

(1) CAGR=Compound Annual Growth Rate.

(2) Revenue per available room is total annual room revenue divided by available rooms. It is the best measure of year-to-year growth because it considers simultaneous changes in both room rate and annual occupancies.

Source: STR Global; WTL+a, December 2017.

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Table 17 illustrates key performance metrics among the area's competitive hotel properties.

Key findings indicate that:

- The 15 properties selected for this analysis contain 2,219 rooms. They comprise a range of industry designations as identified by STR, including midscale, upper midscale and upscale;
- Over the past six years, **average annual occupancies have increased from 67.8% in 2011 to 74.7% in 2016**, which reflects a compound annual growth rate of 1.95% per year;
- Notably, for the past three years, **sustained annual occupancies for these properties have ranged from 74.4% to 74.8%** (with a six-year average of 72.5% between 2011 and 2016). In 2017, occupancies through September averaged an extraordinarily strong 77.6%;
- As such, these performance levels meet the threshold required by the capital markets of sustained annual occupancies ranging from 65% to 72% to warrant capital market-based financing of new hotel construction; and



- This performance analysis suggests that **there is sufficient demand/investment-level performance necessary to justify the addition of new hotel rooms in Palm Beach Gardens** (or its immediate surrounding trade area). Based on data provided by City staff over 900 rooms are proposed in multiple new hotels in the city, including:
  - A 180-room hotel proposed as part of the rebranding/redevelopment of Downtown at the Gardens
  - 121 rooms in a proposed hotel as part of the PGA Station Planned Unit Development (PUD), and

- 300 rooms proposed in each of the Alton and Avenir master planned communities.

## Workplace: Office

The market analysis includes an evaluation of “workplace” uses, including: multi-tenant/speculative office and business services sectors in both Palm Beach County and Palm Beach Gardens to:

- Understand the city’s overall competitive position for such uses based on data from various commercial real estate sources, in the following key market indices: total inventory, construction deliveries, net absorption (i.e., leasing) activity, vacant stock, vacancy rates, and rental rates;
- Inform our evaluation of redevelopment opportunities for workplace uses for TOD-related redevelopment surrounding the proposed rail station based on the findings of key metrics in this profile; and
- Guide the TCRPC planning team’s testing of redevelopment scenarios to ensure that uses such as office space will physically fit and be sufficiently marketable.

## Palm Beach County

Key findings for Palm Beach County’s office market are summarized below and based on regional data from Cushman & Wakefield, Inc.:

- As illustrated in Table 18, Palm Beach County contains **23.5 million sq. ft. of office space** distributed across the Central Business District (downtown West Palm Beach) and 12 suburban submarkets. Countywide, there are **more than 3.02 million sq. ft. of vacant office space** (including direct vacancies and sublet space), which reflects a year-end 2017 vacancy rate of 12.9%;
- Multiple factors have combined to strengthen overall leasing activity, including recovery from the 2007—2009 recession, net new job growth in office-using sectors and new or expanded businesses throughout the County. In fact, *net* absorption has totaled more than **1.61 million sq. ft. countywide over the past four years**. If this annual pace of 403,700 sq. ft.

**Table 18: Office Market Profile—Palm Beach County, 2014—2017**

	Inventory (2017 Ranking)				% Change: 2014-2017	Direct & Sublet Vacant Space								% Change: 2014-2017
	2014	2015	2016	2017		2014	%	2015	%	2016	%	2017	%	
<b>CBD</b>														
Downtown West Palm Beach	3,208,460	3,208,460	3,235,755	3,110,040	-3%	558,272	17%	528,607	16.5%	547,939	16.9%	329,204	10.6%	-41%
<b>Subtotal - CBD:</b>	<b>3,208,460</b>	<b>3,208,460</b>	<b>3,235,755</b>	<b>3,110,040</b>	<b>-3%</b>	<b># 558,272</b>	<b>17.4%</b>	<b>528,607</b>	<b>16.5%</b>	<b>547,939</b>	<b>16.9%</b>	<b>329,204</b>	<b>10.6%</b>	<b>-41%</b>
<b>Non-CBD (Ranked by Size)</b>														
NW Boca Raton	5,307,256	5,307,256	4,379,574	4,565,506	-14%	589,105	11.1%	685,884	12.9%	528,592	12.1%	690,398	15.1%	17%
Other Suburban WPB	3,422,072	3,527,232	3,372,323	3,322,054	-3%	615,973	18.0%	689,027	19.5%	595,049	17.6%	438,635	13.2%	-29%
<b>PB Gardens/N Palm Beach</b>	<b>2,825,112</b>	<b>2,825,112</b>	<b>3,080,687</b>	<b>3,147,587</b>	<b>11%</b>	<b>381,390</b>	<b>13.5%</b>	<b>335,757</b>	<b>11.9%</b>	<b>281,751</b>	<b>9.1%</b>	<b>324,768</b>	<b>10.3%</b>	<b>-15%</b>
Glades Road	3,082,480	3,082,480	3,018,463	3,008,478	-2%	551,764	17.9%	586,014	19.0%	457,700	15.2%	428,207	14.2%	-22%
Federal Highway Corridor	1,468,880	1,468,880	1,638,899	1,424,767	-3%	185,079	12.6%	195,516	13.3%	201,929	12.3%	118,406	8.3%	-36%
Delray Beach	1,480,952	1,480,952	1,397,426	1,398,320	-6%	676,795	45.7%	666,737	45.0%	631,278	45.2%	98,395	7.0%	-85%
Downtown Boca Raton	837,487	837,487	844,906	844,906	1%	163,310	19.5%	111,290	13.3%	115,297	13.6%	131,611	15.6%	-19%
SW Boca Raton	757,399	757,399	657,631	542,039	-28%	159,054	21.0%	107,575	14.2%	62,535	9.5%	60,768	11.2%	-62%
Jupiter/Tequesta/Juno	842,973	842,973	582,397	554,997	-34%	102,000	12.1%	102,295	12.1%	58,051	10.0%	35,094	6.3%	-66%
Lake Worth	587,110	587,110	582,085	537,300	-8%	59,885	10.2%	55,869	9.5%	43,094	7.4%	117,501	21.9%	96%
Boynton Beach	596,468	596,468	528,089	530,179	-11%	179,537	30.1%	165,917	27.8%	129,654	24.6%	135,766	25.6%	-24%
Palm Beach	498,478	498,478	525,319	526,581	6%	113,653	22.8%	116,571	23.4%	98,059	18.7%	116,216	22.1%	2%
<b>Subtotal - Suburban:</b>	<b>21,706,667</b>	<b>21,811,827</b>	<b>20,607,799</b>	<b>20,402,714</b>	<b>-6%</b>	<b>3,777,545</b>	<b>17.4%</b>	<b>3,818,452</b>	<b>17.5%</b>	<b>3,202,989</b>	<b>15.5%</b>	<b>2,695,765</b>	<b>13.2%</b>	<b>-29%</b>
<b>TOTAL:</b>	<b>24,915,127</b>	<b>25,020,287</b>	<b>23,843,554</b>	<b>23,512,754</b>	<b>-5.6%</b>	<b># 4,335,817</b>	<b>17.4%</b>	<b>4,347,059</b>	<b>17.4%</b>	<b>3,750,928</b>	<b>15.7%</b>	<b>3,024,969</b>	<b>12.9%</b>	<b>-30%</b>
<b>Annual Change:</b>								<b>11,242</b>		<b>(596,131)</b>		<b>(725,959)</b>		

Source: Cushman & Wakefield of Florida, Inc.; WTL+a, January 2018.

**Table 18 (Continued): Office Market Profile—Palm Beach County, 2014—2017**

	Overall Net Absorption					Avg. Ann'l	Years to Stabilized Occupancy	Overall Average Asking Rents Per SF (All Classes)				% Change: 2014-2017
	2014	2015	2016	2017	Total			2014	2015	2016	2017	
<b>CBD</b>							(1)					
Downtown West Palm Beach	94,705	9,487	42,809	102,845	249,846	62,462	4.9	\$ 34.57	\$ 34.76	\$ 40.33	\$ 41.50	20%
<b>Subtotal - CBD:</b>	<b>94,705</b>	<b>9,487</b>	<b>42,809</b>	<b>102,845</b>	<b>249,846</b>	<b>62,462</b>	<b>4.9</b>	<b>\$ 34.57</b>	<b>\$ 34.76</b>	<b>\$ 40.33</b>	<b>\$ 41.50</b>	<b>20%</b>
<b>Non-CBD (Ranked by Size)</b>												
NW Boca Raton	80,621	43,079	(854)	57,738	180,584	45,146	14.2	\$ 22.99	\$ 24.22	\$ 33.03	\$ 32.97	43%
Other Suburban WPB	2,585	30,178	104,657	88,501	225,921	56,480	7.2	22.84	34.49	27.63	30.14	32%
<b>PB Gardens/N Palm Beach</b>	<b>122,634</b>	<b>51,671</b>	<b>105,061</b>	<b>27,380</b>	<b>306,746</b>	<b>76,687</b>	<b>3.9</b>	<b>\$ 29.03</b>	<b>\$ 27.67</b>	<b>\$ 34.44</b>	<b>\$ 36.17</b>	<b>25%</b>
Glades Road	23,515	77,953	184,640	52,473	338,581	84,645	4.7	34.14	34.91	37.89	37.94	11%
Federal Highway Corridor	23,813	(4,739)	37,621	46,725	103,420	25,855	4.3	29.07	30.37	33.65	32.71	13%
Delray Beach	(9,173)	(6,779)	10,567	6,029	644	161	568.4	21.27	21.38	40.50	30.09	41%
Downtown Boca Raton	20,745	62,317	25,209	(15,345)	92,926	23,232	5.3	32.85	33.45	35.09	33.96	3%
SW Boca Raton	21,701	(14,129)	36,800	(9,240)	35,132	8,783	6.4	26.24	26.05	33.95	35.28	34%
Jupiter/Tequesta/Juno	14,987	4,427	(1,564)	12,160	30,010	7,503	4.4	33.46	31.84	33.94	35.25	5%
Lake Worth	27,710	6,659	9,816	8,512	52,697	13,174	8.3	19.31	20.30	29.83	31.83	65%
Boynton Beach	(70,293)	41,713	12,931	19,425	3,776	944	133.8	18.01	19.64	27.75	31.24	73%
Palm Beach	8,434	(3,834)	7,583	(17,480)	(5,297)	(1,324)	N/A	53.81	55.71	58.79	68.82	28%
<b>Subtotal - Suburban:</b>	<b>267,279</b>	<b>288,516</b>	<b>532,467</b>	<b>276,878</b>	<b>1,365,140</b>	<b>341,285</b>	<b>7.3</b>	<b>\$ 26.72</b>	<b>\$ 27.36</b>	<b>\$ 32.98</b>	<b>\$ 35.05</b>	<b>31%</b>
<b>TOTAL:</b>	<b>361,984</b>	<b>298,003</b>	<b>575,276</b>	<b>379,723</b>	<b>1,614,986</b>	<b>403,747</b>	<b>7.0</b>	<b>\$ 27.77</b>	<b>\$ 28.21</b>	<b>\$ 34.70</b>	<b>\$ 37.15</b>	<b>34%</b>
<b>Annual Change:</b>	-	(63,981)	277,273	(195,553)				-	1.6%	23.0%	7.1%	

(1) This illustrates the estimated time (in years) to achieve stabilized occupancies (defined as 93% occupancy), based on average annual absorption for the 2014-2016 period.

Source: Cushman & Wakefield of Florida, Inc.; WTL+a, January 2018.

can be sustained, it would require approximately 7.0 years to reduce the County's vacant office space to stabilized levels in the range of 7% vacancy (i.e., the real estate industry considers stabilized occupancies for office buildings to be in the range of 93% to 95%). **The amount of empty office space across the County has declined by fully 30% since 2014;**

- Another sign of the County's strengthening office market is reflected in increasing rents. In fact, average asking rents increased fully 34% between 2014 and 2017—from \$27.77 per sq. ft. in 2014 to \$37.15 per sq. ft. at year-end 2017; and
- The strength of the County's suburban office market remains focused in two locations—the Glades Road corridor as well as Palm Beach Gardens/North Palm Beach, which includes Lake Park, North Palm Beach and Palm Beach Gardens. In this submarket, net absorption has averaged almost 76,700 sq. ft. per year for the past four years, while the Glades Road corridor has averaged 84,600 sq. ft. of net absorption annually since 2014.

### Palm Beach Gardens

According to Cushman & Wakefield, Inc., the Palm Beach Gardens office submarket also includes Lake Park and North Palm Beach. WTL+a conducted a more detailed analysis of market trends in both the submarket and the city, as illustrated in Table 18 and Table 19 summarized below:



- The submarket contains an **inventory of 3.14 million sq. ft.**, accounting for 13% of the County's total office inventory;
- Over the past four years, the submarket's share of the County's office market has remained steady in the range of 11% to 13%;
- Data from prior or ongoing WTL+a assignments in both North Palm Beach and Lake Park indicate

589,700 sq. ft. of office space in North Palm Beach and only 68,890 sq. ft. in Lake Park. Netting these two communities out of the submarket's total suggests a **citywide inventory of approximately 2,489,000 sq. ft. of office space;**

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- Between 2014 and 2017, Cushman data for the entire submarket suggests that **net absorption totaled more than 306,700 sq. ft., resulting in an annual average of 76,700 sq. ft. per year of positive annual absorption.**
- A comparison of performance data (from REIS, Inc.) of 25 office buildings in a mix of Class A, B and C properties, located within 2.3 miles of the Core Area, suggests the following:
  - An inventory of 1,115,900 sq. ft. in 25 buildings built between 1986 and 2012, and ranging in size from 18,000 to 189,100 sq. ft. in the Financial Center in the Gardens, located at 3801 PGA Boulevard
  - A *decline* in overall vacancy rates—from **20.4% in 2012 to 15.6% in 2017**
  - Rents ranging from \$20 per sq. ft. at the Palm Beach Gardens Business Park to a high of \$42.67 per sq. ft. at PGA Financial Plaza
  - Uneven patterns of annual absorption—ranging from a low of only 6,700 sq. ft. in 2017 to a high of 42,400 sq. ft. of positive absorption in 2016
  - **Minimal overall absorption averaging only 13,925 sq. ft. per year between 2012 and 2017.**

**Palm Beach Gardens—An Improving Office Market:  
Declining Vacancies but Net Absorption Remains Low**



**Table 19: Office Building Characteristics—Palm Beach Gardens, 2012—2017**

Property	Location	Building Size	Year Built	Floors	Asking Rent PSF	Vacancy & SF Absorption Analysis					
						Vacancy	2017	2016	2014	2012	
<b>Location Within 1-Mile</b>											
Seacoast National Center	3001 PGA Boulevard	67,500	2006 Class A	2	\$ 34.76	14,580	21.6% (7,223)	10.9% (1,148)	9.2% (1,148)	7.5% -	
Professional Centre at the Gardens	11601 Kew Gardens Avenue	22,000	2002 Class A	2	\$ 29.11	-	0.0% 20,520	30.4% 1,628	37.8% (308)	36.4% -	
Professional Centre at the Gardens	11631 Kew Gardens Avenue	22,000	2002 Class A	2	\$ 29.11	-	0.0% -	0.0% -	0.0% -	0.0% -	
Professional Centre at the Gardens	11641 Kew Gardens Avenue	22,000	2000 Class B/C	2	\$ 29.11	-	0.0% 1,958	8.9% 814	12.6% 3,608	29.0% -	
Viridian Office Center	11505 Fairchild Garden Avenue	24,140	2001 Class A	3	\$ 34.85	11,080	45.9% (6,349)	19.6% (2,366)	9.8% -	9.8% -	
Grand Bank Center	3601 PGA Boulevard	45,495	2002 Class A	3	\$ 36.67	3,958	8.7% 364	9.5% 3,549	17.3% 1,501	20.6% -	
Legacy Place	11300 Legacy Avenue	38,064	2012 Class A	2	\$ 30.60	7,499	19.7% -	19.7% (609)	18.1% (1,370)	14.5% -	
Gardens Point	3507 Kyoto Gardens Drive	35,254	2009 Class A	4	\$ 42.00	7,262	20.6% (6,275)	2.8% (494)	1.4% 1,234	4.9% -	
PGA Financial Plaza	3399 PGA Boulevard	72,350	1998 Class A	4	\$ 42.67	3,039	4.2% 5,065	11.2% (1,158)	9.6% 289	10.0% -	
PGA Professional & Design Center 12	4290 Professional Center Drive	32,500	2007 Class A	3	\$ 36.00	6,923	21.3% (5,038)	5.8% 1,365	10.0% (1,073)	6.7% -	
Gardens Station West	11025 RCA Center Drive	40,960	2007 Class A	4	\$ 36.24	12,001	29.3% (7,619)	10.7% (2,171)	5.4% (737)	3.6% -	
3365 Burns Road	3365 Burns Road	43,321	1986 Class B/C	2	\$ 22.68	4,375	10.1% 1,256	13.0% 87	13.2% (606)	11.8% -	
4750 East Park	4750 East Park Drive	46,000	2004 Class A	3	\$ 37.00	25,024	54.4% 3,404	61.8% 8,786	80.9% (12,420)	53.9% -	



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**Table 19 (Continued): Office Building Characteristics—Palm Beach Gardens, 2012—2017**

Property	Location	Building Size	Year Built	Floors	Asking Rent PSF	Vacancy & SF Absorption Analysis				
						Vacancy	2017	2016	2014	2012
<b>Location Between 1.0-2.3 Miles</b>										
Financial Center at the Gardens	3801 PGA Boulevard	189,147	1997 Class A	10	\$ 41.76	7,188	3.8% 5,107	6.5% 16,645	15.3% 17,212	24.4% -
Corporate Center @ the Gardens	4200 Northcorp. Parkway	95,069	1996 Class A	4	\$ 36.15	18,729	19.7% (2,757)	16.8% 12,929	30.4% 11,693	42.7% -
The Oaks Center	2501 Burns Road	40,000	2000 Class B/C	1	\$ 27.49	-	0.0% -	0.0% 640	1.6% 120	1.9% -
City Center Building D	2000 PGA Boulevard	27,663	1989 Class A	2	\$ 35.75	13,666	49.4% -	49.4% (2,822)	39.2% (2,241)	31.1% -
City Centre Building A	2000 PGA Boulevard	20,697	1987 Class B/C	2	\$ 29.97	2,111	10.2% 2,732	23.4% 2,732	36.6% (228)	35.5% -
City Center Building B	2000 PGA Boulevard	25,465	1987 Class A	2	\$ 40.12	7,410	29.1% -	29.1% -	29.1% 688	31.8% -
Center Garden City	4800 Riverside Drive/ East Park Drive	40,000	1998 Class A	2	\$ 30.00	5,840	14.6% (3,480)	5.9% 80	6.1% 1,600	10.1% -
Palm Beach Gardens Business Park	4151 Burns Road	34,240	1995 Class B/C	1	\$ 20.09	-	0.0% 411	1.2% 411	2.4% 5,992	19.9% -
Suntrust Building	4500 PGA Boulevard	44,337	1991/2015 Class B/C	4	\$ 23.00	1,507	3.4% (621)	2.0% 3,325	9.5% (310)	8.8% -
Palm Court Plaza	11911 US Highway 1	50,000	1988 Class B/C	3	\$ 22.56	16,800	33.6% (5,000)	23.6% 300	24.2% 1,700	27.6% -
Plastridge Commercial Center	10333 Military Trail	18,000	2000 Class B/C	1	\$ 29.52	-	0.0% -	0.0% -	0.0% -	0.0% -
PGA Commons I	5510-5540 PGA Boulevard	19,706	2001 Class B/C	2	\$ 28.29	5,202	26.4% 6,759	60.7% (39)	60.5% (3,074)	44.9% -
<b>SUMMARY:</b>		<b>1,115,908</b>				<b>174,194</b>	<b>15.6%</b>	<b>14.7%</b>	<b>18.5%</b>	<b>20.4%</b>
<b>Total SF Absorption (2012-2017):</b>							<b>6,695</b>	<b>42,405</b>	<b>20,523</b>	<b>-</b>
<b>Average Annual</b>							<b>13,925</b>			

Source: REIS, Inc.; WTL+a December 2017.

**Under Construction & Unbuilt Office Projects**

According to information provided by the City (see Appendix Table 35), there are six unbuilt office projects approved (entitled) in the Core Area. These projects are expected to **deliver more than 615,900 sq. ft. of new office space**. Only one of these projects, Gardens Corporate Center (formerly Gosman), was under construction at the time of this report; the anticipated delivery dates of these projects are not known.

<b>CORE AREA</b>		
<b><u>Project</u></b>	<b><u>SF</u></b>	<b><u>Delivery Date</u></b>
Gardens Corp. Ctr. (Gosman)	223,943	Under Construction
Northcorp: Embraer/Belcan	50,000	Unknown
Northcorp: Lot 12 Vacant	4,000	Unknown
Nova SE University	75,000	Unknown
PBG Medical Ctr Office	35,875	Unknown
PGA Station PUD	<u>227,090</u>	Unknown
<b>TOTAL (SF):</b>	<b>615,908</b>	

The Gardens Corporate Center, which is under construction, will deliver 223,943 sq. ft. of new office space in two 112,000 sq. ft. buildings of 11 floors each, located on a site on Alternate A1A, between PGA Boulevard and Kyoto Gardens Drive. Floorplates will be approximately 10,100 sq. ft. per floor—significantly smaller than a standard suburban office building, which typically has floorplates ranging from 20,000 to 25,000 sq. ft. The list above also *excludes* the proposed (and approved) 913,000 sq. ft. of owner-user office space to be built as part of the new FPL headquarters project on Parcel 5A. Timing of this large project is not known.

In addition, there is a significant amount of unbuilt office space approved by the City and located outside of the Core Area. This includes:

- **Alton**—a proposed mixed-use, master planned community with 500,000 sq. ft. of office space on a 681-acre site. Buildout of the office component is unknown;
- **Avenir**—a proposed mixed-use, master planned community with 2.0 million sq. ft. of medical and professional office space on a 4,752-acre site. Buildout is unknown; and
- **Multiple Office Projects**—five office buildings totaling 171,176 sq. ft. are proposed in five projects, including: City Centre, Mary Circle, Mirasol Town Square, Oak Park and Steeplechase.

In summary, **there is the potential to add 615,908 sq. ft. of new, speculative (multi-tenant) office space in the Core Area**, including delivery of the Gardens Corporate Center and five other approved, but unbuilt projects. *Outside* the Core Area, **there is another 2.67 million sq. ft. of approved, but unbuilt, projects elsewhere in the City**. WTL+a notes that market response (in the form of pre-leasing, achieved rents and annual net absorption) in each project (particularly the Gardens Corporate Center when it is delivered) will indicate the overall depth of demand for new office space in both the Core Area as well as other locations in Palm Beach Gardens over the next five to 10 years. These approved but unbuilt projects have been considered in our analysis of office potentials in Section 5 of the report. A full list of built and unbuilt projects citywide, by use, is illustrated in the Appendix.

## General Retail

Palm Beach Gardens has several well-established retail centers that serve as regional destinations and provide both a greater range of offerings than the city's population alone supports. For this reason, it is unnecessary to demonstrate retail demand. But because of the changes in the retail industry in general and the potential impacts of transit-oriented development (TOD) generated by the introduction of a SFRTA rail station in Palm Beach Gardens, we focused on an alternative purpose for this section. Instead of calculating retail demand for the city and the study area ("Core Area"), this section focuses on how selected retail sites or centers in the city can be redeveloped, based on examples from other parts of the country.

The U.S. retail industry is in transition, both as an economic driver and as a land use model. The impact of online sales on traditional retail models is often cited as the reason that the U.S. retail industry is undergoing dramatic changes. While there is no doubt that online shopping has reduced consumer traffic and retail sales nationally, particularly among Millennial-age group

shoppers, the underlying forces affecting retail are more complex. Among the reasons for changes in shopping patterns are the following:

First, as a general condition, the **United States is oversupplied with retail space, both in shopping centers and in standalone retail stores**, especially “Big Box” stores, which now have fewer available operators and more space than many markets can support. It is estimated the U.S. has about 26 sq. ft. of retail per capita; by comparison, European countries average about 2.5 sq. ft. per capita. Reflecting this oversupply and changes in consumer preferences, the mall industry is undergoing a major transformation. According to a study by New York University, the United States more than doubled its total amount of shopping center space during the 30 years between 1980 and 2010, growing from 3.3 billion sq. ft. in 1980 to 7.2 billion sq. ft. by 2010, adding an annual average of 130 million sq. ft. every year during this period. This pace (of adding new space) is much faster than market-based support could sustain. According to the International Council of Shopping Centers (ICSC), **about 1/3 of existing malls in the U.S. will close over the next 10 years due to overbuilding, too much competition, declining sales and/or spatial obsolescence.**

Second, luxury and service will continue to generate business. These forces do not mean that all shopping centers are obsolete; instead, well-established, high performing luxury-oriented centers continue to do well. For example, The Gardens Mall is a higher quality mall as reflected



in its tenant mix and standards of operations. It is also a top performer, reportedly generating up to 50% more sales per square foot than retail mall industry averages. While hundreds of existing malls are likely to close, powerhouse shopping centers like The Gardens Mall will likely continue to thrive as shopping destinations but will need to reposition to attract the different shopping and consumption patterns of

Millennials.

Third, the rise of the U.S. department store in the first 75 years of the 20th century set the standards for brand development and extended shopping trips to giant one-million square foot ‘flagship’ department stores in major cities. These brands evolved into multi-store chains and

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established the ‘anchor store’ concept for malls that guaranteed customer traffic and added value to adjoining inline stores within the malls that they anchored. However, as consumer preferences increasingly sought value, discount chains (like Target, TJ Maxx and Marshall’s) replaced traditional department stores as destinations. This resulted in national consolidations of former regional brands into a few remaining stores under the brand “umbrella” of Macy’s. J.C. Penney, Macy’s and especially Sears have struggled significantly, particularly in the past five years, to attract enough sales to support their extensive real estate holdings. Sears is in a serious retrenching position, closing stores, selling store branded products such as Craftsman Tools, and shifting the core business from retailing to capitalizing on its real estate holdings while girding for a potential shutdown. The presence of Sears at The Gardens Mall requires creation of alternative redevelopment strategies for both the Sears site as well as the inline stores in the mall that flank the department store.

Fourth, online shopping is widely available for consumers to ‘comparison shop’ for product pricing, variety of offerings between competing retail operators, and to search for special sales promotions, coupons or other incentives. However, some merchandise categories (higher priced apparel, shoes and other size-sensitive consumer goods) still draw customers into stores. Recent research also indicates that consumers “shop” online but will frequently make final purchases in stores. For the 2017 holiday shopping season, more purchases were made in stores than online for the first time in six years. It is projected that online sales will total \$500 billion by 2020, or about 20% of all non-food sales in the country. This represents a major increase as a percentage of total retail sales (by comparison, online sales were estimated at less than 1% of total sales in 2005), but it also indicates that 80% of all non-food sales will still be made in “bricks and mortar” retail businesses. The “death of the retail store” has been exaggerated by the media. Even with continued growth of online sales, fully three quarters of all non-food sales will be in stores in 2020.

Last, the ‘Baby-Boomer’ market (born between 1946 and 1964 and comprising a population of 79 million) is aging away from continuing major consumer spending, despite holding the majority of disposable wealth by age cohort; consumers in their 60s and 70s do not spend as much on apparel, accessories and other consumer goods. As a result, the Millennial generation is the rising force in retail:

- Millennials will be entering their 30s in the 2020s and will be equal in size to Baby Boomers (with a population estimated at 80 million)
- Millennials do not spend in the same way as Baby Boomers, preferring experiences (entertainment and dining out with friends) to consuming products, and
- Millennials prefer quality over quantity; do not want to drive extensively and prefer alternative transportation modes; dine out more than twice as often as aging Boomers; and are price savvy about connecting online comparison shopping with retail goods and their decisions about what to buy.

Because of these key demographic and consumer trends, the value and upper end markets will continue to sell directly to consumers, but “middle market” retail operators will continue to be squeezed. The U.S. is a mature retail market, and mid-range consumer stores like Sears will struggle to hold onto market share as middle-income consumers spend less.

### **The Retail Context of Palm Beach Gardens**

The strength of the city’s retail market is already demonstrated by the success of existing operations, and Palm Beach Gardens does not need to justify market support, as the area around the proposed rail station already attracts consumer spending from a much larger regional trade area in Palm Beach County and beyond. There are, however, differences in the scale, timing and redevelopment potentials of retail sites depending upon which site within the Core Area is considered. These differences reflect fundamental changes in the retail industry and the shift from shopping behaviors demonstrated by the Baby Boomer generation toward different preferences directed toward Millennial consumers. Palm Beach Gardens has projects that represent every phase of suburban retail development over the past 50 years, ranging from the enclosed destination shopping mall (The Gardens Mall) to transitioning strip shopping centers (Palm Beach Gardens Center), Big-Box centers (Legacy Center) and re-imagined pedestrian oriented “downtown” retail districts (Downtown at the Gardens).

The City of Palm Beach Gardens is an established regional retail destination for Palm Beach County and beyond, primarily due to the sustained success of The Gardens Mall, complemented by other nearby retail developments. While Downtown at the Gardens is in the planning and design stages of its “rebranding”/redevelopment that is expected to add a mix of new uses, including hotel and office (and the Legacy Shoppes project is also an opportunity to

increase density and add additional uses over time), the ongoing destination quality, high sales performance (estimated at 50% above shopping mall industry averages) and stability of stores at The Gardens Mall (excepting Sears) has sustained the mall as Palm Beach Gardens' retail 'anchor'. Based on project examples from other locations across the U.S., the introduction of regional rail transit suggests that redevelopment opportunities can be fostered by private investment combined with new planning policies to capitalize on new trends, new market orientations and better linkage/connectivity between retail centers within and outside of the Core Area.

To address these potential opportunities, it is useful to consider how development patterns and policies of the 1970s and 1980s have changed. For example, overall retail development layouts of the major retail centers in Palm Beach Gardens are all suburban formats, with each site internally focused and discouraging internal connectivity between them, despite the relatively close distances between sites. Redevelopment characteristics and opportunities vary between existing retail sites, and each is described briefly below.

#### ***Palm Beach Gardens Center (former Loehmann's Plaza)***

Palm Beach Gardens Center is an aging strip shopping center with blocks of stores arranged around a central parking field. From a redevelopment standpoint, the site's location is excellent,



with strong visibility and proximity to I-95 at its exit with PGA Boulevard. Daily traffic counts at this location include over 170,000 vehicles per day on I-95 and 76,500 vehicles per day on PGA Boulevard. However, the center exhibits disinvestment, and there has been a loss of tenants over recent years; today the site is largely vacant and available for sale. Its traditional

strip center format with stores on the outer perimeter around a central parking field layout and obsolescent store configurations (i.e., too deep) suggests that the long-term solution may be demolition and redevelopment into a more dense, mixed-use format over time.

**Legacy Place**

Legacy Place also has a strong location at the intersection of A1A and PGA Boulevard. The site is comprised of several retail blocks, Big Box stores and pad sites arrayed around Lake Victoria, a storm water retention pond and potential visual feature for future infill development under the TOD plan. While Legacy Avenue, an internal street, has some pedestrian-oriented planning characteristics, the outer edges and internal parking lots adjacent to the center’s anchors (Publix Greenwise Market, The Container Store, Best Buy and Petco) are more traditional suburban configurations and do not provide pedestrian connections to the TOD site or other nearby retail blocks. Legacy Place also includes residential condominiums on the Burns Road side of the site, but they are physically separated from the project’s retail uses. Conceptually, the Legacy site could potentially accommodate infill residential that would both provide pedestrian activity and on-site consumers, while also animating better pedestrian linkages to take advantage of the amenity value created by Lake Victoria.

With appropriate parking considerations and a different mix of land uses that support its overall site density, Legacy Place could be planned to add new uses, create additional value for the property owners, strengthen ad valorem for the city, and maintain the center’s position as a viable retail destination.



### ***Downtown at the Gardens***



Downtown at the Gardens is an example of more recent retail development oriented toward a pedestrian environment and circulation rather than surface parking fronting on a strip of retail stores. The open-air “lifestyle” center’s original plan focused on an

internal pedestrian zone/courtyard, which created an inward orientation that did not maximize connections along Lake Victoria Gardens Avenue overlooking the amenity created by the large storm-water pond and fountain. The Hilton Garden Inn and Landmark at the Gardens condominium project on the other side of the pond could be better connected to Downtown at the Gardens, and there is potential to animate the ‘back side’ of inward turning stores along Lake Victoria Gardens Avenue as part of a larger reworking of the sub-area’s pedestrian network.

The project’s new owners, Madison Marquette, are planning a significant redevelopment of the entire center, which will include changes to the center’s store mix. The center is anchored by a very successful Whole Foods Market, a cluster of restaurants and lifestyle stores (such as Z Gallerie, West Elm and Urban Outfitters), and a 16-screen Cobb Theater featuring major-release films. According to Madison Marquette, the intended tenant mix will add more food & beverage uses as part of a Millennials-oriented strategy to provide more evening and weekend experience activities to complement the retail stores.



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**The Gardens Mall**

Among the existing retail blocks in Palm Beach Gardens, The Gardens Mall presents the largest-scale opportunity for redevelopment. The existing mall is configured as a traditional-format, regional shopping center: a central building comprised of internally-focused corridors flanked by in-line stores and linking its five anchor department stores. Current anchors are



Nordstrom, Saks Fifth Avenue, Bloomingdale's, Macy's and Sears. Like most regional malls, The Gardens Mall is surrounded by parking fields containing over 7,000 parking spaces, and connectivity to adjoining retail/mixed-use projects is limited to non-existent, even to the offices developed as outparcels on the fringes of the site. Anecdotally, it was presented that office occupants from outparcels drive to the mall rather than walking the 400 to 1,000 feet from the office buildings

to the mall's restaurants. Of course, Florida's harsh heat discourages pedestrian circulation, but there are few, if any, accommodations to pedestrians or bicyclists within the site.

As with other retail centers in Palm Beach Gardens, The Gardens Mall could benefit by better integrating a network of pedestrian and bicycle pathways, as illustrated in the conceptual plans below. Madison Marquette's planning and design team is also focused on opportunities presented by the instability of Sears as a long-term occupant for the eastern end of the mall. As described in the Case Studies of mall redevelopments that follow, there are many alternatives for redevelopment of the Sears pad and its surrounding area.



The presence of Sears also presents a strategic opportunity to reposition The Gardens Mall in the larger, highly competitive regional market, while continuing to attract its traditional, higher income customer base. While specific strategies for addressing redevelopment will be determined by the Forbes Company (the mall's owner), WTL+a and RDS LLC suggest that redevelopment of other traditional upscale malls may offer lessons about infill development, opportunities to introduce residential, and strengthen connections to nearby office buildings that will enhance opportunities to attract Millennials.



# 4 Case Studies

For successful shopping centers to reposition within changing markets, there are several examples which could be considered relevant to Palm Beach Gardens. Two examples of the redevelopment of aging malls are described below; both have similar demographic characteristics as Palm Beach Gardens, particularly with The Gardens Mall site—well-established shopping destinations in affluent, well-educated markets and with changing store mixes necessitated by industry conditions, unmet real estate value prospects or new market influences from transit or other re-directions. The two case studies include:

- **Tyson’s Corner Center, Fairfax County, VA**—which is part of a much larger redevelopment plan resulting from extension of the Washington Metrorail system through the area, and
- **Columbia Mall, Columbia, MD**—redevelopment of this property is in response to infill planning objectives for the original planned community of Columbia, MD.

In addition, a third case study suggests examples of how an art-house cinema can replace traditional department store anchors in destination shopping districts and centers.

## Case Study #1: Tysons Corner Center, Fairfax County, VA

<b>Size:</b>	2.4 million sq. ft.
<b>Type:</b>	Super-regional shopping center
<b>Location:</b>	Tysons Corner area of Fairfax County, VA, approximately 15 miles from downtown Washington, DC.

### Mall History

During the 1950s, Tysons Corner was a general store located at the intersection of two rural roads and surrounded by dairy farms. As Washington’s suburbs grew significantly after World War II, local developers constructed subdivisions and small shopping centers in this part of

Fairfax County. During the 1960s, the population of northern Virginia grew significantly; as expanded roadways and rapid suburbanization continued, new commercial development clustered in Tysons Corner followed. These factors fueled concomitant increases in both property values and traffic volumes, which attracted low-scaled office and business parks and a cluster of auto dealerships along adjacent State Route 7, a major commuter corridor linking the western suburbs with the inner suburbs of Arlington and Alexandria. Other highways include the Capital Beltway/I-495, located approximately one-half mile from Tysons Corner, and I-66, located approximately one mile from the mall. Route 7 and other regional arterial roads ring the Tysons area.

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Two of the Washington area's most prominent real estate developers (the Lerner family and the Gudelsky family), originally created Tysons Corner Shopping Center near the site of the original general store. The retail center was later sold to other national real estate investment companies but is currently owned by Macerich, a Santa Monica, CA-based REIT. Macerich is the third largest shopping center owner in the country. Since that time, Tysons Corner Center was doubled in leasable area when a lower service level was converted to in-line stores and Nordstrom's first DC-area store opened; the center was also the location of the first Apple Store, the first LL Bean store outside of Freeport, ME and the first Spanx store in the world.

### **Gross Leasable Area & Stores**

The current shopping center includes:

- 266 stores
- 2.4 million sq. ft. of retail space (a 75,000 sq. ft. expansion of Macy's is planned), and
- Department store anchors comprising Bloomingdales, Macy's, Nordstrom and Lord & Taylor.

The Lerner family later developed the Tysons Galleria, located across Route 123 from Tysons Corner Center. The Tysons Galleria (sometimes called "Tysons II") adds another 800,000 sq. ft. of retail and 120 stores, including upscale fashion brands. Its anchors include Neiman Marcus, Saks Fifth Avenue and Macy's.

This significant concentration of three million square feet of mall space and another 1.5 million sq. ft. of retail in multiple strip centers and standalone stores makes the Tysons Corner area a regional retail and shopping powerhouse. However, as incremental development was completed, traffic volumes and delays on the area's roadways became some of the most congested in the United States. The population of Fairfax County has increased to 1.14 million residents (2017) and comprises a diverse, international mix of highly educated residents. Moreover, the County's household incomes are also strong, with an annual median household income of \$115,717 (significantly higher than Palm Beach Gardens' \$69,740) and just over twice the national median household income of \$57,617.

By almost any measure, the Tysons Corner area is an economic success; however, like the development patterns in Palm Beach Gardens, its traditional suburban commercial uses and configurations are not interconnected, are almost completely auto-dominated/anti-pedestrian

and lack any type of urban center or core. After 50 years of suburban development patterns in Tysons Corner, this is beginning to change as the Washington Metropolitan Transportation Authority (WMATA) is extending one of its subway rail lines from Falls Church to Dulles International Airport. In preparation for this evolution from suburban-to-urban, a long-term planning vision was created through a partnership between WMATA, the Fairfax County Planning Department and private property owners to route the line through Tysons Corner.



The opportunity to use Transit-Oriented Development principles and to transform the outdated suburban office park configuration throughout Tysons Corner was apparent to Fairfax County and property owners along the Silver Line. WMATA initiated planning for the rail extension in 2000 and, by 2004, an alternatives analysis was complete and potential funding sources advanced to the point that the project was considered a realistic possibility. However, as the extension of the Orange Line from West Falls Church (to be known as the Silver Line) moved forward, President George P. Bush did not authorize the level of Federal transportation funding required to extend the line underground, so an elevated rail alternative was developed for the Tysons Corner portion of the extension.

During this period, Fairfax County began a parallel planning process to transform the Tysons Corner area into an 'urban district' based on a major amendment to the Comprehensive Plan. This included the following key elements:

- Land use directed toward Transit-Oriented Development (TOD)
- Transformation of the existing transportation system from auto-dominated to multiple modes of transit, including mass transit on Metrorail, improved pedestrian and bike networks

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between sub-areas, internal transit loops that would reduce trip generation and density increases within walking distance of the rail stations

- Environmental stewardship by encouraging ‘Green’ buildings and systems
- Creation of a ‘green network’ of parks and open spaces throughout the “Tysons Corner Urban District”
- Development of urban models to create necessary public facilities, and
- Urban design guidelines to create a new sense of place for Tysons Corner.

Through an extensive public/private process, a series of urban design guidelines was created that would offer specific guidance to designers, planners and developers for:

- Planting design and materials
- Building design and materials
- Urban park design characteristics and materials
- Interim condition design
- Streetscape development guidelines
- Site and building design standards, and
- Requirements for signs and wayfinding elements.

These six elements were incorporated into three major Urban Design categories in the Urban District Comprehensive Plan:

### **A New Grid of Streets**

- Creating smaller blocks to break up old office park configurations and foster comfortable and safe walking distances
- Using the new street grid to reduce traffic speeds for roadways and to create safer pedestrian crossings on both new and existing roadways
- Providing alternative routes for both vehicles and pedestrians

### **A Dynamic Public Realm**

- Creating complete and walkable streets

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- 
- Developing pleasant, safe and continuous tree-lined sidewalks
  - Creating an integrated and hierarchical open space system
  - Prioritizing the pedestrian experience throughout the planning area
  - Creating an activated street edge through well-designed and well-placed buildings
  - Providing high-quality urban parks and public amenities
  - Supporting outdoor Cafes and Restaurants
  - Requiring on-street and underground parking structures to replace surface parking lots

### **Innovative Building and Site Design**

- Locating the tallest buildings next to major roads and Metrorail station areas
- Using creative architecture to create a new skyline for Tysons Corner
- Requiring design standards for sustainable buildings and site elements to meet LEED Certifications for buildings and neighborhoods
- Designing parking structures to be hidden from view by locating them below-grade or concealed by building mass
- Developing site designs that foster storm water reuse, filtration and runoff reductions, and
- Creating a clear network of connectivity and sense of place, both in the interim development period and as part of the permanent plan/design.

These components were developed and discussed with property owners, the public and other stakeholders and formalized into guidelines, which were then endorsed by the Fairfax County Board of Supervisors and adopted as part of the Comprehensive Plan and its implementation approach. These principles are being carried out in phased redevelopment throughout Tysons Corner, and especially at the four Metrorail station sites.

The plan's growth forecasts are to accommodate 100,000 residents and 200,000 employees near Metro stations. New housing is to be located within a three- to six-minute walk of Metrorail stations, all facilitated to function as TOD projects and allowed densities.

The Tysons Corner Urban District Comprehensive Plan adoption and positive market forces have resulted in a significant amount of new and proposed development throughout Tysons

Corner. In fact, as illustrated in Table 20, almost 10 million sq. ft. of new space is being developed, including:

- 3.4 million sq. ft. of housing;
- 2.4 million sq. ft. of office space;
- 276,000 sq. ft. of hotels; and
- Almost 400,000 sq. ft. of retail space.

**Table 20: Tysons Corner Development Pipeline**

Project	Developer	Project SF				Total
		Residential	Office	Hotel	Retail	
<b>Planned</b>						
Tysons West	JBG	400,000			50,000	450,000
WestPark Plaza	Dittmar	610,000			13,000	623,000
Residences at Tysons II	Lerner	722,000				722,000
Cityview	American KE Partners	190,400			2,600	193,000
<b>Subtotal:</b>		<b>1,922,400</b>			<b>2,600</b>	<b>1,988,000</b>
<b>Under Construction/In Process</b>						
The Boro Phase 1	Meridien Group	679,000			266,000	945,000
Lumen	Lennar	377,000			17,000	394,000
Capital One Tower (2018)	Capital One Bank		950,000		25,000	975,000
The Kingston (2018)	LCOR	338,000				338,000
<b>Subtotal:</b>		<b>1,394,000</b>	<b>950,000</b>		<b>308,000</b>	<b>2,652,000</b>
<b>Completed</b>						
Highgate (2017)	PS Business Parks/Kettler	439,500				439,500
1775 Tysons Boulevard (2016)	Lerner		557,000		19,000	576,000
Mitre Four (2016)	Mitre Corporation		340,000			340,000
Haden (2016)	JLB McLean	428,000				428,000
Adair (2016)	Greystar	412,000				412,000
Hyatt Regency (2015)	Macerich			276,000	4,500	280,500
Vita Residences (2015)	Macerich	499,000			13,000	512,000
Tysons Overlook (2015)	MRP	326,000			10,000	336,000
Nouvelle (2015)	Monogram Residential Trust	510,000			7,000	517,000
Ascent (2015)	Greystar	430,000				430,000
Ovation at Crest Park (2014)	Penrose	345,000			24,500	369,500
Tysons Tower (2014)	Macerich		552,000		10,000	562,000
<b>Subtotal:</b>		<b>3,389,500</b>	<b>1,449,000</b>	<b>276,000</b>	<b>88,000</b>	<b>5,202,500</b>
<b>TOTAL - ALL PROJECTS:</b>		<b>6,705,900</b>	<b>2,399,000</b>	<b>276,000</b>	<b>398,600</b>	<b>9,842,500</b>

Source: Tysons Corner Association; RDS LLC; WTL+a, January 2018.

It should be noted that, **while the impact of the Metrorail extension of the Silver Line has been the basis for the County’s official planning policy for development activity, the area’s market momentum and severe traffic congestion also shifted the County’s position on how Tysons Corner should redevelop.** After three years of operations of the first phase of the Silver Line, the nexus between increased densities and Metrorail ridership is still evolving—average daily ridership totals approximately 15,000 riders per day. Notably, the Tysons Corner station (adjacent to Tysons Corner Center) attracts more riders on Saturdays than on weekdays, illustrating both the desire of some weekend shoppers to avoid driving in the area as well as the longer amount of time for transit commuter volumes to build in expanding suburban development districts.

The final, 11-mile second phase extension of the Silver Line from Reston (the Phase I terminus) to Washington Dulles International Airport is scheduled for completion in 2018 and is likely to increase ridership on this part of the line when it opens. Consistent with the increase in land values, several former automotive dealerships along Route 7 are being redeveloped. According to The Washington Post, this will include one site that will include a new Walmart near the Dulles Access Road and Toll Road at the western edge of the Urban District.

Figure 6 illustrates the geographic extent of the Tysons Corner Urban District Comprehensive Plan.

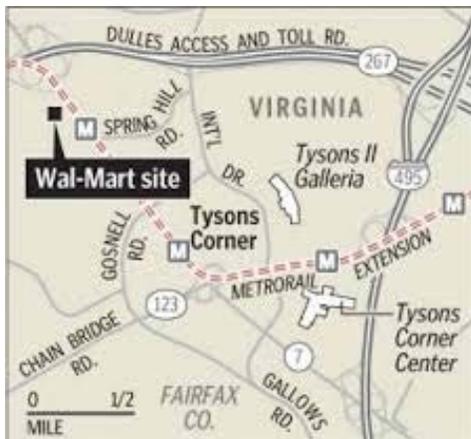
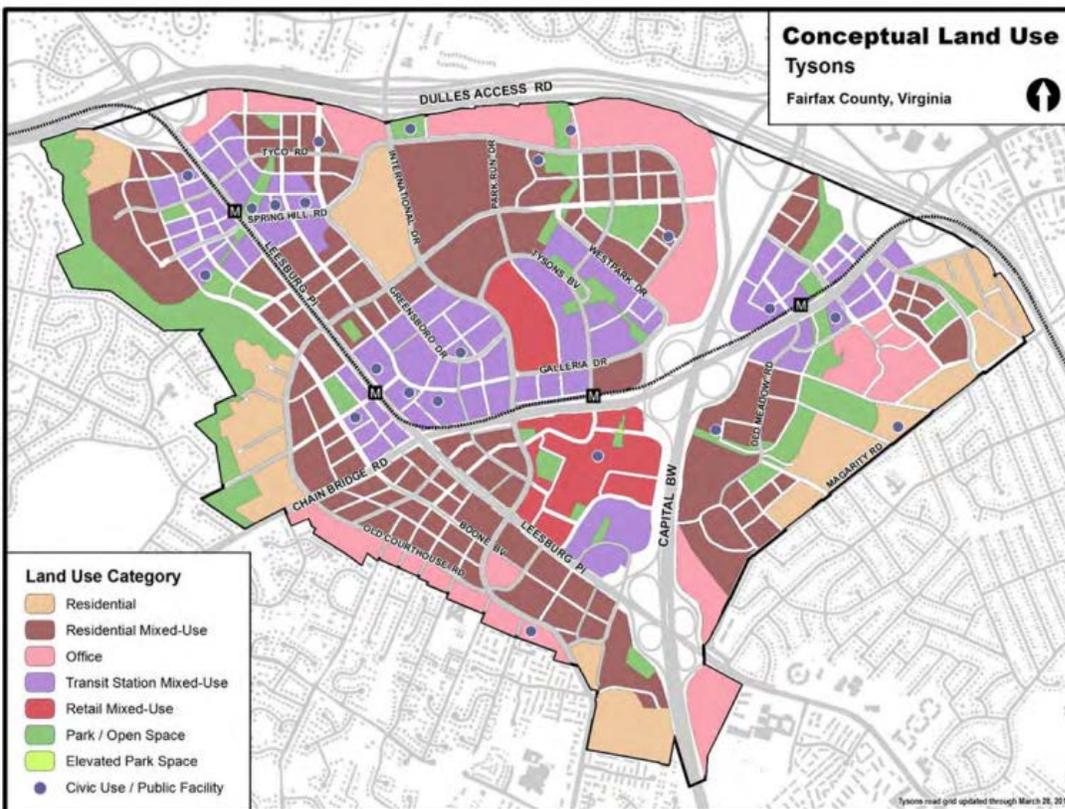


Figure 6: Tysons Corner Urban District Comprehensive Plan



### New Infill Development: Tysons Corner Center

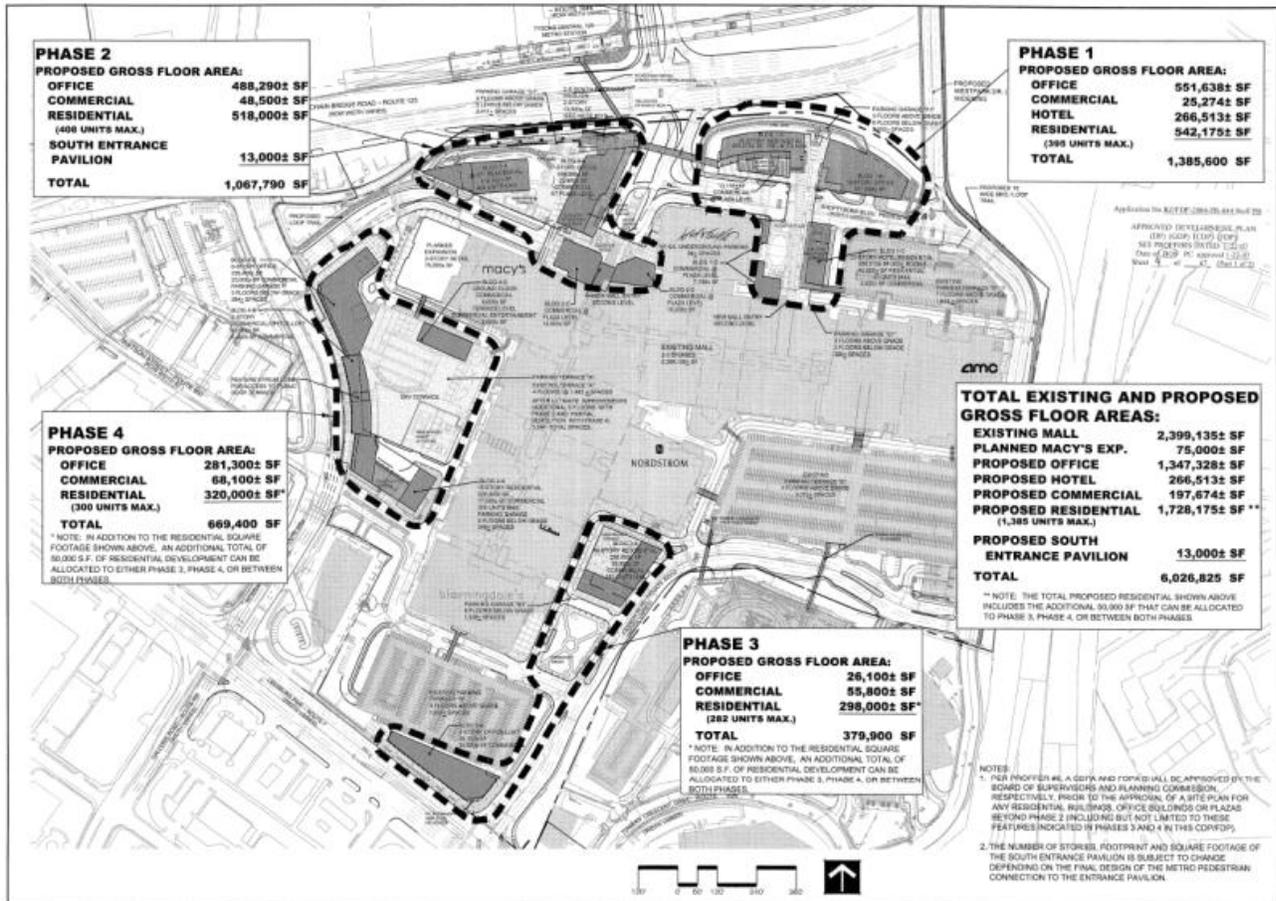
Tysons Corner Center has responded to new development opportunities made possible by revisions to the County’s Comprehensive Plan for Tysons Corner, completing several new projects within the boundaries of the original shopping center site. As the mall expanded, several parking structures were built to provide sites for new housing, office and hotel uses to be built on former surface parking lots. The plan in Figure 7 illustrates the phasing strategy for new infill buildings on former surface parking lots.

As noted previously, the overall expansion plan by Macerich at Tysons Corner Center will add more than 3.6 million sq. ft. of new space in four phases. The approved plan will add:

- 75,000 sq. ft. of new retail to expand Macy’s
- 266,500 sq. ft. in a new 300-room Hyatt Regency Hotel connected to the mall (completed in Phase 1)

- Almost 200,000 sq. ft. of commercial space, with components in all four phases, and
- 1.728 million sq. ft. of residential uses, with components in all four phases of the project.

**Figure 7: Tysons Corner Center Redevelopment Plan & Phasing Strategy**



*Phase 1 of the Tysons Corner Center expansion illustrates a hotel on the lower right and residential and office towers on the left. The Metrorail Silver Line is located on the upper left side of the plan.*

Full build-out will more than double the gross building area of Tysons Corner Center to **5.939 million sq. ft.** over multiple phases.



## Relevance to Palm Beach Gardens

As it pertains to the Palm Beach Gardens study area, the redevelopment of Tysons Corner Center demonstrates the following:

- Redevelopment of a single site needs to consider that such sites are integral parts of larger economic development and planning areas, and should be part of a conscious and clear plan for such geographies;
- Conversion of surface parking lots to development sites (with parking relocated into structured parking ['parking pavilions'] directly connected to the mall) can increase densities, attract a range of uses, and reposition a super-regional mall into a true mixed-use development;
- Redevelopment can be phased to accommodate competitive project schedules, market fluctuations and the ability to finance new uses/buildings in different ways. Redevelopment can be undertaken while the mall remains in operation;
- A former anchor site at Tysons Corner Center was converted to a two-level food court and restaurant cluster on the floor below, adjacent to a new multi-screen cinema complex. By segregating food and cinema uses, these components can remain open when the rest of the shopping center is closed;

- Shopping centers can fundamentally change, adding complementary uses while still retaining its primary role as a regional shopping destination;
- The addition of new uses and integrating these uses into a larger context requires commitment of private investment, sufficient market to absorb new residential and office/commercial uses, and creation of a comprehensive plan to promote a pedestrian friendly, integrated system of connectivity between sites; and
- While transit can supplement and strengthen market support for a mix of uses, the overarching purpose is to ease congestion and reduce trip generation while strengthening the property tax base. This also implies re-thinking how design of the existing public realm can be prioritized to enhance pedestrian activities and public spaces.

## Case Study #2: The Mall at Columbia, Columbia, MD

<b>Size:</b>	1.4 million sq. ft.
<b>Type:</b>	Super-regional shopping center
<b>Location:</b>	Columbia area of Howard County, MD, midway between Washington, DC and Baltimore, MD.

### Mall History

Columbia, Maryland is a 50-year old planned community, part of the New Town movement in the 1960s that eventually created several large-scale, new mixed-use developments such as Reston, VA and Irvine Ranch in California. Columbia was based on the vision of James Rouse, the founder of the Rouse Company, which developed housing across the eastern U.S. and shopping malls across the country. Rouse believed that market opportunities in the rapidly growing area between Washington, DC and Baltimore, MD would be strong, and secretly purchased 14,000 acres of land in Howard County, which was then a rural jurisdiction on the outskirts of Baltimore. Rouse envisioned Columbia as an “economically diverse, poly-cultural, multi-faith and inter-racial community” in which there would be no discrimination for housing ownership or occupancy, well before Congress passed the Fair Housing Act of 1968.

Initial planning for Columbia was influenced by both prevailing suburban concepts of the time: a traditional Rouse-owned shopping center located in the center of the community surrounded by 10 residential “villages” throughout the site that incorporated schools, three inter-faith centers

and a grocery-anchored community shopping center in each village to serve day-to-day needs. Columbia was also planned to include industry (such as appliance manufacturing and other products) as well as office space to provide a range of jobs for residents. The Rouse Company moved its headquarters to Columbia in a building designed by Frank Gehry early in his career.

Today, Columbia is almost fully built out, with 100,000 residents in 36,000 residential units, 91,000 jobs and a network of equestrian trails, recreational centers, walking paths and open space. From the project's start, all community amenities, extensive landscaping components and open space have been managed by the Columbia Association (structured as a homeowners' association), but with broader responsibilities and geographic coverage than most smaller HOAs. Columbia is an unincorporated community served by Howard County government. Howard County has a population of just over 233,000 residents (2016) and is one of the most affluent counties in the U.S., with a median household income of \$113,800, once again about double the U.S. average. It is also a well-educated population, with over 60% holding a Bachelors' degree. In 2017, median home values were \$347,500 in Columbia and \$377,450 in Howard County.

As the real estate and shopping center industry changed and consolidated, Columbia was part of that transition. In 1994, the heirs of Howard Hughes sold the Howard Hughes Corporation to the Rouse Company, and it survived as a Rouse subsidiary. In 2004, the Rouse Company was subsequently acquired by General Growth Properties (GGP), a Chicago-based publicly traded retail development and management company. After the economic downturn, GGP declared bankruptcy, and the Howard Hughes Corporation was spun off as a public company. The new company owned all of GGP's planned developments, including Columbia and Summerlin, a 3,000-acre planned community located outside of Las Vegas. GGP remains as operator of the mall.

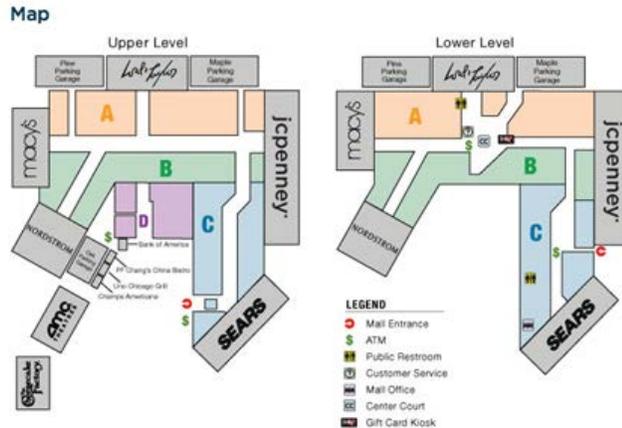
## **Redevelopment of the Mall at Columbia**

The Mall at Columbia is a super-regional mall totaling 1.4 million sq. ft. and 220 stores. The mall has five anchors: Nordstrom, Macy's J.C. Penney, Lord & Taylor and Sears. Notably, the Sears anchor was downsized to occupy only the first floor in 2017; the second floor is to be re-planned to accommodate a new Barnes & Noble bookstore/café concept store, a Tex-Mex restaurant and Main Event Entertainment, a Dallas-based operator of entertainment venues featuring bowling, billiards, laser tag and video games and a full-service restaurant.

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The Sears building was sold in 2016 to a joint venture of GGP and Seritage Growth Partners, an investment company that has purchased several Sears properties across the U.S. as the company has closed stores. Sears has re-leased a smaller space as a tenant on the first floor. The mall has a 14-screen cineplex operated by AMC Theaters.



The mall has also created a 'restaurant district' to generate evening traffic and sales related to



the cinemas and to draw nearby residents. Shake Shack has recently opened to broaden food service offerings.

The Mall at Columbia reportedly generates relatively high-sales performance levels, and continues to attract new tenants, investment by ownership and a loyal customer base.

## Redevelopment of Downtown Columbia

The Howard Hughes Corporation (THHC) determined that the original plan and densities of the central portion of Columbia were inadequate. As a result, in 2010 THHC undertook to revise the comprehensive plan for the 391-acre downtown area to increase densities, incorporate Smart Growth principles, and employ better environmental management practices. As part of the General Plan Amendment for Downtown Columbia in 2010, new planning and design guidelines were created to direct growth in downtown Columbia for the next 20 to 30 years. The plan allows for up to 13 million sq. ft. of mixed use development, including:

- 6,200 new residential units in the downtown core
- An additional 1.25 million sq. ft. of "street retail"
- 4.3 million sq. ft. of office space, and
- An additional 640 hotel rooms.

The Downtown Plan designated five redevelopment areas:

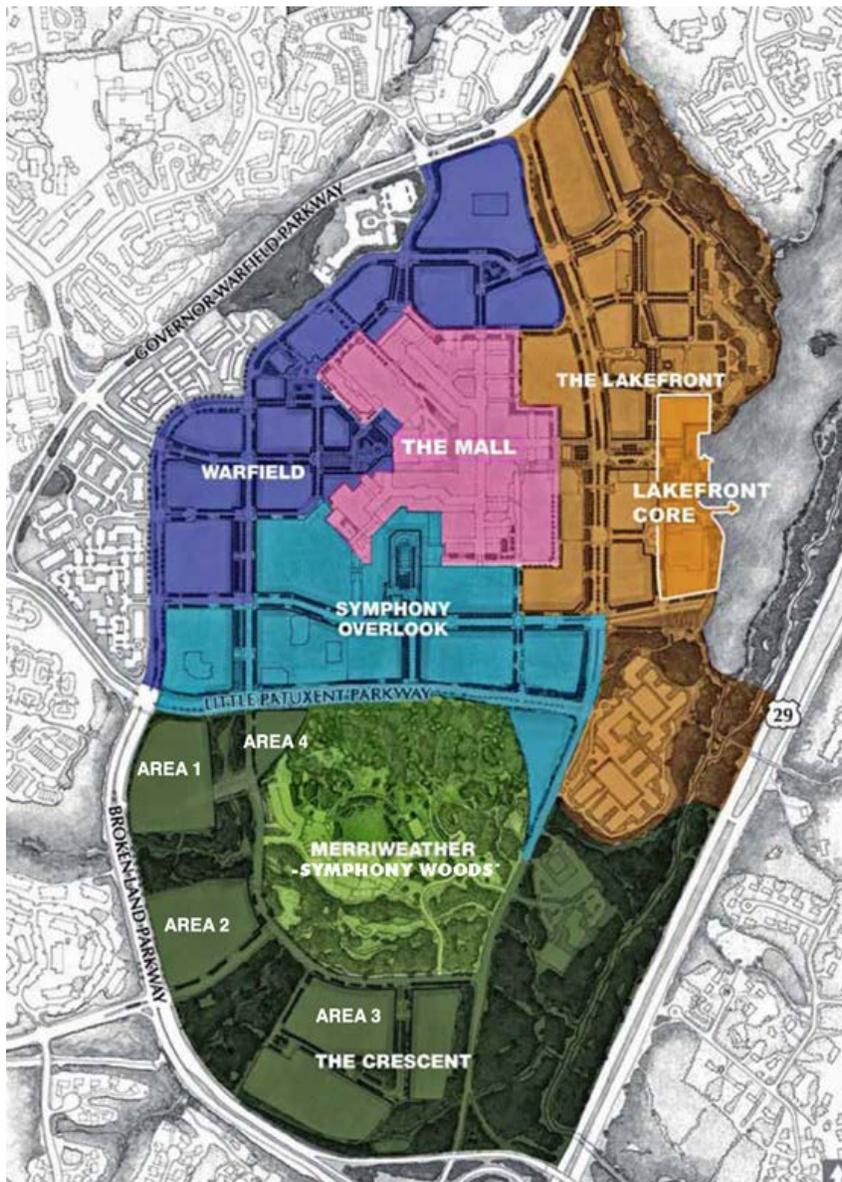
- **The Mall** – site of the Mall at Columbia, its parking garages, surface parking lots and outparcels
- **Warfield** – residential and office development
- **Symphony Overlook** – residential and office development

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- **The Lakefront (and the Lakefront Core)** – site of the original Rouse Company headquarters building, which has been converted to a Whole Foods Market and a fitness club, other offices and restaurants and cafes
- **Merriweather/Symphony Woods** – redevelopment of the Merriweather Post Pavilion, new performance stage (The Chrysalis) and a parking garage funded by tax increment (TIF) revenues

Figure 8: Redevelopment Plan for Downtown Columbia



The Howard Hughes Corporation proposed through a Memorandum of Understanding (MOU) that it would participate in a 30-year Tax Increment Finance (TIF) program to underwrite certain roadway improvements, storm-water management, costs for a new emergency services and fire station, a new library and provision of open space. The largest component was to fund a 2,500-space parking garage to provide a permanent parking solution for the Merriweather Post Pavilion, an outdoor performance venue also designed by Frank Gehry early in his career. However, due to ongoing controversy regarding ownership and control of the garage, the Howard County Council is considering revoking the TIF agreement with THHC.

The MOU also provides for potential transfer of development rights for any unused space resulting from designation of a future Downtown Transit Center in the Symphony Woods area called The Crescent. However, no Countywide transit plan requiring a station has been completed or approved at this time. Howard County does not offer any fixed rail commuter services, although a rail corridor right-of-way extends through its holdings in Columbia. A Bus Rapid Transit (BRT) system has also been proposed, but no decision or sources of funding have been made.

Housing and office uses of the Downtown Plan are proceeding, and hundreds of new residential units have been built within the framework of a new street grid and pedestrian linkages throughout Downtown Columbia.





## Relevance to Palm Beach Gardens

The redevelopment of the Mall at Columbia and the transformation of downtown Columbia is most relevant to Palm Beach Gardens as:

- A model for both the complexities of public/private development negotiations and for the benefits of reconfiguring traditional suburban development patterns into more walkable, 'urban' places;
- Columbia's development pattern was based on older suburban planning concepts; the results in Columbia have demonstrated the appeal of denser, mixed-use development to Millennials and retirees, who seek the same walkable qualities when considering downsizing or relocating into more convenient settings;

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- The overall redevelopment plan may offer suggestions to the City of Palm Beach Gardens both as examples of increasing densities in established areas through carefully designed infill buildings as well as reconfigured street grids into more walkable and pedestrian friendly places, thereby reducing exclusive reliance on automobiles;
- Establishment of a potential TIF district may be less applicable, given the recent uncertainties created by Florida's State Legislature regarding use of Community Redevelopment Areas (CRAs) across the state. Should the political environment change, a TIF-like structure may be useful in considering large-scale capital investment in redevelopment projects in Palm Beach Gardens, presuming that the Core Area meets at least two of the 10 criteria established in Section 163 of state legislation authorizing the creation of a CRA. Alternatively, the City could utilize other ad valorem tax strategies to facilitate a public/private redevelopment approach should that be deemed desirable; and
- The Mall at Columbia is a potential example for dealing with a vacant (or struggling) anchor; in this case, with the property no longer in the hands of Sears. Despite repeated announcements about closings of Sears stores, Columbia retains some of Sears' more successful product lines while creating space to accommodate other retail and entertainment uses. The Gardens Mall is already working on a strategy to deal with the corporate issues surrounding the Sears Company, and there are many potential opportunities for new uses that may better match market metrics and other consumer characteristics available in Palm Beach Gardens.

One option is described in the third Case Study, which follows.

### **Case Study #3: Independent/Art House Cinema Concept**

The cinema industry is a partnership between those who produce content, those who present content (theater operators) and customers who purchase tickets. Despite the massive increase in availability of content through television and streaming systems such as Netflix, theaters continue to attract moviegoers. In fact, there are 39,798 indoor screens across the U.S. (and an additional 593 seasonal drive-in theaters). Theater operators have also become more segmented, in part due to the scale of multiplexes presenting major national releases. Multiplexes typically include between seven and 20 screens, with individual theaters containing an average of 150 to 250 seats per screen. These larger theater complexes (like the Cobb 16

at Downtown at the Gardens) are oriented toward mass audiences and blockbuster national releases and require economies-of-scale to be successful.

An alternative to large multiplexes is the more recent development of smaller, independent/art house concepts that contain fewer theaters (from one to five) and seats (ranging from 45 to 75 seats per theater). Sometimes, older single-screen theaters with more seating are programmed as independent houses screening independently produced, international, selected 'studio' films and documentary films intended for smaller niche audiences.

The growth of smaller independent theaters has grown alongside the volume of independently produced, non-studio (i.e., Motion Picture Association of America/MPAA) films. According to the National Association of Theater Operators (NATO), in 2016 there were 718 films released in the U.S. Non MPAA-affiliated independent production companies released over 80% of the total (579 films), an increase of 3% over releases in 2015. This volume of films requires that exhibitors be available to present them, often to smaller target audiences, as the economics of the multiplex do not encourage smaller film presentation. As a result, there are increasing numbers of smaller independent/art house theaters that feature:

- Documentary films
- Independent productions that multiplex theater operators will not show
- Foreign/international films that may not achieve wide release, or
- Selected studio films that may no longer fill large cinemas, but which still have audience interest.

Part of the filmgoer's "upgraded" experience in these independent/art house theaters is provided by larger, less crowded 'enhanced' seating (sometimes called 'recliner' theaters); the availability of beer, wine and alcoholic drinks consumed in a bar or taken into the theaters; and limited- to full-service cafes and restaurants within the theaters. These theaters also offer 3-D/digital projection capabilities and top-quality sound systems.

These amenities allow independent/art house theaters to charge higher ticket prices than traditional multiplexes. Higher ticket prices and incremental revenues from stronger average food and beverage sales enhances the economics of these more intimate theaters, and segments of the film watching population seek them out. NATO data indicates that attendance

in theaters for the over 50 age groups (50-59 and 60+) steadily increased in the U.S. between 2012 and 2016 (the most recent year for which data is available). This presents an opportunity to capture these important demographic cohorts in Palm Beach Gardens.

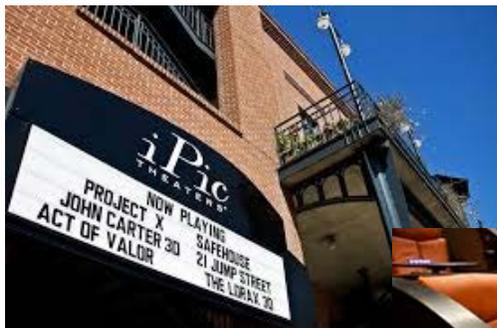
Because individual theaters are fewer in number and total building area and occupancies are smaller, this concept has the flexibility to work in different formats, either as retrofits of existing space, as standalone pads or as uses integrated into mixed-use projects. Operators can also use the theaters for alternative purposes, including corporate training during daytime hours, live performance musical and magic shows, small meetings and events. Among the operators offering this concept are:

**iPic Theaters**



iPic Theaters was founded in Boca Raton in 2006 and operates 16 theaters and 121 screens in 10 states. The company is making a public stock offering in early 2018 and cites that its revenues are generated through food & beverage (52%), box office ticket revenues (46%) and ‘other’ (likely events rentals) (2%).

The company owns (and combines with their theaters) four chef-driven restaurant concepts with James Beard-awarded chefs. More recently, iPic Theaters formed an agreement with Netflix in late 2017 to bring Netflix film and television productions to their theaters beginning in 2018.



## Angelika Film Centers

Originally created in New York City in the mid-1980s, Angelika Film Centers focus on international and limited-release films and documentaries as well as film series, retro film presentations and festivals, often with filmmakers and/or cast providing comments and discussion after the films. Angelika now has five locations:

- New York City
- Fairfax County, VA in the Mosaic mixed-use project
- Dallas (Mockingbird Station) and Plano, TX, and
- Carmel Mountain (near San Diego), CA. This is Angelika's newest theater, a 14-screen luxury cinema.

Angelika is also affiliated with other live performance and film theaters in New York City as well as Consolidated Theaters, Liberty Theaters and the Reading Theater chains in the U.S., Australia and New Zealand.



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## Alamo Draft House

Originally established in Austin in 1997, Alamo Drafthouse is famous for its strict rules about ‘cinema etiquette’: not allowing children under two years old except for limited showings; no talking or cell phones; and other courtesies to film viewers. The company now has 29 theater locations and 300 screens across the U.S. Alamo Drafthouse features craft beers and drinks and casual dining options directed by local chefs and restaurant partnerships. Seven more locations are currently under development.



## Violet Crown Theaters

First developed in Austin, TX by a former executive with Magnolia Theaters and Landmark Theaters, Violet Crown’s original four-screen location on Second Street in downtown Austin has expanded to two other locations: Charlottesville, VA (10 screens) and Santa Fe, NM (11 screens). Violet Crown theaters have many of the same amenities that other boutique art house theaters offer, including: reserved reclining seats, a bar with alcohol drinks and craft beers, and food service in their café. While the first operations are all in urban/downtown locations, Violet

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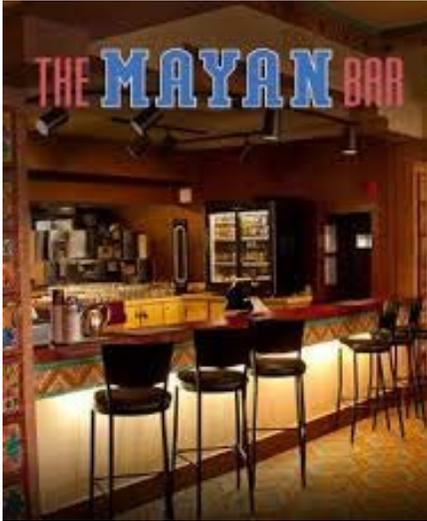
Crown has recently announced a new subsidiary company, Sky Cinemas, which will construct new 14-screen cinemas in lower-priced suburban locations. These suburban complexes will have 30 to 120 seats per theater.



### Landmark Theaters

Landmark Theaters combine art house/international films and documentaries with selected first-run studio films. The company is part of a vertically-integrated entertainment/media company owned by billionaire Mark Cuban and his business partner Todd Wagner. Landmark is the largest exhibition and marketing company for independent and international films in the U.S., with 56 theaters containing 269 screens in 29 markets across the U.S.





## Relevance to Palm Beach Gardens

- Cobb Theaters has a 16-screen multiplex in Downtown at the Gardens, a use which also helps attract consumer spending for the expanding food service offerings at the project, which is currently in planning and design to be redeveloped. Notably, Palm Beach Gardens (and its nearby areas) does not have a high-end art house/international film venue, nor one which can offer beer, wine and alcoholic beverages, meals and snacks. This use could be appropriate for redevelopment of the Sears site or one of the parking fields at The Gardens Mall, combined with additional food service operations, perhaps oriented toward the outside edges of the mall. The Mall at Columbia has an outparcel multiplex cinema at the end of the enclosed mall, but it has a cluster of food service operators arrayed along an outdoor plaza. This model could also be used at The Gardens Mall; and
- We note that Cobb Theaters was acquired in late 2017 by CMX, a Mexico-based theater company. Their new Cine-bistro concept has luxury décor and fittings, smaller theaters, two bars, full-service dining and laser technology. This concept targets upscale, educated affluent customers, which can include consumers ages 50+ as well as experience-oriented Millennials.

# 5 Market Potentials

This section of the report details our analysis of real estate market potentials for three key land uses based on the demographic profile in Section 2 and evaluation of real estate market conditions in Section 3. It also compares the development scenarios prepared by the planning team against overall market potentials to understand the “required” capture of market support each use would need to achieve.

As presented in detail below, the market analysis focused on three core uses: housing, workplace/office and hotel/lodging.

## Potential TOD District Concepts

The following concepts were created by the planning team for four opportunity sites located within the larger Core Area. These are illustrated in Table 21 and summarized below:

- **Parcel 5B/PGA Station PUD**—This site is part of a larger mixed-use project in various stages of development. The development concept illustrates two mixed-use buildings surrounding the proposed rail station location, with 10,000 sq. ft. of ground-floor retail, up to 305 residential units and structured parking. These buildings would range in height from four to six floors each.
- **Former Loehmann’s Plaza**—On the former Loehmann’s Plaza portion of Parcel 5B, the development concept illustrates several mid-rise buildings ranging from three to six floors and containing a mix of housing in townhouses and multi-family units and hotel uses. There could be up to 241 housing units and 250 hotel rooms, or 105 residential units could be substituted for an additional 235 hotel rooms.
- **The Gardens Mall “Transformation”**—the potential conversion of existing multiple surface parking lots surrounding The Gardens Mall represents a significant, long-term economic development initiative. For purposes of this planning analysis, five surface parking pads comprising approximately 17 acres are replaced, over time, with mixed-density housing.

Depending on building heights (ranging from two to five floors), this concept could accommodate from 1,700 to over 1,900 units. However, the concepts do not identify the amount of possible commercial uses that could be located at the ground floor of residential buildings and/or in other mixed-use formats.

- **Legacy Place**—The redevelopment of portions of this mixed-use project located in the southeast quadrant of the intersection of PGA Boulevard and Alternate A1A adds over 150 new housing units as well as approximately 82,000 sq. ft. of undefined “commercial” uses.

**Table 21: Potential TOD Concepts—Selected Core Area Sites**

Site/Location	Potential Development Concepts			
	Housing Units	Office	Retail	Hotel
<b>Parcel 5B</b> "PGA Station PUD"	305	-	10,000	-
Loehmann's Plaza	241	-	-	250
<b>Subtotal:</b>	<b>546</b>	<b>-</b>	<b>10,000</b>	<b>250</b>
	<b>@ 1,000 SF</b>	<b>@ 850 SF</b>		
	<b>Per Unit</b>	<b>Per Unit</b>		
<b>Gardens Mall</b>	258	280		
<b>Transformation</b>	358	380		
	478	528		
	608	725		
<b>Subtotal: (1)</b>	<b>1,700</b>	<b>1,913</b>		
<b>Legacy Place</b> (Full Buildout Scenario)	<b>154</b>	<b>-</b>	<b>82,060</b> <i>Undefined</i>	<b>-</b>
<b>TOTAL:</b>	<b>2,400</b>	<b>1,913</b>	<b>-</b>	<b>92,060</b> <b>250</b>

(1) Residential unit counts use the midpoints of ranges provided by TCRPC under various floor heights.

**Source: Treasure Coast Regional Planning Council; WTL+a, updated March 2018.**

## Market-rate Housing

As noted, the timeframe to realize TOD market potentials typically requires a lead time of 20 years or more. However, forecast periods in the real estate industry are 10 years or less. Therefore, the demand analysis that follows measures market potentials for new housing for a 10-year period (2018—2027) as an illustration of possible market-supportable TOD during this period. The analysis considers the following scenarios:

- **Citywide Scenario #1**—Utilizes an annual (“straight-line”) growth rate of 2.65% per year consistent with historic *actual* population growth rates in Palm Beach Gardens between 2000—2017. For purposes of this analysis, we extrapolated this growth rate through 2027.
- **Citywide Scenario #2**—Utilizes an annual growth rate of 1.55% per year based on a forecast of population growth as prepared by ESRI Business Analyst, a demographic forecasting service, for the next five years. For purposes of this analysis, we extrapolated this growth rate through 2027.

Both scenarios allocate market share to known residential projects (as identified by the City) to determine the number of “unallocated” units elsewhere in Palm Beach Gardens that could be available to accommodate future population/household growth and captured within the TOD development scenarios created by the planning team.

### Citywide Scenario #1

- As noted in the demographic profile in Section 2, between 2000 and 2017, the city's population increased at a significant, sustained annual rate of 2.65% per year, resulting in over **19,600 new residents and over 10,100 new households**;
- As illustrated in Table 22, if the *pace* of growth continues at this historic rate of 2.65% per year, it would yield almost **16,400 new residents in over 7,700 new households (i.e., housing units)** assuming average household size of 2.12 remains unchanged. This would translate into *annual* demand of 770 units per year. By comparison, actual new housing starts in Palm Beach Gardens over the past 10 years averaged 220 units per year; and
- The next step allocates future growth in population/households to known residential projects citywide that are either under construction, planned/entitled or in site plan review. These projects are expected to include **595 units in the Core Area** (Downtown at the Gardens,

Amara Shriners, LaPosada and Midtown) and more than **3,000 approved units in several projects located outside the Core Area**. This includes two large master planned communities, Alton (2,700 units) and Avenir (2,690 units). Based on data provided by the City, it is anticipated that up to 1,119 approved units will be built at Alton and 1,265 units at Avenir will be delivered (assuming 35% are built) over the next 10 years. This leaves approximately 4,100 “unallocated” units citywide from which proposed residential uses in the TOD concept scenarios could potentially “capture”;

**Table 22: Housing Potentials—Scenario #1, 2018—2027**

Municipality	Forecasts (1)			Average Household Size (2)	2027 Housing Units
	2018	2027	Population Change		
<b>Scenario 1: Straight-line Forecast</b>					
Average Annual Growth Rate (2000-2017)	2.65%				
Current & Future Population	54,722	71,107	16,385	2.12	7,729
<b>Allocation to "Unbuilt" Residential Projects (From City List):</b>					
<b>Core Area</b>					
- Downtown at the Gardens (Conceptual)					274
- Amara Shriners (Under Site Plan Review)					220
- LaPosada					38
- Midtown					63
<b>Subtotal:</b>					<b>595</b>
<b>Outside Core Area</b>					
- The Grand					124
- Bonnette Hunt Club					24
- Trevi Isle					263
- Latitudes					50
- Ancient Tree					97
- Alton					1,119
- Avenir (Estimated for 2020-2027 @)	35%				1,365
<b>Subtotal:</b>					<b>3,042</b>
<b>UNALLOCATED UNITS:</b>					<b>4,092</b>

TOD CONCEPTS - Scenario #1:	Units	10-Year Phasing @	10-Year Completions	% Capture of Unallocated	Years to Buildout
- Concept #1	1,900	45%	855	21%	22
- Concept #2	2,400	40%	960	23%	25

- (1) Population forecasts assume that Palm Beach Gardens continues to grow at the same pace it did between 2000 and 2017 (straight-line forecast).
- (2) In order to convert 2027 population growth into housing units, the analysis assumes that average household size remains the same as it has between 2000 and 2017 (2.12 persons per household).
- (3) Scenario #2 utilizes the 2017-2022 population growth forecasts prepared by ESRI and applies them through 2027. It also assumes no change in average household size.

Source: University of Florida Bureau of Business & Economic Research; City of Palm Beach Gardens; ESRI Business Analyst; WTL+a, revised April 2018.

- As noted, the TOD concept scenarios illustrate between 1,900 and 2,400 units on selected key sites surrounding the potential TOD station on Parcel 5B as noted above. The largest number of units could potentially be located on a portion of the existing surface parking lots surrounding The Gardens Mall. Concept illustrations indicate potential phasing of new infill units at The Gardens Mall, suggesting that they could be paced according to market demand after zoning is modified to allow this type of development on existing sites. Given the magnitude of approved/planned new housing across the City, the number of units that could be accommodated on selected TOD parcels, and the fact that no specific project is currently proposed or entitled, our analysis assumes that only a certain portion of new housing in each TOD concept could potentially be completed within the 10-year forecast period (or over the longer-term up to 20 to 25 years); and
- This leaves **4,100 “unallocated” units citywide from which proposed TOD residential uses could potentially “capture” over time.** Our analysis assumes 40% to 45% (855 to 960 units) of new housing in Scenario #1 is built within the 10-year forecast period. If so, this yields **potentially achievable capture rates of up to 23%** of future *unallocated* demand for new housing citywide during the forecast period. However, consistent with our national experience in TOD projects, buildout of TOD housing as illustrated in Scenario #1 could potentially take up to 20 to 25 years even under the higher population growth rates assumed in this scenario. This is an example of the contrast between conventional 10-year absorption projections and the more realistic, longer timetable required for TOD projects.

### Citywide Scenario #2

- Scenario #2 utilizes the 2017—2022 growth rate as estimated by ESRI Business Analyst of 1.55% per year, and extrapolates that growth over the 10-year forecast period;
- As illustrated in Table 23, if the city successfully grows at a sustained annual rate of 1.55% per year, it would yield over **9,000 new residents in 4,280 new households** (i.e., housing units) assuming average household size of 2.12 remains unchanged. This would translate into annual demand of over 420 units per year during the 10-year projection period—still *twice* the rate of actual housing starts recorded over the past 10 years;

- Like Scenario #1, future growth was allocated to approved projects with unbuilt units, including 595 units in the Core Area and over 3,000 units outside the Core Area, thereby leaving **“unallocated” demand for less than 650 units**;
- Similarly, given these lower growth rates and magnitude of approved/planned new housing across the City, the number of units that could be accommodated on selected TOD parcels, and the fact that no specific project is proposed or entitled, our analysis assumes that only a certain portion of new housing in this concept would be completed within 10 years;
- With growth allocated to known/approved residential projects in this lower-growth scenario, there are **650 “unallocated” units citywide from which proposed TOD residential uses could potentially capture**. Our analysis assumes that between 30% and 35% (665 to 720 units) of the housing component in Scenario #2 would be completed within 10 years. In this more conservative growth scenario, buildout of TOD housing as illustrated in the planning concepts could take 25 to 30 years or more.

**Table 23: Housing Potentials—Scenario #2, 2018—2027**

Municipality	Forecasts (1)			Average Household Size (2)	2027 Housing Units
	2018	2027	Population Change		
<b>Scenario 2: Alternative Forecast (3)</b>					
Average Annual Growth Rate (2017-2022)	1.55%				
Current & Future Population	54,722	63,796	9,074	2.12	4,280
Allocation to "Unbuilt" Residential Projects (From City List):					
Core Area					595
Outside Core Area					3,042
<b>UNALLOCATED UNITS:</b>					<b>643</b>
<b>TOD CONCEPTS - Scenario #2:</b>					
	Units	10-Year Phasing @	10-Year Completions	% Capture of Unallocated	Years to Buildout
- Concept #1	1,900	35%	665	103%	29
- Concept #2	2,400	30%	720	112%	33

(1) Population forecasts assume that Palm Beach Gardens continues to grow at the same pace it did between 2000 and 2017 (straight-line forecast).  
 (2) In order to convert 2027 population growth into housing units, the analysis assumes that average household size remains the same as it has between 2000 and 2017 (2.12 persons per household).  
 (3) Scenario #2 utilizes the 2017-2022 population growth forecasts prepared by ESRI and applies them through 2027. It also assumes no change in average household size.

Source: University of Florida Bureau of Business & Economic Research; City of Palm Beach Gardens; ESRI Business Analyst; WTL+a, revised April 2018.

In addition, as noted previously in Section 3, there are a number of “true vacant” housing units. True vacancy is defined as unoccupied units available for rent but excludes units that are unoccupied because they are for sale or are seasonally-occupied units. According to the 2015 American Community Survey (ACS), Palm Beach Gardens has **between 1,400 and 1,600 “truly vacant” units**. While this reflects a vacancy rate of only 5% (suggested a stabilized housing market), the physical and/or functional obsolescence of these units is unknown. As a result, some portion of these vacant units are assumed to be habitable and may serve to *reduce* demand for *new* construction that are also affected by such variables as the availability of financing.

## Workplace/Office

Knowledge-based industries like finance, software, business and management consulting services, market and communications, professional/business services such as accountants, legal and medical and other similar businesses house most of their employees in commercial office buildings.

The first step in measuring support for new multi-tenant/speculative office space for the TOD district in Palm Beach Gardens examines market potentials for office use in Palm Beach County and allocates demand to the city. The analysis translates employment forecasts (for 2016—2024) among specific industry sectors in Palm Beach County (as prepared by the Florida Department of Economic Opportunity/DEO), into demand for office space by applying an occupancy factor (of occupied space per employee) and estimates the proportion of employees in each sector who are office workers. We note that DEO employment forecasts are issued only in eight-year periods.

The analysis also considers demand generated by other market factors, such as vacancy adjustments, part-time/self-employed individuals (who may or may not occupy multi-tenant office space), and cumulative replacement; these estimates either increase or reduce future demand for office space. Cumulative replacement, for example, considers tenants that move when a building is removed from the inventory due to physical and/or functional obsolescence.

We note that **assumptions pertaining to occupancy factors may be overstated**. Since the 2007—2009 recession, office-using businesses have been reducing office occupancies, in some cases by significant amounts. Historically, the commercial real estate industry has used

an average occupancy factor of 250 sq. ft. per office employee. However, according to a 2017 study by REIS, Inc. (a national commercial real estate database), the amount of office space per employee has been steadily declining in each successive business cycle after a recession.

REIS data indicate that:

- In the national economic expansion of the late 1990s, a new office employee was typically associated with approximately **175 sq. ft.** of additional office space
- During the early- and mid-2000s (until the 2007—2009 recession), the typical employee was associated with approximately **125 sq. ft.** of additional office space
- Since 2010, however, each added/new employee has been associated with only about **50 sq. ft.** of additional office space.

This is particularly notable in space-efficient industries like software and professional/business services, which have been the strongest growing sectors in this business cycle. Moreover, hoteling and remote work-arrangements, where employees share space rather than having dedicated offices or cubicles, enables companies to accommodate even more workers in a given amount of occupied space. As illustrated in the analysis below, we have used a weighted average/blended occupancy factor of 198 sq. ft. per office employee.

The office analysis is illustrated in Table 24 and Table 25, and summarized below:

### **Palm Beach County**

- The analysis indicates *gross* demand for 7.3 million sq. ft. of office space across Palm Beach County between 2016 and 2024, assuming an average occupancy factor of 198 sq. ft. per office employee, generated by growth in office-using jobs. This is inclusive of adjustments related to vacancy, cumulative (building) replacements, tenant churn, etc.;
- From a financing perspective, however, some portion of the County's existing 3.75 million sq. ft. of vacant office space would need to be leased before new office space could be financed. It is also not known how much of the remaining existing vacant inventory suffers from physical and/or functional obsolescence, will be converted to other uses such as residential, or could be demolished; and
- For purposes of this analysis, WTL+a conservatively assumes that fully 50% of Palm Beach County's vacant office inventory (approximately 1.87 million sq. ft.) is leased before

financing is provided for new office construction. This serves to reduce the County's office vacancy rate (to roughly 7.9% from current levels), and lowers demand generated by job growth in office-using sectors to approximately 5.4 million sq. ft. of *net new* space by 2024.

**Table 24: Workplace/Office Potentials—Palm Beach County, 2016—2024**

Industry Sector	New Jobs 2016-2024	% Office- Using	SF Occupancy Factor	2024 Demand (In SF)
<b>Palm Beach County (Workforce Region #21)</b>				
<b>Agriculture/Mining &amp; Construction</b>	5,575	10%	175	97,600
<b>Manufacturing</b>	1,037	20%	200	41,500
<b>Transp/Communications/Utilities</b>	845	40%	200	67,600
<b>Wholesale &amp; Retail Trade</b>	11,174	20%	175	391,100
<b>Finance/Insurance/Real Estate Services</b>	3,979	85%	275	930,100
Professional, Scientific & Technical Services	8,114	90%	250	1,825,700
Management of Companies & Enterprises	1,862	60%	275	307,200
Administrative & Waste Management	7,644	35%	175	468,200
Educational Services	2,101	20%	200	84,000
Health Care & Social Assistance	16,848	35%	200	1,179,400
Arts, Entertainment & Recreation	2,159	20%	175	75,600
Accommodation & Food Services	7,502	20%	175	262,600
Other Services (Except Government)	2,484	35%	225	195,600
<b>Government Self-Employed</b>	5,398 5,320	60% 10%	150 200	485,800 106,400
<b>Total/Weighted Average:</b>	<b>81,605</b>	<b>38%</b>	<b>198</b>	<b>6,518,400</b>
+ Vacancy Adjustment @		5%	(1)	325,900
+ Cumulative Replacement Demand		7.5%	(2)	488,900
<b>2024 Gross Demand - Palm Beach County:</b>				<b>7,333,200</b>
Existing Vacant Office Space			3,750,928	
- Lease-up Required @	50%		(1,875,464)	(1,875,464)
<b>Remaining Vacant Space:</b>			<b>1,875,464</b>	
% Vacant			7.9%	
<b>2024 Net Demand:</b>				<b>5,457,700</b>

- (1) This allows for a 5% "frictional" vacancy rate in new office space delivered to the market (i.e., this accounts for tenant movement to new space).
- (2) This represents new space required by existing businesses to replace obsolete or otherwise unusable office space. This is assumed to represent 7.5% of total demand.
- (3) From a financing perspective, some portion of existing vacant office space in Palm Beach County will need to be leased before financing of new construction is viable. The analysis assumes that 50% of existing vacant office space is leased, thereby reducing the overall vacancy rate to approximately 8%.

Source: Florida Dept. of Economic Opportunity; Cushman & Wakefield, Inc.; REIS, Inc.; WTL +a, February 2018.

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## Palm Beach Gardens

- The next step in the analysis is illustrated in Table 25, and measures opportunities for new office development based on the city's current share of employment (see Table 8). With an estimated 39,600 employees working in the Gardens, the city's share of Palm Beach County's total jobs is estimated at 5.6%;
- Under this "fair share" analysis, Palm Beach Gardens would continue to capture 5.6% of future countywide job growth, or approximately 4,600 new employees, by 2024. Assuming similar proportions of office-using jobs and occupancy factors translates into **gross demand for roughly 343,600 sq. ft. of office space over the next eight years**;
- As discussed in Section 3 (see Table 19), there is approximately 174,200 sq. ft. of vacant office space in the Core Area (and an additional, unknown amount elsewhere in the city). As a result, the analysis conservatively assumes that up to 35% of existing vacant office space in the Core Area would need to be leased before financing is provided for new office construction. This is intended to reduce investment risk associated with financing of multi-tenant/speculative office buildings in locations with higher office vacancies. This would reduce the Core Area's current office vacancy rate to approximately 10%;
- We note that Cushman & Wakefield data combined Palm Beach Gardens and North Palm Beach into a single office submarket. A detailed survey of office buildings located outside the Core Area was not conducted. As a result, office vacancies in buildings elsewhere in the City are not known; and
- This analysis yields **net demand for 282,600 sq. ft. of new office space citywide by 2024**. However, the City has approved/entitled a significant amount of new office space totaling almost 3.3 million sq. ft. Of this total, we included 1.28 million sq. ft. in the analysis:
  - 615,908 sq. ft. in the Core Area in five projects (only one of which, Gardens Corporate Center with 223,943 sq. ft. of space, is under construction)
  - 671,176 sq. ft. outside of the Core Area/elsewhere in the City
- The City has also approved 2.0 million sq. ft. of office space at Avenir (and 913,000 sq. ft. of owner-user office space as part of the FP&L campus). Due to uncertainties related to timing/phasing of both projects, these were excluded from our analysis. Nonetheless, the

analysis conservatively assumes that the other approved/entitled office projects are built/delivered during the forecast period;

**Table 25: Workplace/Office Potentials—Palm Beach Gardens, 2016—2024**

Industry Sector	New Jobs 2016-2024	% Office- Using	SF Occupancy Factor	2024 Demand (In SF)
<b>City of Palm Beach Gardens</b>				
<b>Total Employment</b>			(4)	<b>39,600</b>
As % of Palm Beach County (10-Year Average)				<b>5.6%</b>
<b>Fair Share Analysis</b>				
2016-2024 Employment Growth (If Fair Share Maintained)				4,602
% Office-using Jobs				38%
SF Occupancy Factor				198
<b>2024 Gross Demand (In SF):</b>				<b>343,600</b>
<b>Vacant Office Space - Core Area</b>			(5)	<b>174,194</b>
Lease-up Required @	35%			60,968
<b>Remaining Vacant Space:</b>				<b>113,226</b>
% Vacant				10.1%
<b>2024 NET DEMAND (In SF):</b>				<b>282,600</b>
<b>Allocation to "Unbuilt" Office Projects (From City List):</b>			(6) (7)	1,287,084
<b>Unallocated Office (Rounded, In SF):</b>				<b>(1,004,500)</b>

- (4) This reflects the 10-year average of the City's share of all jobs in Palm Beach County. The analysis assumes that the City maintains its "fair share" of the County's total employment base in the future.
- (5) Cushman & Wakefield data combine Palm Beach Gardens and North Palm Beach into a single office submarket. A detailed survey of office buildings outside the Core Area was not conducted; as a result, office vacancies in buildings located elsewhere in the City are not known.
- (6) Includes 615,908 sq. ft. of unbuilt office space in the Core Area and 671,176 sq. ft. of unbuilt office space outside of the Core Area. Excludes 2.0 million sq. ft. of proposed office space at Avenir due to uncertainties associated with project timing/phasing.
- (7) The allocation to "unbuilt" office projects also excludes the proposed 913,000 sq. ft. FP&L project because that office space will be owner-user.

Source: Florida Dept. of Economic Opportunity; Cushman & Wakefield, Inc.; REIS, Inc.; WTL +a, updated April 2018.

In conclusion, our analysis of office development potentials in the TOD district assumes that these approved/entitled office projects are delivered for market occupancy, thereby leaving no "unallocated" demand for new office space outside of these projects. As noted in Section 3, **annual net absorption in the Core Area has averaged less than 14,000 sq. ft. per year**

**over the last five years** (see Table 19), while net absorption in the larger Palm Beach Gardens/North Palm Beach office submarket averaged 76,700 sq. ft. per year in the four years between 2014 and 2017 (see Table 18).

**Limited net leasing activity and the large amount of approved, unbuilt office space will necessitate a *significant* increase in market share of office-using jobs in Palm Beach Gardens** to support the large amount of office space approved by the City. A broader, carefully crafted set of public economic development strategies focused on business retention and recruitment, use of public regulatory and/or financial incentives, and/or targeted recruitment of office tenants as part of developer pre-leasing efforts may be critical in underpinning the availability of financing for these approved, unbuilt office projects.

**Office Market Potentials of 275,000 SF by 2024;**

**3.28 Million SF of Approved Projects Well-Exceeds Potential Demand**

## Hotel/Lodging

To determine market potentials for new hotels as part of TOD station area development, WTL+a and RDS LLC reviewed data from STR Global, the industry leader in tracking hotel market performance, and analyzed countywide overall supply trends as well as hotel performance of properties in and near Palm Beach Gardens. This analysis includes those properties located within/immediately adjacent to PGA Boulevard and the I-95 corridor.

As noted in Section 3, average annual occupancies among competitive properties (containing 2,219 rooms) increased from 67.7% in 2011 to 77.6% through September 2017, yielding a compound annual growth rate/CAGR of 1.95%. Notably, during the past three years sustained annual occupancies for these properties remained stable in the range of 74% but increased to 77.6% for the first three quarters of 2017.

This performance falls well within the threshold required by capital markets of sustained annual occupancies ranging from 65% to 72% to warrant market financing of new hotel construction and suggests that there is sufficient demand and investment level performance necessary to justify the addition of new hotel room capacity in the Palm Beach Gardens market. As a result,

## WTL + a

a new 121-room Marriott Residence Inn is under construction near the proposed SFRTA station area at 4250 Design Center Drive.

To determine market potentials for additional new hotels in the Core Area, our analysis considers the following key factors:

- **Lodging Market Trends**—Florida attracts both business-related travel and meetings as well as a large tourist/visitor market; tourism is Florida's largest industry, generating almost \$109 billion in 2016 and generating 1.4 million statewide tourism-related jobs. The state's tourism marketing program (VisitFlorida) estimates that the tourism industry generated \$11.3 billion in state and local taxes in 2016
- **Competitive Supply & Market Position**—Metrics include trends in countywide hotel room inventory, and the competitive properties' share of that total
- **Average Daily Rates (ADRs)**—this metric illustrates average daily prices paid for rooms within the market; increasing ADRs over time are an indication of increasing market demand relative to available supply
- **Average Annual Occupancies**—in the lodging industry, annual occupancies are compared against industry standards to justify financing for new hotel development. As a general industry standard, if overall average occupancies are sustained at or above 65% to 72%, new/additional hotels are considered 'market supportable' and financeable

According to visitor/tourism data collected by the Palm Beach County Tourism Development Council (TDC) as well as Discover the Palm Beaches (formerly the Palm Beach Visitors and Convention Bureau), the number of annual tourists and visitors to the County has steadily increased over the past five years. In fact, **annual visitation has increased from 5,470,000 in 2012 to 7,200,000 visitors in 2016**. While tourism volumes are often tracked according to paid overnight stays in hotels, there are also tourists who stay with friends and family (known in the tourism industry as Visiting Friends and Family or VFRs), and visitors who stay in other types of lodging like Airbnb. Because non-hotel stays are not tracked in any formal way, the analysis assumes that 50% of total visitors stay in paid hotels and motels, and comprise the totals tracked by STR.

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### Hotel Demand (2012—2016)

To determine the share of countywide overnight hotel visitors who stayed in/near Palm Beach Gardens between 2012 and 2016 as a means of determining the number of “unaccommodated rooms”, the analysis utilizes three key metrics—the proportion of occupied roomnights, average party size and average length of stay (in days). Key findings indicate the following:

- As illustrated in Table 26, actual **compound annual growth of 7.7% per year between 2012 and 2016 generated 1.88 million additional visitors to Palm Beach County** over this five-year period
- Palm Beach Gardens’ share of countywide occupied roomnights declined slightly between 2012 and 2016—from 10.9% in 2012 to 9.2% in 2016—but increases in overall occupancies translated into equilibrium in the number of supportable rooms, particularly in 2015 and 2016

### Hotel Demand (2017—2026)

To determine future demand for hotel rooms over the next 10 years, the analysis assumes that growth in the number of visitors to Palm Beach County will continue. However, while actual growth between 2012 and 2016 averaged 7.7% per year, we applied a more conservative growth rate of 3.8% per year (i.e., half of the actual growth over the past five years).

As illustrated in Table 27, the analysis utilizes other key metrics to estimate a 10-year forecast of supportable hotel rooms:

- 50% of all visitors are considered as paid hotel/motel guests
- Average party size of 2.10 persons per visitor party
- Average length of stay of 3.6 nights per party, and
- Annual growth of Palm Beach Gardens’ proportion of countywide occupied roomnights of 1.23% per year (consistent with the rate of growth in actual room supply)

**Table 26: Hotel Demand—Palm Beach County & Palm Beach Gardens, 2012—2016**

	2012	2013	2014	2015	2016	CAGR Change: 2012-2016	
						Amount	%
<b>Palm Beach County</b>							
<b>All Visitors-Entire County:</b>	5,470,000	6,000,000	6,279,000	6,900,000	7,350,000	<b>1,880,000</b>	<b>7.7%</b>
Compound Annual Growth Rate		9.7%	4.6%	9.9%	6.5%		
<b>Stay in Hotel/Motel:</b>	2,735,000	3,000,000	3,139,500	3,450,000	3,675,000	<b>940,000</b>	
(1) As % of All Overnight Visitors	50.0%	50.0%	50.0%	50.0%	50.0%		
(2) / Average Party Size	2.10	2.10	2.10	2.10	2.10		
(2) x Average Length of Stay	3.60	3.60	3.60	3.60	3.60		
<b>Annual Roomnights:</b>	<b>4,688,571</b>	<b>5,142,857</b>	<b>5,382,000</b>	<b>5,914,286</b>	<b>6,300,000</b>	<b>1,611,429</b>	
(3)							
<b>Palm Beach Gardens Area</b>							
<b>Existing Room Inventory</b>							
Competitive Properties	2,000	2,128	2,129	2,128	2,128	<b>128</b>	<b>1.6%</b>
New Deliveries	-	-	-	-	-		
<b>Existing Hotel Rooms:</b>	<b>2,000</b>	<b>2,128</b>	<b>2,129</b>	<b>2,128</b>	<b>2,128</b>		
% Annual Increase	-	6%	0%	0%	0%		
<b>Annual Occupancy</b>							
Competitive Properties	69.7%	73.4%	74.8%	74.4%	74.7%		<b>1.7%</b>
<b>Occupied Roomnights:</b>	<b>510,568</b>	<b>536,664</b>	<b>566,344</b>	<b>578,120</b>	<b>580,205</b>	<b>69,637</b>	<b>-4.1%</b>
(4) Share of PBC Roomnights	10.9%	10.4%	10.5%	9.8%	9.2%		
<b>Supportable Annual Rooms (@ 100% Occupancy)</b>							
Annual Roomnights	732,470	731,208	757,392	776,904	777,024		<b>1.5%</b>
/ Days Per Year	365	365	365	365	365		
<b>Supportable Hotel Rooms:</b>	<b>2,007</b>	<b>2,003</b>	<b>2,075</b>	<b>2,129</b>	<b>2,129</b>	<b>122</b>	
<b>MARKET POTENTIALS:</b>							
<b>Existing Hotel Rooms</b>	<b>2,000</b>	<b>2,128</b>	<b>2,129</b>	<b>2,128</b>	<b>2,128</b>		
<b>Supportable Hotel Rooms</b>	<b>2,007</b>	<b>2,003</b>	<b>2,075</b>	<b>2,129</b>	<b>2,129</b>		
(5) <b>Unaccommodated Rooms:</b>	<b>7</b>	<b>(125)</b>	<b>(54)</b>	<b>1</b>	<b>1</b>		

- (1) WTL+a reviewed various reports produced by the Tourist Development Council as well as Discover the Palm Beaches (formerly the Convention & Visitors Bureau) reports to ascertain annual visitor statistics and behavior.
- (2) The only data available on average party size and average length of stay is from a 2009 report prepared by Profile Marketing Research for the TDC.
- (3) Annual roomnights are determined by dividing total overnight visitors staying in a hotel by party size and multiplying the results by average length of stay.
- (4) Palm Beach Gardens area share of the County's total hotel roomnights was determined based on occupied roomnights for competitive hotel properties.
- (5) Unaccommodated rooms illustrates the number of supportable rooms in the market. A negative number indicates an over-supply of rooms.

Source: STR Global; Discover the Palm Beaches/Convention & Visitors Bureau; Tourist Development Council of Palm Beach County; WTL+a, March 2018.

To estimate demand for new hotel rooms over the next 10 years, WTL+a estimated the difference in supportable rooms by comparing *actual* average annual occupancy in Palm Beach Gardens (72.5% between 2011 and 2016) and break-even occupancy (65%). In other words, as new room supply is added to the market, overall occupancies may be affected in the near-term.

The analysis reveals that:

- At an average annual occupancy of 72.5%, additional hotel room capacity is *not* supportable until 2020 (when the proposed 180-room hotel at Downtown at the Gardens/The District is assumed to open)
- A full-scale hotel would be possible in 2021, when up to 123 rooms would be market-supportable based on the assumptions above
- The number of supportable rooms (if annual occupancies of 72.5% can be sustained) continues through 2026, when up to 759 additional rooms would be market-supportable
- By comparison, at lower (breakeven) occupancies of 65%, the number of market-supportable rooms is delayed until at least 2022 but remains supportable through 2026. We note that, in addition to the 180-room hotel at Downtown at the Gardens, another 121 rooms are proposed for a site adjacent to the proposed TRCL station area as part of the PGA Station PUD, and 300 rooms are proposed at Alton, a large master-planned community that will include a 200,000 sq. ft. retail/mixed-use project at the western edge of Palm Beach Gardens
- At 65% average annual occupancies, **up to 543 rooms are market-supportable in 2026.** These supportable estimates should be considered as ‘snapshots’ in time and not cumulative.

The other unknown factor in hotel demand is the City’s success in attracting sports events (both academic, amateur and professional) to the Palm Beach Gardens area. According to information and attendance estimates provided by the City, there were 10 events (including 40 event days between February and October 2017) in 2017 and early 2018 that **attracted almost 21,500 visitors to Palm Beach Gardens sports venues** for youth baseball and soccer tournaments. These estimates are illustrated in Table 36 in the Appendix.

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In addition, the **Honda Classic PGA Golf Tournament in February 2018 broke all previous attendance records with 224,642 total visitors** (reportedly due to the return of Tiger Woods as a competing golfer).

It is recognized that these estimates represent a steady stream of tournament participants and viewers over many months, and the Honda Classic is a major sporting event with national coverage. However, no verifiable data has been made available regarding the number of sports event participants stay overnight in hotels in Palm Beach Gardens; how many may be area residents who return home in the evenings; or what the estimated direct and indirect expenditures for food & beverage, retail goods, and other entertainment spending totals. It is highly likely that there is an economic effect, particularly for an event of the scale of the Honda Classic, but without critical data, it is not possible to incorporate these estimates into the hotel demand analysis.

## **General Retail**

As noted previously in Section 3, Palm Beach Gardens has several well-established retail centers that serve as regional destinations and provide both a greater range of offerings than the city's population alone supports. For this reason, it is unnecessary to demonstrate retail demand as it is presumed to exist based on the overall strength of the City's existing retail base and its significance as a regional retail destination.

**Table 27: Hotel Demand—Palm Beach County & Palm Beach Gardens, 2017—2026**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>Forecast</b>											
<b>Palm Beach County</b>											
<b>Overnight Visitors</b>	7,350,000	7,631,693	7,924,182	8,227,881	8,543,219	8,870,643	9,210,615	9,563,617	9,930,148	10,310,727	10,705,891
(1) Annual Growth Rate @	3.8%										
<b>Stay in Hotel/Motel</b>	3,675,000	3,815,846	3,962,091	4,113,940	4,271,609	4,435,321	4,605,308	4,781,809	4,965,074	5,155,363	5,352,946
(2) As % of All Overnight Visitors	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
/ Average Party Size	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10
x Average Length of Stay	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60
<b>Annual Roomnights (3):</b>	<b>6,300,000</b>	<b>6,541,451</b>	<b>6,792,156</b>	<b>7,052,469</b>	<b>7,322,759</b>	<b>7,603,408</b>	<b>7,894,813</b>	<b>8,197,386</b>	<b>8,511,556</b>	<b>8,837,766</b>	<b>9,176,478</b>
<b>Palm Beach Gardens Area</b>											
<b>Room Inventory</b>											
Share of Roomnights	10.2%	10.3%	10.4%	10.5%	10.7%	10.8%	10.9%	11.1%	11.2%	11.3%	11.5%
(4) Annual Growth Rate @	1.23%										
<b>Annual Roomnights:</b>	580,205	673,187	707,557	743,682	781,651	821,558	863,503	907,590	953,928	1,002,631	1,053,821
/ Days Per Year	365	365	365	365	365	365	365	365	365	365	365
<b>Supportable Rooms:</b>											
@ 72.5% Occupancy	1,590	1,844	1,939	2,037	2,142	2,251	2,366	2,487	2,614	2,747	2,887
@ 65% Occupancy	1,470	1,706	1,793	1,885	1,981	2,082	2,188	2,300	2,417	2,541	2,671
<b>Market Potentials</b>											
Existing Rooms	2,128	2,128	2,128	2,128	2,128	2,128	2,128	2,128	2,128	2,128	2,128
<b>Supportable Rooms @ 72.5% Occupancy</b>											
Supportable Rooms	1,590	1,844	1,939	2,037	2,142	2,251	2,366	2,487	2,614	2,747	2,887
(5) Unaccommodated Rooms	(538)	(284)	(189)	(91)	14	123	238	359	486	619	759
<b>Supportable Rooms @ 65% Occupancy</b>											
Supportable Rooms	1,470	1,706	1,793	1,885	1,981	2,082	2,188	2,300	2,417	2,541	2,671
(5) Unaccommodated Rooms	(658)	(422)	(335)	(243)	(147)	(46)	60	172	289	413	543
<b>Proposed Rooms (6)</b>	-	-	-	-	180	-	121	-	-	300	-

- (1) The number of visitors to Palm Beach County increased at a compound annual rate of 7.7% per year between 2012 and 2016, as reported by Discover the Palm Beaches/CVB. The analysis assumes a compound annual rate of growth of 3.8% per year (i.e., 50% of actual) for the 10-year forecast period.
- (2) The rate of increase in overnight visitors staying in a hotel/motel in Palm Beach County is unknown. Average party size and length of stay based on most recent available data. The analysis assumes no change from the 50% estimate.
- (3) Annual roomnights are determined by dividing total overnight visitors staying in a hotel by party size and multiplying the results by average length of stay.
- (4) The annual growth rate in roomnight share is assumed to be the same as the actual compound annual growth rate in room supply for 2011-2016 among competitive properties.
- (5) Unaccommodated rooms illustrates the number of supportable rooms in the market. Negative demand indicates an over-supply of rooms.
- (6) The analysis assumes delivery of Downtown at the Gardens (180 rooms), PGA Station (121 rooms) and Alton (300 rooms) in the years assumed in this analysis.

Source: STR Global; Discover the Palm Beaches/CVB; Tourist Development Council of Palm Beach County; WTL+a, updated April 2018.

## 6 Preliminary Economic Benefits

As part of the market study, WTL+a has measured the overall economic benefits of the land uses in the TOD concepts generated during the planning team workshop. This preliminary analysis is intended to assist City decisions related to TOD-related public policies, land development regulations/entitlements and approvals of the proposed development projects.

**This analysis estimates those benefits, by land use, at buildout** and include:

- Ad valorem real estate tax revenues based on current millage/mil rates for relevant taxing authorities, including the City of Palm Beach Gardens, Palm Beach County, Palm Beach County Library, Palm Beach County School District, South Florida Water Management District, etc.
- Retail sales tax receipts accruing to Palm Beach County and the State of Florida based on assumptions pertaining to stabilized occupancy levels and annual sales estimates (per sq. ft.) of the retail uses in each TOD concept
- Net new job creation, by land use, including one-time construction jobs and ongoing permanent jobs for each TOD concept's commercial/workplace uses, and
- One-time construction wages and ongoing permanent wages and other economic benefits as identified.

Key findings are summarized below and illustrated in Table 28. The more detailed analysis and estimates of economic benefits are contained in a series of tables in the Appendix to this report.

A series of assumptions were identified to estimate economic benefits. These include, for example:

- Estimates of construction costs, which vary by use, are based on current costs for “good-quality” construction in mixed-use projects in South Florida
- Inputs for annual salaries for various occupations that typically occupy “workplace” real

### WTL + a

**Table 28: Summary of Economic Benefits at Buildout**

Category	Parcel 5B		Gardens Mall Transformation		Legacy Place	TOTAL		
	PGA Station PUD	Loehmann's Plaza	Scenario #1	Scenario #2		If Scenario #1	If Scenario #2	
<b>Development Program</b>								
Development Program (In SF)	315,000	331,250	1,445,000	1,700,000	313,060	<b>2,404,310</b>	<b>2,659,310</b>	
All-in Development Costs	\$ 56,400,000	\$ 64,364,000	\$ 268,770,000	\$ 316,200,000	\$ 56,738,550	\$ <b>446,272,550</b>	\$ <b>493,702,550</b>	
Costs Per SF	\$ 179	\$ 194	\$ 186	\$ 186	\$ 181	\$ <b>186</b>	\$ <b>186</b>	
<b>One-time Impacts-Construction</b>								
Construction Jobs	175	200	114	102	264	<b>554</b>	<b>497</b>	
Construction Wages	\$ 22,560,000	\$ 25,745,600	\$ 107,508,000	\$ 126,480,000	\$ 22,695,420	\$ <b>178,509,020</b>	\$ <b>197,481,020</b>	
<b>Ongoing/Permanent Impacts</b>								
Permanent Jobs	25	83	-	-	210	<b>318</b>	<b>318</b>	
Permanent Wages	\$ 725,921	\$ 3,014,167	\$ -	\$ -	\$ 6,227,906	\$ <b>9,967,994</b>	\$ <b>9,967,994</b>	
<b>Annual Ad Valorem/Property Taxes</b>								
Total Tax Rate/\$1,000 AV	\$ <b>19.71</b>							
City of Palm Beach Gardens	\$ 319,664	\$ 360,268	\$ 1,330,629	\$ 1,599,453	\$ 277,941	\$ 2,288,502	\$ 2,557,326	
Other Taxing Authorities	791,980	892,578	3,296,687	3,962,709	688,609	5,669,855	6,335,876	
<b>Total:</b>	\$ <b>1,111,644</b>	\$ <b>1,252,846</b>	\$ <b>4,627,317</b>	\$ <b>5,562,162</b>	\$ <b>966,550</b>	\$ <b>7,958,357</b>	\$ <b>8,893,202</b>	

Source: Treasure Coast Regional Planning Council; WTL+a, April 2018.

estate such as retail, restaurant and office space or hotels are based on annual wage data from the U.S. Bureau of Labor Statistics for a range of occupations in Palm Beach County, and

- Parking costs—including both surface and structured parking—are based on various projects in South Florida. We note, however, that the TOD concepts prepared by the planning team only generalized the number of parking spaces required for each use (such as 300 unallocated surface parking spaces for Parcel 5B). As a result, the analysis omits any benefits generated by surface or structured parking.

The analysis illustrates these potential economic benefits at buildout (i.e., delivery/completion of each use identified in the TOD concepts). Of course, these uses will be built in stages, with phasing determined by approvals/entitlements, market support, availability of financing, developer capacity, etc. At buildout, the TOD concepts could potentially generate:

- Between 500 and 600 one-time construction jobs and \$178 to \$197 million in construction wages. These metrics are highly impacted by timing (i.e., years of construction). A shorter buildout period will generate a higher number of one-time construction jobs and wages;
- Over 300 permanent jobs in the concepts' commercial/workplace uses and over \$9.9 million in annual permanent wages; and
- \$7.9 to \$8.9 million in annual ad valorem/property taxes for all taxing authorities based on current (2017) millage rates. This includes \$2.2 to \$2.5 million per year for the City of Palm Beach Gardens and \$5.6 to \$6.3 million per year for other taxing authorities.

# 7 Recommended Action Steps

Palm Beach Gardens has several key advantages in considering how to implement redevelopment plans and policies around the proposed TRCL station area:

- City government has a firm grasp of development regulations and design enforcement, although design standards should be updated to foster a more pedestrian-friendly, better connected street network and bike/pedestrian balance with the large suburban-style arterials within the Core Area;
- Several large development sites in Core Area are primed for additional density and the phased introduction of housing, office and retail to complement surrounding land uses. Several of the sites (particularly The Gardens Mall and Downtown at the Gardens/The District) have motivated owners who recognize both opportunities that can result from adding new uses and density over time as well as the benefits of providing enhanced connectivity between projects. Opportunities for Legacy Place and the largely vacant Loehmann's Plaza site near I-95 are less clear but should be explored as part of the redevelopment/increased density discussion by the City; and
- Palm Beach Gardens is affluent, safe and well-located within Palm Beach County, and future projects are more likely to attract financing than may other SFRTA station locations because of the city's economic strength and stability.

There are also several conditions which need to be carefully considered in realizing future development opportunities:

- As in much of fast-growing Florida, local governments have accepted continued development proposals from developers, at times without full appreciation of the effects new approvals may have on established areas (e.g., with replacement of obsolete buildings with new infill, filling vacant spaces and sites, etc.), and the City has recently approved significant large-scale residential and mixed-use projects in the western part of the city;

- While certain land uses in Palm Beach Gardens have been growing steadily, **WTL+a and RDS LLC remain concerned that absorbing the scale of pending and approved development in new projects will potentially come at the expense of the pace of redevelopment in other/existing locations and heavily invested ownership.** This does not suggest that growth should be restricted, but market implications of large-scale planned projects in other nearby parts of the County should be carefully weighed in light of existing market conditions (such as limited office absorption and loss of employment in the Core Area and the City) and needs (such as essential services housing that will not require long commute times for the City's essential services providers;
- The Florida Power & Light (FP&L) site is a central element in the City's future growth. While it is recognized the project will bring thousands of new employees, contractors and others to the site when developed, there are many unknowns about secondary resulting market opportunities which will result from this project. These include additional market potentials for hotel and retail development, linkages between SFRTA and the FP&L site and other considerations. Because the timing, phasing and components to be included in the FP&L site are all internally focused, it is critical that the future program and phasing of FP&L facilities on its site be included in overall market pace, price and program overlaps; and
- Palm Beach County and the City of Palm Beach Gardens have undertaken a successful strategy to attract sports-related competitions, meets, conferences and tournaments to the Palm Beach Gardens area. Attendance/participation estimates should be verified and tracked to understand their impacts on hotel roomnight demand, economic spin-off, etc.

As specific planning for the SFRTA station site/area moves forward, it is likely that the City, County and/or other public entities may have the potential to consider development agreements that could be used to leverage public participation to achieve goals such as essential services housing, development proffers from private partners or other shared costs/revenues. As context for future consideration, the following is offered to help frame the public sector's negotiating positions.

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## Public Property Disposition Alternatives: Advantages & Disadvantages

Publicly owned property represents an asset held by city, state, national or some other public entity that can be used to provide some form of public benefit. That benefit may take many forms:

- Public open space
- Public parking
- Closing the economic gap on affordable housing through a reduction in land value
- Development of public services structures, educational and cultural or recreational facilities
- Long-term expansion opportunities for future growth of public facilities
- Environmental areas such as wetlands, ecological/wildlife/plant conservation areas

To varying degrees, each of these ‘public’ uses serves to address a necessity and benefit for the public, and constitutes a responsibility for governmental units, whether in protecting resources or providing leveraged redevelopment opportunities. In circumstances in which publicly owned property could be redeveloped, increased in density or significantly changed in its use, there are different options for the approaches to capturing that development potential. The five primary approaches are:

### Government as Owner/Developer

Redevelopment by the governing public entity, which could range from a city government to a regional authority (such as a transportation authority, a parks authority or other), state or national government. In this case, the governmental entity would be the ‘developer’ of the site, with complete control, complete responsibility for financing and maintaining the facility, and future responsibility for management and operations of the facility, whatever purpose it may serve.

### Fee Simple Sale to the Private Sector

The public sector can sell property to private interests on a fee-simple basis but can restrict/incentivize redevelopment through tools such as zoning, density allowances,

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requirements of provision of public uses (such as open space, affordable housing, business start-up space, parking or other public facilities) to influence what can be developed.

### **Ground/Land Lease**

Publicly held land and/or facilities can be leased (most often on a long-term basis ranging from 50 to 99 years) to private entities for development/redevelopment. Under this approach, the underlying land remains in public ownership in exchange for a rental revenue stream (called a ground lease or land lease) paid by the private investors to the public-sector owner. The value of that ground/land lease is negotiated but may also include a reversion clause in which any vertical development (buildings or other improvements paid for by the private sector lessor) would transfer back to the public entity at the time the ground/land lease term ends.

### **Joint Venture Partnership**

In a public/private Joint Venture, a legal partnership agreement is structured between public and private entities, but with the public-sector partner retaining some share of the project equity, as well as sharing in the project risk (that is, responsibility for a negotiated share of losses as well as gains) and any resulting benefits. The share percentages are negotiated and can include contribution of land as a minority equity share, but with the majority of risk, all financing and a greater percentage of profits allocated to the private investment partner(s).

### **Public Private Partnerships/P3s**

This model, which has grown in public sector interest because of needs for public infrastructure over the past 10 years, is structured in a way in which the public sector negotiates some form of participation in a project with the intent to provide a clearly defined public benefit because of its participation. P3's, as they are commonly known, offer the widest range of negotiable components, and are currently expanding as a mechanism to leverage public resources (whether land, financing or development policies) to achieve a public objective in a project that is financed, developed and managed by private interests. P3's can include consolidation of projects and services through private partners, including design/build contracts, build and transfer, ongoing project management or other combinations over the term of the agreement.

Advantages and disadvantages of each approach are summarized below.

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## Government as Owner/Developer

### *Advantages*

- Can take direct actions, but within public approvals and available public funding
- Development programs can be fully public in nature, without outside developer investment requirements
- Public buildings and projects are usually eligible for lower cost public financing (i.e. revenue or General Obligation bonds, capital investment budgets, etc.)

### *Disadvantages*

- Limited precedents for government development other than public facilities (police and fire stations, schools, libraries, recreational facilities, government buildings such as City Halls, County buildings, state buildings, infrastructure); commercial development is not a core mission for governments.
- Public sector is often less able to tightly manage budgets, cost overruns, change orders
- To avoid overspending, quality of design and construction may be lower than privately developed projects
- Decision an implementation process may be affected by election cycles, changing priorities by elected officials

## Fee Simple Sale to the Private Sector

### *Advantages*

- Straightforward transaction, many legal precedents
- Sales proceeds go directly to governing entity, up-front revenue boost
- Liabilities and other obligations shift to purchaser, can reduce exposure for some site conditions to public sector (assumes complete transparency in disclosures of environmental, tax liens, or other obligations attached to the property)
- Public sector can influence project resulting from sale through zoning, density and other property rights granted above existing zoning, provision of public funds to reduce costs of financing, land use restrictions, negotiated development proffers, etc.

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### *Disadvantages*

- Once a sale has occurred, any potential future value enhancements (beyond sale revenues and higher property taxes) transfer to private sector owner; a public asset is no longer 'public'
- Establishment of post-redevelopment 'value' as a component of the sale price may be hard to balance against private negotiating positions
- If the city or county is approaching full build-out, could increase future pricing of additional public facilities required by long-term growth; land (and particularly public land) is not infinite
- Government has less experience with commercial real estate and may not negotiate efficiently to reach a full and fair sales price; this is an issue if the public-sector goal is to maximize/optimize revenue enhancement rather than another 'public' goal

### **Ground Lease/Land Lease**

#### *Advantages*

- Ground leases significantly reduce developer costs because the access to land does not require full purchase price
- Public entity receives ongoing revenues from ground lease agreement; lease rates can be flat (i.e. "predictable" for bond financing or other public revenue programs) or can include multipliers for inflation, value enhancements, etc.
- Public sector retains ownership of land over time
- Public sector retains any buildings, takes ownership of infrastructure or other 'vertical' development at end of ground lease term
- Depending on site size and context, development program can be negotiated to address designated public-sector goals (affordable housing, public parking, open space and/or public facilities)
- Project can be completed with low investment by public sector
- Since land remains in public ownership, all private improvements are fully depreciable, improving ROI for private lessor/developer

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- Depending on negotiated requirements, can obligate lessor to provide amenities/public benefits at low cost to public sector

#### *Disadvantages*

- To achieve financing and investment, ground leases are long-term, usually minimum of 30 years, and frequently 50 to 99 years; long term commitment means property unavailable for up to a century
- If the leasehold and improvements are sold before the ground lease term is up, the value may be lower than a fee-simple sale because of the more complicated ownership/control approach
- Because private sector lessors don't own the property, may require higher equity commitments or complicated lender subordination terms; public 'owner' is almost always subordinated to other financial participants because of risk allocations
- Private sector controls land and improvements throughout ground lease term; public revenues limited to negotiated lease amount
- If development programs/objectives are not met, or developer defaults during ground lease term, could become a management issue for future government entities, particularly if ground lease revenues are linked to other public financing instruments
- Liabilities should rest with lessor, but may become an issue over time, depending on changing programmatic needs, environmental issues or other legal concerns
- Overall project/property values tend to become less and less over the term of the ground lease; vertical development typically is considered a diminishing asset

#### **Joint Venture Partnerships**

##### *Advantages*

- If structured properly, joint ventures (JV's) can generate higher revenues to the public-sector partner over the life of the agreement
- Public sector land can be capitalized as an equity commitment to the project, generating up front revenues and a revenue stream over time

- Developer risk is lower if part of the risk is shared by other partners, including public sector/government partners
- Revenues may flow to public sector partner, either based on cash flows or potential project sale
- Can be used to address public interests/public benefits

#### *Disadvantages*

- Governments may or may not be able to participate as Limited or Unlimited Partners depending upon state regulations
- Relatively few examples of JV's between governmental units and private development companies; more typical JV's occur between developers and investors, developers and family trusts or institutions that want low risk, steady revenues over many years, or corporate/institutional property owners and developers seeking access to properties with limited availability
- Calculation and distribution of net profits may require careful monitoring of cash flow, management costs and developer overhead/fees under a JV agreement
- Liabilities are shared between public and private JV Partners
- Public JV partnership may be considered a liability for private sector financing due to political uncertainties
- Public sector JV partners must carefully structure terms of participation to avoid financial obligations in case of default, termination, unanticipated 'put and call' provisions

#### **Public/Private Partnerships, or P3s**

##### *Advantages*

- Maximum flexibility for the public sector in deal structuring; everything is negotiable
- Opportunity to leverage public funding and land use policies to attract private investors, developers and managers
- Because the objective is to achieve some form of public benefit, most of the financial risk is assumed by the private sector partner

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- Operational and implementation risks are transferred to the private sector partner from the governmental partner
  - Depending on the structure of the partnership, the return on investment is typically spelled out in the contract, but final payment is often based on performance
  - Under P3s both the public and private partners can do what each does best – the public side achieving some form of benefit for the public good (provision of public assets or services such as affordable housing, public open space or amenities, etc.); the private side is usually more efficient at cost containment, management of change orders, and commercial/market responsiveness
  - Because of private involvement, quality of design, construction and materials may be higher than on purely ‘public’ projects
  - As appropriate, lower cost public financing mechanisms may reduce developer (and overall project) costs, improving feasibility
  - Less public-sector experience in commercial real estate may be an advantage for private interests in negotiating deal terms

#### *Disadvantages*

- Public sector may not achieve maximum/optimum deal terms due to private sector development experience and private assumption of greater risk
- Project scale may affect whether private interests can gain enough returns to participate; may be fewer prospects who want to deal with additional deal complexities and obligations
- Election cycles for public officials may be viewed as commitment risks by private investors
- While implementation under P3’s may be more efficient, the time required to establish terms, negotiate and execute a partnership agreement lengthens the process, and increases initial ‘carrying costs’ for private interests
- Default or failure by private interests over time may become a public obligation for the governmental partner
- Real estate cycles and changing financial/capital markets can alter returns for private partners

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- P3s require “patient money” from private partners; this may limit the field of potential developers willing to participate, and
  - Limited and inconsistent prototypes in the U.S.; early examples of toll roads in multiple states and “sale” of parking meter revenues in Chicago demonstrated notable gaps in public sector negotiating capacity and/or negative outcomes. While likely to increase as an implementation approach, recent history suggests careful and deliberate decisions by both public and private partners are necessary.

## Recommended Action Steps

- Explore the timing and requirements associated with revising the City’s planning and zoning codes to accommodate Mixed-Use (MXD) planning and inter-related design controls on several Palm Beach Gardens’ existing development projects and sites. The 7,000 spaces in the underutilized Gardens Mall parking fields and the Sears anchor site seem to be logical locations for phased infill and redevelopment for housing, hotel and/or office uses on upper floors, and a higher density overall development pattern. The case studies from Tysons Corner, VA and Columbia, MD illustrate proven examples of how former surface parking lots can be converted to vertical development sites. These new uses add considerable value to the original malls (even considering the cost of providing structured parking) and complement the primary retail use by adding adjacent residents, hotel guests and employees. The existing land use and development patterns for Gardens Mall, Legacy Place and Downtown at the Gardens are all rooted in planning theories that are outmoded and less applicable to recent and current development patterns
- Reconsider the land uses and zoning at/near the proposed SFRTA station site on RCA Center Drive to allow potential development of market-rate and/or essential services housing adjacent to the station location. Recent residential, hotel and mixed-use projects constructed along the Miami Metro lines (particularly in Coconut Grove and downtown) have proven market acceptance of this type of transit-adjacent housing. Given the relatively high land costs and overall densities in Palm Beach Gardens, it may be necessary to leverage public ownership (potentially structured under one of the approaches above) to reduce land costs for third-party residential development projects

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- As redevelopment occurs, negotiate joint public/private cost sharing to incrementally modify the design of the pedestrian realm—key sidewalks and pedestrian corridors to improve safety, visibility and connectivity between destination sites, and to create a more ‘urban’ character for this part of Palm Beach Gardens’ public realm. The redesign and expansion of the pedestrian network between properties will also be part of the rebranding of a more downtown-like integration between formerly (and deliberately) separated projects/sites, and
  - To broaden the entertainment offerings beyond the multiplex at Downtown at the Gardens/The District, it is recommended that The Gardens Mall consider introducing a smaller ‘art cinema’ theater complex like those described in the case studies. The types of films shown at these specialty theaters have proven to attract older, more affluent and better-educated patrons than the more mass-market-oriented megaplexes for their broad release films.

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# Appendix

**Table 29: Summary of Development Program, by TOD Concept**

Land Use	Amount	Type	Building Area (SF)	As % of Project or Total Program
<b>Parcel 5B (PGA Station PUD)</b>				
<b>Commercial</b>				
Hotel/Lodging	-	Rooms	-	0%
Office	-		-	0%
General Retail	-		5,000	2%
Restaurants/F&B	-		5,000	2%
<b>Subtotal:</b>	<b>-</b>		<b>10,000</b>	<b>3%</b>
<b>Housing</b>				
Multi-family Rental	305	Units	305,000	97%
<b>Subtotal:</b>	<b>305</b>		<b>305,000</b>	<b>97%</b>
<b>Parking (@ 350 Sq. Ft./Space)</b>				
Surface	300	Spaces	105,000	0%
Structured	-		-	0%
<b>Subtotal:</b>	<b>300</b>		<b>105,000</b>	<b>0%</b>
<b>Total Building Area- PGA Station PUD:</b>			<b>315,000</b>	
<b>Parcel 5B (Loehmann's Plaza)</b>				
<b>Commercial</b>				
Hotel/Lodging	250	Rooms	106,250	32%
Office	-		-	0%
General Retail	-		-	0%
Restaurants/F&B	-		-	0%
<b>Subtotal:</b>	<b>250</b>		<b>106,250</b>	<b>32%</b>
<b>Housing</b>				
Multi-family Rental	225	Units	225,000	68%
Townhouses	16	Units	35,200	11%
<b>Subtotal:</b>	<b>241</b>		<b>225,000</b>	<b>68%</b>
<b>Parking (@ 350 Sq. Ft./Space)</b>				
Surface	-	Spaces	-	0%
Structured	-	Spaces	-	0%
<b>Subtotal:</b>	<b>-</b>		<b>-</b>	<b>0%</b>
<b>Total Building Area - Loehmann's Plaza:</b>			<b>331,250</b>	

**Table 29 (Continued): Summary of Development Program, by TOD Concept**

Land Use	Amount	Type	Building Area (SF)	As % of Project or Total Program
<b>Gardens Mall Transformation</b>				
<b>Scenario #1 (1)</b>				
<b>Housing</b>				
Multi-family Rental @ 60%	1,020	Units	867,000	60%
For-sale @ 40%	680	Units	578,000	40%
<b>Subtotal:</b>	<b>1,700</b>		<b>1,445,000</b>	<b>100%</b>
<b>Parking (@ 350 Sq. Ft./Space)</b>				
Surface	-	Spaces	-	0%
Structured	-	Spaces	-	0%
<b>Subtotal:</b>	<b>-</b>		<b>-</b>	<b>0%</b>
<b>Total Building Area - Scenario #1:</b>			<b>1,445,000</b>	
<b>Scenario #2 (1)</b>				
<b>Housing</b>				
Multi-family Rental @ 50%	1,020	Units	1,020,000	60%
For-sale @ 50%	680	Units	680,000	40%
<b>Subtotal:</b>	<b>1,700</b>		<b>1,700,000</b>	<b>100%</b>
<b>Parking (@ 350 Sq. Ft./Space)</b>				
Surface	-	Spaces	-	0%
Structured	-	Spaces	-	0%
<b>Subtotal:</b>	<b>-</b>		<b>-</b>	<b>0%</b>
<b>Total Building Area - Scenario #1:</b>			<b>1,700,000</b>	
<b>Legacy Place (Full Buildout)</b>				
<b>Commercial</b>				
Hotel/Lodging	-	Rooms	-	0%
Office	-		-	0%
General Retail (@ 65%)	-		53,339	17%
Restaurants/F&B (@ 35%)	-		28,721	9%
<b>Subtotal:</b>	<b>-</b>		<b>82,060</b>	<b>26%</b>
<b>Housing</b>				
Multi-family Rental	-	Units	-	0%
For-sale	154	Units	231,000	74%
<b>Subtotal:</b>	<b>154</b>		<b>231,000</b>	<b>74%</b>
<b>Parking (@ 350 Sq. Ft./Space)</b>				
Surface	-	Spaces	-	0%
Structured	-	Spaces	-	0%
<b>Subtotal:</b>	<b>-</b>		<b>-</b>	<b>0%</b>
<b>Total Building Area - Legacy Place:</b>			<b>313,060</b>	
<b>TOTAL - ALL CONCEPTS (In SF):</b>				
(2) If Gardens Mall Scenario #1			<b>2,404,310</b>	
(2) If Gardens Mall Scenario #2			<b>2,659,310</b>	

- (1) Residential unit counts for the Gardens Mall Transformation use midpoints of ranges provided by TCRPC under various floor heights. For Scenario #1, this translates to 850 sq. ft. per unit. For Scenario #2, this translates to 1,000 sq. ft. per unit.
- (2) Excludes any area required for surface and/or structured parking.

Source: Treasure Coast Regional Planning Council; WTL+a, April 2018.

**Table 30: Construction Costs & One-time Benefits, at Buildout**

	Parcel 5B		Gardens Mall Transformation		Legacy Place	TOTAL	
	PGA Station PUD	Loehmann's Plaza	Scenario #1	Scenario #2		If Scenario #1	If Scenario #2
<b>Hard &amp; Soft Development Costs (Per Sq. Ft.) (1)</b>							
Hotel/Lodging	\$ 160	\$ 160	\$ 160	\$ 160	\$ 160		
Multi-family: For-sale	\$ 195	\$ 195	\$ 195	\$ 195	\$ 195		
Multi-family: Rental	\$ 180	\$ 180	\$ 180	\$ 180	\$ 180		
Office	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150		
Retail: General	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125		
Retail: Food & Beverage	\$ 175	\$ 175	\$ 175	\$ 175	\$ 175		
Structured Parking	\$ 57	\$ 57	\$ 57	\$ 57	\$ 57		
Surface Parking	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15		
Hotel/Lodging	-	17,000,000	-	-	-	\$ 17,000,000	\$ 17,000,000
Multi-family: For-sale	-	6,864,000	112,710,000	132,600,000	45,045,000	\$ 164,619,000	\$ 184,509,000
Multi-family: Rental	54,900,000	40,500,000	156,060,000	183,600,000	-	\$ 251,460,000	\$ 279,000,000
Office	-	-	-	-	-	\$ -	\$ -
Retail: General	625,000	-	-	-	6,667,375	\$ 7,292,375	\$ 7,292,375
Retail: Food & Beverage	875,000	-	-	-	5,026,175	\$ 5,901,175	\$ 5,901,175
Structured Parking	-	-	-	-	-	\$ -	\$ -
Surface Parking	-	-	-	-	-	\$ -	\$ -
<b>TOTAL:</b>							
<b>All-in Development Costs</b>	<b>\$ 56,400,000</b>	<b>\$ 64,364,000</b>	<b>\$ 268,770,000</b>	<b>\$ 316,200,000</b>	<b>\$ 56,738,550</b>	<b>\$ 446,272,550</b>	<b>\$ 493,702,550</b>
<b>Cost Per SF</b>	<b>\$ 179</b>	<b>\$ 194</b>	<b>\$ 186</b>	<b>\$ 186</b>	<b>\$ 181</b>	<b>\$ 185.61</b>	<b>\$ 185.65</b>
<b>Construction Employment &amp; Wages</b>							
Equiv. Person Years-Employmt.	525	599	2,503	2,945	528	4,156	4,598
Buildout Period (Est. Years)	3.0	3.0	22.0	29.0	2.0	7.5	9.3
Wages as % of Dev't Costs	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Average Ann'l Wages (2)	\$ 42,950	\$ 42,950	\$ 42,950	\$ 42,950	\$ 42,950	\$ 42,950	\$ 42,950
<b>TOTAL:</b>							
<b>Construction Jobs</b>	<b>175</b>	<b>200</b>	<b>114</b>	<b>102</b>	<b>264</b>	<b>554</b>	<b>497</b>
<b>Construction Wages</b>	<b>\$ 22,560,000</b>	<b>\$ 25,745,600</b>	<b>\$ 107,508,000</b>	<b>\$ 126,480,000</b>	<b>\$ 22,695,420</b>	<b>\$ 178,509,020</b>	<b>\$ 197,481,020</b>

(1) Construction cost estimates from R.S. Means data.

(2) Based on the average annual wages for Construction & Extraction occupations and Installation, Maintenance & Repair jobs in Palm Beach County, as of May 2017.

[https://www.bls.gov/oes/current/oes\\_48424.htm#47-0000](https://www.bls.gov/oes/current/oes_48424.htm#47-0000)

Source: U.S. Department of Commerce, Bureau of Labor Statistics; R.S. Means; Treasure Coast Regional Planning Council; WTL+a, April 2018.

**Table 31: Permanent Employment & Annual Wages, at Buildout**

	Parcel 5B		Gardens Mall Transformation		Legacy Place	TOTAL	
	PGA Station PUD	Loehmann's Plaza	Scenario #1	Scenario #2		If Scenario #1	If Scenario #2
<b>Permanent Employment &amp; Annual Wages</b>							
<b>Hotel/Lodging</b>							
Program (SF)	-	106,250	-	-	-	106,250	106,250
Total Rooms	-	250	-	-	-	250	250
1 Job Per 3 Rooms	3	3	3	3	3	3	3
<b>Permanent Employees:</b>		<b>83</b>				<b>83</b>	<b>83</b>
Average Annual Wage	(1)	\$ 36,170	\$ 36,170	\$ 36,170	\$ 36,170	\$ 36,170	\$ 36,170
<b>Permanent Wages - Hotel:</b>		\$ -	\$ 3,014,167	\$ -	\$ -	\$ 3,014,167	\$ 3,014,167
<b>Speculative/Multi-tenant Office</b>							
Program (SF)	-	-	-	-	-	-	-
@ Stabilized Occupancy of SF Per Employee	93.0%	198	198	198	198	198	198
<b>Permanent Employees:</b>							
Average Annual Wage	(2)	\$ 77,325	\$ 77,325	\$ 77,325	\$ 77,325	\$ 77,325	\$ 77,325
<b>Permanent Wages - Office:</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Retail: General/Specialty</b>							
Program (SF)	-	5,000	-	-	53,339	58,339	58,339
@ Stabilized Occupancy of SF Per Employee	93.0%	4,650	350	350	49,605	54,255	54,255
<b>Permanent Employees:</b>		<b>13</b>	<b>350</b>	<b>350</b>	<b>142</b>	<b>155</b>	<b>155</b>
Average Annual Wage	(3)	\$ 31,463	\$ 31,463	\$ 31,463	\$ 31,463	\$ 31,463	\$ 31,463
<b>Permanent Wages - Retail:</b>		\$ 418,002	\$ -	\$ -	\$ 4,459,159	\$ 4,877,161	\$ 4,877,161
<b>Retail: Food &amp; Beverage</b>							
Program (SF)	-	5,000	-	-	28,721	33,721	33,721
@ Stabilized Occupancy of SF Per Employee	95.0%	4,750	400	400	27,285	32,035	32,035
<b>Permanent Employees:</b>		<b>12</b>	<b>400</b>	<b>400</b>	<b>68</b>	<b>80</b>	<b>80</b>
Average Annual Wage	(4)	\$ 25,930	\$ 25,930	\$ 25,930	\$ 25,930	\$ 25,930	\$ 25,930
<b>Permanent Wages - Food &amp; Beverage:</b>		\$ 307,919	\$ -	\$ -	\$ 1,768,747	\$ 2,076,666	\$ 2,076,666
<b>TOTAL:</b>							
<b>Permanent Employment</b>		<b>25</b>	<b>83</b>	<b>-</b>	<b>210</b>	<b>318</b>	<b>318</b>
<b>Permanent Annual Wages</b>		<b>\$ 725,921</b>	<b>\$ 3,014,167</b>	<b>\$ -</b>	<b>\$ 6,227,906</b>	<b>\$ 9,967,994</b>	<b>\$ 9,967,994</b>

(1) Based on average annual wages for Lodging Managers, Maids & Housekeeping Cleaners, Baggage Porters & Bellhops, Concierges and Hotel/Motel/Resort Desk Clerks.  
(2) Based on average annual wages for Arts/Design/Entertainment/Media; Management; Business & Financial Operations; Architecture/Engineering; Legal; and Office & Administrative Support positions.  
(3) Based on average annual wages for Supervisors of Retail Sales Workers; Cashiers; Counter & Rental Clerks; and Retail Sales Persons.  
(4) Based on average annual wages for all Food Preparation & Serving-related occupations.  
[https://www.bls.gov/oes/current/oes\\_48424.htm#47-0000](https://www.bls.gov/oes/current/oes_48424.htm#47-0000)

Source: U.S. Department of Commerce, Bureau of Labor Statistics; WTL+a, April 2018.

**Table 32: Annual Retail Sales Taxes, at Buildout**

	Parcel 5B		Gardens Mall Transformation		Legacy Place	TOTAL	
	PGA Station PUD	Loehmann's Plaza	Scenario #1	Scenario #2		If Scenario #1	If Scenario #2
<b>Retail Sales Taxes</b>							
<b>Annual Retail &amp; Restaurant Sales</b>							
Retail: General/Specialty (@ 93% Stabilized Occupancy)	4,650	-	-	-	49,605	54,255	54,255
Assumed Annual Sales Productivity (Per SF)	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350
<b>Subtotal - Retail:</b>	<b>\$ 1,627,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,361,845</b>	<b>\$ 18,989,345</b>	<b>\$ 18,989,345</b>
Food & Beverage (@ 95% Stabilized Occupancy)	4,750	-	-	-	27,285	32,035	32,035
Assumed Annual Sales Productivity (Per SF)	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
<b>Subtotal - Restaurants:</b>	<b>\$ 1,900,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,913,980</b>	<b>\$ 12,813,980</b>	<b>\$ 12,813,980</b>
<b>TOTAL:</b>							
<b>Annual Retail Sales</b>	<b>\$ 3,527,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 28,275,825</b>	<b>\$ 31,803,325</b>	<b>\$ 31,803,325</b>
<b>Sales Per SF</b>	<b>\$ 375</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 368</b>	<b>\$ 369</b>	<b>\$ 369</b>
<b>Gross Annual Sales Tax Receipts: State of Florida</b>							
6% General Retail @ 6%	\$ 97,650	\$ -	\$ -	\$ -	\$ 1,041,711	\$ 1,139,361	\$ 1,139,360.67
6% Food & Beverage @ 6%	114,000	-	-	-	654,839	768,839	768,839
<b>Subtotal:</b>	<b>\$ 211,650</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,696,549</b>	<b>\$ 1,908,199</b>	<b>\$ 1,908,199</b>
<b>Gross Annual Sales Tax Receipts: Palm Beach County</b>							
1% General Retail @ 1%	\$ 16,275	\$ -	\$ -	\$ -	\$ 173,618	\$ 189,893	\$ 189,893.45
1% Food & Beverage @ 1%	19,000	-	-	-	109,140	128,140	128,140
<b>Subtotal:</b>	<b>\$ 35,275</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 282,758</b>	<b>\$ 318,033</b>	<b>\$ 318,033</b>
<b>TOTAL - Annual Retail Sales Taxes:</b>	<b>\$ 246,925</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,979,308</b>	<b>\$ 2,226,233</b>	<b>\$ 2,226,233</b>

Source: Florida Department of Revenue; WTL+a, April 2018.

**Table 33: Annual Property Taxes, at Buildout—City of Palm Beach Gardens**

	Parcel 5B		Gardens Mall Transformation		Legacy Place	TOTAL	
	PGA Station PUD	Loehmann's Plaza	Scenario #1	Scenario #2		If Scenario #1	If Scenario #2
<b>Annual Property Taxes</b>							
<b>Hotel/Lodging</b>							
2017 Tax Rate Per \$1,000 AV (1)	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67
Estimated Construction Value @ Buildout	\$ -	\$ 17,000,000	\$ -	\$ -	\$ -	\$ 17,000,000	\$ 17,000,000
Equalization Ratio	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Annual Property Taxes:</b>	<b>\$ -</b>	<b>\$ 96,353</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 96,353</b>	<b>\$ 96,353</b>
<b>Housing: For-sale</b>							
No. of Units	-	16	680	680	154	850	850
2017 Tax Rate Per \$1,000 AV (1)	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67
Estimated Construction Value @ Buildout	\$ -	\$ 6,864,000	\$ 112,710,000	\$ 132,600,000	\$ 45,045,000	\$ 164,619,000	\$ 184,509,000
(2) Value After \$50,000 Homestead Per Unit	\$ -	\$ 6,064,000	\$ 78,710,000	\$ 98,600,000	\$ 37,345,000	\$ 122,119,000	\$ 142,009,000
Equalization Ratio	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Annual Property Taxes:</b>	<b>\$ -</b>	<b>\$ 34,370</b>	<b>\$ 446,113</b>	<b>\$ 558,845</b>	<b>\$ 211,664</b>	<b>\$ 692,146</b>	<b>\$ 804,879</b>
<b>Housing: Multi-family Rental</b>							
No. of Units	305	225	1,020	1,020	-	1,550	1,550
2017 Tax Rate Per \$1,000 AV (1)	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67
Estimated Construction Value @ Buildout	\$ 54,900,000	\$ 40,500,000	\$ 156,060,000	\$ 183,600,000	\$ -	\$ 251,460,000	\$ 279,000,000
Equalization Ratio	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Annual Property Taxes:</b>	<b>\$ 311,162</b>	<b>\$ 229,546</b>	<b>\$ 884,517</b>	<b>\$ 1,040,608</b>	<b>\$ -</b>	<b>\$ 1,425,225</b>	<b>\$ 1,581,316</b>

**Table 33 (Continued): Annual Property Taxes, at Buildout—City of Palm Beach Gardens**

	Parcel 5B		Gardens Mall Transformation		Legacy Place	TOTAL	
	PGA Station PUD	Loehmann's Plaza	Scenario #1	Scenario #2		If Scenario #1	If Scenario #2
<b>Annual Property Taxes</b>							
<b>Parking Facilities (Structured)</b>							
2017 Tax Rate Per \$1,000 AV (1)	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67
Estimated Construction Value @ Buildout	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equalization Ratio	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Annual Property Taxes:</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Retail: General</b>							
2017 Tax Rate Per \$1,000 AV (1)	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67
Estimated Construction Value @ Buildout	\$ 625,000	\$ -	\$ -	\$ -	\$ 6,667,375	\$ 7,292,375	\$ 7,292,375
Equalization Ratio	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Annual Property Taxes:</b>	\$ 3,542	\$ -	\$ -	\$ -	\$ 37,789	\$ 41,332	\$ 41,332
<b>Retail: Food &amp; Beverage</b>							
2017 Tax Rate Per \$1,000 AV (1)	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67	\$ 5.67
Estimated Construction Value @ Buildout	\$ 875,000	\$ -	\$ -	\$ -	\$ 5,026,175	\$ 5,901,175	\$ 5,901,175
Equalization Ratio	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Annual Property Taxes:</b>	\$ 4,959	\$ -	\$ -	\$ -	\$ 28,487	\$ 33,447	\$ 33,447
<b>TOTAL - City of Palm Beach Gardens</b>							
Current Tax Rate/\$1,000 AV	\$ 5.6678						
Estimated Taxable Value at Buildout	\$ 56,400,000	\$ 63,564,000	\$ 234,770,000	\$ 282,200,000	\$ 49,038,550	\$ 403,772,550	\$ 451,202,550
Annual Ad Valorem/Property Taxes	\$ 319,664	\$ 360,268	\$ 1,330,629	\$ 1,599,453	\$ 277,941	\$ 2,288,502	\$ 2,557,326

(1) Based on the current (2017) millage rates per \$1,000 of assessed value for the City of Palm Beach Gardens (\$5.5500 for Operating and \$0.1178 for Debt).  
(2) Assumes that 100% of the for-sale units are owner-occupied and therefore eligible for the \$50,000 Homestead Exemption

Source: Palm Beach County Property Appraiser; City of Palm Beach Gardens; WTL+a, April 2018.

**Table 34: Annual Property Taxes, at Buildout—Other Taxing Authorities**

Taxing District	Parcel 5B		Gardens Mall Transformation		Legacy Place	TOTAL	
	PGA Station PUD	Loehmann's Plaza	Scenario #1	Scenario #2		If Scenario #1	If Scenario #2
<b>Annual Property Taxes</b>							
Estimated Taxable Value @ Buildout	\$ 56,400,000	\$ 63,564,000	\$ 234,770,000	\$ 282,200,000	\$ 49,038,550	\$ 403,772,550	\$ 451,202,550
<b>Palm Beach County</b>							
Current Tax Rate/\$1,000	\$ 4.9023	\$ 4.9023	\$ 4.9023	\$ 4.9023	\$ 4.9023	\$ 4.9023	\$ 4.9023
Annual Property Tax Revenues	\$ 276,490	\$ 311,610	\$ 1,150,913	\$ 1,383,429	\$ 240,402	\$ 1,979,414	\$ 2,211,930
<b>Palm Beach County Library</b>							
Current Tax Rate/\$1,000	\$ 0.5891	\$ 0.5891	\$ 0.5891	\$ 0.5891	\$ 0.5891	\$ 0.5891	\$ 0.5891
Annual Property Tax Revenues	\$ 33,225	\$ 37,446	\$ 138,303	\$ 166,244	\$ 28,889	\$ 237,862	\$ 265,803
<b>Palm Beach County School District</b>							
Current Tax Rate/\$1,000	\$ 6.7690	\$ 6.7690	\$ 6.7690	\$ 6.7690	\$ 6.7690	\$ 6.7690	\$ 6.7690
Annual Property Tax Revenues	\$ 381,772	\$ 430,265	\$ 1,589,158	\$ 1,910,212	\$ 331,942	\$ 2,733,136	\$ 3,054,190
<b>South Florida Water Management District</b>							
Current Tax Rate/\$1,000	\$ 0.3100	\$ 0.3100	\$ 0.3100	\$ 0.3100	\$ 0.3100	\$ 0.3100	\$ 0.3100
Annual Property Tax Revenues	\$ 17,484	\$ 19,705	\$ 72,779	\$ 87,482	\$ 15,202	\$ 125,169	\$ 139,873
<b>Independent Districts</b>							
Current Tax Rate/\$1,000	\$ 1.4718	\$ 1.4718	\$ 1.4718	\$ 1.4718	\$ 1.4718	\$ 1.4718	\$ 1.4718
Annual Property Tax Revenues	\$ 83,010	\$ 93,553	\$ 345,534	\$ 415,342	\$ 72,175	\$ 594,272	\$ 664,080
<b>TOTAL - Other Taxing Districts:</b>							
Current Tax Rate/\$1,000 AV	\$ 14.0422						
Annual Ad Valorem/Property Taxes	\$ 791,980	\$ 892,578	\$ 3,296,687	\$ 3,962,709	\$ 688,609	\$ 5,669,855	\$ 6,335,876

Source: Palm Beach County Property Appraiser; City of Palm Beach Gardens; WTL+a, April 2018.

**Table 35: Approved Citywide Development List**

Key	Project	Built/Completed			Unbuilt			Other	
		Residential Units	Commercial Retail	Office	Hotel Rooms	Residential Units	Commercial Retail		Office
<b>Core Area</b>									
1	Admiralty I (Wells Fargo)			48,600					
2	Admiralty II (Celedinas, Embassy Suites) (1)		11,600	82,265	160				
3	Amara Shriners ALF							17,000	
4	Catalina Lakes PUD (e)	262							
5	Doubletree Hotel				280				
6	Downtown at the Gardens (Proposed Conceptual Plan)							180	
7	Downtown at the Gardens (Built)		316,231	22,906	274	105,000			
8	Gardens Corporate Center (Gosman; Under Construction)						223,943		
9	Gardens Mall		1,390,000						
10	Gardens Square Shoppes/Garden Lakes (2)	584	122,888						
11	Gardens Station			78,000					
12	La Posada	262			38				
13	Legacy Place	384	380,061	53,939					
14	Loehmann's Plaza PUD		104,299					4,700	
15	Marriott Hotel		5,200		279			5,056	
16	Midtown	225	64,700	33,809	63	26,334		45,309	
17	Northcorp							50,000	
18	Northcorp: Anspach (2 buildings)								
19	Northcorp: Chromalloy			29,890					
20	Northcorp: Corporate Center of the Gardens			121,229					
21	Northcorp: Decorators Unlimited							50,000	
22	Northcorp: Embraer/Belcan			50,000			50,000		
23	Northcorp: Hampton Inn				117				
24	Northcorp: Landis			40,000					
25	Northcorp: Lot 12 Vacant					4,000			
26	Northcorp: Northcorp Center							381,465	
27	Northcorp: Self Storage							80,600	
28	Northcorp: Zimmer Biomet (formerly 3i)							186,164	
29	Nova Southeastern University			75,000			75,000		
30	Nuvo Business Center at the Gardens							117,833	
31	Palm Beach Gardens Medical Center			26,000			35,875		
32	PGA Commons	63	79,826	74,631					
33	PGA Station PUD		123,392	237,590		14,777	227,090	121	
<b>Subtotal - Core Area:</b>		<b>1,780</b>	<b>2,598,197</b>	<b>973,859</b>	<b>836</b>	<b>595</b>	<b>146,111</b>	<b>615,908</b>	<b>301</b>

- (1) The buildout date for this project has expired and is therefore not applicable.
- (2) Completed residential units associated with this project, included because commercial space was also included.
- (3) Completed residential units associated with this project; includes 20 units located above the commercial use.

Source: City of Palm Beach Gardens; RDS LLC; WTL+a, updated April 2018.

**Table 35 (Continued): Citywide Development List**

Key	Project	Built/Completed			Unbuilt				Other	
		Residential Units	Commercial Retail Office		Hotel Rooms	Residential Units	Commercial Retail Office			Hotel Rooms
<b>Outside Core Area</b>										
34	3855 Northlake Boulevard					3,820				
35	Alton	578					500,000	300	2,632,000	
36	Ancient Tree					97				
37	Avenir					3,900	400,000	2,000,000	300	
38	Banyan Tree II						29,216			
39	City Centre							57,300		
40	Mary Circle Office Building							3,560		
41	Mirasol Town Square Office Center							44,490		
42	Northlake Commons (Joann Fabrics)						25,069			
43	Oak Park Office Park							17,172		
44	Promenade Plaza (Pharmacy)						14,090			
45	Prosperity Oaks (39-bed Memory Care)					39				
46	Steeplechase Office Building							48,654		
47	The Grand (Under Construction)					124				
48	Bonnette Hunt Club (Under Site Plan Review)					24				
49	Latitudes (Under Site Plan Review)					263				
50	Trevi Isles (Under Construction)					50				
<b>Subtotal - Outside Core Area:</b>		<b>578</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,616</b>	<b>472,195</b>	<b>2,671,176</b>	<b>600</b>	<b>2,632,000</b>
<b>TOTAL - UNBUILT:</b>						<b>6,211</b>	<b>618,306</b>	<b>3,287,084</b>	<b>901</b>	<b>3,570,127</b>

Source: City of Palm Beach Gardens; RDS LLC; WTL+a, updated April 2018.

**Table 36: Sports Visitation Attendance Estimates—Palm Beach Gardens**

<b>Event Name</b>	<b>Month</b>	<b>Event Length (In Days)</b>	<b>Estimated Attendance</b>
<b>Large Events</b>			
Honda Classic PGA Golf Tournament 2018	February	3	224,642
<b>Small Events</b>			
Palm Beach Cup Soccer Tournament	May	3	6,600
Jupiter Jam Basketball Tournament	May	3	1,000
Cal Ripken Baseball District Tournament 10U	May/June	4	1,460
Cal Ripken Baseball District Tournament 12U	June	5	1,460
PBGYAA Father's Day Baseball Tournament	June	7	2,600
Cal Ripken Rookie State Baseball Tournament	July	5	650
Cal Ripken 12U State Baseball Tournament	July	4	650
Cal Ripken Rookie Regionals	July	6	390
PBGYAA Soccer Classic	October	3	6,600
<b>Total/Average - Small Events:</b>		<b>40</b>	<b>21,410</b>

**Source: City of Palm Beach Gardens; RDS LLC; WTL+a, April 2018.**