

# City of Port St. Lucie

121 SW Port St. Lucie Blvd.  
Port St. Lucie, Florida 34984



*"A City for All Ages"*

## Meeting Agenda

**Monday, December 14, 2020**

**5:00 PM**

**Council Chambers, City Hall**

### **Special City Council**

*Gregory J. Oravec, Mayor*

*Stephanie Morgan, Councilwoman, District I*

*Dave Pickett, Councilman, District II*

*Shannon Martin, Vice Mayor, District III*

*Jolien Caraballo, Councilwoman, District IV*

*Please visit [www.cityofpsl.com/tv](http://www.cityofpsl.com/tv) for new public comment options as a result of COVID-19.*

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1. Meeting Called to Order
2. Roll Call
3. Pledge of Allegiance
4. Public to be Heard
5. New Business
  - 5.a Southern Grove Master Plan Part 1: Land Use and Infrastructure Component
6. Adjourn

[2020-984](#)



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Notice: Anyone wishing to speak during Public to be Heard is asked to fill out a yellow Participation Card and submit it to the City Clerk. Anyone wishing to speak on any Agenda Item is asked to fill out a green Participation Card and submit it to the City Clerk. Participation Cards are available on the side table in Council Chambers, at the reception desk in City Hall lobby, and in the City Clerk's Office.

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## Agenda Summary

2020-984

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**Agenda Date:** 12/14/2020

**Agenda Item No.:** 5.a

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Placement: New Business

Action Requested: Motion / Vote

### Southern Grove Master Plan Part 1: Land Use and Infrastructure Component

Submitted By: Teresa Lamar-Sarno, AICP, Special Assistant to the City Manager

Strategic Plan Link: The City's Goal of a diverse local economy and employment opportunities.

Executive Summary (General Business): The City Council identified as a strategic priority the development of the Southern Grove Master Plan to meet the goals of a diverse local economy and employment opportunities with the initiative of building out Southern Grove. The item to be presented today is in direct response to meeting the objectives and goals of that strategic priority.

Presentation Information: The City Council contracted the services of the Treasure Coast Regional Planning Council to develop the Southern Grove Master Plan and Economic Analysis. Today, TCRPC will present Part 1 of the Southern Grove Master Plan Report which provides the master plan details of the proposed land development pattern, infrastructure design components, design elements, and recommendations for implementation of the master plan.

Staff Recommendation: Move that the Council adopt Part 1 of the Southern Grove Master Plan: Land Use and Infrastructure Component.

#### Alternate Recommendations:

1. Move that the Council amend the recommendation and request staff to bring back Part 1 of the Master Plan in January, to be adopted together with Part 2 of the Southern Grove Master Plan.

Background: On August 19, 2019 at the GFC Board meeting, City staff recommended for the City of Port St. Lucie to secure the services of Treasure Coast Regional Planning Council (TCRPC) to prepare and develop a master plan for the Southern Grove Property. The GFC directed staff to move forward with drafting a contract with TCRPC, to include a list of subconsultants to be reviewed by the City Council. On September 23, 2019, the City Council approved the City of Port St. Lucie enter into an interlocal agreement with Treasure Coast Regional Planning Council to provide the services of developing a master plan and economic analysis on the property.

Special Consideration: Part 2 of the master plan, financial analysis component will come before the City County in January 2021. The financial component of the master plan has been proven to be highly technical and complex and required additional time for data collection in order to provide the City Council with a sound financial analysis.

Attachments:

1. Southern Grove Master Plan Report
2. Presentation

*NOTE: All of the listed items in the "Attachment" section above are in the custody of the City Clerk. Any item(s) not provided in City Council packets are available upon request from the City Clerk.*

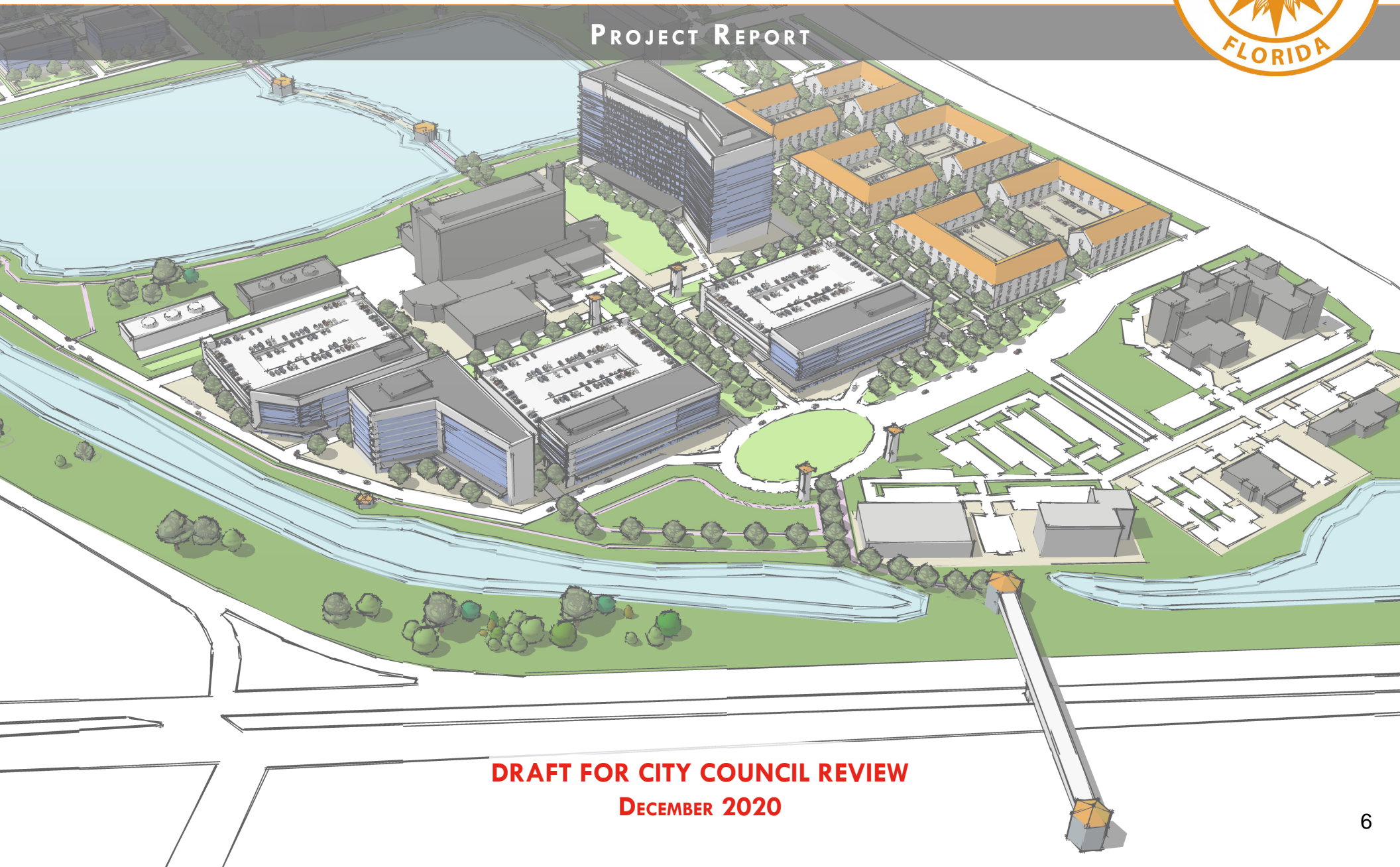
Internal Reference Number: N/A

Legal Sufficiency Review:  
N/A



# SOUTHERN GROVE MASTER PLAN

## PROJECT REPORT



**DRAFT FOR CITY COUNCIL REVIEW**  
**DECEMBER 2020**

PREPARED FOR:



CITY OF PSL

## CITY COUNCIL MEMBERS

Gregory J. Oravec/ Mayor  
Shannon M. Martin/ Vice Mayor, District 3  
Stephanie Morgan/ District 1  
David Pickett/ District 2  
Jolien Caraballo/ District 4

Russ Blackburn, City Manager  
Teresa Lamar-Sarno, AICP, Special Assistant to the City Manager  
Wes McCurry, CRA Director

PREPARED BY:



TCRPC

## PROJECT TEAM

Treasure Coast Regional Planning Council

*with assistance from*

Captec Engineering, Inc.  
Lauren Moss Clark  
Northstar Geomatics  
REG Architects  
Retail Development Strategies, Inc.  
Jose Venegas  
WTL+a

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Appendix E. Summary of DRI Infrastructure.....	cxli
Appendix F. Principles of Urban Design .....	cxlii

### ABBREVIATIONS & TERMS COMMONLY USED IN THIS REPORT:

CDD	Community Development District
<a href="#">CRA</a>	Community Redevelopment Agency
<a href="#">DRI</a>	Development of Regional Impact
<a href="#">FDOT</a>	Florida Department of Transportation
<a href="#">SAD</a>	Special Assessment District
<a href="#">SEWMD</a>	South Florida Water Management District
<a href="#">TCRPC</a>	Treasure Coast Regional Planning Council
USACE	United States Army Corps of Engineers

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## I. EXECUTIVE SUMMARY

### INTRODUCTION

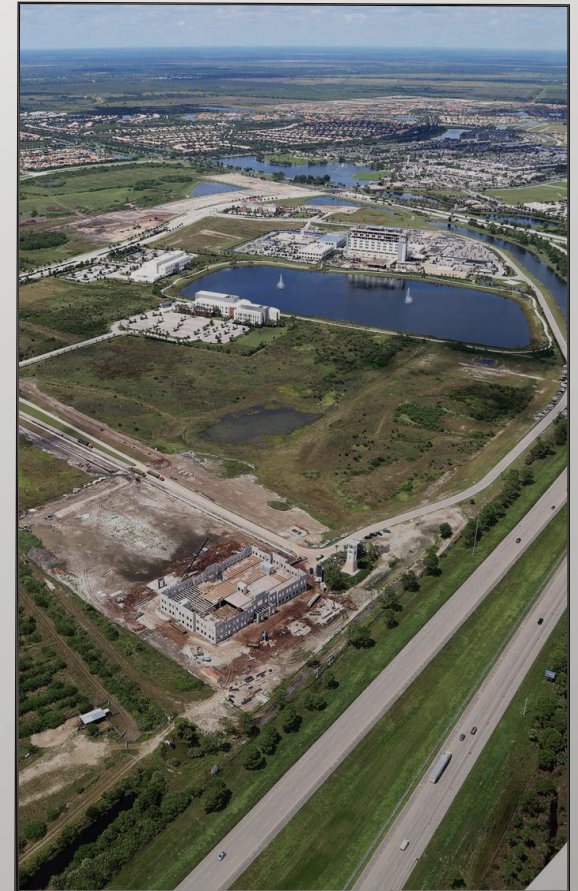
In June 2018, the City of Port St. Lucie (City) acquired approximately 1,183 acres of property within the Southern Grove Development of Regional Impact (DRI). The property is being managed and developed through the City's Governmental Finance Corporation (GFC). This initial purchase was expanded by 37 acres to include right-of-way modifications and a pending additional parcel to be transferred to GFC, creating a roughly 1,220-acre "Southern Grove property" as the focus of this analysis.

In early 2019, the City adopted its Strategic Plan, including a key goal of creating a diverse economy and employment opportunities, with a strategic initiative to facilitate the build-out of Southern Grove. In October 2019, the City engaged the Treasure Coast Regional Planning Council (TCRPC) to create an updated land development and infrastructure master plan for the property, including a financial and market analysis, review of competitive markets, and strategies for property disposition. The City of Port St. Lucie is one of the fastest growing cities in Florida, and its Southern Grove property is one of the most competitive and visible locations for large-format workplace uses in the region. Accordingly, the master plan sets forth a long-term, holistic development strategy that remedies prior infrastructure and drainage challenges; capitalizes on Southern Grove's size, location, and visibility; and distributes value across the City's entire holding to create a signature mixed-use, jobs-centric corridor that will benefit the entire City for generations to come.

### PURPOSE OF THE PLAN

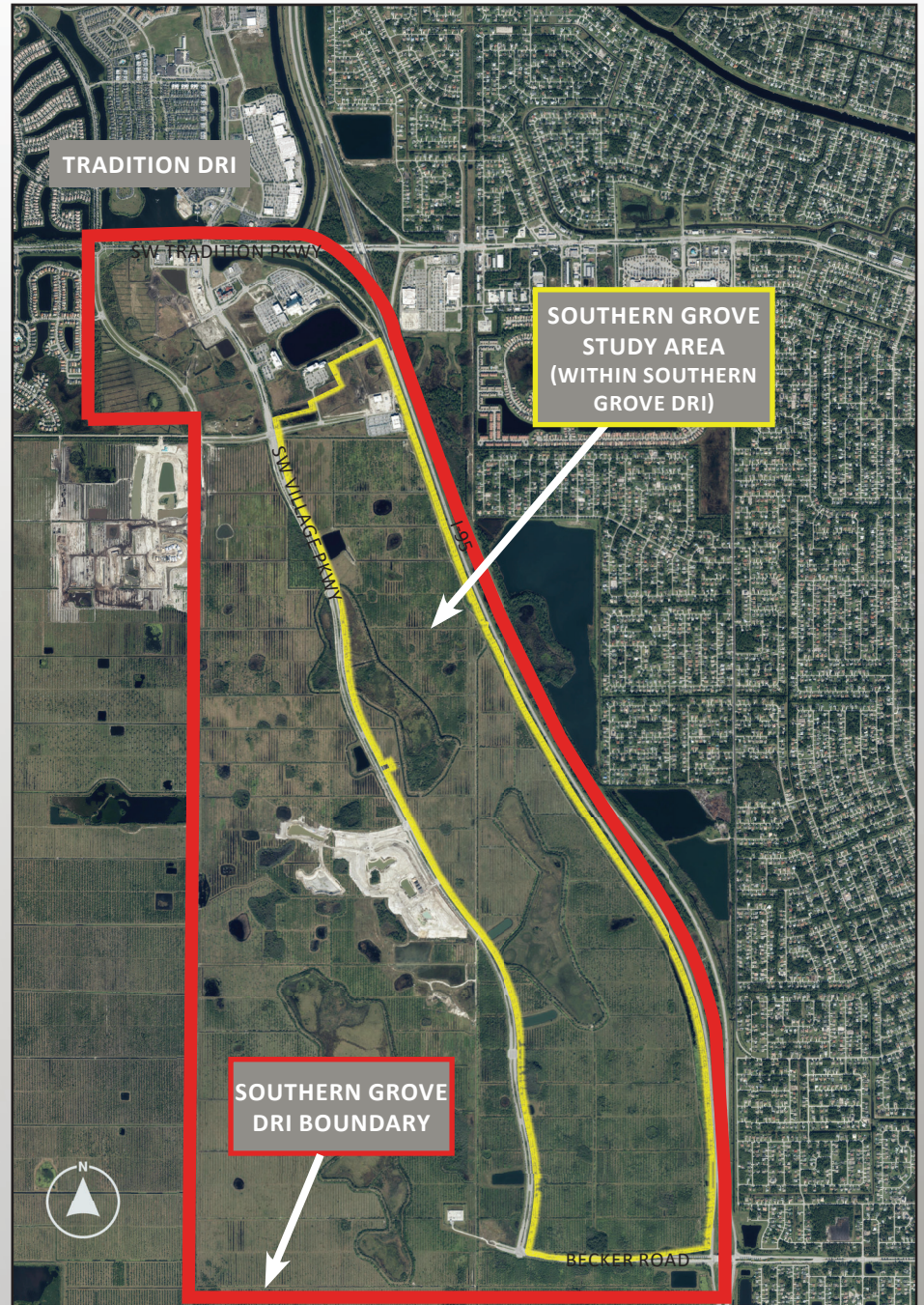
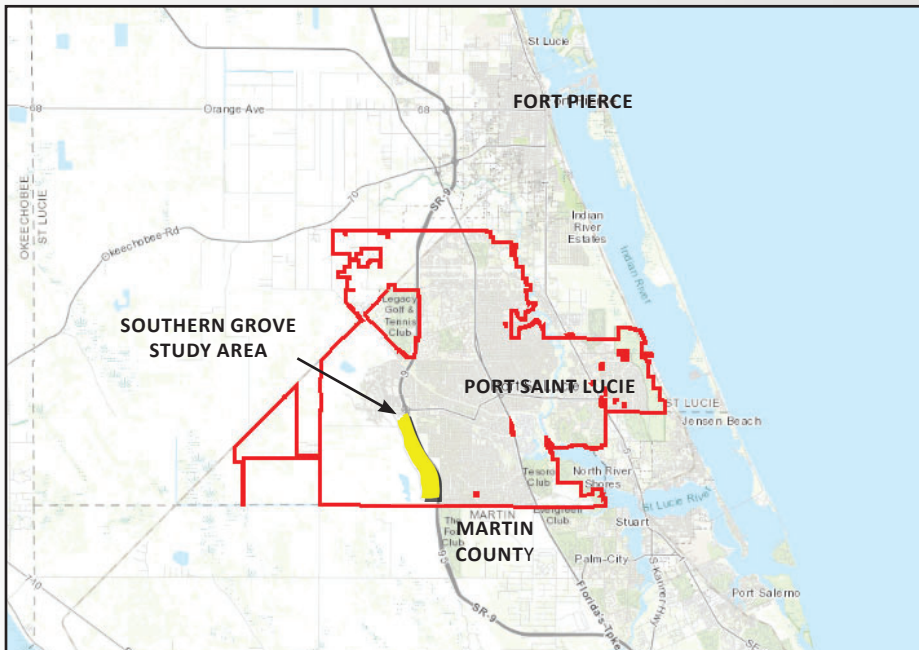
The Southern Grove Master Plan is intended to build upon the City's prior planning efforts and reorganize the land uses and infrastructure to produce a more sustainable, economically viable development program to accomplish several key goals:

1. Reinforce the development of a high-intensity jobs corridor for the City that generates economic benefits and net new jobs
2. Create an integrated, multimodal and pedestrian-friendly transportation network that provides internal connectivity and access
3. Maintain an efficient water and sewer system with sufficient capacity and redundancy
4. Provide an interconnected master stormwater system with proper infrastructure to maintain appropriate lake levels, enhance natural systems, efficiently use the land, and enhance aesthetics
5. Complement surrounding neighborhoods and districts
6. Help establish a strong "sense of place" and identity for the City





The City of Port St. Lucie, located in St. Lucie County, Florida, is one of the fastest-growing municipalities in the State of Florida, with a municipal boundary encompassing 121.5 square miles and a population of nearly 203,000 (2020 estimate). Following an extensive annexation effort from 2000-2008, the City's western boundaries include a "Western Annexation Area" that generally follows Rangeline Road, west of Interstate 95 (I-95). Of the seven DRIs in this area, the Southern Grove DRI includes approximately 3,606 acres. The eastern portion of this DRI, referred to as the "Southern Grove property," is the focus of this study and is generally bound by SW Discovery Way to the north, I-95 to the east, Becker Road to the south, and Village Parkway to the west. The Southern Grove Property is immediately south of Cleveland Clinic, which is a regionally significant hospital facility, as well as the Tradition DRI, which extends north and west of Southern Grove. The Martin County boundary lies south of the Southern Grove property, just south of Becker Road. General planning recommendations extend beyond the Study Area to also incorporate the eastern portion of the Tradition DRI, extending north to the "B" Canal.



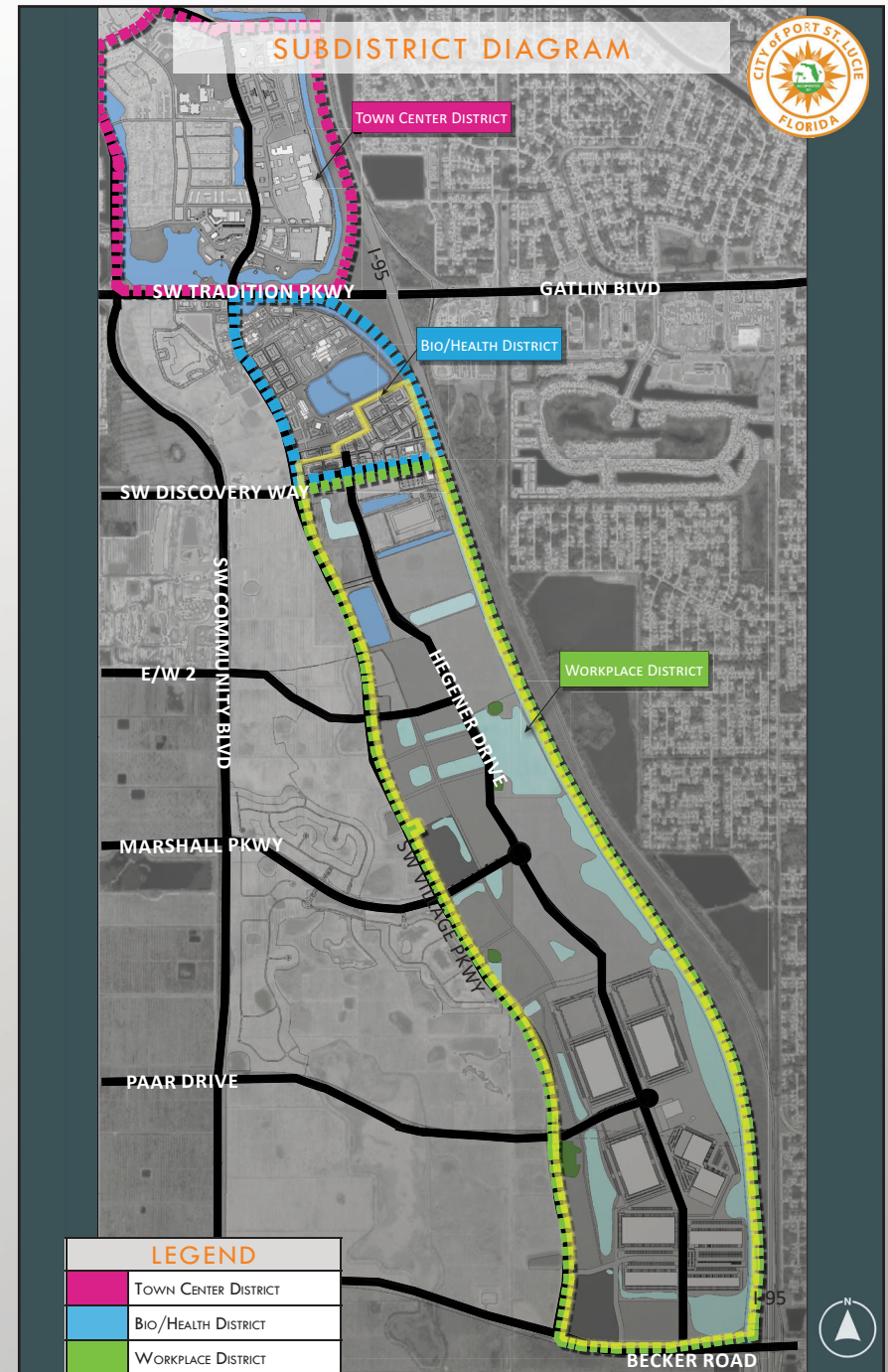


## I. EXECUTIVE SUMMARY

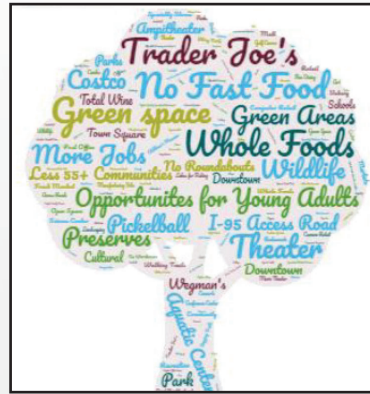
### MASTER PLAN COMPONENTS

The key elements of the Southern Grove Master Plan include:

1. **Land Development Master Plan** with three districts: **Bio/Health** and **Workplace Districts** (within the Southern Grove property) and a **Town Center District** (in the Tradition DRI)
2. Assignment of three distinctive **Land Use Types**: Employment Center, Lifestyle/Commercial and Mixed-Use
3. **Master Stormwater System** with interconnected lakes that addresses upstream and downstream challenges, maximizes the utility of the Duda Canal and best on-site soil conditions, increases net developable area, and improves sustainability
4. **Multimodal Transportation Network** with primary, secondary, and local roads; freight truck route separated from non-freight traffic; transit stops; and an alignment for the shared-use Tradition Trail that could accommodate bicyclists, pedestrians, personal mobility modes (e.g., scooters, wheelchairs), golf carts, and micromobility (e.g., autonomous electric shuttles).
5. **Water and Sewer Infrastructure Improvements** that provide sufficient capacities for anticipated development
6. **Infrastructure Cost Estimates** for the infrastructure components identified in this plan (provided in Appendix D ).
7. **Gateway Branding Feature Locations** along I-95, Becker Road, and Village Parkway
8. **Illustrative Development Scenarios** with diagrams showing recommended building programs, urban character, roadway frontages, parking locations, and transitions between uses
9. **Recommended Design Standards** that address densities and intensities of development, site design and building placement, building heights and features, parking and landscaping locations, architectural amenities, lighting, and signage.



## OVERVIEW OF THE PROCESS



**Figure 1** Images from the Southern Grove public input open house on January 9, 2020 and public workshop on September 17, 2020.

Providing a meaningful and consistent forum for public involvement has been a foundational tenet of the Southern Grove Master Plan process. The Plan builds on prior efforts by the City and has included a variety of public and stakeholder input opportunities:

- 1. Due Diligence:** Research was conducted with the City and its representatives to understand the City's regulatory and financial documents and requirements, development proposals and concepts for properties within the study area, and background permitting and financial obligations. Work sessions were conducted with City staff, adjacent property owners, agency representatives, and investors to gain insight and inform the process.
- 2. Stakeholder Interviews and Focus Groups:** A week-long series of interviews and focus groups were conducted in December 2019 to gain input on project issues and address any questions pertaining to the process. Input was gathered from City Council members, City staff, business and property owners, investors, agency and community representatives, and residents.
- 3. Interactive Public Workshops:** In January 2020, a community open house was conducted at Keiser University that attracted more than 275 residents, business and property owners, City representatives, and other interested parties. Subsequently, in September 2020, more than 100 participants were engaged in a virtual community workshop to review plan concepts and recommendations and provide additional input.
- 4. City Staff Design Session:** In March 2020, a virtual design workshop was held with City staff representatives and the multidisciplinary project team.
- 5. City Council Presentations:** Throughout the master plan process, presentations were provided for the City Council in public meetings, workshops, and the Council retreat to convey findings, preliminary recommendations, and gain additional direction for the master plan.



## I. EXECUTIVE SUMMARY

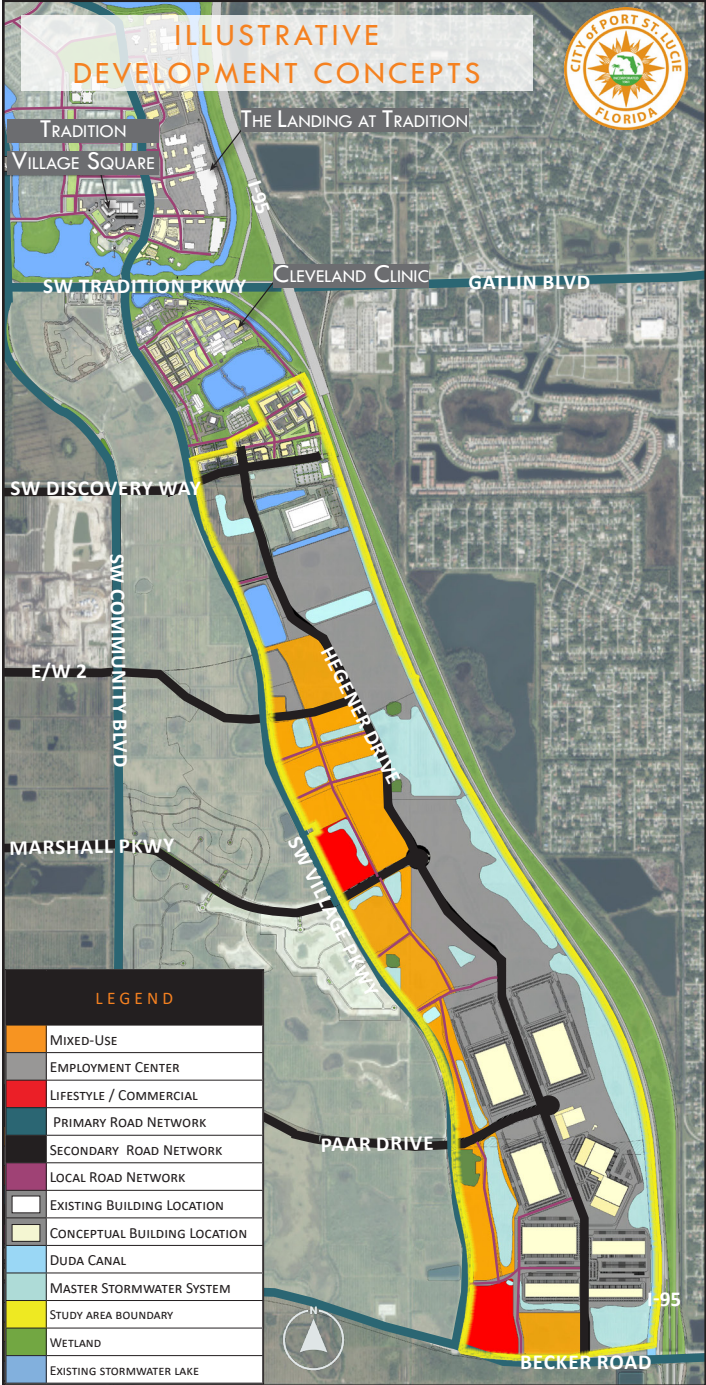
### OVERVIEW OF THE PROCESS

- INCREASE VALUE OF CITY-OWNED LAND
- MAXIMIZE THE NUMBER OF JOBS (WORKPLACE INTENSITY, BIO/HEALTH, INDUSTRIAL)
- CREATE GATEWAY ENTRANCES ALONG TRADITION PARKWAY AND BECKER ROAD)
- IMPROVE STORMWATER MANAGEMENT EFFICIENCY (CONSOLIDATE LAKES, TIE INTO DUDA CANAL, ADDRESS UPSTREAM CHALLENGES)
- UTILIZE BEST SOILS & REMEDY DRAINAGE
- CREATE A SENSE OF PLACE AND DESTINATION FOR RESIDENTS
- EXPAND INTERCONNECTIVITY
- DISTRIBUTE VALUE OF I95 VISIBILITY TO MULTIPLE PROPERTIES TO RAISE VALUE

- ESTABLISH A MORE COMPACT, URBAN ARRANGEMENT OF BUILDINGS AND USES
- EXPAND TRADITION TRAIL NETWORK (BECKER ROAD AND TRADITION TOWN CENTER, USE LAKE FRONTAGES WHERE POSSIBLE)
- ENHANCE WALKABILITY (BUILDING SETBACKS, PARKING LOCATIONS)
- IMPROVE BIKE/PED CROSSING ACROSS TRADITION PARKWAY TO TOWN CENTER
- ACKNOWLEDGE FPL EASEMENT AND ITS LIMITATIONS
- ANTICIPATE MARSHALL PARKWAY/I95 INTERCHANGE AND PAAR ROAD/I95 BRIDGE CROSSING IF WARRANTED
- MAKE THE CITY MORE SUSTAINABLE (E.G., LIVE, WORK, PLAY, LEARN)

PUBLIC ENGAGEMENT FOR THE DEVELOPMENT OF THE SOUTHERN GROVE MASTER PLAN INCLUDED STAKEHOLDER INTERVIEWS, PUBLIC WORKSHOPS, STAFF WORK SESSIONS, AND PRESENTATIONS TO THE CITY COUNCIL. GENERAL DESIRES DERIVED THROUGH THESE PROCESSES ARE SUMMARIZED ABOVE.

I. EXECUTIVE SUMMARY  
SOUTHERN GROVE MASTER PLAN



SOUTHERN GROVE MASTER PLAN LAND USE DISTRIBUTION	
LAND USE	NET ACREAGE
MIXED-USE	234.7
EMPLOYMENT CENTER	668.0
LIFESTYLE / COMMERCIAL	43.2
SECONDARY ROAD NETWORK <sup>1</sup>	44.8
DUDA CANAL	55.0
MASTER STORMWATER SYSTEM <sup>2</sup>	174.8
TOTAL GFC LAND	1,220.5

**FOOTNOTES**

<sup>3</sup> STUDY AREA BOUNDARY

AERIAL (PROPERTIES NOT OWNED BY GFC SHOWN AS BASE AERIAL WITHOUT COLOR OVERLAY; EXCLUDED FROM GFC LAND USE TOTALS)

WETLANDS (8.8 ACRES, EXCLUDED FROM GFC LAND TOTALS)<sup>4</sup>

EXISTING STORMWATER LAKES (18.6 ACRES; EXCLUDED FROM MASTER STORMWATER SYSTEM AND GFC LAND TOTALS)

PENDING LAND TRANSFER TO GFC (21 ACRES; FORMER MATTAMY HOMES PROPERTY INCLUDED IN GFC LANDUSE TOTALS)

FPL EASEMENT (22.8 ACRES; INCLUDED IN ADJACENT LAND USE TYPES IN GFC LAND USE TOTALS)

MARSHALL PARKWAY ROW

FORMER PAAR DRIVE ROW (12.8 ACRES; TO BE ABANDONED TO GFC; INCLUDED IN GFC LAND TOTALS)

NEW PAAR DRIVE ROW (7.3 ACRES; TO BE ABANDONED TO GFC; INCLUDED IN SECONDARY ROAD NETWORK TOTALS)

RECOMMENDED ALIGNMENT FOR LOCAL ROADS

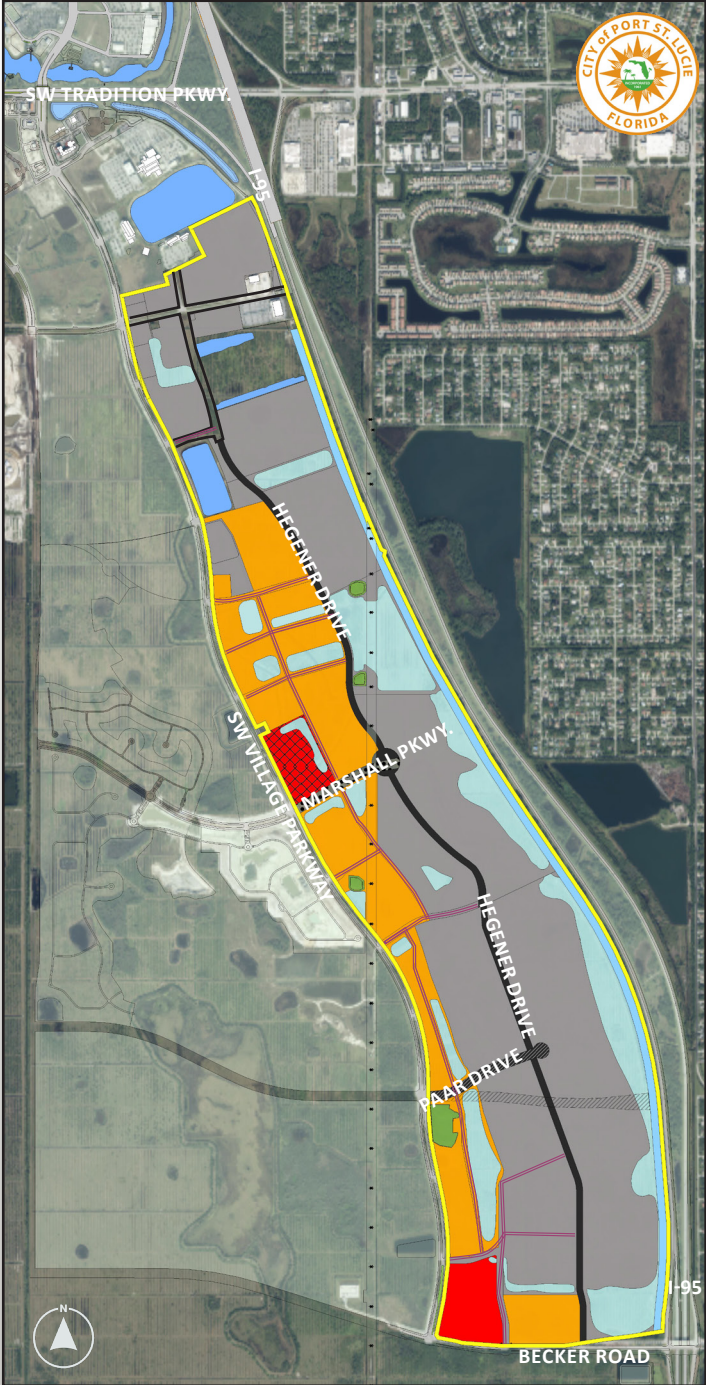
**FOOTNOTES**

<sup>1</sup> SECONDARY ROAD NETWORK INCLUDES PORTIONS OF HEGENER DRIVE, MARSHALL PKWY & PAAR DRIVE (ROW = 100-150'). STORMWATER TREATMENT FOR SECONDARY ROADS INCLUDED IN MASTER STORMWATER SYSTEM.

<sup>2</sup> MASTER STORMWATER SYSTEM = 15% OF TOTAL DEVELOPABLE LAND. ADDITIONAL ON-SITE PRE-TREATMENT WILL BE REQUIRED (UP TO 5% OF NET DEVELOPABLE AREA)

<sup>3</sup> BOUNDARY INCLUDES: 1182 ACRES ORIGINAL GFC PURCHASE (+ 12.8 ACRES PAAR DRIVE ROW ABANDONMENT + 4.7 ACRES MARSHALL PKWY ROW ABANDONMENT +21 ACRES MATTAMY HOMES TRANSFER)

<sup>4</sup> WETLAND PRESERVATION PER US ARMY CORPS OF ENGINEERS PERMIT.





## I. EXECUTIVE SUMMARY

### MARKET AND FINANCIAL ANALYSIS

To inform the Southern Grove Master Plan and help guide the corresponding recommendations and strategies, extensive market and financial analyses were performed. Part One of the Master Plan includes an assessment of the City's demographics, market trends, and forecasts. Part Two of the Master Plan includes an evaluation of the financial obligations of the Southern Grove Special Assessment District, analysis of prior land transactions, evaluation of competitive markets, and recommended approach for the City's ultimate disposition of its property holdings in Southern Grove.

**NOTE: Upon completion of the financial analysis, Part Two of the Master Plan will be provided for Council review in January 2021.**

### MARKET SUMMARY

Reviewing historic trends, ongoing development activity, and anticipated conditions, a detailed real estate market analysis was developed, including an assessment of demographics, real estate market trends, and forecasts with a focus on four key land uses in the Southern Grove study area: "workplace" (multi-tenant, speculative office and general industrial); retail, hotel/lodging, and residential. Forecasts are limited to an eight-year horizon unless otherwise noted. Key findings are noted below.

### DEMOGRAPHICS & EMPLOYMENT

1. The City's population has nearly reached 203,000 (July 1, 2020 estimate), with a forecast of nearly 210,000 in the next five years. The City has absorbed 88% of the total St. Lucie County population increase and will likely represent 61% of the County by 2024.
2. While the City's historic growth rate has totaled 6.2% annually over the past decade, the City's growth rate declined to a more moderate pace of 1.54% annually between 2010 and 2019. Forecasts suggest population growth will strengthen between 2019 and 2024, at an annual pace of 2.1% over the next five years.
3. Port St. Lucie's population tends to be slightly younger than the County's (median age of 42 versus 44.5), with the highest growth rates in the 25-34, 35-44, and 65-74 age cohorts (3%+) and 75+ (4.3%).
4. Average City household incomes are \$73,500 (2019 data), and are projected to increase by 2.5% per year over the next five years, rising to \$83,200 by 2024.
5. The City contains 35,275 jobs in just over 5,700 registered businesses, which accounts for roughly half of all jobs in St. Lucie County. While the City's job growth has increased steadily over time, the jobs-to-population ratio has declined. Comparatively, Port St. Lucie contains 0.24 jobs/person while the County contains 0.29 jobs/person, both of which are well below similar ratio in Martin and Palm Beach counties (0.46 and 0.49, respectively). This reinforces the importance of net new job creation in the Southern Grove study area (see Figure 5 indicating net outflow of workers from the City).



## I. EXECUTIVE SUMMARY

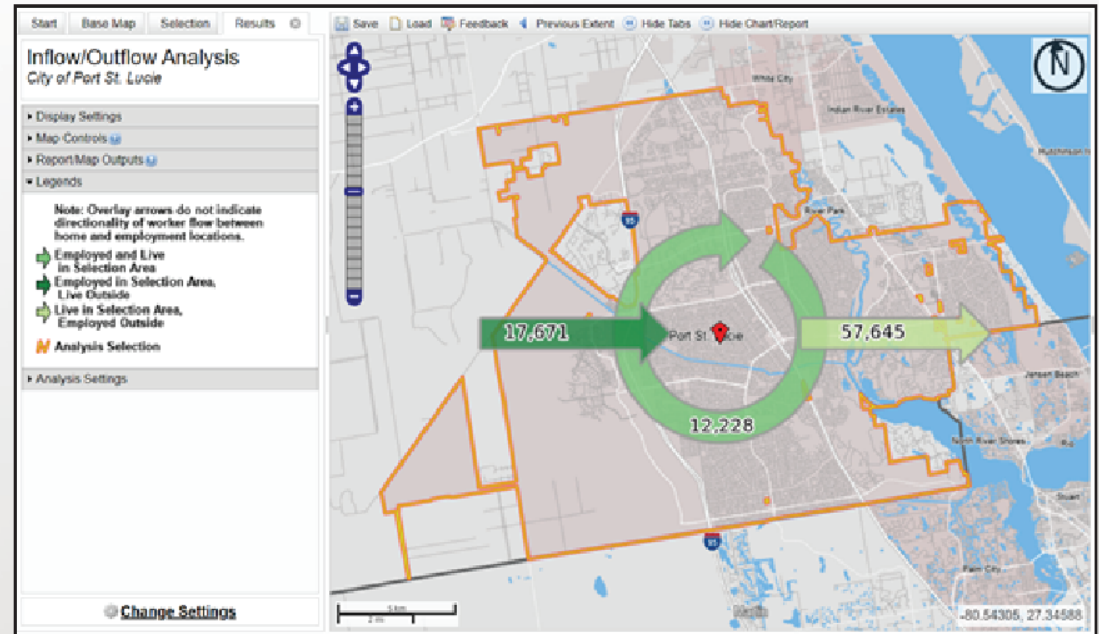
### MARKET AND FINANCIAL ANALYSIS

#### WORKPLACE/OFFICE:

Port St. Lucie's office market includes just over 3.6 million square feet of office space, which represents 55% of the total St. Lucie County office market. The City's office market has strengthened in the past five years, with net absorption now nearing 125,000 square feet annually. Forecasts for speculative new office cautiously suggest an unallocated demand of only 100,000 square feet over the market study period. However, this quantity does not include potential build-to-suit office space for end users, which would be anticipated given the catalytic influences of Cleveland Clinic and the potential industrial users in the Workplace District.

#### WORKPLACE/INDUSTRIAL:

With nearly 3.5 million square feet of industrial space, the City has consistently accounted for just under 30% of all industrial space county-wide since the mid-2000s. Considering population growth, absorption trends, and the City's fair share of job capture, gross city-wide demand for speculative industrial is estimated to be nearly 800,000 square feet over the next eight years, or a net of 400,000 square feet when reduced by approved/entitled yet unbuilt space. This figure does not include potential build-to-suit end users, exemplified by the recently built Tamco/City Electric facility or the several end-users in the current "Sansone" proposal being negotiated by the City.



*Figure 2 As indicated in the map graphic above, Port St. Lucie is a net exporter of workers, with roughly 17,600 people traveling into the City to work versus 57,600 leaving the City daily. The imbalance is highlighted by the City's declining jobs-to-population ratio, which emphasizes the need for net new job creation in Southern Grove to help moderate this trend. inbound versus 57,600 outbound. This is reinforced by the City's declining jobs-to-population ratio, emphasizing the need for net new job creation to moderate this trend.*



*Figure 3 Image of recent development, pictured here is the TAMCO building credit: Globe Street*



*Figure 4 Image of the pending Oculus Surgical, Inc. project near Cleveland Clinic. credit: Oculus Surgical, Inc.*



I. EXECUTIVE SUMMARY

MARKET AND FINANCIAL ANALYSIS

RETAIL:

The retail market is changing nationally, and the retail demand study acknowledges that the impacts of the COVID-19 pandemic remain unknown. Historically, along with a fast-growing population, the City of Port St. Lucie has had a rapidly expanding inventory of retail space. The City has a high amount of retail square footage per person. While across the U.S., the average amount of retail/capita is estimated to be 26 SF per person, the City contains nearly 40 SF per person. Although the City has absorbed nearly 85% of all new retail countywide in the past five years, its annual retail absorption rate has softened, falling from a decade average of 184,000 SF/year to roughly 104,000 SF/year over the past five years. Public input gathered for the Master Plan indicated a strong desire for neighborhood-serving retail as well as lifestyle centers with active recreational uses (e.g., golf driving ranges, go-kart arenas, water parks).

The retail demand analysis suggests there will be sufficient demand to support up to 135,000 SF of retail potential in the study area through 2024, which can include a new grocery store complemented by in-line retail and food/beverage establishments. However, given existing and anticipated retail vacancies in The Landing at Tradition, the Master Plan suggests that existing vacant space at The Landing can be “backfilled” with a range of uses, such as indoor recreation, may be appropriate in the Town Center District complex to prevent decline while providing an improved activity center for residents and visitors in a known destination with I-95 visibility.



Figure 5 Examples of retail in and around the study area.





## HOTEL/LODGING:

Of the roughly 3,000 hotel rooms County-wide, the City contains nearly half the total hotel inventory, with 1,501 rooms. Noting that six-year hospitality trend data precedes the ongoing impacts of the COVID-19 pandemic, the City's average annual hotel occupancy rate has been solid at nearly 72% with steadily increasing average daily rates. Acknowledging the pending new hotel development in the western annexation area (128-room Townplace suites), there may be sufficient demand and investment-level performance to support a limited number of new hotel rooms in the Southern Grove study area over the next ten years.

## RESIDENTIAL:

The City's housing market is generally in balance, with stabilized occupancies, increasing values among owner-occupied properties, and strong lease-up (absorption) activity in new multi-family properties that are accompanied by solid achieved monthly rents. Port St. Lucie's housing stock is primarily single-family residential (87%) with more than 78,000 housing units and average values just under \$235,000 (2019 data). Annual housing starts have risen from 900 to 1,700 annually in the past three years, with most new units constructed in the western annexation area. New housing units in the Southern Grove area, especially multi-family housing geared to local employees, would be expected to enhance the City's overall marketability as an intensified jobs location and provide greater diversity in housing choices.

Further discussion of the market findings is presented in Chapter 2, and the full economic and real estate market memoranda are included in Appendices B and C.



*Figure 6 Towneplace Suites by Marriot pictured here is located just north of the Landing at Tradition.*



*Figure 7 Del Webb at Tradition is a 55+ active adult community in Tradition featuring single-family homes and attached villas. credit: Mattamy Homes*



## I. EXECUTIVE SUMMARY

### KEY RECOMMENDATIONS OF THE PLAN

1. **Maintain a Long-Term, Holistic Development Strategy** with high expectations for development, site design, and architecture to maintain the value of the entire Southern Grove property – on par with Port St. Lucie as A City of Excellence. This acknowledges the unique value of the Southern Grove property as one of the most competitive and visible locations for large-format workplace uses in the region.
2. **Establish Southern Grove Sub-Districts:**
  - **Town Center District** - north of Tradition Parkway that complements the City's holdings to the south and can absorb much of the retail demand and active recreational uses.
  - **Bio/Health District** - extending from Tradition Parkway to Discovery Way that capitalizes on Cleveland Clinic as an anchor and contains the greatest density and intensity of development with an urban development form.
  - **Workplace District** - from Discovery Way to Becker Road with a blend of large-format industrial, warehouse/distribution, and office/research uses (generally east of Hegener Boulevard) and mixed uses (generally west of Hegener Boulevard, fronting Village Parkway and Becker Road).
3. **Assign Land Use Types within the Comprehensive Plan as follows:**
  - **Employment Center** - focused on industrial warehouse/distribution, research and development, and supporting office uses.
  - **Mixed-Use** - focused on higher density residential, including townhouse and apartment uses, local-serving retail/commercial, office, and educational uses.
  - **Lifestyle/Commercial** - focused on higher-intensity retail/commercial centers that include office and higher density residential use.
4. **Modify Land Use Entitlements & Integrate into Updated SAD/CDD Assessment Rates**, with increased industrial square footage, increased multi-family residential dwelling units, increased hotel rooms, and decreased retail, office, and research/development square footage to better align with market conditions and ensure SAD/CDD assessments stay proportionate to entitlement consumption.
5. **Introduce a Master Stormwater Lake System**, comprised of 15% of the total developable area that is subdivided into four drainage sub-basins, each controlled by a drainage control structure with separately staged water levels to accommodate both drought conditions and pre-storm drawdowns. Stormwater lakes should be located to discharge treated stormwater to the Duda Canal, maximize the excavation of best quality soils for fill, include littoral-zone natural plantings, create lakefront aesthetic amenities along I-95, and provide buffers between workplace and mixed-use areas.
6. **Revise the Transportation Network to create:**
  - **Multimodal Roadway Network** of interconnected primary, secondary, and local/tertiary roads designed as complete streets with bicycle, pedestrian, and transit accommodations. Local roads should be constructed as part of private development activity, with block faces of 400-600 linear feet to maximize pedestrian connectivity and walkability. Roadway designs should channel freight trips onto primary and secondary roads using roadway geometries, traffic calming, and signage.
  - **County Transit Network** with future transit stops at key intersections with walkable designs to expand walk access to stops as well as micromobility as a complementary mode.
  - **Tradition Trail Network**, aligned east of Village Parkway from Becker Road north into the Town Center District, that utilizes stormwater natural edges where possible, considers the potential for an autonomous circulator, and integrates bicycle/pedestrian intersection improvements at Village Parkway/Tradition Parkway to improve connectivity and safety.

## I. EXECUTIVE SUMMARY

### KEY RECOMMENDATIONS OF THE PLAN

**7. Implement the DRI Recommendations Regarding Water and Wastewater Infrastructure** with 12" water mains and fire hydrants on all secondary roads, a 24" water mains at Paar Road, additional gravity sewers, lift stations, and force mains as previously determined.

**8. Implement New Development Design Standards** that require:

- **Traditional Urban Design Principles** to increase efficiency, walkability, and connectivity through controlled building placement and alignment utilizing "build to" lines versus setbacks; a system of walkable streets and blocks; consolidated parking areas located along side and rear property lines; and a height-to-width ratio of one-to-three along streets where appropriate to create a sense of spatial enclosure.
- **A Mix of Uses**, both horizontally and vertically, to increase efficiency of parking and public spaces; create natural surveillance through more extensive daily activity; and maintain appropriate transitions between dissimilar uses.
- **Gateway Boulevard Features** along Becker Road and Village Parkway that specify building placement, minimum building heights, maximum building setbacks, and enhanced landscaping, lighting and signage along Becker Road and Village Parkway.
- **Corner Architectural Elements** at prominent intersections, including Becker Road/Hegener Drive, Becker Road/Village Parkway, and Village Parkway/Marshall Parkway.
- **Protected I-95 Corridor Views** that integrate stormwater lakes and landscaping to increase building setbacks, which will distribute the value of I-95 visibility, broaden view corridors, and raise property values across the City's holdings. Development visible from I-95 should include enhanced architectural, signage, lighting, and landscaping requirements to produce an organized, well-integrated workplace district vista.

- **Parking Design Efficiency** with interconnected parking lots accessed from side and rear property lines to reduce driveway interruptions of primary and secondary streets, enhance walkability, and improve development efficiency and yield.
- **Required Parking Lot Interconnectivity** to reduce driveway interruptions and external trips on primary and secondary roads, improve walkability and safety, and maximize development utility and efficiency.

**9. Develop Gateway Branding Features in Key Locations** including prominent lakes with fountains, landscaping, signage, and lighting (adjacent to Cleveland Clinic, at the FP&L easement/I-95, and at Becker Road/I-95) along with artistic "gateway corner" features with pedestrian plazas at the intersections of Village Parkway/Becker Road and Village Parkway/Marshall Parkway.

**10. Work with Florida Power and Light (FP&L)** for Master Permitting of development activity within the 22.8-acre FP&L Easement to streamline productive use, identify permitting efficiencies for allowable uses in accordance with FP&L regulations, and ensure full sale price of the underlying land.

**11. Continue Broker Relationships with Public and Private Real Estate Partners** to facilitate land transactions, for which each transaction includes consideration of the impact on other parcels to be sold and the City's long-range vision with consideration of the merits of the sale itself.

**12. Adopt the Southern Grove Master Plan and amend the City Comprehensive Plan, Southern Grove DRI, and other relevant City documents and plans as necessary to implement the recommendations provided herein.**

**NOTE: Upon completion of the financial analysis, additional recommendations will be provided for City Council review in January 2021.**

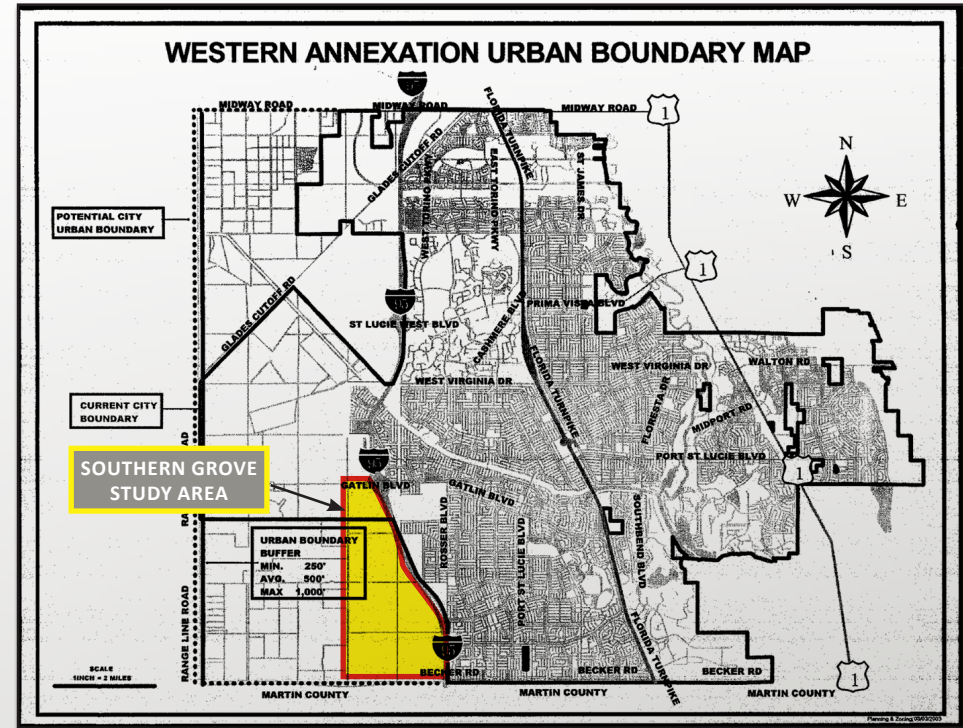


## II. BACKGROUND AND MARKET CONDITIONS

Incorporated in 1961, the City of Port St. Lucie encompasses roughly 121.5 square miles of St. Lucie County's 588 square miles. Bordering Martin County to the south and unincorporated St. Lucie County land to the north and west, Port St. Lucie is the largest municipality in the Treasure Coast Region, with a population of nearly 203,000 (2019 population estimate). Incorporated under the ownership of the General Development Corporation (GDC), the original land development pattern emerged as one of Florida's pre-platted communities of the mid-century, when large tracts of raw land were subdivided into small residential lots and marketed as potential vacation or retirement sites. Port St. Lucie initially contained more than 80,000 platted lots in this format. Similar to other Florida pre-platted communities, the emphasis was on land sales with little consideration for infrastructure demands. The City's population grew exponentially from 330 in 1970 and 14,690 in 1980 to 55,866 in 1990, reaching 88,759 by 2000. Growth demands triggered annexation interests for additional land suitable for a jobs base, and between 2000 and 2008, the City annexed approximately 24,000 acres mostly west of I-95.

### WESTERN ANNEXATION AREA

It is important to note the position of the Southern Grove DRI in the context of the vast Western Annexation Area that encompasses roughly 24,000 acres from I-95 west to Range Line Road. Projected to contain approximately 50,000 residents at buildout, this portion of the City will be accessed primarily from I-95, with Becker Road and Tradition Parkway providing significant points of access. The western annexation area includes seven DRIs as well as additional smaller planned mixed-use and residential planned communities. Noted in a Urban Land Institute (ULI) panel in 2004, the eastern edge of the annexation area, predominately between Becker Road and Tradition Parkway, was identified for an 8,200-acre master planned community known today as "Tradition." Tradition consists of three DRIs, including the Tradition DRI, Western Grove DRI, and Southern Grove DRI. The 2004 ULI panel also identified the linear corridor west of I-95 as a jobs corridor, which is reflected in the DRI plans that followed.



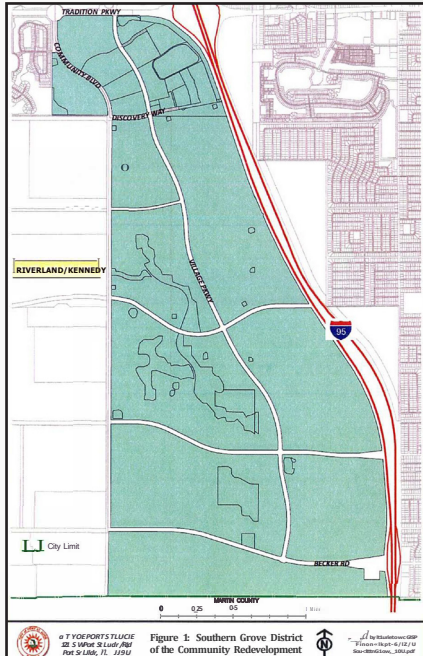
### SOUTHERN GROVE DRI

At the southern edge of the City lies the Southern Grove DRI, which encompasses just over 3,600 acres and was approved by the City in 2006. As illustrated in the DRI concept map, the property runs along I-95 from Tradition Parkway to just south of Becker Road, extending west to SW Community Boulevard. The original DRI concept envisioned a robust development program, with nearly 7,400 residential units, 3.7m SF retail, 2.4m SF office, 2.5m SF research and development, 4.6m SF warehouse/industrial, nearly 800 hotel rooms, and a 300-bed hospital. The original DRI assigned a mix of land uses to the GFC property, including Employment Center north of Marshall Parkway and a combination of Mixed-Use and Business Center south of Marshall Parkway.

## II. BACKGROUND AND MARKET CONDITIONS

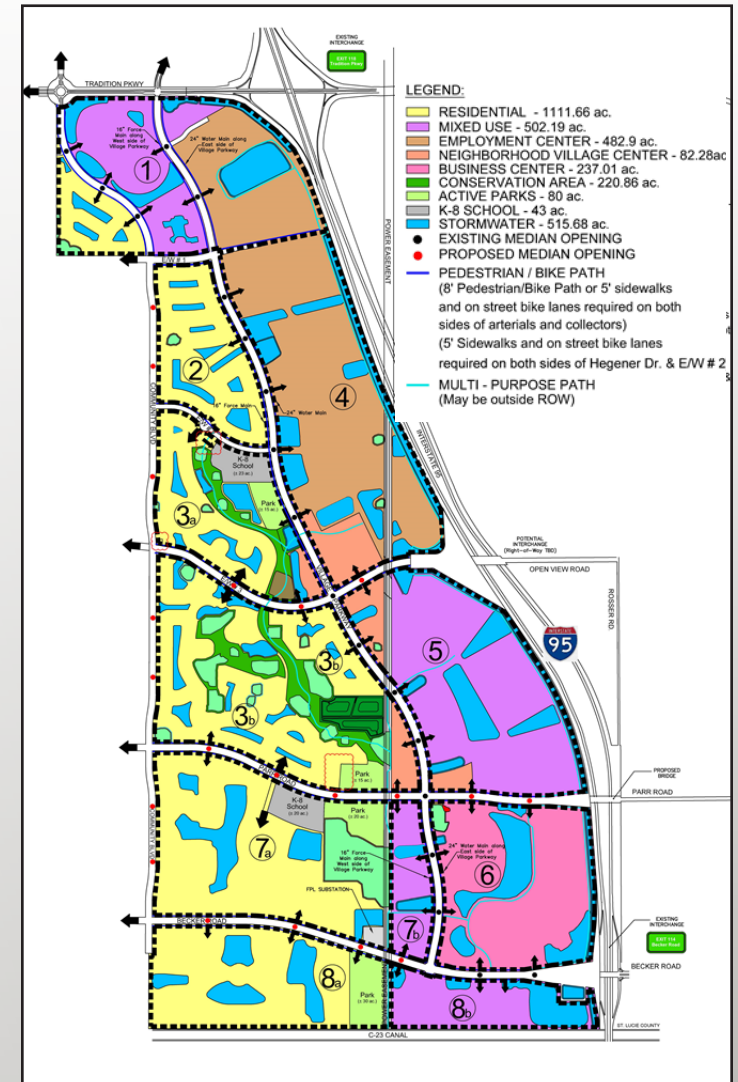
In the early 2000s, growth in the western annexation area exploded, with Port St. Lucie becoming the fastest growing City in the nation in 2005. To facilitate development, the City issued Special Assessment District (“SAD”) bonds in 2007, guaranteed by the City via a “Covenant to Budget and Appropriate” (CB&A) to build the initial infrastructure needed to foster development for the Southern Grove portion of Tradition. Five Community Development Districts (CDDs) were established to manage the financing of DRI-required infrastructure. A total of \$156 million in bond debt was issued to construct roadways, stormwater attenuation facilities, water transmission facilities, and wastewater collection and conveyance facilities. Subsequently, as 2008 brought the Great Recession, Port St. Lucie became one of many victims to its economic fallout as development stalled and residential mortgage foreclosures followed.

The City created a community redevelopment agency in 2001, initially to aid in the redevelopment of the City Center project, which similarly included City-based bond debt for infrastructure. Subsequently, in 2012, the CRA was expanded to include the Southern Grove District, comprised of the 3,606-acre Southern Grove DRI and is coterminous with the boundaries of the Southwest SAD.



**Figure 9** Southern Grove District of the PSL CRA.

In late 2017, the developer of Tradition indicated it intended to divest its assets in Port St. Lucie, including its property in Southern Grove, and discontinue paying taxes and assessments on unsold parcels beginning in FY2017. The City recognized its continued obligation on the associated SAD bond debt decided to take control of the property. The developer sold approximately 3,026 acres of its remaining residential property and some non-residential property in Tradition, Western Grove and Southern Grove to a third party, Mattamy Homes. In June of 2018, the City accepted a transfer of ownership of 1,161 acres within Southern Grove from the developer after its efforts to sell the land were unsuccessful. The City transferred the property to its Governmental Finance Corporation (GFC), controlled by the City Council, which continues to conduct land transactions for the subject Southern Grove property as well as other City-held assets.



**Figure 8** As illustrated in the concept map, the Southern Grove DRI extends from Tradition Parkway to just south of Becker Road and is bordered by I-95 to the east and SW Community Boulevard to the west. The GFC-owned property consumes much of the eastern portion of the DRI, lying east of Village Parkway and generally between Discovery Way and Becker Road.



## II. BACKGROUND AND MARKET CONDITIONS

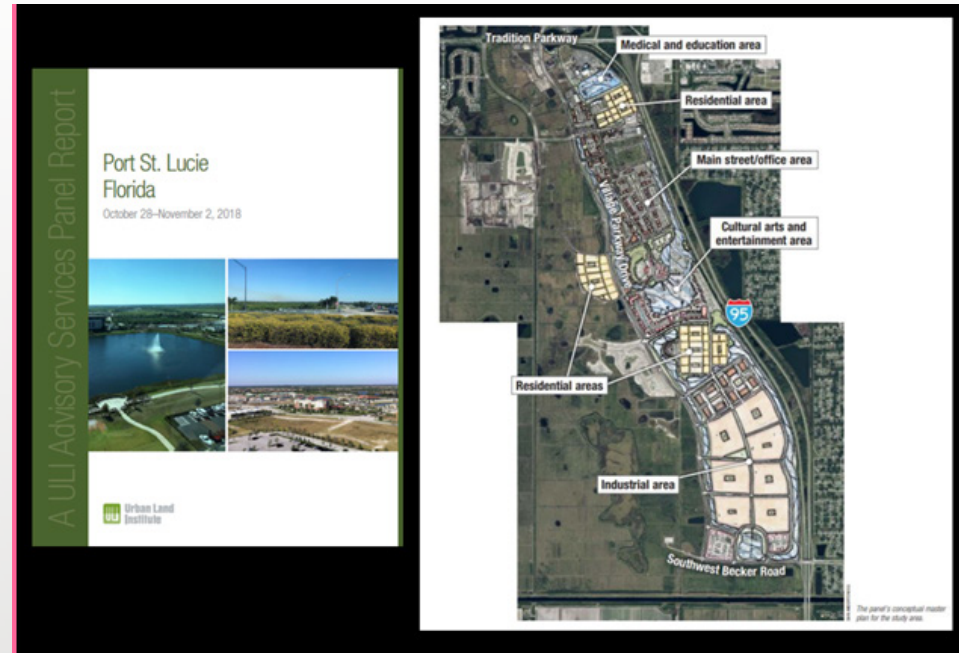
### URBAN LAND INSTITUTE STUDY (2018)

The original DRI conceptual plan has been reconsidered over time, most recently through a 2018 Urban Land Institute (ULI) study that included extensive stakeholder engagement with a cross-section of community and business representatives. The study retained the jobs emphasis for the GFC property but suggested the regional retail use be reconceptualized as a town center capitalizing on the anticipated Marshall Parkway/I-95 interchange. As suggested in the ULI concept plan, the southern portion of the GFC property was identified for industrial use, with bio/technology uses recommended for the northern portion of the property surrounding Cleveland Clinic.

An additional baseline factor in the due diligence analysis involves the historic use of the property, which includes long-term agricultural use as a citrus grove. The residual topography of the Southern Grove study area includes a soil condition that varies across the GFC property. The acquisition and utilization of fill to compact and raise properties to buildable levels has been a long-standing challenge in the Western Annexation area, as evidenced by roadway settling that has precipitated the rebuilding of some portions of facilities in the past decade. The soil conditions map illustrates the locations of best quality soils on the GFC property, which tend to be located along the eastern edge adjacent to I-95. These locations represent the most efficient opportunity for quality fill for nearby property as well as appropriate stormwater lake locations. Soil conditions are illustrated in the Background Conditions Summary Map included as Attachment 1.

### DEMOGRAPHIC AND ECONOMIC PROFILE

To guide the recommendations and strategies of the master plan with realistic market-driven development expectations, a demographic, economic, and real estate development 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



**Figure 10** Developed in 2019, the last planning analysis for the Southern Grove property suggested land uses to be reorganized to include a “cultural arts and entertainment area” in the center of the GFC property.

potentials among four key uses: “workplace” (multi-tenant, speculative office and general industrial), hotel/lodging, supporting retail, and multi-family residential. The economists note the economic forecasts rely on data and conditions prior to the impacts of COVID-19, and accordingly, while best available data has been utilized to analyze Southern Grove, the impacts from the pandemic are anticipated to cause a major slowing in economic activity across Florida and the U.S. as well as the potential for unanticipated opportunities. A summary of key demographic, economic, and development findings is provided in this section, and the complete memoranda (Technical Memorandum #1 – Summary of Initial Demographic & Economic Characteristics and Findings and Technical Memorandum #2 – Market Conditions & Development Potentials) are included in Appendices B and C.

## II. BACKGROUND AND MARKET CONDITIONS

*(NOTE: Part Two of the Master Plan report will include a financial assessment, analysis of select land transactions, and recommended disposition strategies for Southern Grove, which will be presented to the City Council in January 2021).*

### CITY DEMOGRAPHICS

- The City's population is nearly 203,000 residents (April 1, 2020 BEBR estimate) in approximately 69,000 households, which represents roughly 63% of St. Lucie County. Between 2000 and 2010, the City's population increased substantially—with the addition of almost 74,300 new residents. This represents an annual average gain of more than 7,400 residents per year and an extraordinary annual growth rate of 6.2% per year. Growth moderated in the past decade, and current forecasts suggesting a 2.1% growth rate over the next five years. Forecasts indicate the City's share of St. Lucie County's population will remain stable in the range of 61% by 2024.
- Port St. Lucie's population tends to be slightly younger than the County's (median age of 42 versus 44.5), with the highest growth rates in the 25-34, 35-44, and 65-74 age cohorts (3%+) and 75+ (4.3%). This is consistent with national trends that indicate a rising population in the younger "millennial" age brackets as well as Florida's positioning as a destination for retirees.
- Port St. Lucie is a middle-class community, with average household incomes in 2019 of \$73,500 per year. Incomes are projected to increase by 2.5% over the next five years, rising to \$83,200 by 2024. Approximately 20% of the City's households have annual incomes greater than \$100,000 per year. The City's average household income is forecast to remain higher than its counterparts in St. Lucie County, where average household incomes are forecast to be roughly \$77,265 by 2024.

### HOUSEHOLD INCOMES AND RETAIL SPENDING

- With 2019 average household incomes of \$73,500, households in Port St. Lucie have sufficient disposable incomes to support a wide range of retail offerings, and households spend approximately 23% of annual incomes on various retail categories, which is on par with households countywide.
- The City's households spend more than \$16,860 per year on consumer retail goods, including: clothing, entertainment/recreation, electronics, groceries, food & beverage, household furnishings and health care, exceeding expenditures by County households (\$15,700 per year) and as well as those in the City of Fort Pierce (\$12,075 per year).
- Utilizing the broadest range of retail goods, which includes building materials, leisure and entertainment, and miscellaneous store sales, and data from the Bureau of Labor Statistics (BLS) and Claritas, Inc., the City's households spend more than \$1.49 billion per year. This compares to estimated citywide store sales that surpass \$1.94 billion per year. The difference between spending and sales is known as inflow. In other words, there is more than \$451.9 million in annual retail sales inflow into Port St. Lucie from sources other than resident households. It should be noted that resident household sales can occur anywhere (i.e., often outside of Port St. Lucie), so sources of inflow include daytime employees (who do not live in the city), visitors, and pass-through traffic.
- Highly notable is the level of inflow on General Merchandise (\$488 million per year) and Clothing & Accessories (\$49.7 million). For General Merchandise, this reflects three anchor department stores at three Walmart Supercenters, two Walmart Neighborhood Stores, one Target store, four Dollar Tree stores, and two Home Goods stores, among others.



## II. BACKGROUND AND MARKET CONDITIONS

### EMPLOYMENT FORECASTS

The City is included within the St. Lucie Metropolitan Statistical Area (MSA), which is comprised of Martin and St. Lucie Counties. The St. Lucie MSA added 48,100 new jobs in the 11-year period between 1995 and 2006, mostly in Construction (7,700), Professional/Business Services (7,100), and Government (5,900) along with Retail Trade (5,600) and Education/Health Services (5,500). By contrast, the economic downturn of 2007—2009 resulted in the loss of 15,400 jobs in both counties. Over the past 11 years (and over multiple economic cycles), job losses were greatest in Wholesale Trade (-1,300) and Financial Activities (-1,000). In the eight years between 2011 and 2018, however, the economy of the St. Lucie MSA has significantly recovered from the 2007—2009 recession, with the creation of more than 33,000 new jobs.

The jobs-to-population ratio is a useful statistic to understand the economic balance in a community. Dun & Bradstreet, Inc. estimates that St. Lucie County contained 91,508 full- and part-time jobs in 11,150 registered businesses in 2018, which reflects a jobs-to-population ratio of only 0.29. That ratio indicates there are 29 jobs for every 100 residents in the County, which reflects the concentration of employment centers such as St. Lucie West and downtown Fort Pierce as the County seat. It is notable that the County's jobs-to-population ratio is well-below that of Palm Beach County (0.49) and Martin County (0.46). Employment is concentrated in particular sectors, including Services (41.6%), Wholesale/Retail Trade (31.4%), and Government (6.9%).

For employment forecasting, St. Lucie County, along with Martin and Indian River counties, are consolidated in Florida's Workforce Region #20. Florida's job forecasts indicate the Workforce Region will gain 23,000 new jobs between 2019 and 2027, of which St. Lucie County's "fair share" (40% of the region's jobs) is projected to be 9,300 new jobs by 2027.

For the City of Port St. Lucie, Dun and Bradstreet, Inc. estimates there are 45,275 jobs in 5,748 registered businesses in Port St. Lucie.

Accordingly, the City accounts for approximately 49.5% of the 91,508 jobs in St. Lucie County, which is the City's "fair share" of County jobs. The two largest sectors generating demand for workplace real estate in Port St. Lucie include Wholesale/Retail Trade (14,433 jobs, or 32% of all jobs) and Services (20,425 jobs, or 45% of all jobs). Within Services, "Health Services" accounts for more than one-third of all Services employment (7,785 jobs). Together, Retail Trade and Services account for 77% of total employment in Port St. Lucie.

The data also suggest the City's current jobs-to-population ratio is only 0.24 (i.e., there are 24 jobs for every 100 residents living in Port St. Lucie). This is lower than the overall ratio of St. Lucie County (0.29) (and significantly below Palm Beach County's ratio of 0.49 and Martin County's ratio of 0.46), thus reinforcing the importance of net new job creation in the Southern Grove study area. This imbalance in inbound versus outbound workers is illustrated in the "Inflow/Outflow Analysis" graphic below.

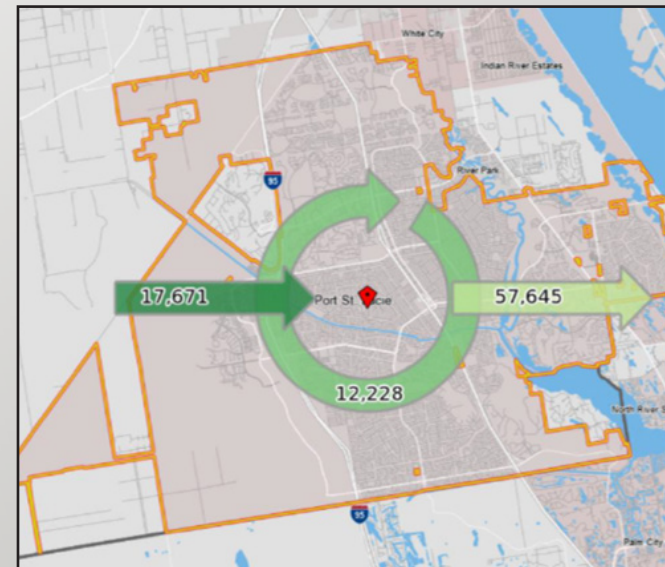


Figure 11 PSL inflow/outflow employment analysis map.

## II. BACKGROUND AND MARKET CONDITIONS

Further exploring this finding, 2017 U.S. Census Bureau data indicate the City exhibited net outflow of more than 39,970 residents who live in, but work outside of, the City. Notably, since 2007, the net outflow of residents of Port St. Lucie who work outside the City has increased by fully 41%. By comparison, the outflow of residents of St. Lucie County who work outside the County has also increased—by 49% between 2007 and 2017. These rates exceed the population growth figures, which means the proportion of residents leaving for work is increasing with population growth, underscoring the importance of net new job growth for the Southern Grove property.

### MARKET CONDITIONS AND DEVELOPMENT POTENTIALS

There are four key land uses analyzed for the Southern Grove study area: “workplace” (multi-tenant/speculative office and general industrial); hotel/lodging; supporting retail; and multi-family residential. The economics note it is not possible to evaluate development potentials for specific end-users of office or industrial space (also known as “build-to-suits”); recent examples of these types of users include Tamco/City Electric, “Project Bullet,” and “Sansone” that are looking for a specific location like Southern Grove, as such deals are based on specific recruitment strategies and terms (e.g., the amount of space to be occupied) negotiated on a case-by-case basis. As a result, the analysis estimates demand only for speculative/multi-tenant opportunities for office and general industrial space based on employment forecasts prepared by the Florida Department of Economic Opportunity (DEO).

#### LAND USE: INDUSTRIAL

According to CoStar, Inc., there are 3.42 million SF of industrial space in Port St. Lucie in 207 buildings, which represents 28% of St. Lucie County’s 12.0 million SF of industrial space. The City’s share of the County’s industrial supply has remained relatively stable in the range of 27% to 28% over the past 13 years. Prior to the national recession, the City’s industrial vacancy rate was 15% in 2007, climbing to nearly 22% in 2009, but has declined to only 3.3% in 2019 following eight years of positive net absorption. The City’s industrial market strengthened slightly over the past five years, with net absorption increasing from nearly 36,000 SF/year to 53,500 SF/year.

If the City’s maintains its 49.5% “fair share” of all jobs in St. Lucie County, job forecasts indicate the City could capture 4,620 new employees by 2027 or 796,600 SF of industrial space citywide over the next eight years. This figure accounts for partial occupancy of existing vacant industrial space. Considering an entitled but unbuilt 405,000 SF of industrial space in nearby DRIs, there remains just over 390,000 SF of new “unallocated” industrial space that could be built in Southern Grove over the next eight years. This figure does not include potential build-to-suit facilities for end users, such as that proposed by “Project Bullet” and the recently-proposed “Sansone” project.



**Figure 12** Image from St Lucie County EDC – Healthcare and Life Sciences in St. Lucie County, Florida (marketing brochure)



**Figure 13** Examples of new industrial space in the City, part of the nearly 800,000 SF built between 2007-2018



**Figure 14** Image of Keiser University



## II. BACKGROUND AND MARKET CONDITIONS

### LAND USE: OFFICE

According to CoStar, Inc., there are 3.61 million SF of office space in Port St. Lucie in 276 buildings, which represents 55% of St. Lucie County's 6.6 million SF of office space. The City's share of the County's supply has remained relatively stable, ranging from 51% to 55% over the past 13 years. Similar to the industrial market, office vacancies doubled between 2007 and 2009, from 9.5% to 18.6%, recovering by 2014 to 15.5%, with a 6-8% vacancy rate in the past two years. Citywide net absorption totaled nearly 850,000 SF in this 13-year timeframe, doubling in the past five years to more than 124,300 SF/year. Several trends should be acknowledged, including the unknown impacts of teleworking post-COVID and reductions in the average SF/worker (from 197.3 SF/worker in 2010 to 182 SF/worker in 2017).

If the City maintains its "fair share" of Countywide jobs, DEO forecasts suggest potential net demand for just over 273,000 SF of office space citywide over the next eight years. Considering entitled but unbuilt office space in nearby DRIs and current office space under construction, there appears to be sufficient market potential to support 75,000 to 100,000 SF of new office space over the next eight years. Again, it should be noted this figure excludes build-to-suit facilities such as future medical office space that will likely be built around Cleveland Clinic.

### LAND USE: HOTEL/LODGING

Demand for new hotel rooms is typically driven by capital markets requiring sustained annual occupancies in existing facilities between 65% and 72%. Prior to the COVID-19 pandemic, properties in the Port St. Lucie hotel market were experiencing rates of 71.4% (2019 data). The larger Southern Grove DRI is entitled for 791 hotel rooms, of which 204 rooms have already been constructed. Considering approved but unbuilt hotel rooms in adjacent DRIs and variable growth scenarios, it appears that 150-175 new hotel rooms are supportable in the next ten years.

### LAND USE: RETAIL

Port St. Lucie contains almost 7.5 million SF of retail space, comprising 56% of the County's total retail supply. At year-end 2019, there were 335,900 SF of vacant retail space (including direct vacancies and sublet space), which reflects a vacancy rate of only 4.5%. Over the past 13 years, retail vacancies peaked at 8.7% in 2007 and have declined on average over the past 13 years. Paralleling the County, the retail sector in Port St. Lucie is operating in stabilized market conditions with vacancies of less than 5%.



Figure 15 Homewood Suites and South Florida Orthopedics



Figure 16 New retail in Southern Grove DRI

## II. BACKGROUND AND MARKET CONDITIONS

Utilizing best available data, the City's retail inventory suggests there are 39.7 SF of retail space per capita for the City's population, which well exceeds the U.S. general average of approximately 26 SF per capita. More than 2.41 million SF of new retail space was built in Port St. Lucie between 2007 and 2019, with fully 1.65 million SF delivered in 2007 and 2008 alone. The City captured fully 85% of all new retail space built in St. Lucie County during this period. Net retail absorption totaled nearly 2.4 million SF citywide over the past 13 years, producing a sustained annual average of 183,860 SF per year. Port St. Lucie accounted for 98% of all countywide retail absorption. Of all "workplace" uses, the City's retail sector is the strongest.

Market forecasts suggest there is demand for 125,000 to 135,000 SF of market-supportable retail potentials in the next ten years for the Southern Grove study area. These forecasts indicate sufficient demand for a grocery-store anchored center, such as the Publix-anchored center that was proposed at the Village Parkway/Becker Road intersection along with in-line retail and food/beverage establishments.

Stakeholders interviewed as part of the retail demand analysis indicated a lack of entertainment and recreational activities in the City, suggesting Southern Grove could be a logical location for entertainment-oriented uses because of the site's visibility and access from I-95. These entertainment users could be accommodated in existing vacant retail space, such as The Landing at Tradition, or in new retail space likely north of the core Study Area along I-95.

### LAND USE: MULTI-FAMILY RESIDENTIAL

The Southern Grove study area is entitled for nearly 1,700 housing units, including 786 multi-family units (assumed to be owner-occupied) and 900 apartments (assumed to be rental). Given the substantial entitlements for residential units in nearby DRIs, a longer-term horizon (beyond ten years) is considered for residential absorption. However, there is a general lack of multi-family residential unit types in the western annexation area. Therefore, given the performance of the few comparable projects, the market potentials for multi-family appear supportable, with absorption patterns of 16 to 36 units per month that could absorb existing inventory, leaving the potential for additional multi-family rental development.

For owner-occupied units, the City's rates of home ownership have remained stable since the Great Recession, averaging 67% from 2010 to 2019. The number of unoccupied units decreased from 2010 to 2019, indicating a strengthening market with a vacancy rate of around 7.0%. The City's housing market produced an average 901 units per year from 2000 to 2019, with the vast majority as single-family detached units near the Southern Grove property.

According to the national real estate database, CoStar, Inc., Port St. Lucie contains an inventory of nearly 5,100 units in 21 properties. The overall vacancy rate in 2019 was 4.5%, which indicates a stabilized market. The City absorbed 99 units per year, with steadily increasing monthly rents. Overall, these metrics indicate the Port St. Lucie housing market is generally stabilized, with stabilized occupancies, increasing values among owner-occupied properties, and strong lease-up (absorption) activity in new multi-family properties, which are accompanied by increasing monthly rents.













### III. TOUR OF THE PLAN

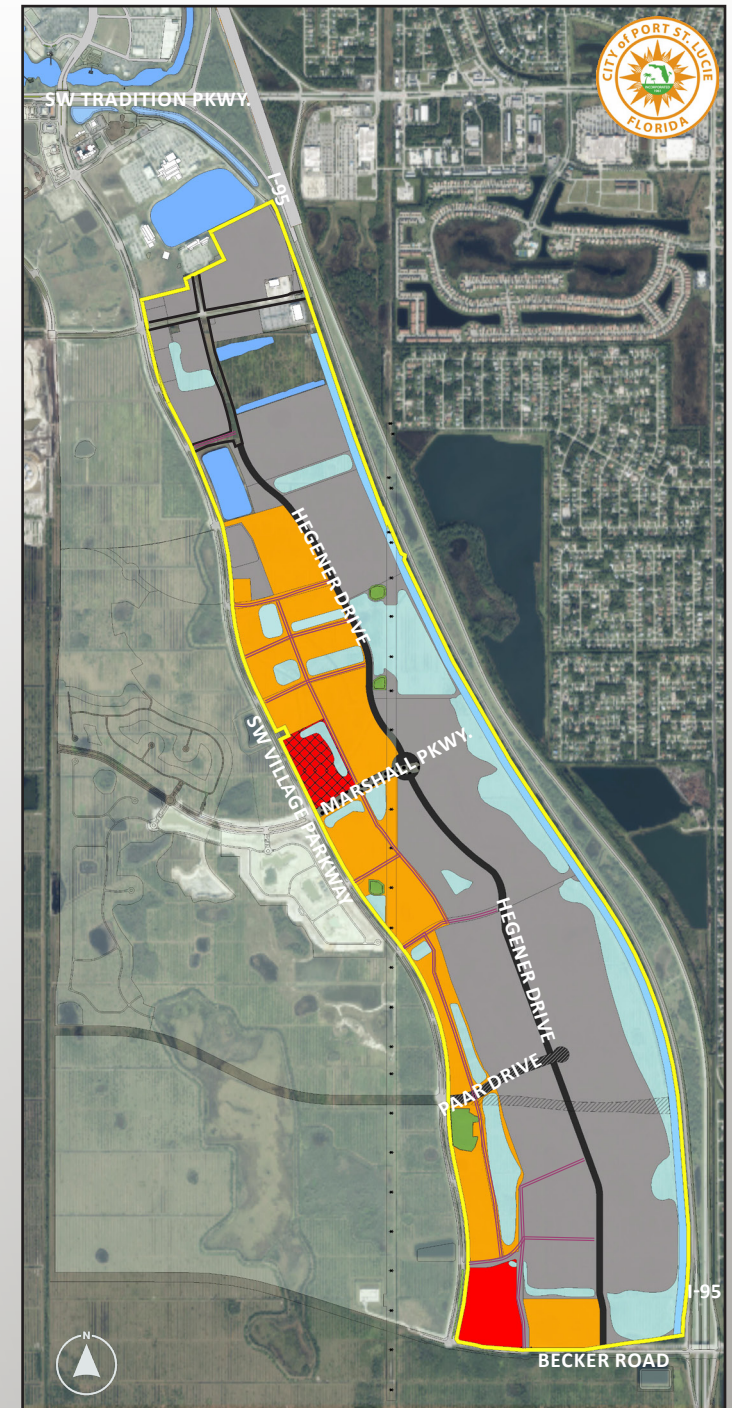
#### SOUTHERN GROVE MASTER PLAN

The Southern Grove Master Plan provides a recommended land development program that differs from the current DRI master plan and recommends revised land use entitlements intended to better correspond to City desires, public expectations, and market realities and trends. Although the initial study area was identified as the roughly 1,200-acre GFC-owned land, the Master Plan goes beyond these boundaries to include portions of the Tradition DRI to accommodate the range of desired uses. The plan includes the following components:

1. Master Plan and Sub-District Diagram
2. Land Use Diagram and Recommended Land Use Entitlements
3. Infrastructure Network Diagrams for multimodal transportation (e.g., roads, transit, and Tradition Trail), water/wastewater, and stormwater
4. Gateway Feature Locations
5. Architectural and Design Recommendations

Each of these is detailed in the sections that follow.

SOUTHERN GROVE MASTER PLAN LAND USE DISTRIBUTION	
LAND USE	NET ACREAGE
MIXED-USE	234.7
EMPLOYMENT CENTER	668.0
LIFESTYLE / COMMERCIAL	43.2
SECONDARY ROAD NETWORK <sup>1</sup>	44.8
DUDA CANAL	55.0
MASTER STORMWATER SYSTEM <sup>2</sup>	174.8
<b>TOTAL GFC LAND</b>	<b>1,220.5</b>
FOOTNOTES	
	STUDY AREA BOUNDARY <sup>3</sup>
	AERIAL (PROPERTIES NOT OWNED BY GFC SHOWN AS BASE AERIAL WITHOUT COLOR OVERLAY; EXCLUDED FROM GFC LAND USE TOTALS)
	WETLANDS (8.8 ACRES, EXCLUDED FROM GFC LAND TOTALS) <sup>4</sup>
	EXISTING STORMWATER LAKES (18.6 ACRES; EXCLUDED FROM MASTER STORMWATER SYSTEM AND GFC LAND TOTALS)
	PENDING LAND TRANSFER TO GFC (21 ACRES; FORMER MATTAMY HOMES PROPERTY INCLUDED IN GFC LANDUSE TOTALS)
	FPL EASEMENT (22.8 ACRES; INCLUDED IN ADJACENT LAND USE TYPES IN GFC LAND USE TOTALS)
	MARSHALL PARKWAY ROW
	FORMER PAAR DRIVE ROW (12.8 ACRES; TO BE ABANDONED TO GFC; INCLUDED IN GFC LAND TOTALS)
	NEW PAAR DRIVE ROW (7.3 ACRES; TO BE ABANDONED TO GFC; INCLUDED IN SECONDARY ROAD NETWORK TOTALS)
	RECOMMENDED ALIGNMENT FOR LOCAL ROADS
FOOTNOTES	
<sup>1</sup> SECONDARY ROAD NETWORK INCLUDES PORTIONS OF HEGENER DRIVE, MARSHALL PKWY & PAAR DRIVE (ROW = 100-150'). STORMWATER TREATMENT FOR SECONDARY ROADS INCLUDED IN MASTER STORMWATER SYSTEM.	
<sup>2</sup> MASTER STORMWATER SYSTEM = 15% OF TOTAL DEVELOPABLE LAND. ADDITIONAL ON-SITE PRE-TREATMENT WILL BE REQUIRED (UP TO 5% OF NET DEVELOPABLE AREA)	
<sup>3</sup> BOUNDARY INCLUDES: 1182 ACRES ORIGINAL GFC PURCHASE (+ 12.8 ACRES PAAR DRIVE ROW ABANDONMENT + 4.7 ACRES MARSHALL PKWY ROW ABANDONMENT +21 ACRES MATTAMY HOMES TRANSFER)	
<sup>4</sup> WETLAND PRESERVATION PER US ARMY CORPS OF ENGINEERS PERMIT.	





III. TOUR OF THE PLAN

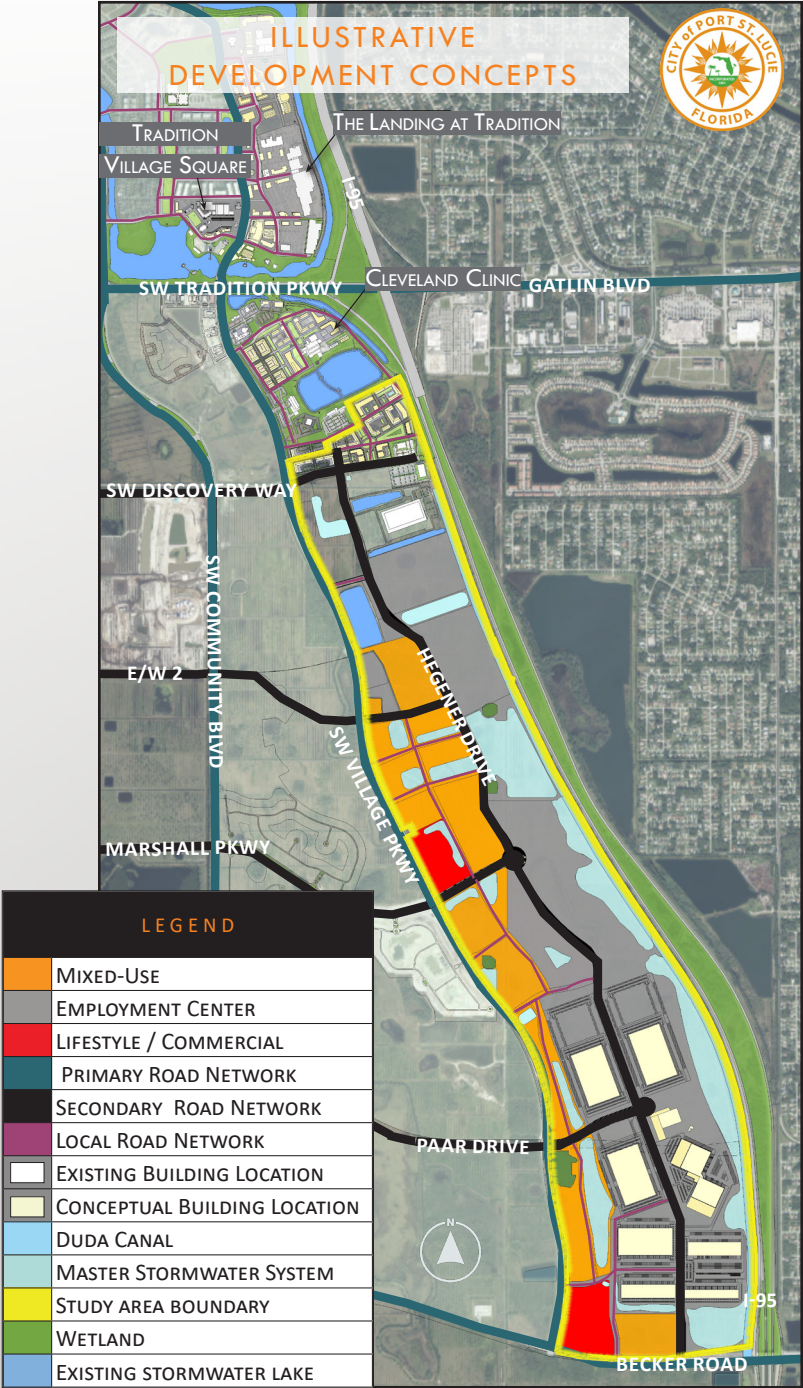
LAND USE OVERVIEW

For master planning purposes, the planning area for the GFC property was expanded to include the GFC core purchase as well as as the southeastern portion of the Tradition DRI, which lies north of Tradition Parkway and south of the "B" Canal. This enables a focus on the GFC property as well as the accommodation of the broader uses identified for the general area. Although the City’s primary focus for the GFC property is job creation, public input received during the master plan process emphasized the desire for an expanded town center, neighborhood destinations, and activity centers in this western portion of the City. The inclusion of the Tradition Village Square and adjacent Landing at Tradition enable the Master Plan to address the public's desires for activities in a manner that will help make existing retail centers more successful while preserving the jobs-centric expectations for the GFC property.

The GFC holdings within Southern Grove are substantial, representing one of the most significant consolidated properties available for large format warehouse/distribution uses in the region. As the population of southeastern Florida has continued to grow, the demand for large-scale industrial uses continues to escalate. The City has acknowledged this demand and begun transacting with large-format users in this niche. This jobs emphasis is maintained in the Master Plan, and nearly three-fourths of all GFC property is recommended for Employment Center use.

The GFC land also represents a “front door” to western Port St. Lucie and is the gateway to what will be tens of thousands of residents along with supporting business establishments over time. Accordingly, both the I-95 frontage and "gateway corridors" (e.g., Tradition Parkway, Becker Road, Village Parkway) are "Welcome to Port St. Lucie" moments. These locations represent significant design opportunities to brand and celebrate the arrival to the City for residents, employees, visitors, and investors.

There is seldom a second chance to make a first impression. Accordingly, there are two key design recommendations to celebrate the significance of these gateway opportunities. The first is for the City to secure and protect several key gateway feature locations: (1) three locations along I-95 that are



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#### SOUTHERN GROVE MASTER PLAN

integrated into substantial stormwater lakes along the interstate, and (2) two corner locations along Village Boulevard at the Becker Road and Marshall Parkway intersections. The second design recommendation is for the City to maintain sufficient property depth along Becker Road and Village Parkway to accommodate mixed-use development that can be suitably buffered from interior large-scale employment uses. These design recommendations will raise the value of the City's holdings and provide for a well-organized, elegant edge for the Southern Grove property and its neighboring uses into stormwater lakes and two along Village Boulevard at the Becker Road and Marshall Parkway intersections.

The Master Plan envisions three land use types be designated for the GFC property:

1. **Employment Center**, envisioned as a high-intensity jobs use focused on industrial, warehouse/distribution, and related uses and is recommended for roughly 70% or 668 net developable acres of the GFC property.
2. **Mixed-Use**, envisioned as a moderate intensity land use including office, retail/commercial, institutional, educational, and higher density residential land uses. The Mixed-Use designation is recommended for roughly 25% or 235 net developable acres of the GFC property.
3. **Lifestyle/Commercial**, envisioned as a higher intensity land use to create nodes of more intense retail/commercial and higher density residential land uses. This use is only recommended for two prime Village Parkway intersections ~ Marshall Parkway and Becker Road ~ each of which is also identified as gateway feature locations with future public transit stops. Together, these two locations represent roughly 5% or 43 net developable acres of the GFC property.

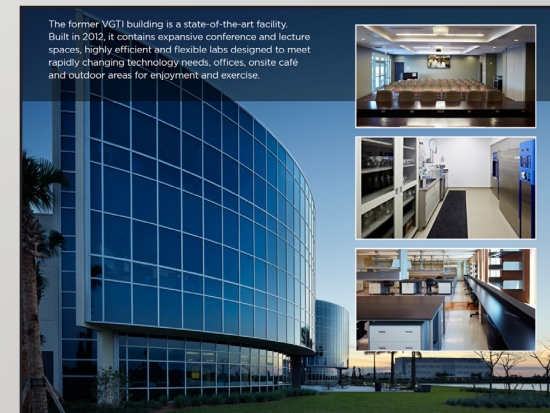
A modified transportation network is envisioned that identifies Hegener Boulevard, Marshall Parkway, and Paar Drive as the secondary roadway network, each of which serves as a minor arterial. Collectively, the secondary roadway network is anticipated to consume roughly 44.8 net acres.

Additionally, as illustrated in the Master Plan, a series of stormwater lakes are identified that represent 15% of the total developable area. The lakes are sized to sufficiently treat the GFC net developable acreage as well as the secondary road network. This acreage plus the Duda Canal, which comprises 55 acres within the GFC property, represents the balance of property within the study area boundary.

The master plan identifies the location of an FP&L easement which occupies 22.8 acres and traverses the GFC property in a north/south alignment. Parcels within this easement can be utilized for a variety of non-habitable uses, such as parking, stormwater, landscaping, and open space, and accordingly, these areas have been assigned one of the three land developable land uses categories.



*Figure 17 The Southern Grove Master Plan is a focal component of the City's Strategic Plan.*



*Figure 18 The former VGTI building, within the Bio/Health District, provides a cutting-edge facility for biotechnology users.*



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#### SOUTHERN GROVE PLANNING DISTRICTS

From the broadest perspective and in an effort to balance local desires and market expectations, the Master Plan conceptualizes the planning area as a series of three sub-districts:

1. TOWN CENTER DISTRICT - from Tradition Parkway north to the “B” Canal, including Tradition Village Square and The Landing at Tradition.
2. BIO/HEALTH DISTRICT - from Tradition Parkway south to Discovery Way, including Cleveland Clinic, the former VGTI building, and a series of medical office and research uses.
3. WORKPLACE DISTRICT - from Discovery Way south to Becker Road, which includes the majority of the study area.

There is a differential between the City’s desires for job intensity in Southern Grove and the public’s desire for an enhanced town center. Outside the GFC property, Tradition Village Square and The Landing at Tradition provide destination retail and entertainment for the City. Rather than compete with these two centers, the Master Plan includes these properties and those north to the “B” Canal in a Town Center District. It is recommended additional retail, entertainment, and active recreational uses be infilled in this district, capitalizing on the high visibility and access provided by I-95 frontage and efficient re-purposing of existing empty retail space. With improved bicycle/pedestrian connections, this district can complement the other districts while maintaining the southern districts for uses with higher job yields.

Acknowledging the catalytic power of Cleveland Clinic and its potential expansion, an intensified Bio/Health District is envisioned at the northern end of Southern Grove, including those properties from Tradition Parkway south to Discovery Way. This district is envisioned to build upon the existing and planned tranch of bio/medical uses, including the hospital and ancillary medical office as well as other planned and anticipated bio/tech research, development, and educational uses (e.g., Florida International University). Recommended development standards to produce a walkable, urban, high intensity district are described later in this chapter.





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#### SOUTHERN GROVE PLANNING DISTRICTS

The southern end of the study area and comprising the majority of the GFC property is a recommended Workplace District, which is envisioned from Discovery Way to Becker Road. The eastern portion of this district, from Hegener Boulevard east to I-95 is reserved for large-format, light industrial users, including warehouse, distribution, and clean manufacturing and assembly with ancillary and supporting office use. The western and southern portions of the district, fronting Becker Road and Village Parkway, are reserved for mixed-use buildings of sufficient depth to accommodate two rows of buildings with appropriate buffers from the interior industrial users. Two key Village Parkway intersections, at Marshall Parkway and Becker Road, are designated as lifestyle/commercial retail nodes that can also incorporate moderate to higher density residential. A design discussion for each of these three districts is provided later in this chapter.



**Figure 19** New development in Southern Grove includes Kaiser University, which contributes to the strength of the district as a center for employment, contributing to the skilled local labor force..



**Figure 20** New multi-family development, such as the AHS site illustrated above, will help balance the diversity of the housing stock near the Southern Grove jobs center.



**Figure 21** Cleveland Clinic is a catalytic anchor for the Bio/Health District.

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#### LAND USE ENTITLEMENTS

Based on the historic and current market and land development trends, a revised land use entitlement is recommended as part of the Master Plan. The City's desire and investor interest in industrial space has increased since the original 2006 DRI; however, demand for retail has declined considerably. While the full effects of the COVID-19 pandemic are still unknown, national retail forecasting suggests up to 50% of now closed retailers will not reopen as the economic recovery occurs. Demand for residential, however, for both townhouse and multifamily appears stronger than initially envisioned for Southern Grove.

Land use entitlements for Southern Grove are further complicated by the SAD and its assignment of proportional infrastructure costs to properties within the DRI. Because the SAD fees are correlated to the original DRI entitlements, GFC land transactions must include negotiated assignments of proportionate SAD fees that consider the original DRI entitlement quantities instead of current market absorption. This adds complexity to land transactions and further complicates the ability to consistently compare and forecast GFC land sales and resulting City revenues. Recalibrating both land use entitlements and the SAD fee structure to current market trends would help rationalize future land transactions as well as traffic and infrastructure demands associated with the Southern Grove property. (NOTE: A detailed analysis of financial obligations and constraints related to the SAD along with recommended property disposition strategies will be included in Part 2, which will be presented for City Council review in January 2021.)

Based on adjusted land development and market trends and considering the allocated and pending entitlements subject to completed and ongoing GFC land sales, the Master Plan recommends revising the land entitlements as presented in the table to the right.

#### RECOMMENDED ENTITLEMENTS FOR GFC OWNED LAND (1215.9 acres including pending 21-acre transfer from Mattamy)

CATEGORY	CURRENT	PROPOSED	ALLOCATED/ PENDING	REMAINING
Residential (SF units)	-	-	-	-
Residential (TH units)	786	900	-	900
Residential (Apt units)	900	900	372	528
Retail (SF)	2,582,851	500,000	49,478	450,522
Office (SF)	4,296,480	1,000,000	155,481	844,519
Warehouse/ Industrial (SF)	3,838,336	8,000,000	4,353,743	3,646,257
School (SF)	-	-	-	-
R&D (SF)	(Included with ofc)	1,000,000	-	1,000,000
Hotel (Beds)	240	500	204	296
Hospital (Beds)	-	-	-	-



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#### INFRASTRUCTURE PLAN

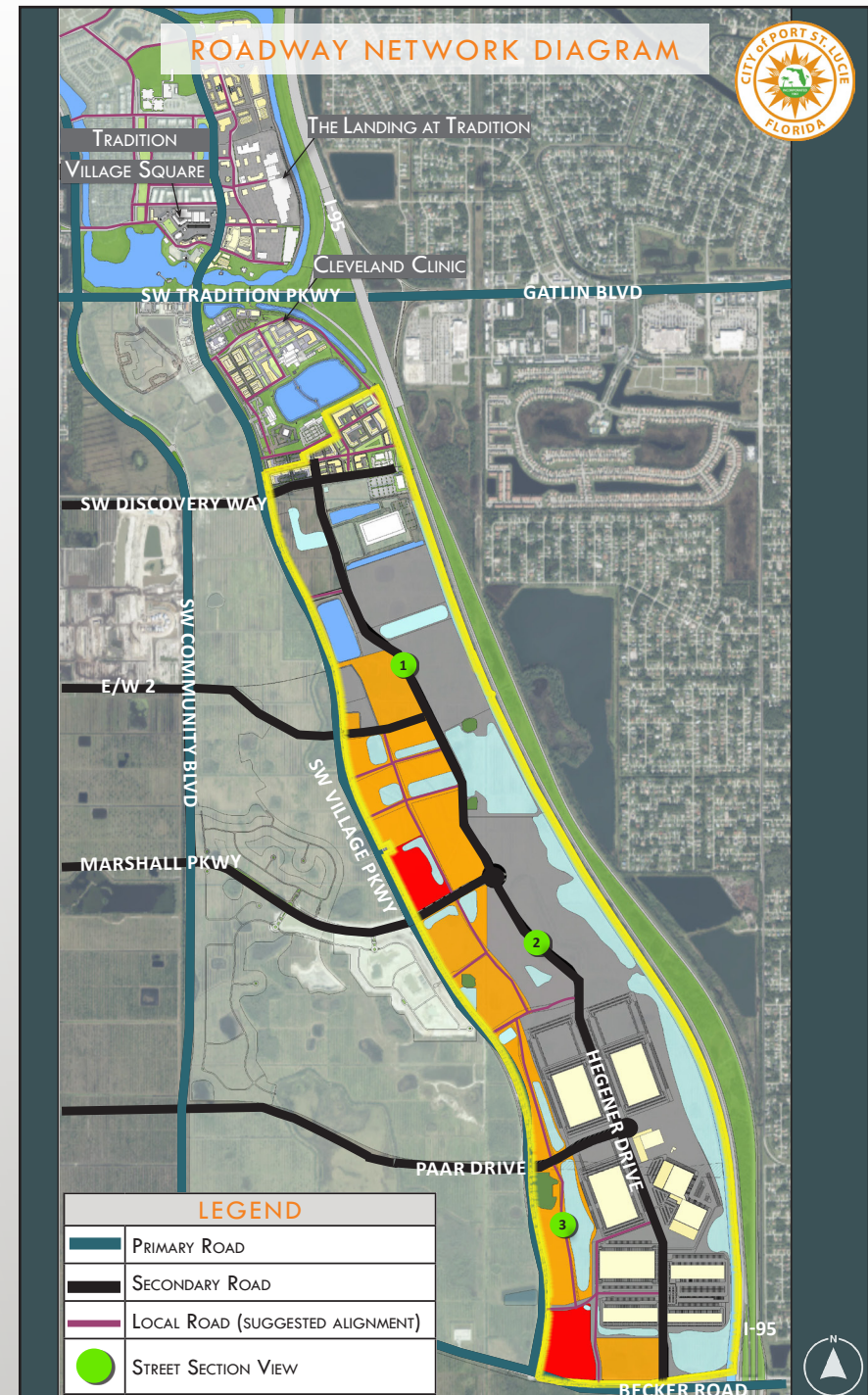
There are three categories of infrastructure addressed in the Southern Grove Master Plan: Transportation, Water/Sewer, and Stormwater. The recommended networks for each are designed to improve efficiency, connectivity, and access, while increasing development yields for the GFC property. The Southern Grove CDDs were established to manage the financing of DRI-required infrastructure. Accordingly, the Master Plan has been developed with iterative feedback from the CDD, and continued coordination will be necessary to implement the recommended infrastructure networks. Cost estimates for the infrastructure improvements identified in the Master Plan are provided in Appendix D.

#### TRANSPORTATION NETWORK

The success and sustainability of any development opportunity relies upon a well-planned interconnected transportation network that balances the demands of regional and local traffic. The Southern Grove Transportation Network includes vehicular, transit, and shared-use facilities that are designed to achieve this balance. The Master Plan includes a full range of land uses, mixing residential, workplace, retail/entertainment, education, institutional, recreational, and industrial warehouse, assembly, and distribution. Accordingly, the Master Plan recommends a multimodal network of complete streets that accommodates the broad needs range of users among the traveling public.

**1. VEHICULAR NETWORK:** There are three components of the vehicular network, including primary (regional/major arterials), secondary (regional/minor arterials), and tertiary (local) roads (see Roadway Network Diagram in this section).

- **PRIMARY NETWORK:** To provide regional access, the Southern Grove property is well-positioned along I-95 with two interchanges at Tradition Parkway and Becker Road. Village Parkway provides the western boundary of the GFC property. These roadways constitute the primary roadway network for the GFC property and are shown in black on the Roadway Network Diagram. Although the current



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DRI DO requires two I-95 improvements aligned with Marshall Parkway and Paar Drive, updated traffic studies indicate neither of these improvements are needed, and consequently, both have been removed from the Master Plan. The City should revise the DRI and Comprehensive Plan accordingly. Recommended roadway alignments have been designed to accommodate future roadway expansion if future conditions warrant.

- **SECONDARY NETWORK:** As required by the DRI DO, the secondary network for the Master Plan includes a loose grid of 2-lane and 4-lane minor arterials, with Hegener Boulevard serving as a north/south spine road with four east/west lateral connections: Discovery Way, “East/West 2,” Marshall Parkway, and Paar Drive (shown in black on the Roadway Network Diagram). Each of the secondary east/west roadways is planned to connect to SW Community Drive, which helps create the larger secondary roadway grid for Southern Grove and the adjacent properties. These connections are critically important to relieve transportation demands on the primary roads and promote internal interconnectivity.
- **LOCAL/TERTIARY NETWORK:** To maintain efficiency and balance demands on the primary and secondary roads, the Master Plan recommends a tertiary network of local roads be anticipated, which would be constructed as part of private developments over time. Suggested alignments for these local roads are illustrated in purple on the Roadway Network Diagram.

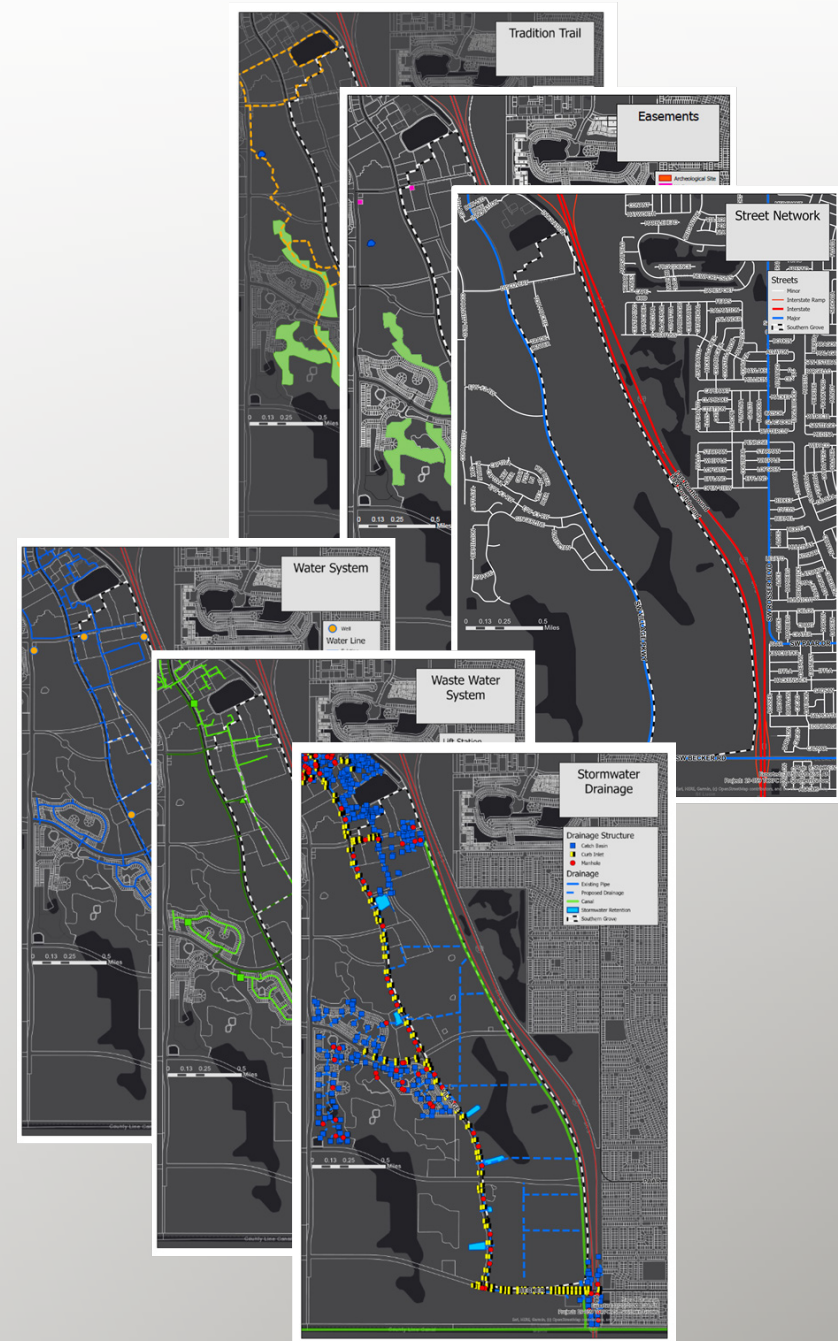


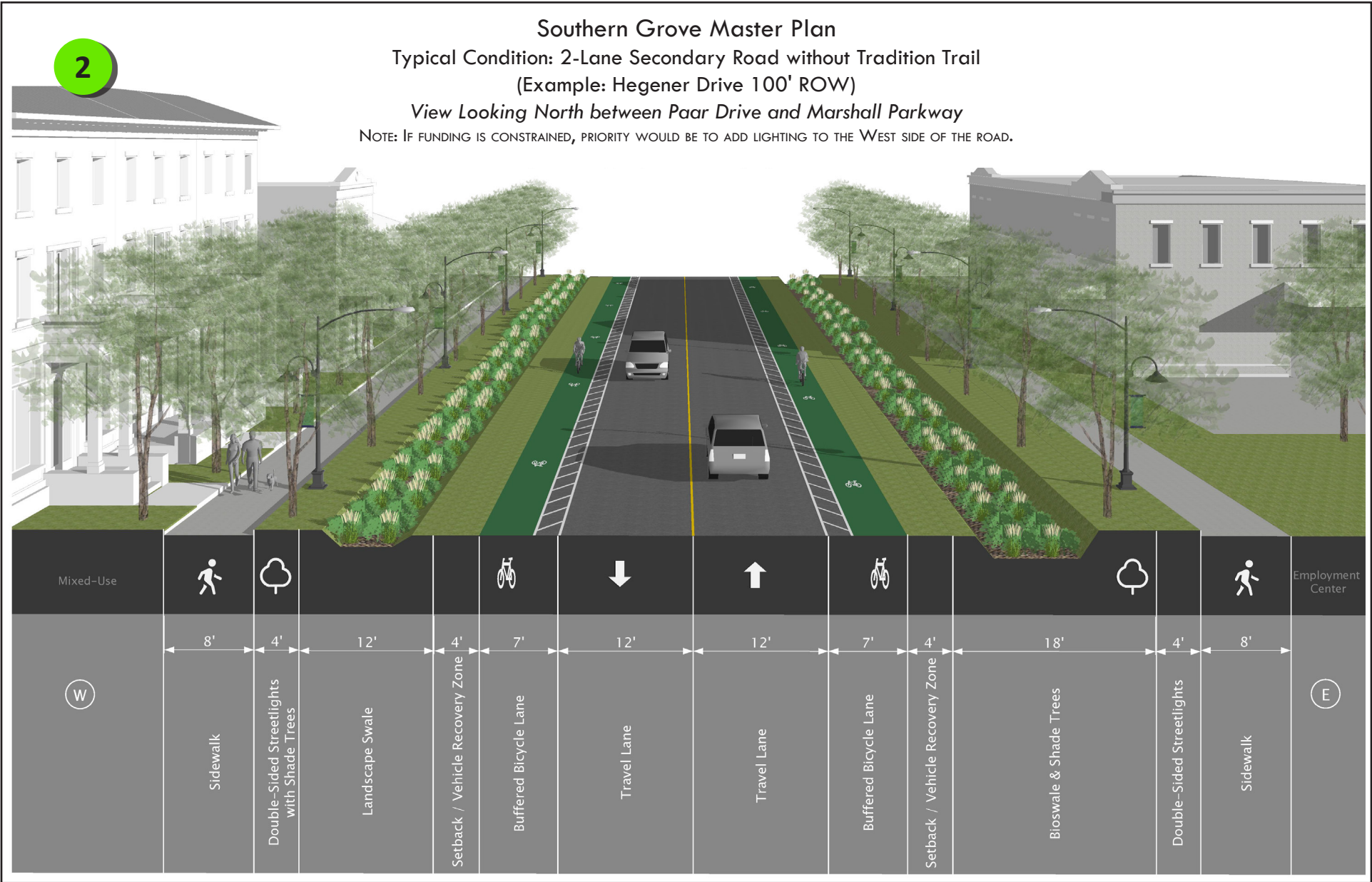
Figure 22 Infrastructure Assessment Maps



## SOUTHERN GROVE MASTER PLAN

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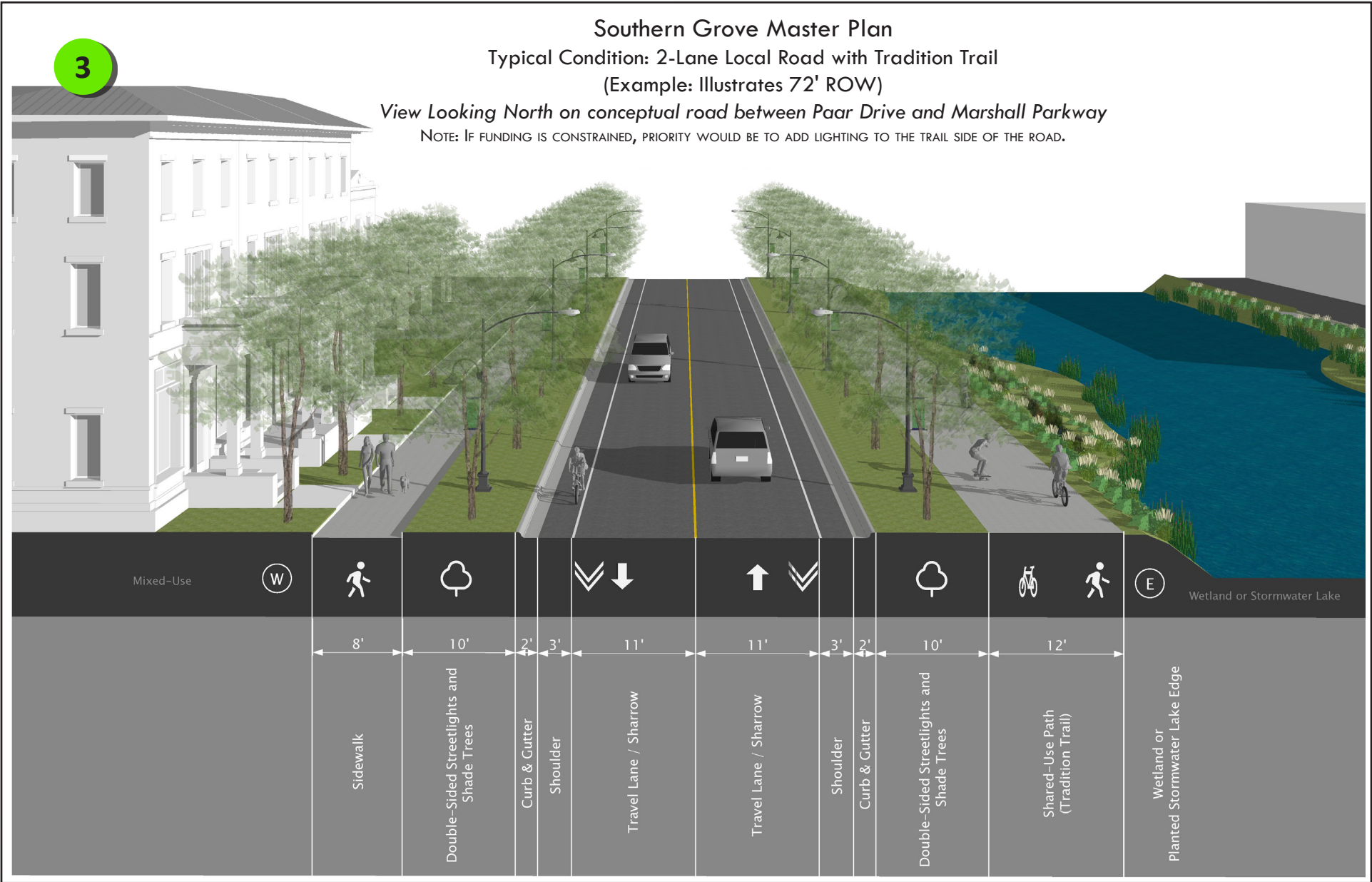
INFRASTRUCTURE PLAN - STREET SECTIONS





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INFRASTRUCTURE PLAN - STREET SECTIONS



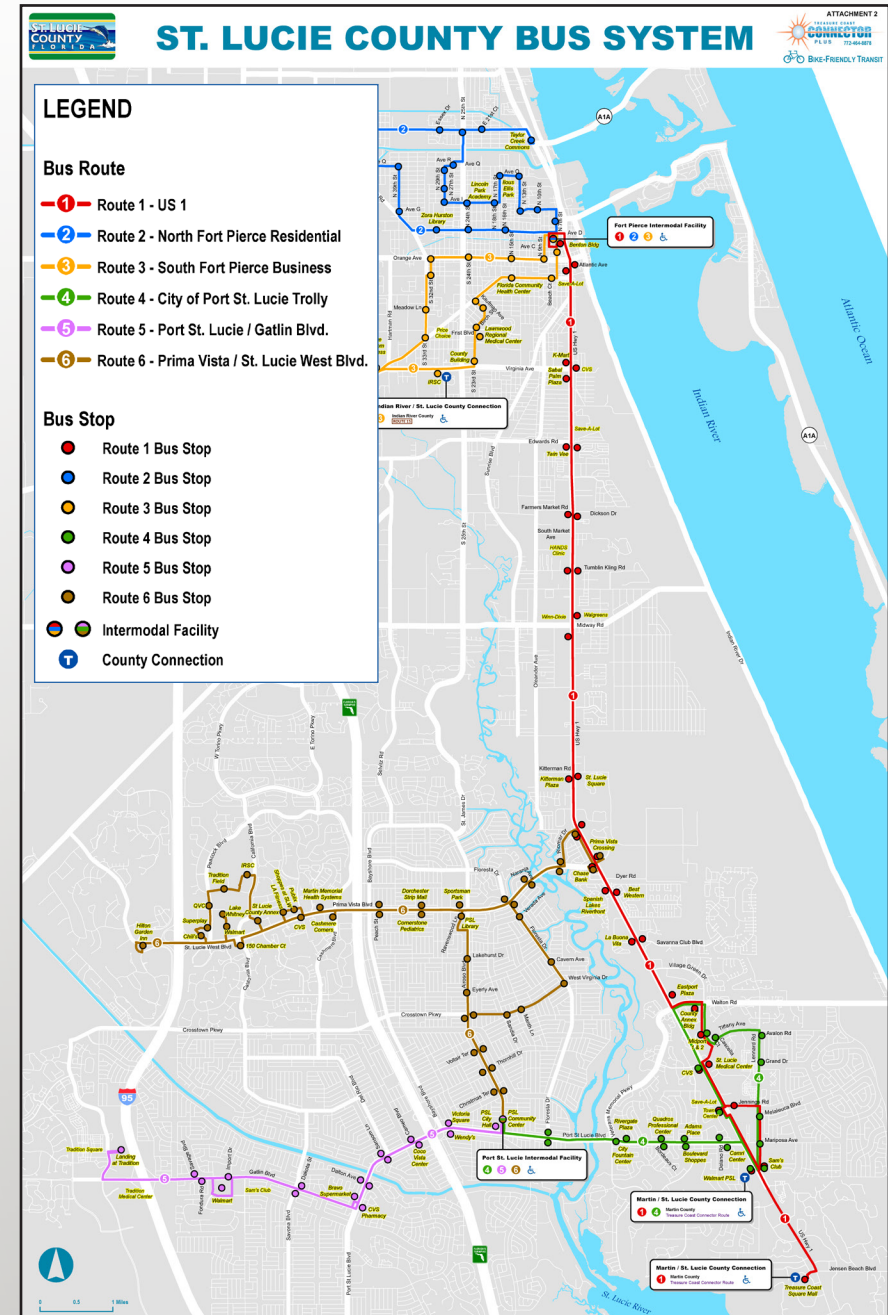
### III. TOUR OF THE PLAN

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The tiering of roads in the recommended Southern Grove transportation network is designed to balance the needs of different transportation users and utilize roadway frontages as front door or "main street" marketing opportunities for the GFC property. Primary and secondary roadways are considered "A" streets, intended to have minimal driveway interruptions to reduce points of conflict for vehicular and nonmotorized users (e.g., on bike and foot). By shifting building frontages towards these roadway frontages and parking areas and driveways away from them, these roads can serve as main streets, with the highest degree of architectural and design expectations along these corridors. Given the width of primary and secondary roads, minimum two-story building heights are recommended at shallow setbacks achieved through "build-to" lines, which will help enclose these corridors visually. This tighter arrangement of buildings along these roadways will help enclose these corridors visually, provide natural traffic calming, and enhance the pedestrian experience, producing a safer and better balanced transportation experience.

Counterbalancing the A streets, the local, or tertiary roads are intended to serve as "B" streets, providing side and rear-street access to properties fronting A streets. In the roadway network, parking areas, utilities, and rear-building frontages would be anticipated along B streets. While A streets prioritize form over function, B streets are more functional in appearance and performance, providing relief and dispersion within the transportation network. Through traffic occurs on A streets while local access occurs through B streets.

Given the warehouse/distribution uses anticipated in the Workplace District, there is extensive freight demand anticipated from truck traffic on the Southern Grove transportation network. The Master Plan suggests these uses will be concentrated on the eastern portion of the GFC property, mostly east of Hegener Drive. To facilitate I-95 access, truck routing is anticipated to flow through the Workplace District on Hegener Drive, Marshall Parkway, and Paar Drive, accessing Village Parkway and Becker Road at lighted intersections in these locations. Roadway geometries, traffic calming, and signage are recommended to discourage truck traffic on the local roads, which will improve the efficiency and safety of the entire road network.





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**2. TRANSIT NETWORK:** Transit service is a foundational component of a multimodal transportation network. St. Lucie County's Transit Division provides eight fixed routes, with a stop at the Tradition Parkway/Village Parkway intersection, and a pilot ride-hailing microtransit service. As residential and employment populations grow in Southern Grove, expanded transit service will become a more efficient component of the County's system. Four additional transit stops are anticipated in the Southern Grove Master Plan, including Cleveland Clinic along with Discovery Way/Village Parkway, Marshall Parkway/Village Parkway, and Becker Road/Village Parkway.

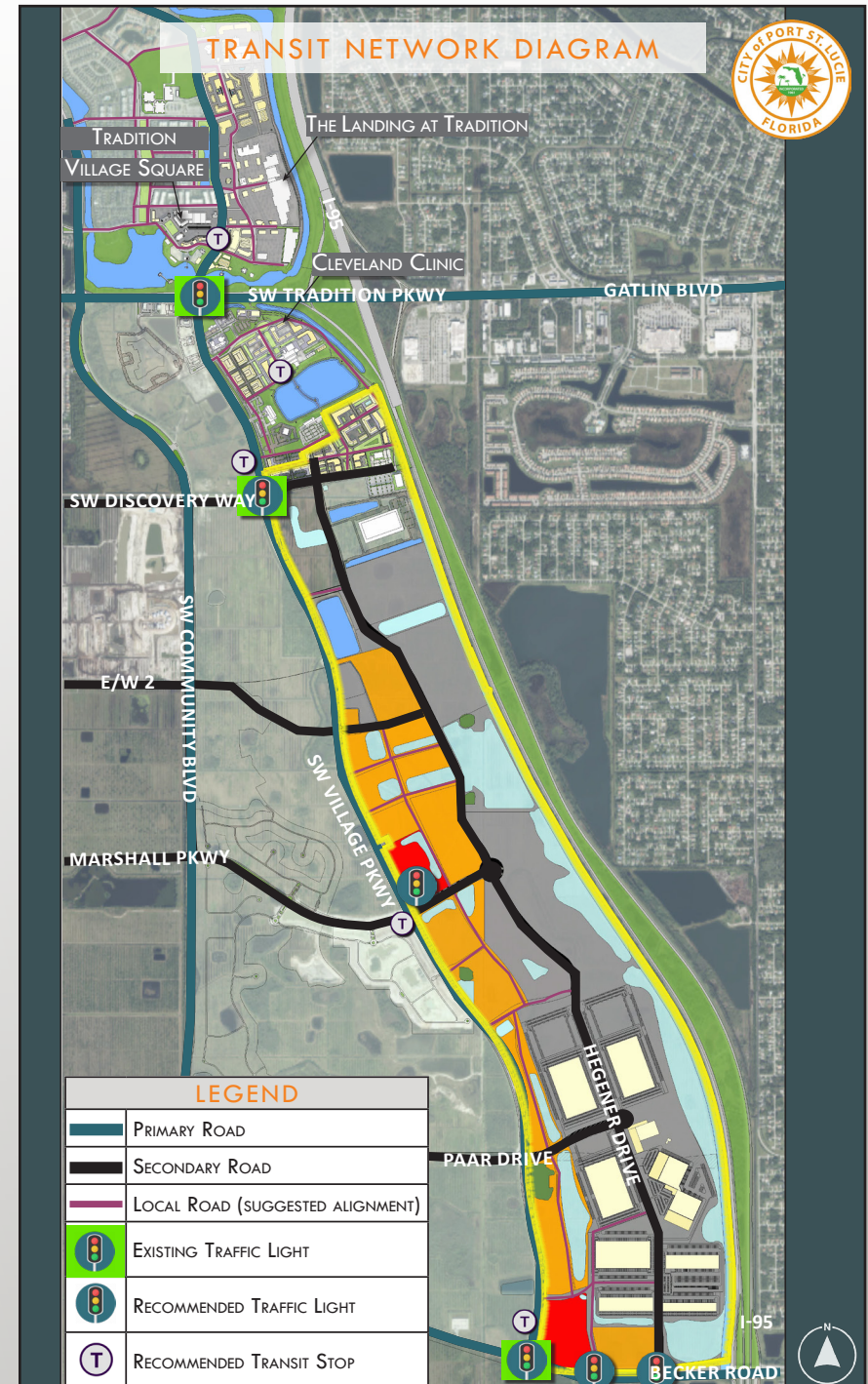
**3. TRADITION TRAIL NETWORK:** A signature transportation feature of the Southern Grove DRI and the adjacent Tradition and Western Grove DRIs is Tradition Trail, which is a premium shared-use path system designed to accommodate bicyclists, pedestrians, personal mobility modes (e.g., scooters, skateboards golf carts where appropriate, and potentially a microtransit service that could be provided by a small autonomous shuttle. Tradition Trail provides a mostly grade-separated network available for a variety of trip purposes – accessing work, school, residential, and retail/entertainment destinations, parks and community facilities, and for recreational purposes generally.



**Figure 24** Mattamy Homes and Beep, Autonomous Mobility Solutions autonomous electric shuttle service in the Tradition community. Credit: TCPalm



**Figure 25** Well-planned, multimodal networks that accommodate all members of the traveling public help create competitive destinations for investment and job growth. Credit: St. Lucie County





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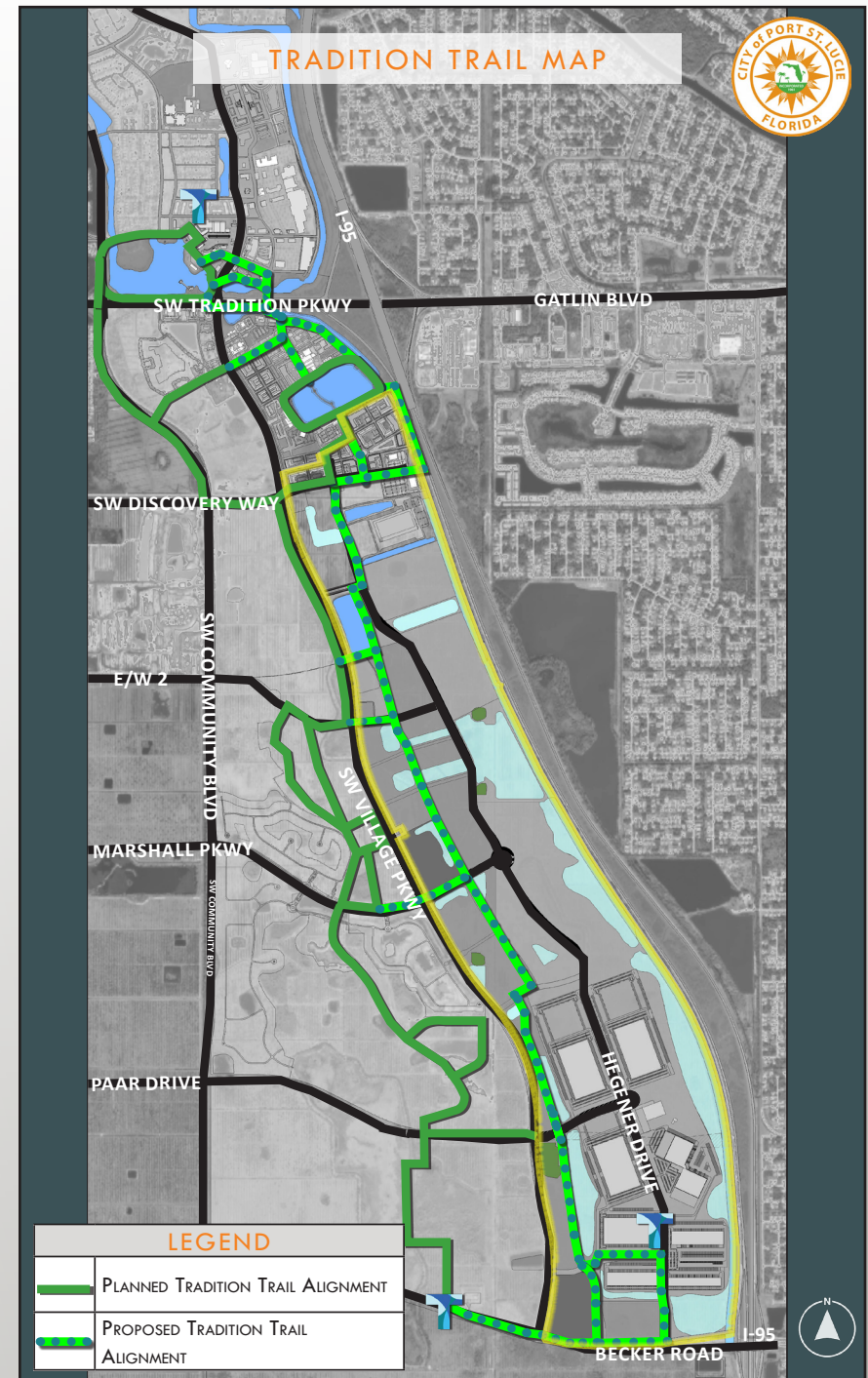
#### INFRASTRUCTURE PLAN

As the master developer for the balance of property within the Southern Grove DRI, Mattamy Homes has delineated an alignment for the Tradition Trail facility through its properties west of Village Parkway, across Discovery Way, to connect to Cleveland Clinic, north through the Bio/Health District across Tradition Parkway into the Town Center District. The Southern Grove Master Plan builds upon the core Tradition Trail network and extends it through the Workplace District, east of Village Parkway, and north to connect to the Bio/Health District and beyond. The trail alignment is located adjacent to the local/tertiary roadway network, along the edges of the master stormwater lakes identified in the Master Plan. The recommended Tradition Trail alignment is depicted on the Tradition Trail Map provided in this section. It should be noted that Tradition Trail is intended to connect multiple DRIs in the Western Annexation Area, including Southern Grove as well as Tradition and Western Grove.

One of the most significant challenges in trail network designs is safe trail crossings of the roadway network. As illustrated in the Tradition Trail Map, there are several trail crossings at lighted intersections throughout the roadway network. The most challenging of these is the crossing at Tradition Parkway due to its wide 6-lane configuration, with high traffic volume warranting additional turn lanes at its intersection with Village Parkway. The ability to connect bicyclists and pedestrians from the GFC property to the Town Center is especially important to help support the mixed-use



**Figure 26** Tradition Trail is a popular amenity for recreation and access throughout the various developments west of I-95. Credit: TCRPC





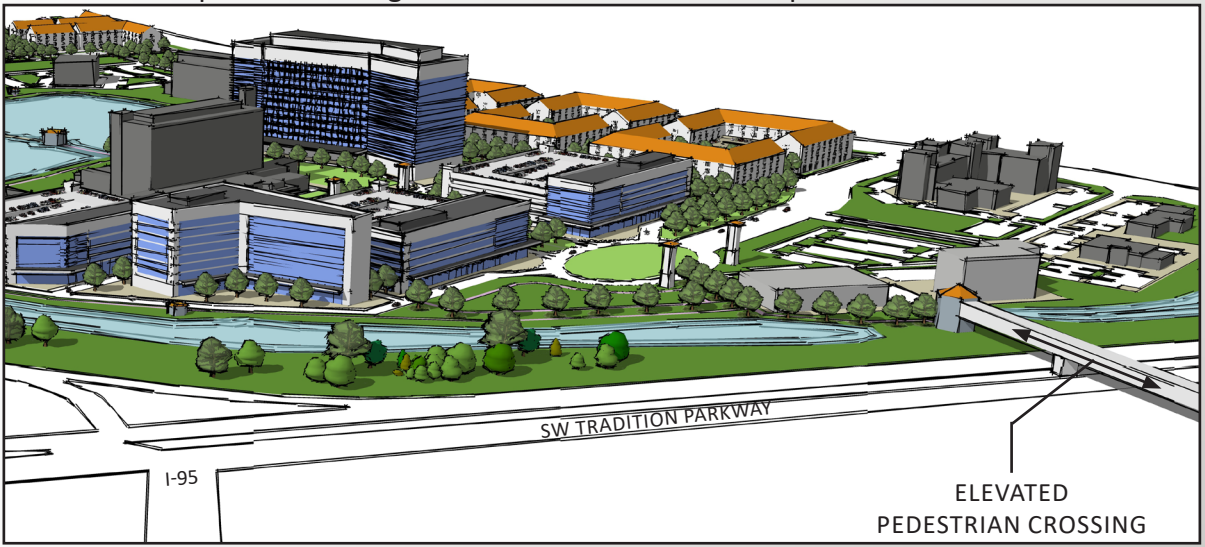
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performance of the Master Plan. Concentrating the retail/entertainment uses in the Town Center District is designed to help expand the district’s market share and revenue potential. Safe and convenient walk/bike access to the Town Center District for Southern Grove residents and employees will improve sustainability and marketability of the uses to the south.

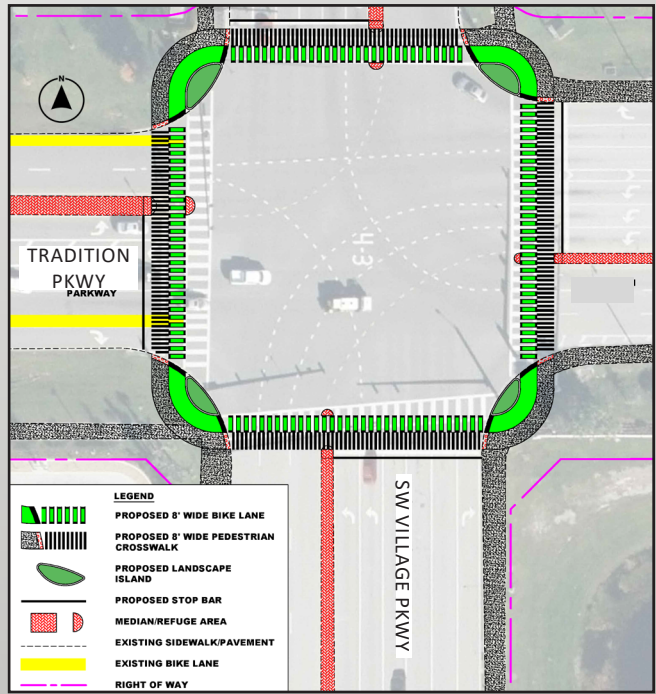
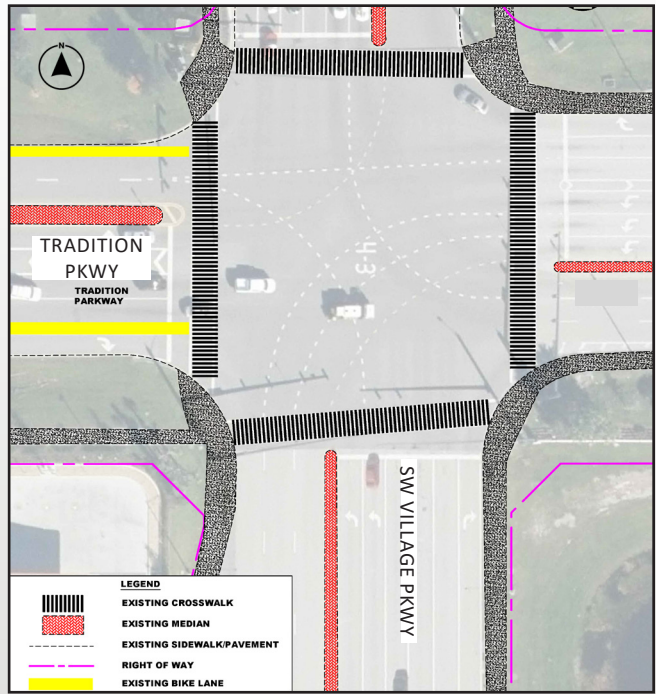
Two key improvements are identified to improve the walk/bike access across Tradition Parkway:

- A “Dutch Intersection” is proposed as a near-term improvement at the Tradition Parkway/Village Parkway intersection. This would shorten crossing distances by introducing pedestrian refuges in the medians and protect shared-use paths by relocating them behind curbed bulb-outs.
- An elevated pedestrian crossing is also envisioned mid-block between the Tradition Parkway/Village Parkway intersection and I-95. This crossing would align with the eastern extension of Tradition Trail, due north of Cleveland Clinic, with a trail segment at the southern end of The Landing at Tradition. Elevated pedestrian bridges at similar locations present opportunities for gateway art and branding. Examples of this longer-term recommendation are provided in this section.



**Figure 27** As rendered above, an elevated crossing over SW Tradition Parkway would allow for safe pedestrian crossing located between the north end of Cleveland Clinic and The Landing at Tradition.

**Figure 28** As illustrated to the right, a “Dutch Intersection” at the intersection of Tradition Parkway and Village Parkway would improve safety by shortening crossing distances for bicyclists and pedestrians and introducing pedestrian refuges in medians.





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WATER AND WASTEWATER SYSTEM

Consistent with the Southern Grove DRI, the water and wastewater service for the Southern Grove Master Plan includes utilities on the secondary roads, namely Hegener Drive, Marshall Parkway, and Paar Drive. Water service includes the addition of 12" water mains and fire hydrants according to development demand with interconnections to existing water mains on Village Parkway and Becker Road and a 24" water main connection at Paar Road from Village Parkway to Rosser Boulevard. Gravity sewers, lift stations, and 8" force mains have planned connections to existing Village Parkway force mains according to development demand, which are recommended for construction concurrently with extensions to the potable water system and secondary roadway facilities.

STORMWATER SYSTEM

Stormwater management for the Southern Grove Master Plan has been arranged to produce the highest quality stormwater treatment in the most efficient manner for the GFC property. Given the topography of the Western Annexation Area, stormwater tends to drain from west to east, collecting in the Duda Canal which lies west of I-95. From the Duda Canal, stormwater drains south to the C-23 Canal, which ultimately empties into the North Fork of the St. Lucie River. Stormwater lakes have been developed incrementally, wherein each development has addressed its stormwater requirements on a site-by-site basis. This has led to upstream flooding during some storm events, where stormwater lakes store too much water. Conversely, in times of drought, upstream stormwater lake levels have been too low, leaving dried lake banks which are unattractive elements in the Southern Grove area. An additional stormwater complication is the requirement for the GFC property to convey stormwater from properties west of Village Parkway. Finally, soils studies for Southern Grove indicate the best quality soils tend to be located immediately west of the Duda Canal, along the eastern perimeter of the GFC property. There are well-documented challenges with the lack of suitable fill for properties in Southern Grove and Tradition DRIs. To mitigate these challenges and maximize efficiency, stormwater lakes have been proposed in these locations. A general stormwater lake diagram is provided in this section.





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#### INFRASTRUCTURE PLAN

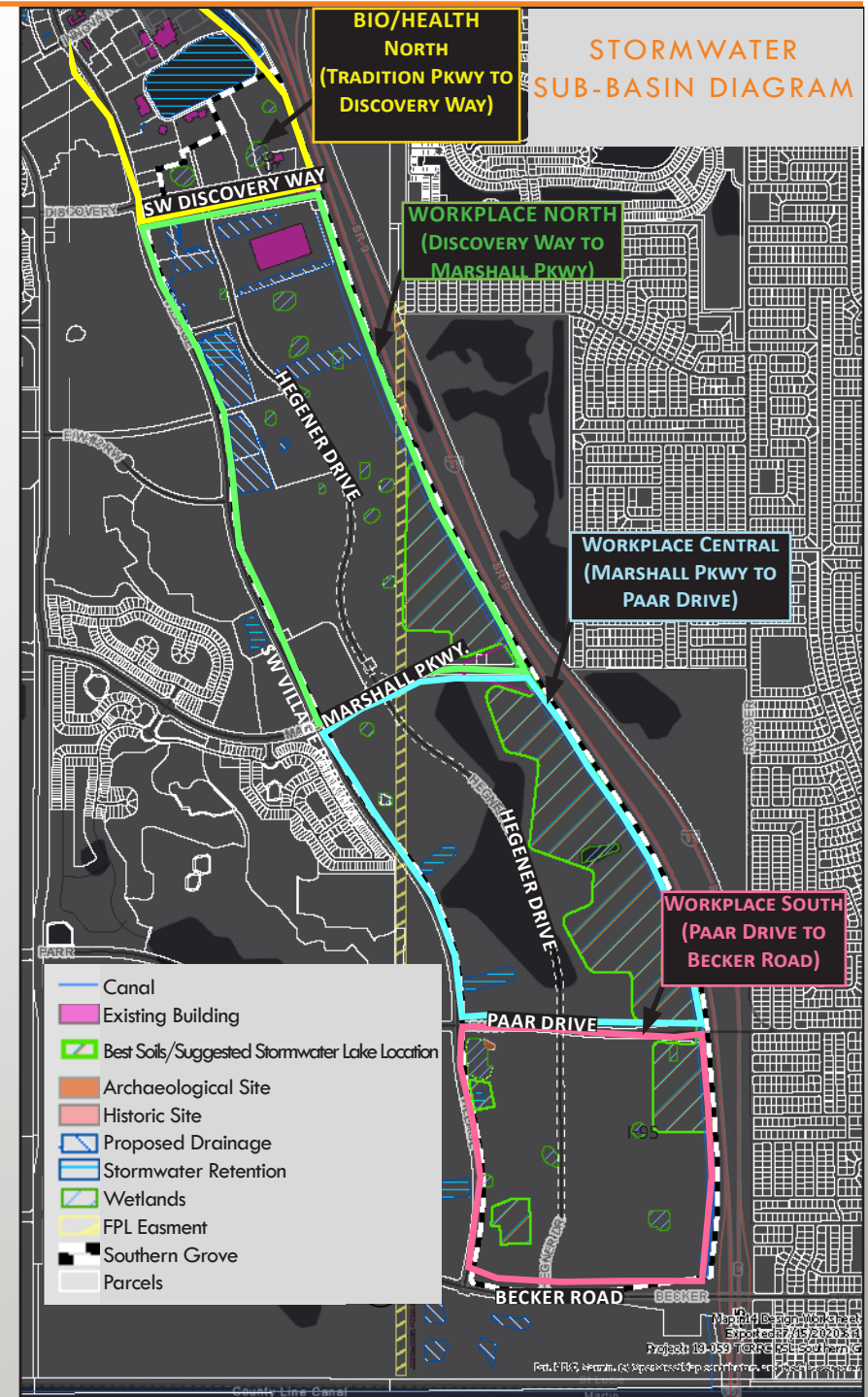
To optimize stormwater management in the Southern Grove DRI, and to maximize the utility, appearance, and function of stormwater lakes, a master, interconnected stormwater lake system is recommended as part of the Master Plan. The lake system has been sized to accommodate the off-site drainage requirements for all GFC property, which would require approximately 174 acres or 15% of the total developable area and roadways. While individual development would still require pre-treatment on-site, which would typically require about 5% of developable area, the utilization of a master stormwater system would raise the net value of GFC property by enabling higher intensity development. As indicated in the Master Plan, the recommended locations for stormwater lakes are designed to accomplish several design objectives:

1. Utilization of best quality soils to reduce costs for fill as needed for development
2. Lake locations between I-95 and building frontages to broaden visual range of buildings and distribute I-95 visibility to more GFC parcels
3. Development of larger lakes along I-95 that can accommodate fountains for aeration and gateway branding for Southern Grove
4. Utilize linear lakes as transition buffers between industrial and mixed-use areas and for the Tradition Trail alignment

To optimize management of the stormwater lake system, a series of four sub-basins is recommended, each of which would contain a drainage control structure in the Duda Canal. A conceptual sub-basin diagram is provided on this page.

As envisioned, lake levels within each sub-basin would be controlled by the structure. As needed, pre-storm drawdowns could allow lake levels to be lowered prior to storm events to prevent upstream flooding. Alternatively, in times of drought, the master stormwater system would allow stormwater to be held back to maintain higher lake levels, healthier littoral zone plantings, and more attractive lake appearances.

Cost estimates for the recommended infrastructure improvements identified in the Master Plan are included in Appendix D.



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#### NATURAL SYSTEMS

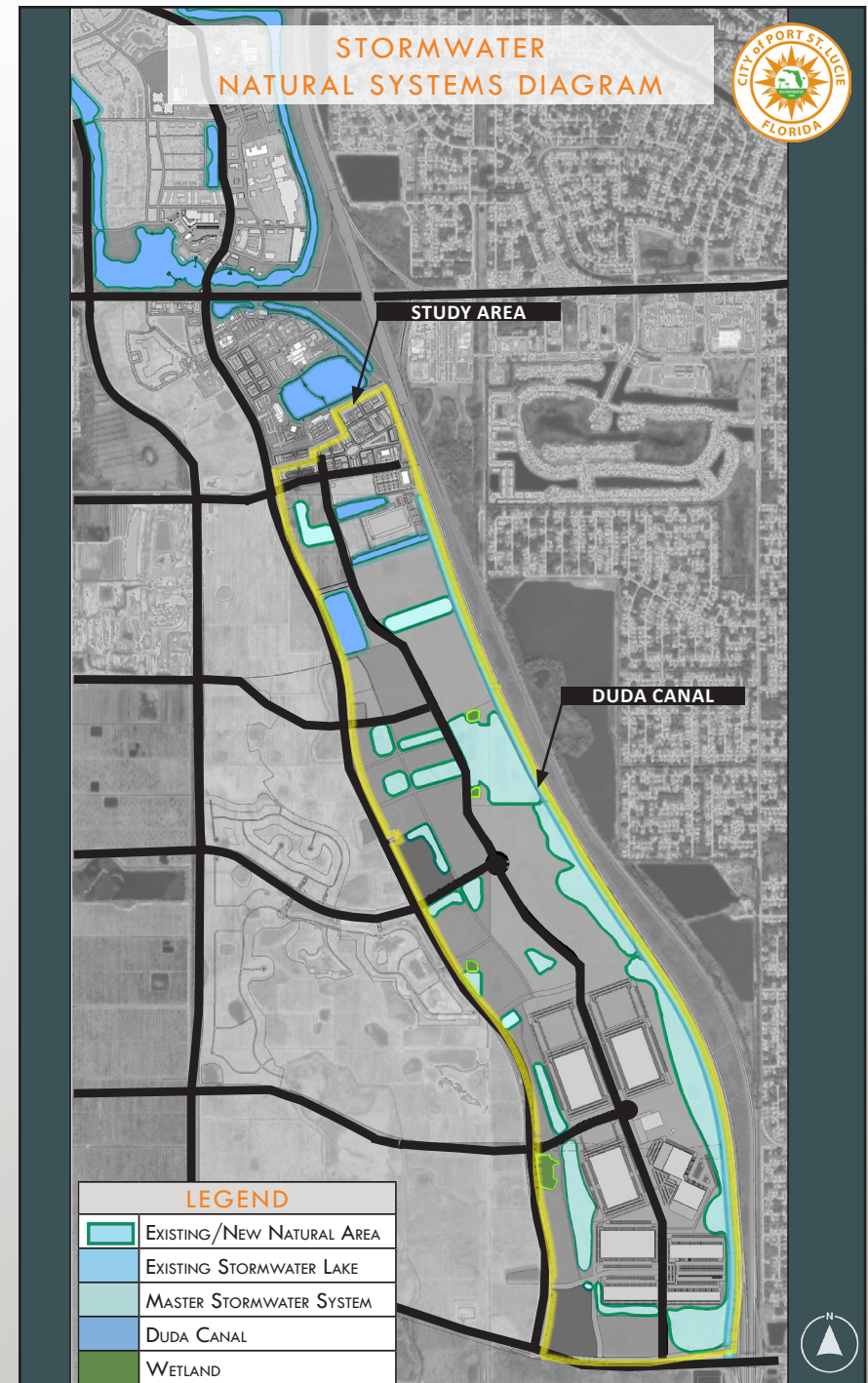
The Southern Grove Master Plan creates an opportunity for the City to interconnect natural and man-made habitat for an improved environmental condition. After decades of active agricultural use, there is little remaining habitat in the Southern Grove property. Environmental permitting through the South Florida Water Management District and U.S. Army Corps of Engineers includes wetland delineation for four wetlands: three small wetlands adjacent to the FP&L easement and a fourth larger wetland at the southeastern corner of Village Parkway and Paar Drive. Additional, prior environmental permitting requires natural plantings along the western edge of the Duda Canal to create a litoral zone that will function as natural habitat once established.

In addition to these on-going environmental activities, the Master Plan recommends a series of stormwater lakes, with larger lakes located along the eastern edge adjacent to the Duda Canal and smaller lakes dispersed throughout the GFC property to provide stormwater conveyance as required. The GFC ownership of the Southern Grove property offers an opportunity for the City to establish a lake design standard that balances efficiency, aesthetics, and habitat quality. While the Master Plan estimates lake locations and sizes, the design details of stormwater lakes will be accomplished through site design. The Master Plan recommends stormwater lakes be designed with natural, curvilinear edges and native plantings to establish functional litoral zones that introduce natural habitat back into Southern Grove. Stormwater lakes can become development amenities, and if planted appropriately, can provide linear habitat and a complementary linear edge for Tradition Trail through Southern Grove. As illustrated in the diagram to the right, the combination of existing wetlands, Duda Canal, and stormwater lake edges can retrofit an improved natural system into Southern Grove that will improve stormwater quality and amenitize development potentials.



**Figure 29** With native plantings and curvilinear edges, stormwater lakes can provide habitat quality and aesthetic amenity.

SOUTHERN GROVE MASTER PLAN





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#### ILLUSTRATIVE DEVELOPMENT SCENARIOS AND CONCEPTS

The Southern Grove property is a highly visible opportunity for the City, with nearly four miles of frontage along I-95. The Tradition DRI has been noted for its high design standards, introducing an urban, mixed use form into its Village Center and neighborhoods that hallmark the community. Projects built within the Southern Grove DRI are varied, with a more suburban arrangement of buildings and features. To capitalize on the value embedded in the GFC property, an increasingly urban, walkable land development pattern is recommended to produce a more efficient land use pattern. The aggregation of stormwater treatment off-site in larger stormwater lakes enables higher intensity land development on private parcels. Building upon this efficiency, the master plan recommends a more structured arrangement of streets, blocks, and building frontages that will allow increased land development intensity. While large-format industrial users are anticipated to develop with lower-density campus formats, it is recommended the balance of development in Southern Grove conform to traditional design principles. This will maximize interconnectivity, walkability, and efficiency of development, increasing development yields and maintaining the value of the GFC holdings through build-out. A compendium of recommended traditional design principles is provided in Appendix F.

#### TOWN CENTER DISTRICT

Although properties within the Town Center District are outside GFC ownership, there is a symbiotic relationship between a successful, vibrant Town Center and the sustainability and marketability of the GFC-controlled districts to the south. The current land development pattern in the Town Center District is mixed, with an urban arrangement of blocks and buildings in Tradition Village Square but a traditional suburban “big box” arrangement in The Landing at Tradition. To enable properties throughout this district to function synergistically, an infill pattern is recommended that extends an urban block structure from Tradition Village Square to The Landing and north towards the "B" Canal.



*Figure 30 Tradition Village Square currently serves as a town center destination for the larger western annexation area, hosting popular special events such as food truck rallies and arts/craft shows. Photo Credit: Top-Visit St. Lucie, Bottom - Tradition community organization, Bottom left-Getty images.*





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#### ILLUSTRATIVE DEVELOPMENT SCENARIOS AND CONCEPTS

Public input received through the master plan process emphasized the public's desire for expanded town center uses in the western portion of the City, including lifestyle center uses such as shopping, dining, and entertainment as well as active recreational uses (e.g., golf driving range; mini-golf, go-karts, water parks and water-related activities, archery, paintball). Both Tradition Village Square and The Landing at Tradition contain extensive infill opportunities to absorb these uses. In addition to vacant properties immediately east of Village Parkway, The Landing at Tradition includes expansive surface parking lots that could be reshaped with infill buildings, retrofitting a walkable block structure into this suburban condition. Additionally, there are several

vacant parcels along the Tradition Lake edge that could become attractive opportunities for food and beverage establishments. At the western edge of the Village Square is a small peninsula that could accommodate a small amphitheater, the annual special event activities that are otherwise programmed in the district.

To help illustrate the potential infill pattern in the Town Center District, a series of development perspectives have been provided in this section that illustrate the street and block pattern that can be accomplished with carefully placed building frontages.

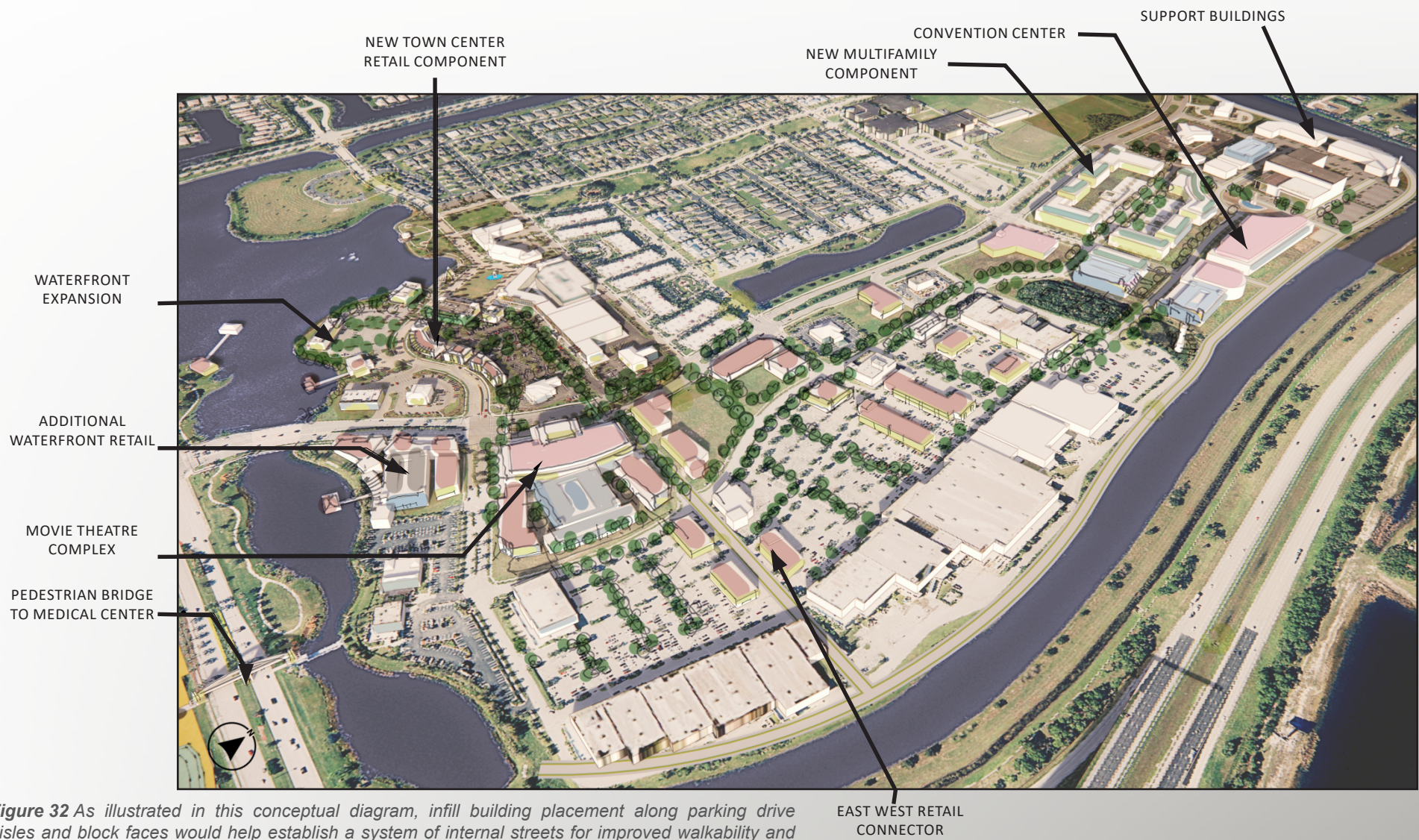


**Figure 31** The Landing at Tradition, pictured above, contains substantial infill opportunities that can help improve its connection with Tradition Village Square and enable a more robust Town Center



III. TOUR OF THE PLAN

ILLUSTRATIVE DEVELOPMENT SCENARIOS AND CONCEPTS



**Figure 32** As illustrated in this conceptual diagram, infill building placement along parking drive aisles and block faces would help establish a system of internal streets for improved walkability and connectivity in the Town Center District.



### III. TOUR OF THE PLAN

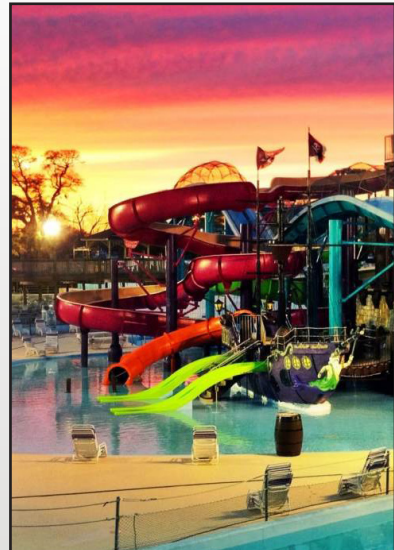
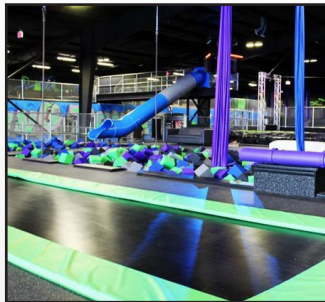
#### ILLUSTRATIVE DEVELOPMENT SCENARIOS AND CONCEPTS



**Figure 33** As illustrated above, buildings following an urban placement built along street faces help define streets and create a sense of enclosure, which adds to pedestrian safety and comfort.



**Figure 34** Framing parking lot drive aisles with infill buildings can improve the block structure in Tradition Village Square and throughout Southern Grove.



**Figure 35** The City's growing, diverse population and distance from major metro markets underscores the opportunity for a cluster of active recreational uses along the I-95 corridor.



**Figure 36** To accommodate a cluster of active recreational uses such as golf driving ranges, water parks, or go-kart facilities, the Master Plan recommends a roughly 35-acre portion of the Town Center District be further evaluated. The red-outlined location in the image above would capitalize on I-95 visibility and access and allow existing empty retail to be reprogrammed adjacent to potential new development.

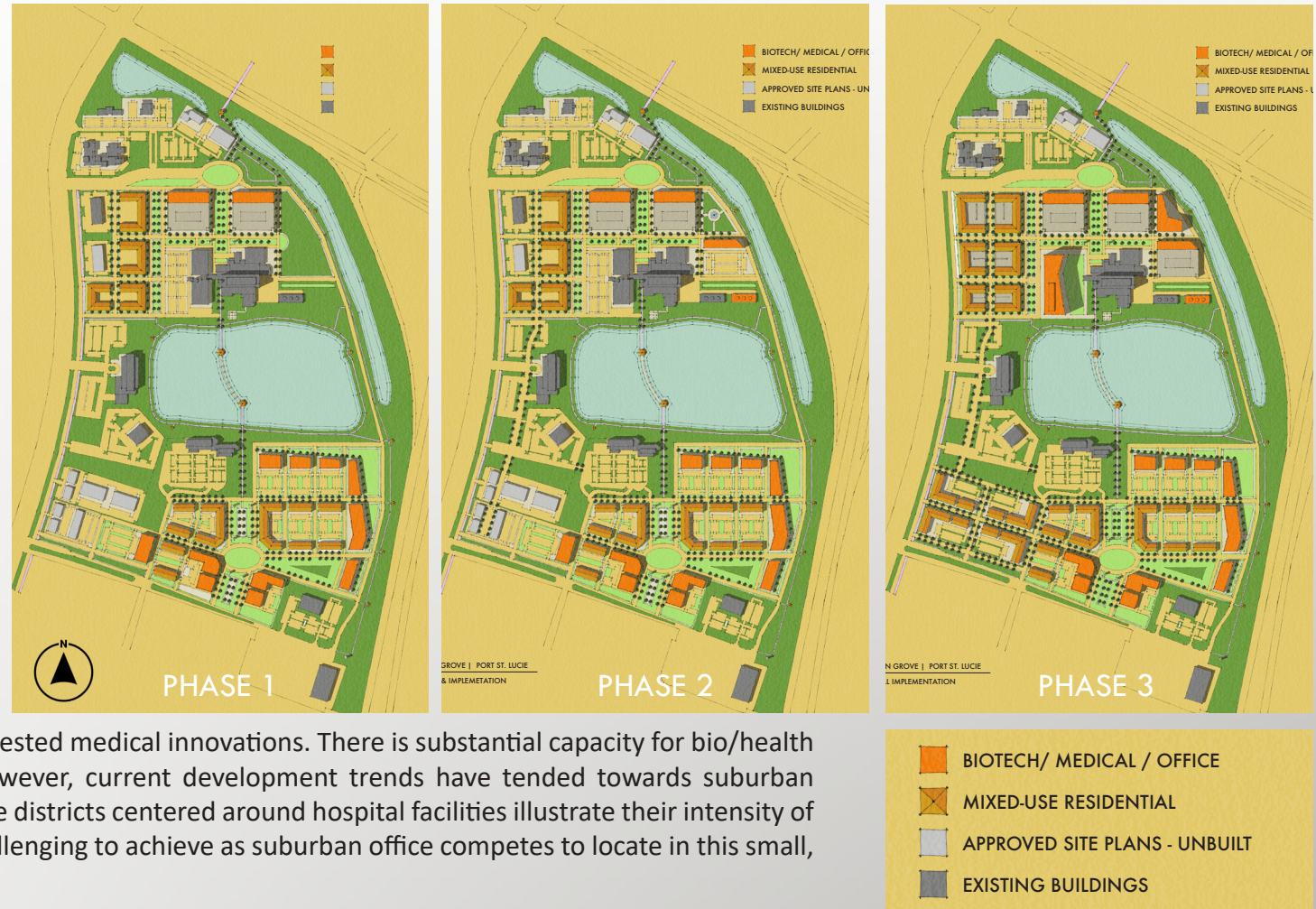


### III. TOUR OF THE PLAN

#### ILLUSTRATIVE DEVELOPMENT SCENARIOS AND CONCEPTS

##### BIO/HEALTH DISTRICT

Cleveland Clinic's prominent presence at the Tradition Parkway intersection with I-95 sets the theme for the Bio/Health District envisioned north of Discovery Way. The Clinic is a growing regional asset, with potential for catalytic expansion on the GFC property. With other bio-technology users positioned to acquire the former VGTI facility just south of the hospital, including potentially Florida International University as well as other biotechnology developers, the Bio/Health District offers a "bench to bedside" testing of locally produced medical innovations in a hospital within walking distance. Both the Bio/Health and Workplace Districts also allow for the manufacturing and distribution of locally produced and tested medical innovations. There is substantial capacity for bio/health uses to infill within this district; however, current development trends have tended towards suburban format office. A review of comparable districts centered around hospital facilities illustrate their intensity of development over time, which is challenging to achieve as suburban office competes to locate in this small, valuable district in the City.

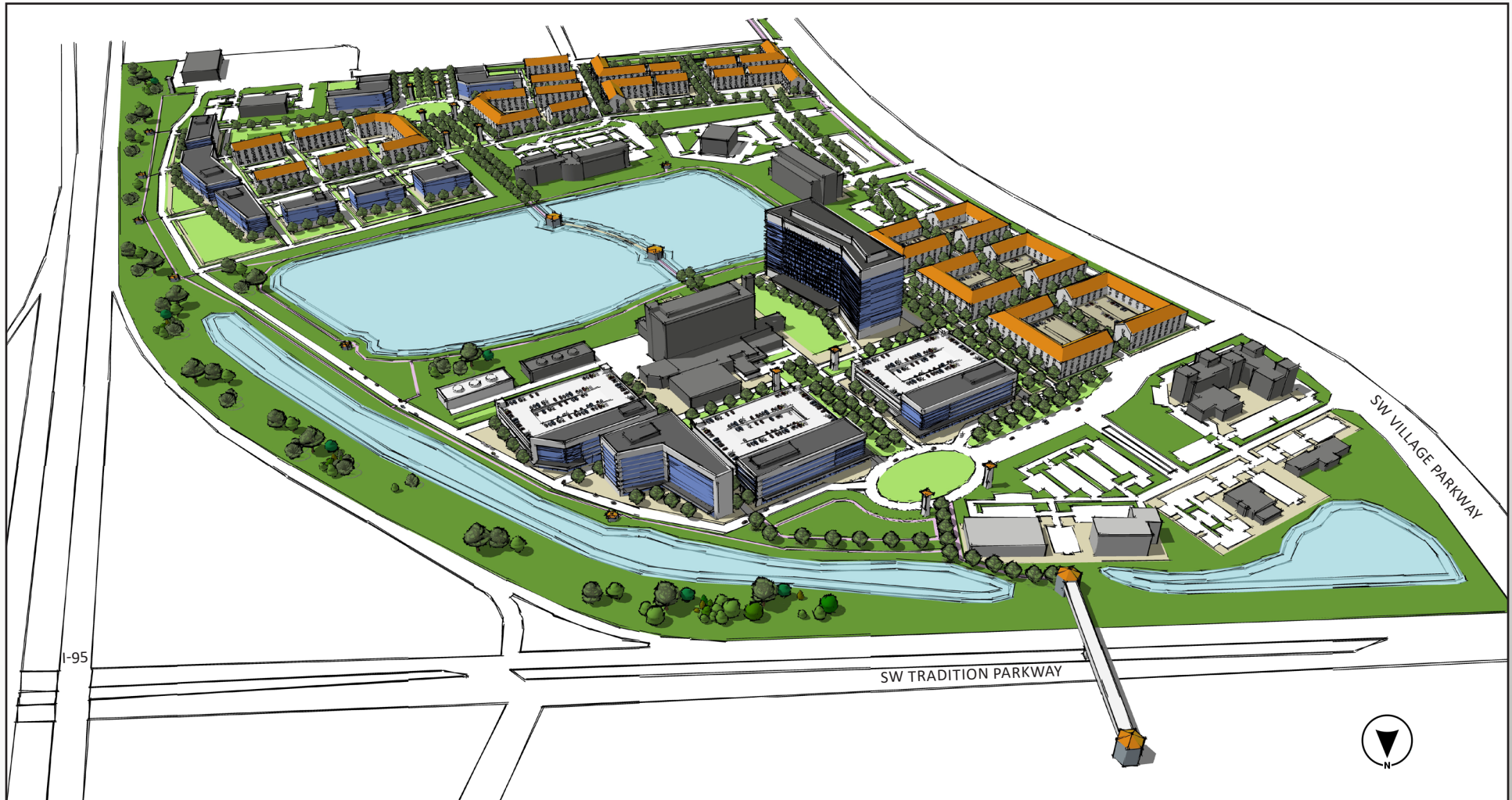


**Figure 37** The infill development program represented by the diagrams on this page illustrate how the Bio/Health District could absorb an additional 3-4 million square feet of occupiable space over time.



## III. TOUR OF THE PLAN

## ILLUSTRATIVE DEVELOPMENT SCENARIOS AND CONCEPTS



**Figure 38** To capitalize on the I-95 views of the Bio/Health District, a staggered series of building heights are recommended with 4-6 story buildings at the eastern edge, rising to 8-10+ stories at Cleveland Clinic. This will maximize building visibility, distributing the value of I-95 frontage across the district, thereby raising property values and returns to the City.

To illustrate the potential infill capacity of the Bio/Health District, a series of diagrams have been developed that indicate how a carefully phased development program can maximize development intensity and GFC yields. The diagrams below include the location of Cleveland Clinic and existing buildings in gray. New potential infill buildings are identified in orange. By requiring new buildings to be aligned along street frontages and locating parking towards the side and rear of parcels, parking lots can be aligned and shared. Drive aisles can function as interior roads, reducing traffic demand and minimizing driveway interruptions on primary and secondary streets. Over time, with additional infill and new building demands, rectangular surface parking lots can accommodate parking structures without interrupting building functions.

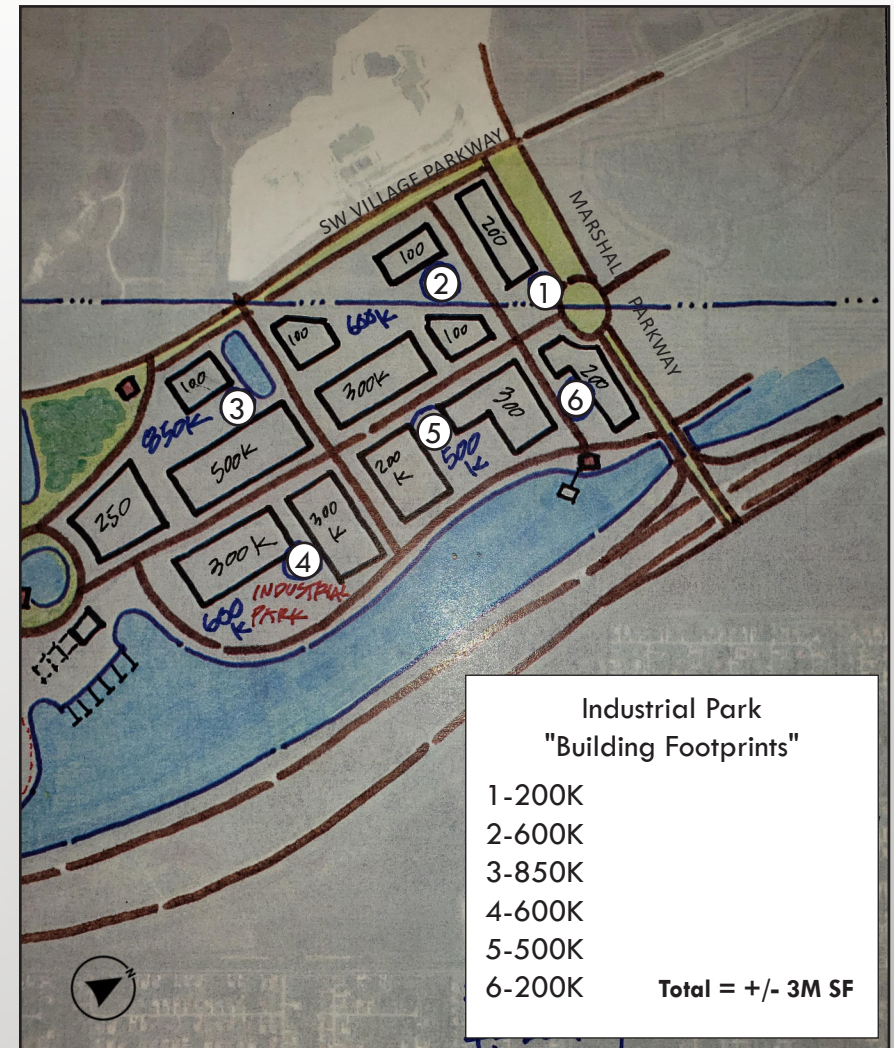


### III. TOUR OF THE PLAN

#### ILLUSTRATIVE DEVELOPMENT SCENARIOS AND CONCEPTS

##### WORKPLACE DISTRICT

The Employment Center District recommends a careful arrangement of the three land use types to accomplish multiple outcomes. The City's primary objective with the Southern Grove property is job creation. Recent developments like City Electric/Tamco and pending transactions under negotiation with varied developers (e.g., Sansone, Project Bullet, Accel, Cantor) indicate the strong market demand for large format warehouse/distribution uses. A variety of industrial building footprints ranging from 100,000 to 1 million square feet were tested, indicating the eastern portion of the Workplace District can accommodate 4-6 million square feet east of Hegener Boulevard, with additional industrial building capacity on those parcels fronting Hegener to the west. Freight distribution from these uses can be channeled along Hegener Boulevard, Marshall Parkway, and Paar Drive, which will protect interior roads and the bicycle/pedestrian activity envisioned along these smaller corridors. Employment center uses should be set back from I-95, with stormwater lakes providing visual buffers and broadening views of uses in the eastern edge of this district.



**Figure 39** Various large-format industrial building footprints were tested in the Workplace District, indicating the ability to accommodate 4-6 million square feet in the eastern portion of City's property.

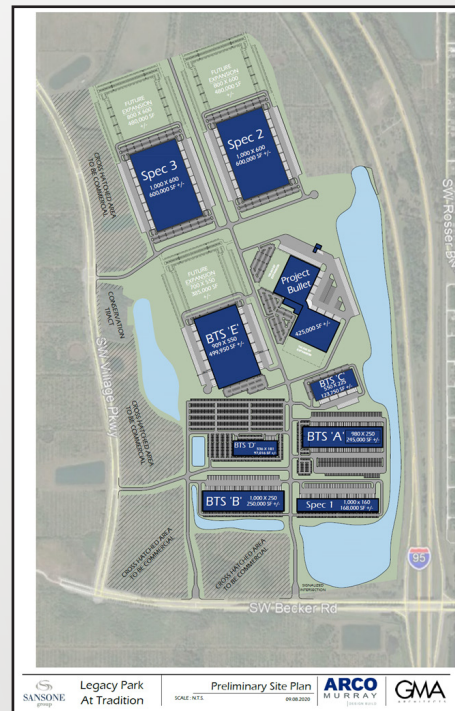


### III. TOUR OF THE PLAN

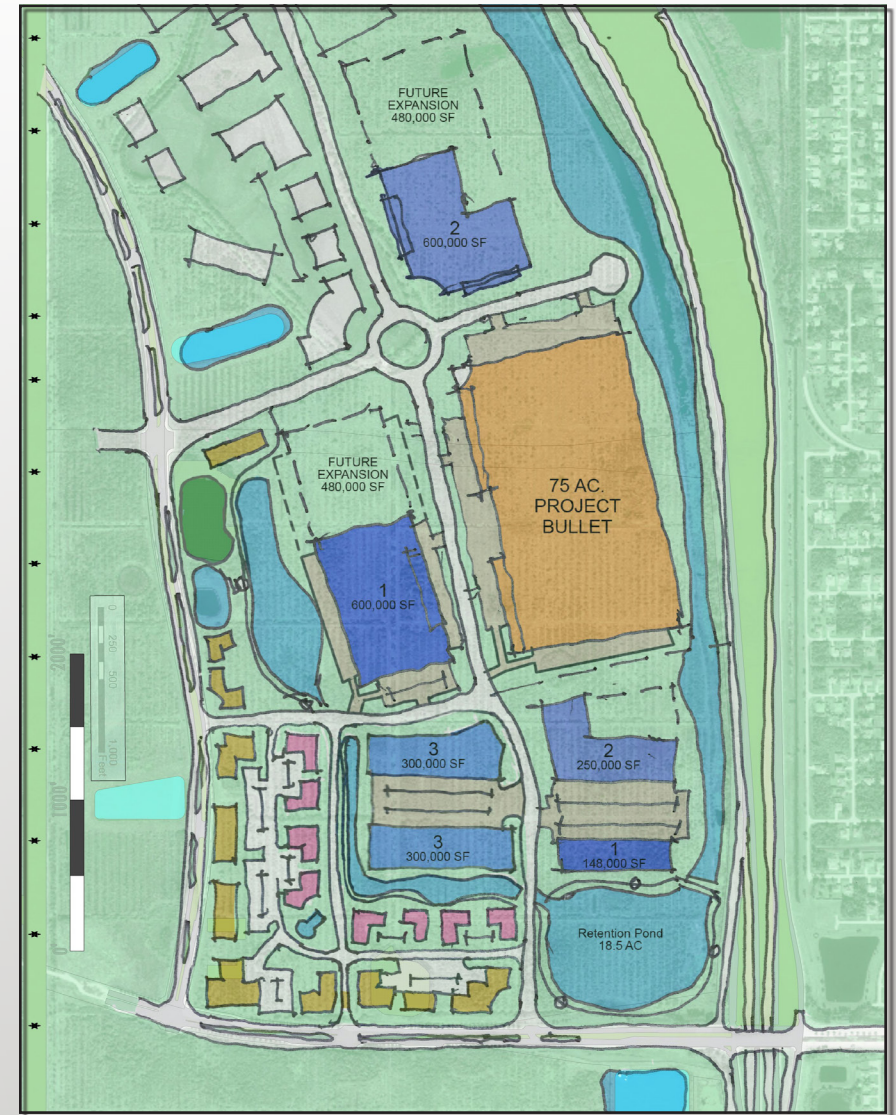
#### ILLUSTRATIVE DEVELOPMENT SCENARIOS AND CONCEPTS

Two key locations are identified in the Workplace District for higher intensity lifestyle/commercial use, including a near-term opportunity at Village Parkway/Becker Road and potentially a longer-term opportunity at the Village Parkway/Marshall Parkway intersection. Each of these locations would serve multiple functions, including neighborhood gathering, transit stop, and branding feature location. Sufficient depth is recommended in both locations to allow a grocery-anchored retail center along with in-line shops and multi-family townhouse or apartments. Each is arranged along a recommended interior roadway to provide rear-alley parking access and protect roadway frontages.

The balance of use along the Becker Road and Village Parkway frontages are recommended for mixed-use, wherein moderate to higher density residential is recommended. The southern and western edges of this district are prime for apartment and townhouse products, which would provide housing proximate to jobs at a density and intensity appropriate for parkway frontage. Mixed-use development along these corridors would be buffered from interior industrial uses via local roadways, stormwater lakes, and the Tradition Trail. Conceptual diagrams of the recommended land use arrangement for this district are provided in this section.



**Figure 41** The recently proposed "Sansone" site plan, which followed the City's discussions of the Master Plan concepts illustrated to the right, provides an example of early implementation of the recommendations. The proposal includes large-footprint industrial buildings, set back from I-95 along stormwater lakes, and preserves the Becker Road and Village Parkway frontages for mixed-use development.



**Figure 40** By preserving the Becker Road and Village Parkway frontages for mixed-use development, the Workplace District can accommodate intense job production in the interior and transition to neighborhood-appropriate uses along the exterior roads that provide a front door to nearby residential neighborhoods.



### III. TOUR OF THE PLAN

#### SIGNATURE BRANDING LOCATIONS

The City of Port St. Lucie has a series of signature branding features located throughout the City and within the Tradition DRI. Tradition has set a high design standard with stately lighted towers and artistic signage such as the Tradition Center for Innovation. For the Southern Grove Master Plan, five signature locations have been identified to provide branding and set the stage and expectation for design excellence. Each is discussed in this section and is identified on the Signature Branding Locations Map in this section.

##### I-95 LAKE FRONTAGES

The recommended stormwater lake system in the Southern Grove Master Plan creates several signature branding locations along I-95 that are unique to the City and can be utilized to set Southern Grove apart from its competitors. Combined with the Duda Canal, there are three large stormwater lakes that are excellent candidates for aeration fountains with lighting: in the Bio/Health District just south of Cleveland Clinic, at the center of the Workplace District aligned with Marshall Parkway, and at the southern end of the Workplace District along Becker Road. Each of these locations has high visibility from I-95 and lake sizes large enough to benefit from aeration. For the lake nearest to Becker Road, a fountain can also integrate district signage to provide a “Welcome to Port St. Lucie” moment at the southern entry into Southern Grove and the western portion of the City.

##### ROADWAY FRONTAGES

The primary roadway frontages in Southern Grove also provide several signature branding locations. The Tradition DRI has established several gateway features along Tradition Parkway, and the Village Parkway/Discovery Way intersection is home to an artistically designed monument sign announcing the entrance to the Tradition Center for Innovation. Village Parkway offers two other premium locations for branding, including the intersections with Marshall Parkway and Becker Road. Both of these locations are adjacent to properties recommended for lifestyle/commercial land uses envisioned for higher intensity development as well as future County transit stops.. Given GFC’s ownership in these locations, the Master Plan recommends these corners be preserved for Southern Grove signature branding with integrated sculptural elements, pedestrian plazas, and carefully designed signage, landscaping, and lighting.

#### SOUTHERN GROVE MASTER PLAN



*Figure 42 The Tradition DRI has employed a signature tower design to brand the community. Credit: TCPalm*



III. TOUR OF THE PLAN  
SIGNATURE BRANDING LOCATIONS



Figure 43 Monument signs integrating artistic sculptures such as the Tradition Center for Innovation sign are recommended in key locations along Village Parkway.

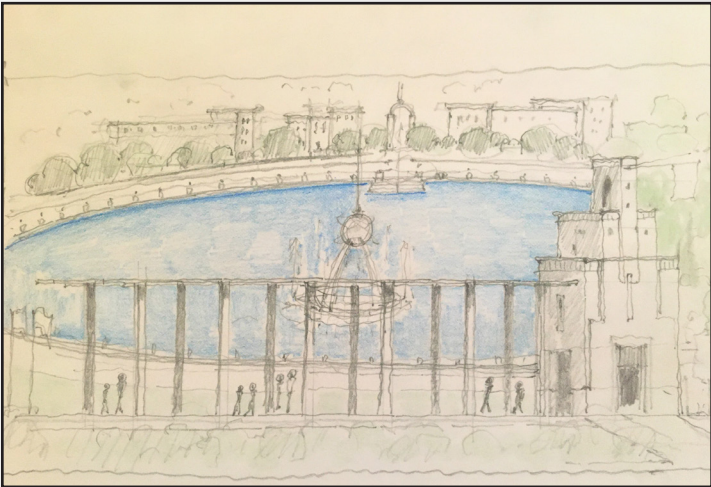
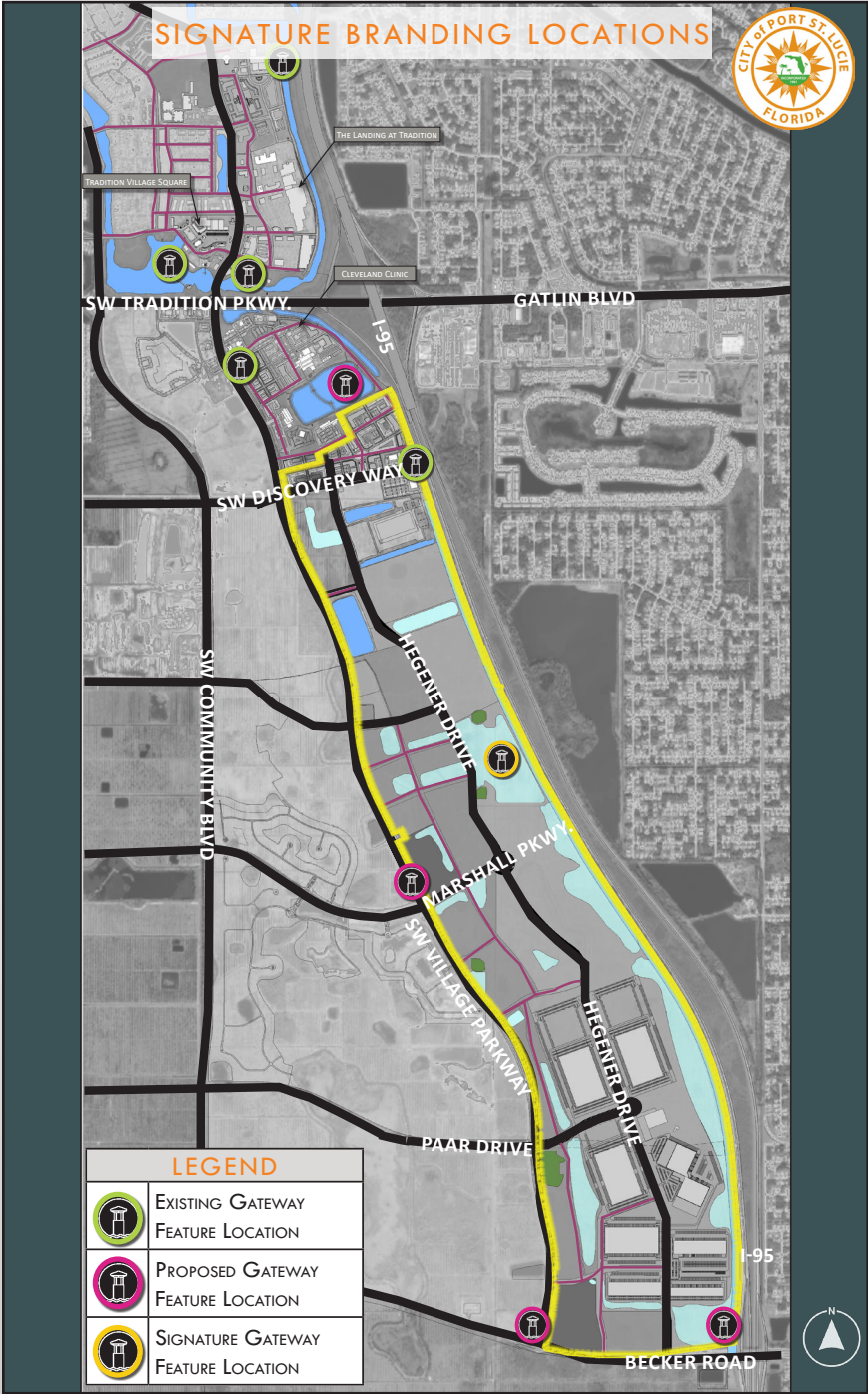


Figure 44 Artist rendering conceptualizing a signature gateway feature location.





INTRODUCTION



THE FINANCIAL ASSESSMENT, ANALYSIS OF SELECT LAND TRANSACTIONS, AND DISPOSITION STRATEGIES WILL BE PRESENTED FOR REVIEW BY THE CITY COUNCIL IN JANUARY 2021

## V. RECOMMENDATIONS & NEXT STEPS

### OVERVIEW

The success of any master plan depends on its ability to be implemented economically, consistently, and expeditiously within a given timeframe. The Southern Grove Master Plan is ambitious and bold, and its implementation will require continued collaboration due to the City's pre-existing financial obligations, administrative complexities with Community Development Districts controlled by private parties, and the necessity for public/private partnerships to accomplish the City's goals for the property. Some recommended implementation activities, such as DRI regulations and development standards, are completely within the City's control, while others, such as the timing and expenditure of master infrastructure finance, are partially under the control of the private sector. This implementation chapter recognizes those embedded complications for the realization of the Master Plan.

As one of the most visible properties in the City and region, the Southern Grove property presents a once-in-a-lifetime opportunity for the City of Port St. Lucie to recalibrate developer expectations, City-led investment, and design direction to rebalance the City's land use mix with a focus on attracting businesses and creating new jobs. The property is literally positioned as a "front door" for the City's vast Western Annexation Area, with I-95 visibility that expands it to become a front door for the entire City. As has been documented by the City and its partners, and validated in this analysis, Port St. Lucie would benefit from an improved jobs-to-population ratio that enables more employment, good and services, and tax revenues within the City Limits; strengthens local earnings, generates spillover economic development, and improves quality of life. The City's Southern Grove property creates that opportunity with one of the most competitive and visible locations for large-format workplace users along the I-95 corridor. Cleveland Clinic's catalytic power for bio/technology, health-related, and research/development uses contributes to the value of the land, underscoring the need to maintain a long-term focus on business retention and to encourage other high-value uses. Given Southern Grove's job creation potentials and its proximity to the City's growing labor force, the Master Plan also supports the creation of hundreds of acres of potential mixed-uses to more equitably balance the City's workplace-residential mix, create live/work proximity for local employees, and promote trip capture with local-serving retail and other non-residential.

This chapter provides recommendations and next steps for consideration by the Port St. Lucie City Council for the implementation of the Southern Grove Master Plan. NOTE: This draft Master Plan report contains recommendations regarding land use and infrastructure. Pending completion of the financial assessment, the final Master Plan report will also include recommendations regarding financial obligations, development leverage, and property disposition.

### LAND USE AND INFRASTRUCTURE

#### 1. Recognize the Unique Value of the City's Property Asset – and Be Bold and Committed to a Long-Term Development Strategy of the Highest Quality and Character

As the 7th largest city in Florida and one of the fastest growing communities in the country, Port St. Lucie has a once-in-a-lifetime opportunity to **advance the City's reputation and destination quality as a regional employment hub**. Because the GFC property is one of the most competitive and visible locations for large-format workplace uses remaining in Southeast Florida, the City should **acknowledge its strength in the market and maintain the highest standards for design, architecture, and quality**.



Although short-term real estate development opportunities may offer near-term returns, they present the risk of a piecemeal, disconnected land development pattern that can reduce the value of remaining parcels over time. Instead, the City should **focus on a long-term, holistic strategy** for Southern Grove that requires well-organized, integrated development patterns with strategically located signature buildings; minimum building heights in key locations; protects the appearance and function of primary roadways with careful building and parking placement; and communicates clear expectations for signature landscaping, architecture, signage, and site design.

## 2. Reorganize the Southern Grove Property into a Series of Interrelated Sub-Districts.

The areas within Southern Grove are distinct in access, visibility, and proximity to complementary uses. To maximize the City's return, the properties should be considered as a series of distinct, symbiotic districts that each is oriented to a market-focused objective:

- **Town Center District** - north of Tradition Parkway in the adjacent Tradition DRI is the existing Tradition Village Square and The Landing at Tradition, both of which provide destination retail. To reinforce the success of these existing developments and preserve the GFC holdings for higher job intensity, the Master Plan identifies the southeastern portion of the Tradition DRI as a Town Center District that can complement the City's holdings to the south and can absorb much of the retail demand and active recreational uses envisioned in the area. It is acknowledged properties in this district are not owned by GFC; however, this district is intended to satisfy the town center desires expressed for the Southern Grove property, enabling the current Tradition Village Square to be expanded to incorporate The Landing at Tradition. A portion of this district should be reserved for a cluster of active recreational uses (e.g., golf driving range, mini-golf, go-karts, indoor surfing/skating) that can capitalize on I-95 visibility and access.
- **Bio/Health District** – capitalizing on Cleveland Clinic and its ancillary office, research/development, and medical uses, a Bio/Health District is recommended, extending from Tradition Parkway to Discovery Way. This district is recommended for the greatest density and intensity of development, with minimum 2-4-story building heights along perimeter roads and 4-story minimums immediately adjacent to the hospital to prevent underdevelopment. Building heights should be staggered from I-95, with four-to-six story buildings at the eastern edge, climbing to ten stories at the hospital building. Development in this district should be highly urban, walkable, and interconnected, especially within the 15-minute walkshed of the hospital, and parking areas should be located and sized to accommodate structured parking over time.
- **Workplace District** – the majority of the GFC holdings, from Discovery Way south to Becker Road, is identified as a Workplace District noting the market demand and appropriateness of large-format industrial, warehouse/ distribution, and office/research uses in this area. Hegener Boulevard generally divides this district along an east/west divide, enabling a concentration of industrial users to be located east of Hegener Boulevard, along I-95. The western and southern edges of this district, along Village Parkway and Hegener Boulevard, are reserved for workplace-supportive mixed-use, recommended for moderate to high density workforce residential use along with local-serving retail. Minimum two-story building heights are recommended along the exterior roadway frontages, with build-to setbacks to help frame the roadway corridors. Parking areas should be designed to load from interior roadways to reduce

driveway interruptions on the exterior roadway network. Along the I-95 corridor, buildings should be setback along stormwater lakes to distribute interstate visibility to the maximum number of parcels.

### 3. Redefine Land Use Categories to Increase Development Intensity and Property Value.

Using its regulatory authority, the City should amend its Comprehensive Plan to revise the assignment of land use types to its holdings as recommended in the Master Plan:

- **Employment Center** - focused on industrial warehouse/ distribution, research and development, and supporting office uses. This land use type is recommended for roughly 70% of all GFC net developable land.
- **Mixed-Use** - focused on higher density residential, including townhouse and apartment uses, retail/commercial, office, and educational uses. This land use type is recommended for roughly 25% of all GFC net developable land.
- **Lifestyle/Commercial** - focused on higher-intensity retail/ commercial centers that include office and higher density residential use. This land use type is recommended for only 5% of all GFC net developable land.

### 4. Recalibrate the Land Development Program Through Modified Land Use Entitlements.

Given the substantial market and land development adjustments since the adoption of the Southern Grove DRI in the 2006, an updated land entitlement balance is recommended that increases industrial, office, and residential use while decreasing retail use. These modified entitlements should be included in an amendment to the DRI and reflected in an updated SAD/CDD Assessment Rate Schedule that more accurately reflects the proportionate share of assessments to be assigned to net developable land. Updating land use entitlements will also

RECOMMENDED ENTITLEMENTS FOR GFC-OWNED LAND (1215.9 acres including pending 21-acre transfer from Mattamy)				
CATEGORY	CURRENT	PROPOSED	ALLOCATED/PENDING	REMAINING
Residential (SF units)	-	-	-	-
Residential (TH units)	786	900		900
Residential (Apt units)	900	900	372	528
Retail (SF)	2,582,851	500,000	49,478	450,522
Office (SF)	4,296,480	1,000,000	155,481	844,519
Warehouse/Industrial (SF)	3,838,336	8,000,000	4,353,743	3,646,257
School (SF)	-	-		-
R&D (SF)	(included with ofc)	1,000,000		1,000,000
Hotel (Beds)	240	500	204	296
Hospital (Beds)	-	-		-



help rationalize infrastructure projections associated with the GFC property, aligning infrastructure costs and projects with a more realistic development program for Southern Grove.

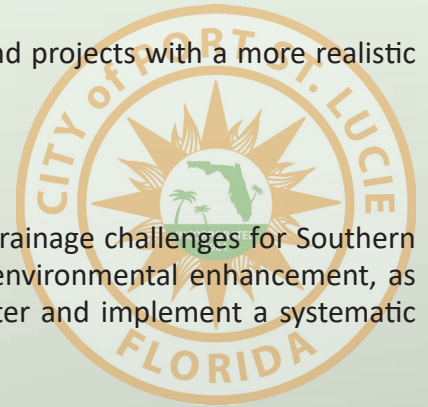
### 5. Introduce a Master Stormwater Lake System.

The historic agricultural use of the Western Annexation Area has resulted in pre-existing stormwater and drainage challenges for Southern Grove and adjacent parcels. Better managed stormwater treatment enables development efficiency and environmental enhancement, as properties in the Western Annexation Area ultimately drain to the St. Lucie River. To reorganize stormwater and implement a systematic approach, the following components of a **Master Stormwater Lake System** are recommended:

- The Southern Grove property should be subdivided into **four drainage sub-basins**: a Bio/Health District sub-basin and northern, central, and southern Workplace District sub-basins.
- **Drainage control structures** should be added to the Duda Canal to separate each of the sub-basins to maintain water levels independently, allowing water to be staged high in times of drought and for pre-storm drawdown to prevent upstream flooding.
- **15% of total developable area** (including GFC's net saleable land as well as the secondary road network) should be allocated for a master stormwater lake system to provide drainage, treatment, discharge attenuation, and conveyance to Duda Canal.
- **Additional CDD conveyance systems** should be located to convey stormwater from areas west of Village Parkway to the Duda Canal.
- Stormwater lakes should be located to **maximize the supply of best quality soils** for fill, create lakefront aesthetic amenity along I-95, and provide buffers between workplace and mixed-use areas.
- Lakes should be designed with **curvilinear, natural edges** with **native plantings in littoral zones** to improve stormwater treatment, habitat quality, and lake aesthetics.

### 6. Revise the Transportation Network to Create a Balanced System of Complete Streets and Facilities

Given a modified land entitlement program and opportunity to rebalance land uses, the Southern Grove Master Plan recommends the City create a **multimodal transportation network comprised of primary, secondary, and tertiary (local) roads**. The tiering of roadways enables primary roads to carry through-traffic at higher speeds, while secondary roads create access to interior parcels, reducing demand and interruptions on the primary network. Tertiary, or local roads, can provide improved access to parking areas and utilities, enabling development fronting the primary and secondary streets to be designed to a higher standard. Primary and secondary streets serve as "A" streets for property entrances and front doors while local roads are "B" streets for building backs, alley access, driveways, and service deliveries. Each of the roadway types is recommended to include complete streets amenities, but they vary by roadway type and classification. Components of the network should include the following:



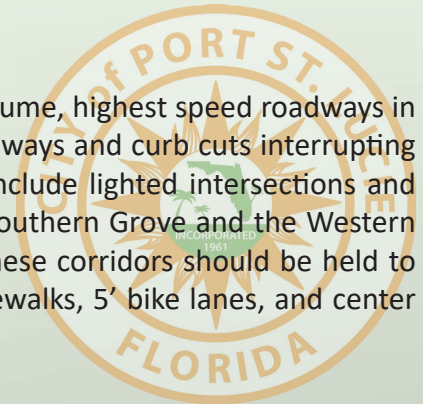
- **Vehicular Roadway Network** which includes the following:

**Primary roads**, including Tradition Parkway, Village Parkway, and Becker Road, are the highest volume, highest speed roadways in the network, and they are arterials that accommodate through traffic as well as local trips. Driveways and curb cuts interrupting these roads should be minimized to improve their efficiency and safety. These roadways will include lighted intersections and design geometries to accommodate transit and truck traffic. As gateway corridors leading into Southern Grove and the Western Annexation Area generally, these roads are considered “A” streets, and development fronting these corridors should be held to the highest standards. Complete streets enhancements on these roads should include 8-10’ sidewalks, 5’ bike lanes, and center landscaped medians along with regularly spaced shade trees and streetlights along shoulders.

**Secondary roads** should include Hegener Boulevard, Discovery Way, East/West 2, Marshall Parkway, and Paar Drive, and each of these roadways should provide connections to Village Parkway and SW Community Boulevard. These roads are anticipated to be lower volume, lower speed, and they function as collectors, providing internal access as well as connections to the larger primary roads. These roads are also anticipated to be “A streets,” providing front-door access and visibility to development parcels, and where possible, driveways should be consolidated or relocated away from these corridors. The Tradition Trail alignment is recommended along portions of these roads, and accordingly, roadway designs should include either 8-10’ sidewalks or 12’ Tradition Trail shared-use 5’ bike lanes, and regularly spaced shade tree plantings and streetlights along roadway shoulders. To provide both traffic calming and beautification, a roundabout is proposed at the Marshall Parkway/Hegener Boulevard intersection. Externally, lighted intersections are proposed at secondary road intersections along Becker Road and Village Parkway as noted in the Master Plan.

Although the original DRI requirements included an I-95 interchange at Marshall Parkway and overpass at Paar Drive, current traffic studies enable the removal of these improvements. As part of the Southern Grove DRI amendments to remove these I-95 connections, the corresponding rights-of-way should be transferred to the GFC and assigned Employment Center land uses as illustrated in the Master Plan.

**Tertiary, or local roads** are recommended to complete the roadway network. These smaller roads are essential to maintain the efficiency and safety of larger, higher volume roads. Local roads help divert slower moving traffic away from the larger corridors and provide a “relief valve” for the roadway network. The interior road network should be designed to establish blocks with maximum dimensions of 400-600 linear feet, which will maximize the pedestrian connectivity provided by these roads. Local roads function as “B streets,” and provide rear-alley access to parking areas, service deliveries, and utilities. With slower speeds and lower volumes, local roads can function as sharrows, with vehicular and bicycle traffic sharing travel lanes. Accordingly, recommended design for the roadways include 8’ sidewalks or where applicable, 12’ Tradition Trail shared-use paths along with regularly-spaced shade tree plantings and streetlights.





To complement the tiered roadway network and improve efficiency, safety, and function, **interconnected off-street parking areas** should be located where possible for **rear-alley or side-street driveways and access** from the local road network. Parking areas should be aligned linearly, with **cross-access parking agreements** to enable internal circulation between adjacent parcels to minimize the utilization of the exterior roadway network where possible.

Given the anticipated volume of truck traffic through Southern Grove, it is further recommended **truck routing** be assigned to primary and secondary roads. Traffic calming, signage, and roadway geometries shall be utilized to discourage truck traffic on local interior roads.

- **Public Transit Network** improvements are the second component of the Southern Grove transportation network. As population and employment increases over time, transit will become an increasingly important means of accessing jobs, housing, and destinations in the City.

**Future County transit stops** should be anticipated at the intersections of Becker Road/Village Parkway, Village Parkway, Marshall Parkway, Village Parkway/Discovery Way, and at the Cleveland Clinic. Along the roadway corridors, these select intersections are also identified as gateway feature locations that should integrate pedestrian plazas designed for transit shelters to be integrated over time.

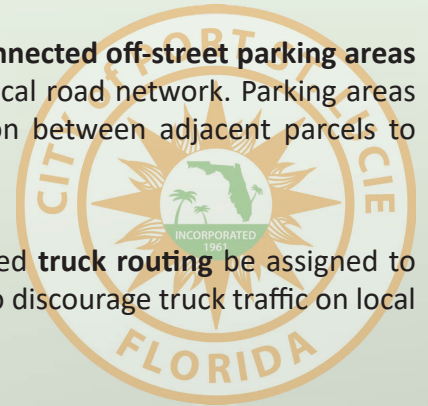
**Transit “last-mile” roadway designs**, with heightened bicycle/pedestrian access considerations, should be prioritized along roadways connecting to anticipated transit stop locations. Because every transit trip begins and ends as a pedestrian trip, the half-mile “walk shed” surrounding future transit stops will be critical to successful and efficient transit as a component of a balanced Southern Grove transportation network.

- An alignment for the **Tradition Trail Network** has been identified in the Master Plan to complete this multimodal facility from Becker Road north into the Town Center District. As the diversity of destinations and housing types expands in Southern Grove, Tradition Trail offers the opportunity for both recreational and purpose-based trips to expand the utility of the transportation network and contribute towards a healthier community. Recommended components of this facility design include the following:

The Trail should **utilize stormwater lake natural edges** where possible to enhance the user experience.

The Trail should be designed to accommodate golf carts where appropriate as well as a **micromobility service** that could be provided by **autonomous, electric shuttles**.

To improve connectivity with the Town Center District, the intersection of Tradition Parkway and Village Parkway should be modified



with the application of a **Dutch intersection** that provides grade-separated bicycle and pedestrian facilities and a pedestrian refuge in the center roadway medians.

The Trail alignment north of Cleveland Clinic should be designed to potentially accommodate an **elevated mid-block crossing** of Tradition Parkway from the Bio/Health District to the Town Center District.

### 7. Continue the DRI-recommended Water and Wastewater Infrastructure Improvements

The Southern Grove DRI contains a series of recommended water and wastewater infrastructure improvements that are sufficient to accommodate the development demands anticipated in the Master Plan. Accordingly, the City should implement the following improvements:

- **Water System:** The City/GFC should construct 12" water mains & fire hydrants on all secondary roads (Hegener Boulevard, Marshall Parkway, and Paar Drive) according to development demand with interconnect to existing Village Parkway and Becker Road water mains and a 24" water main at Paar Road between Village Parkway and Rossner Boulevard.
- **Sanitary Sewer System:** The City/GFC should construct additional gravity sewers and 3 additional Lift Stations with force mains connections to Village Parkway 16" force main according to development demand (simultaneously with the potable water system and secondary roadway system extensions).

### 8. Require Development Design Standards to Produce an Interconnected, Sustainable, Well-Organized Development Pattern

The City's ownership of the Southern Grove property through its GFC creates a unique series of public/private partnership opportunities for the City to escalate development expectations and quality. The more interconnected and sustainable the development pattern through the GFC holdings, the higher the value of residual parcels as the City advances through its land transactions. The Master Plan recommends a series of specific site design and development standards be incorporated into the City's land development approach in Southern Grove that include the following:

- **Traditional Urban Design Principles** to increase efficiency, walkability, and connectivity through controlled building placement and alignment utilizing "build to" lines versus setbacks; a system of walkable streets and blocks; consolidated parking areas located along side and rear property lines; and a height-to-width ratio of one-to-three where possible to create a sense of spatial enclosure.
- **A Mix of Uses**, both horizontally and vertically, to increase efficiency of parking and public spaces; create natural surveillance through more extensive daily activity; maintain appropriate transitions between dissimilar uses.





## V. RECOMMENDATIONS & NEXT STEPS

- **Gateway Boulevard Features** along Becker Road and Village Parkway that specify building placement, minimum building heights, maximum building setbacks, and enhanced landscaping, lighting and signage along Becker Road and Village Parkway.
- **Corner Architectural Elements** at prominent intersections, including Becker Road/Hegener Drive, Becker Road/Village Parkway, and Village Parkway/Marshall Parkway.
- **Protected I-95 Corridor Views** that integrate stormwater lakes and landscaping to increase building setbacks, which will distribute the value of I-95 visibility, broaden view corridors, and raise property values across the City's holdings. Development visible from I-95 should include enhanced architectural, signage, lighting, and landscaping requirements to produce an organized, well-integrated workplace district vista.
- **Parking Design Efficiency** with interconnected parking lots accessed primarily from side and rear property lines to reduce driveway interruptions of primary and secondary streets, enhance walkability, and improve development efficiency and yield.

### 9. Announce the Arrival to Port St. Lucie with Gateway Branding Features

The Southern Grove property is one of the most visible corridors in the City of Port St. Lucie, with nearly four miles of uninterrupted frontage along I-95. Following the adage “there is never a second chance to make a first impression,” the development of the Southern Grove property provides the City a unique opportunity to brand and celebrate the entrances to the City. The City has significant precedent for gateway branding as evidenced by the recently completed Crosstown Parkway, and the Tradition DRI has capitalized on gateway statements with its signature towers. Two sets of gateway branding locations are identified in the Master Plan:

- **Three primary stormwater lakes with I-95 frontage** located south of Cleveland Clinic, within the FP&L easement (aligned with Marshall Parkway), and immediately north of Becker Road. Gateway features in these locations should include aeration fountains, lighting, landscape elements, and signage. These are recommended to be “Welcome to Port St. Lucie” moments that warrant substantial investment and design consideration.
- **Two key Village Parkway intersections** - Village Parkway/ Becker Road and Village Parkway/Marshall Parkway ~ where GFC should reserve property corners for the establishment of signature gateway signage that incorporates lighting, landscaping, monument signage with artistic elements, pedestrian plazas, hardscape improvements, and seating. Each of these locations is noted to potentially accommodate a future transit shelter, which further elevates their importance in the branding and placemaking of Southern Grove.

## V. RECOMMENDATIONS & NEXT STEPS

### 10. Develop Permitting Efficiencies with Florida Power & Light to Streamline Development and Maximize Property Utilization

The Southern Grove property contains a substantial north/south FP&L easement that provides a potential development complication due to permitting and restrictions on use. To streamline productive use of this land, the GFC should advance discussions with FP&L to secure any available permitting efficiencies for allowable uses in accordance with FP&L regulations.

### 11. Continue to Broker Land Transactions with Public and Private Partners to Expedite Development

Most of the GFC land transactions to-date have been successfully brokered through its **public/private and public/public partnerships** with Tambone Companies and the assistance of the St. Lucie Economic Development Council. This model has relieved the City of debt obligations for a portion of the GFC property during the contracted marketing process and has yielded successful land transactions, albeit at the cost of sharing a portion of sales revenue. This model has provided an efficient, strategic approach to help the City achieve its initial land sales goals, buffering the financial impacts on the City, and enabling the packaging of incentives and regulatory leverage as needed to bring deals to fruition. The Master Plan recommends the City **continue to utilize this model, or an adaption thereof, to facilitate land transactions** to the extent the model **enhances the City's return on land sales**. The benefits of future transactions may take several forms, including short-term land sales revenues, longer-term ad valorem tax benefits, strategic employment-generating uses, or an aggregation of these direct and indirect benefits. Future transactions should also **consider the impacts on other parcels to be sold** and the **City's commitment to its long-range vision for the entire Southern Grove property**.

### 12. Adopt the Southern Grove Master Plan and Amend the Comprehensive Plan, Southern Grove DRI Development Order and Other City Documents as Needed to Implement the Master Plan Recommendations

To evidence its commitment to the long-term strategy recommended herein, the City should adopt the Southern Grove Master Plan by resolution and amend its Comprehensive Plan, the Southern Grove DRI development order, and related documents as appropriate.

## FINANCIAL OBLIGATIONS AND PROPERTY DISPOSITION

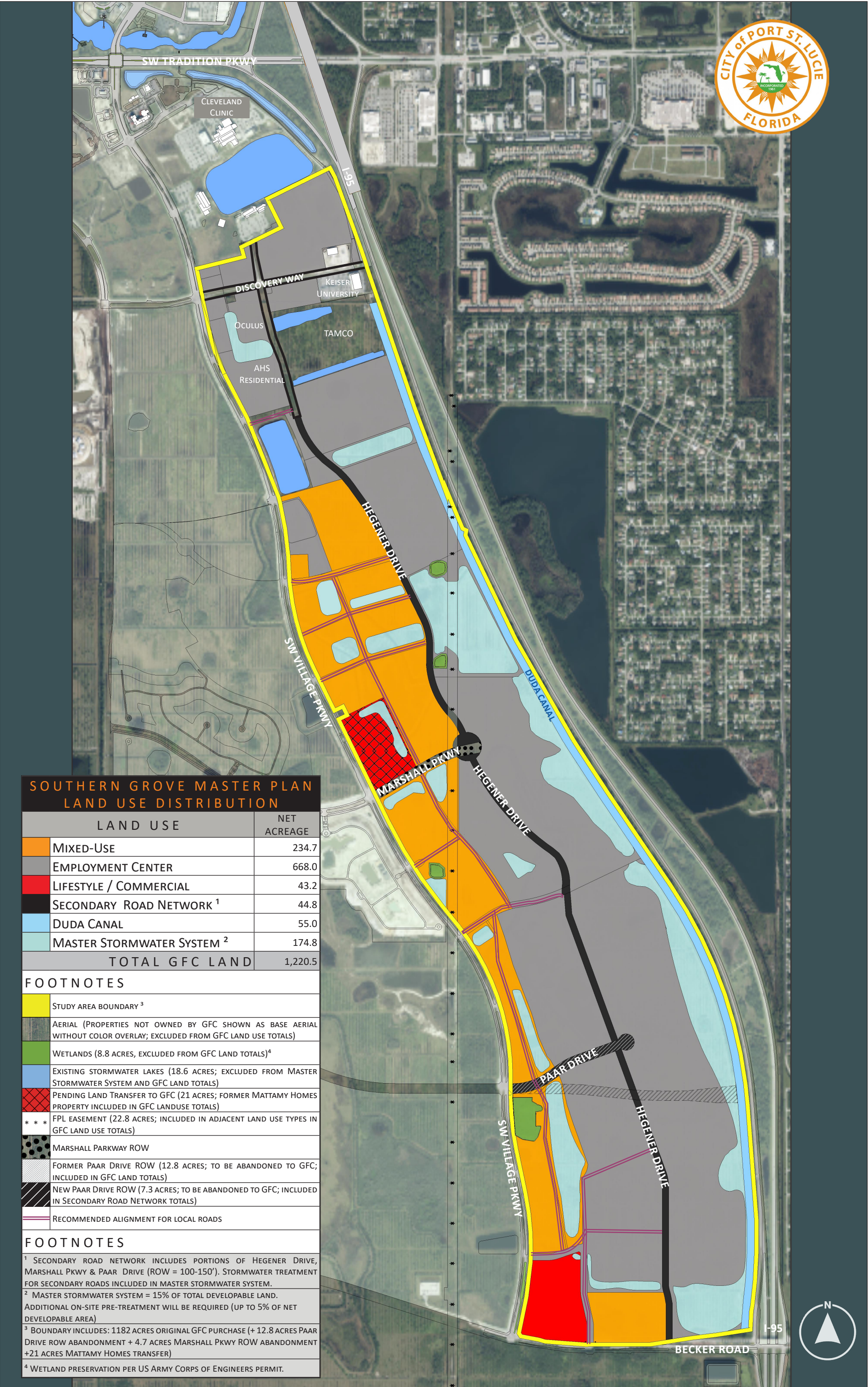
(Pending, to be presented January 2021)



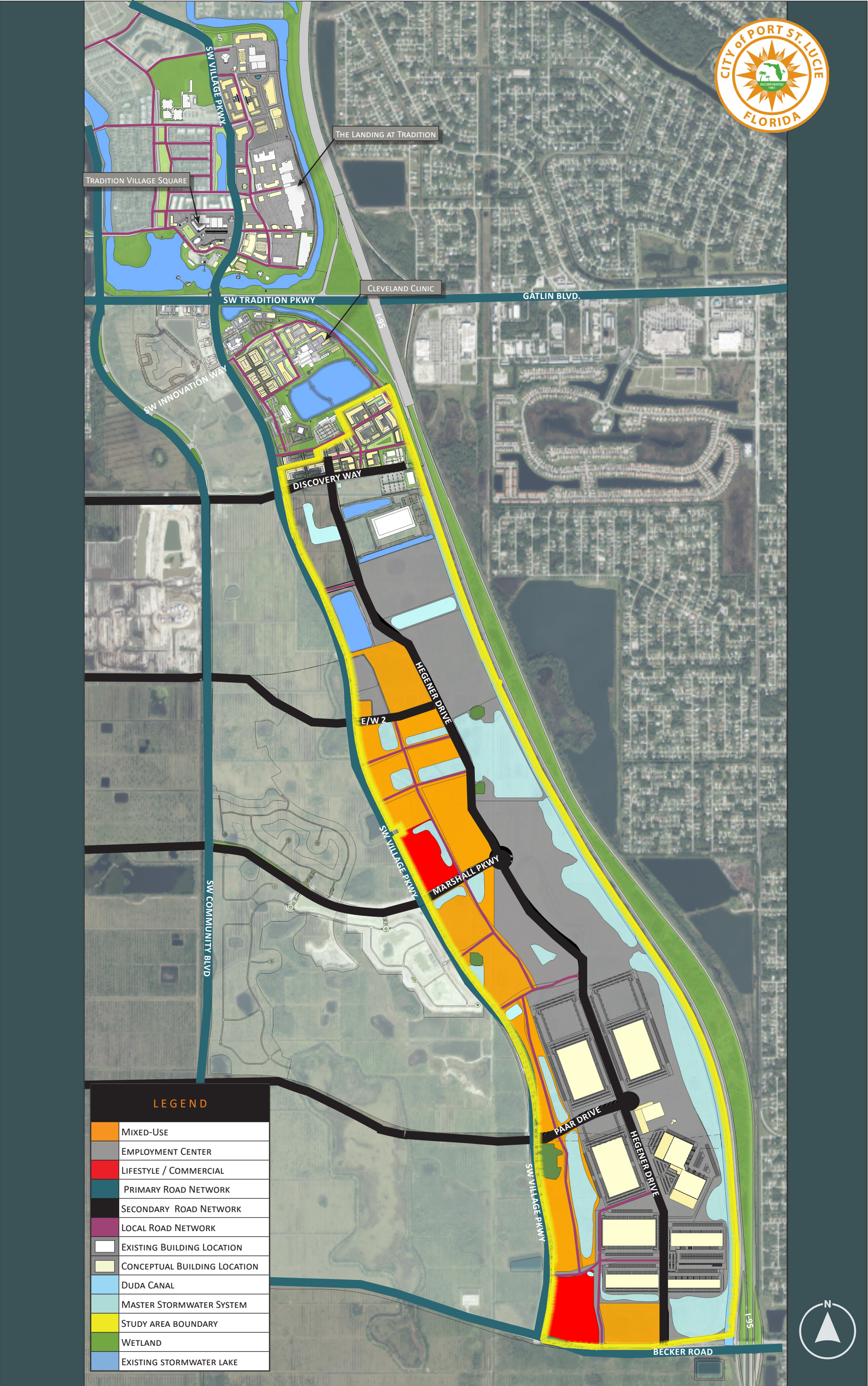


## APPENDIX A

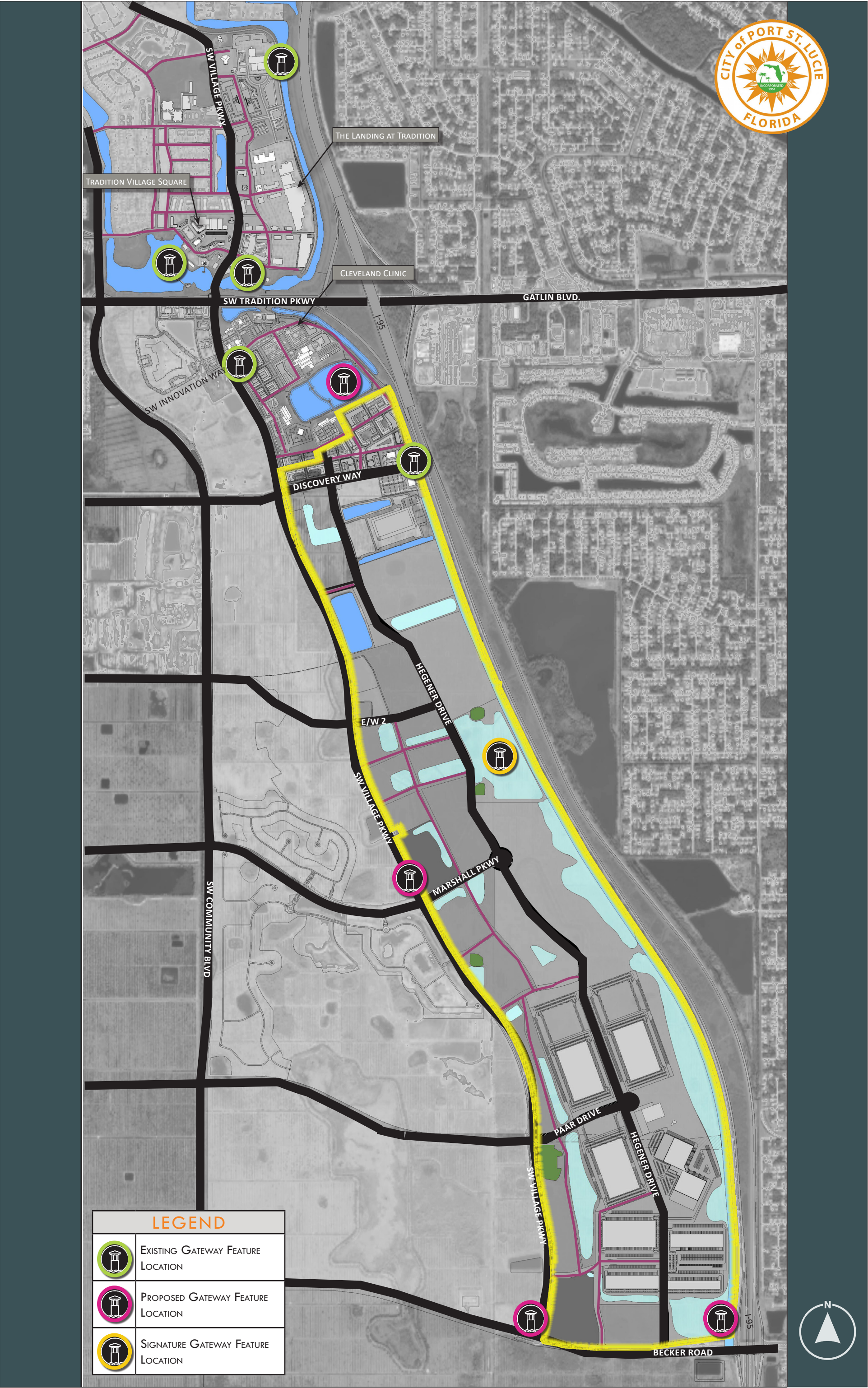




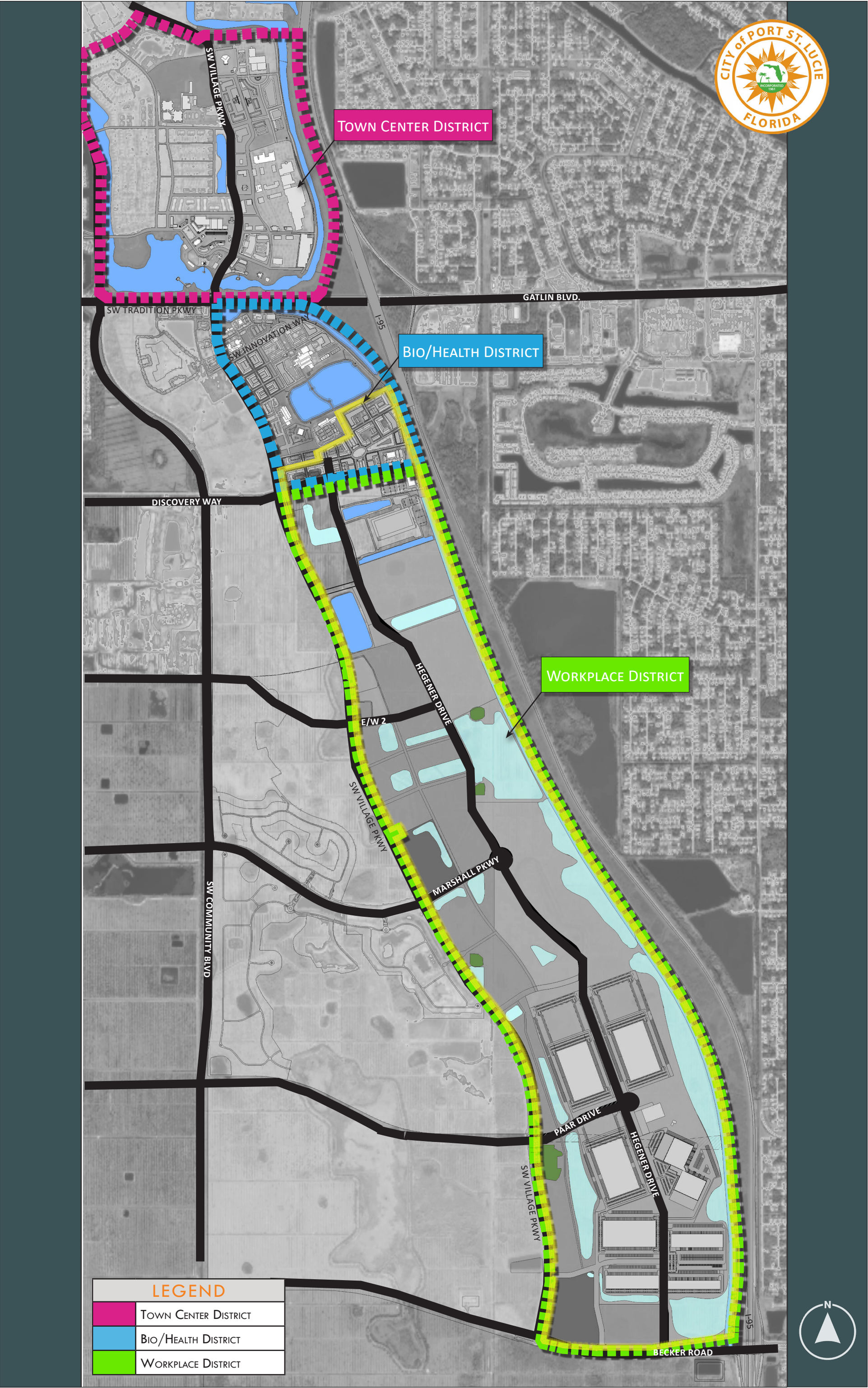




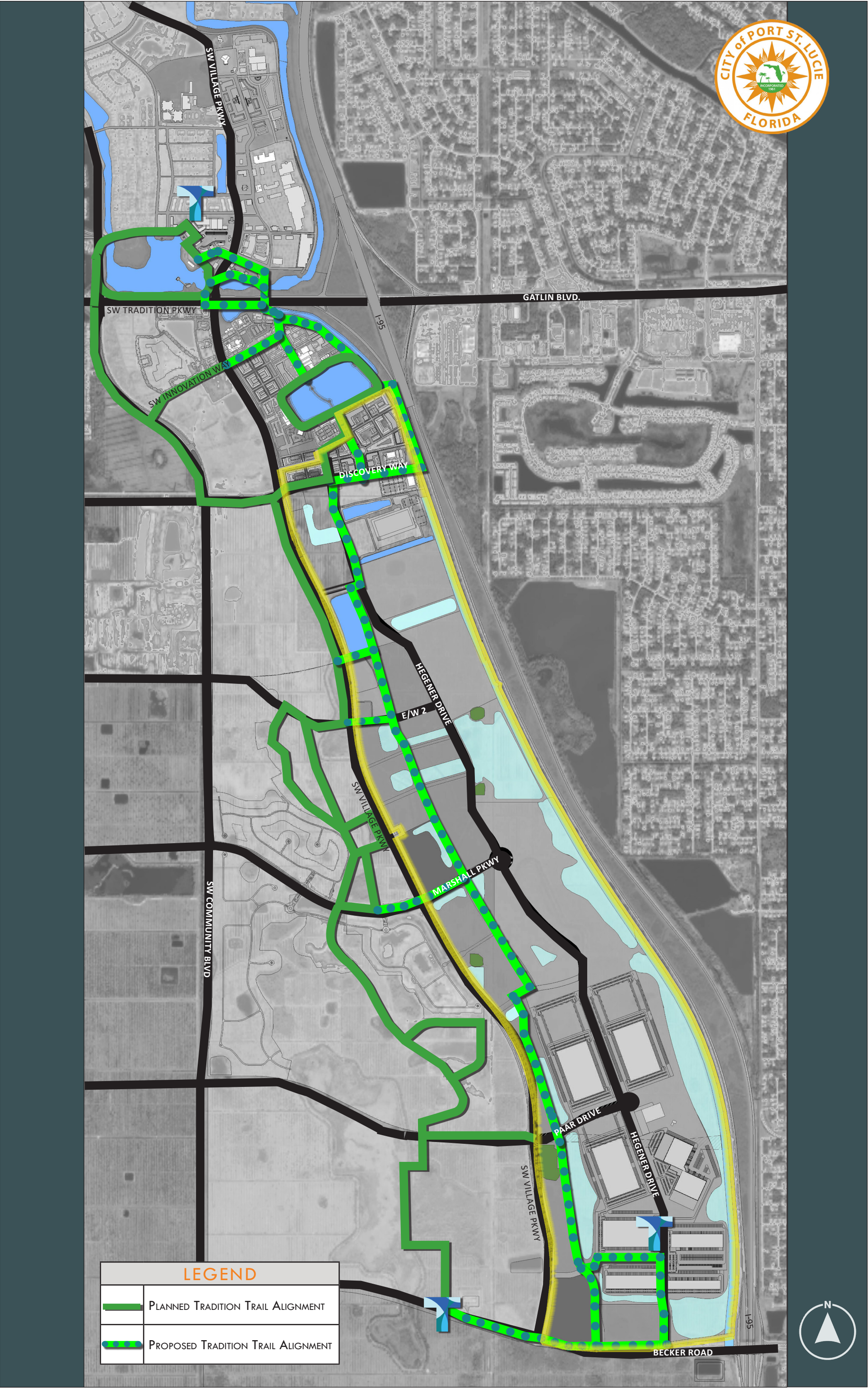




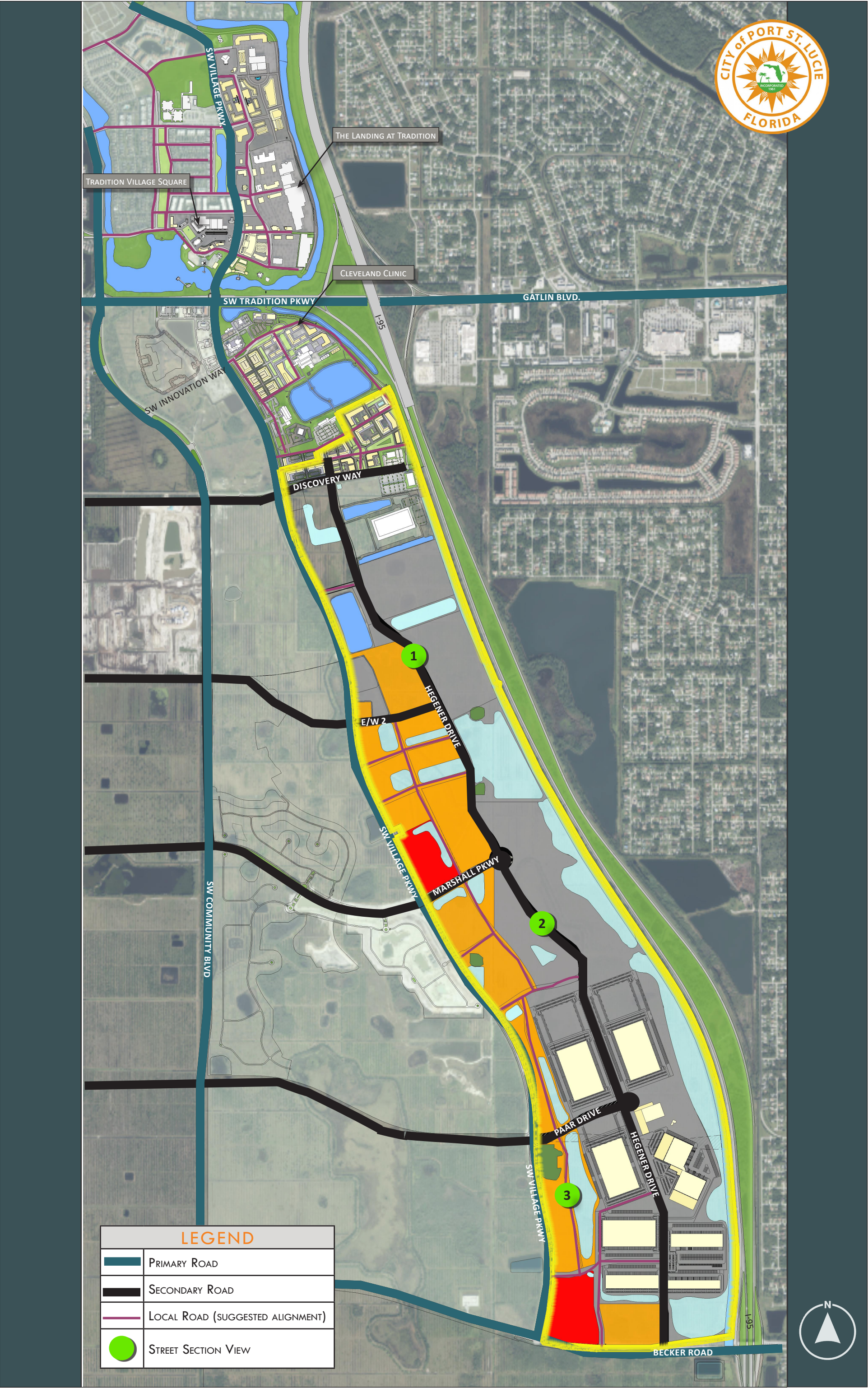




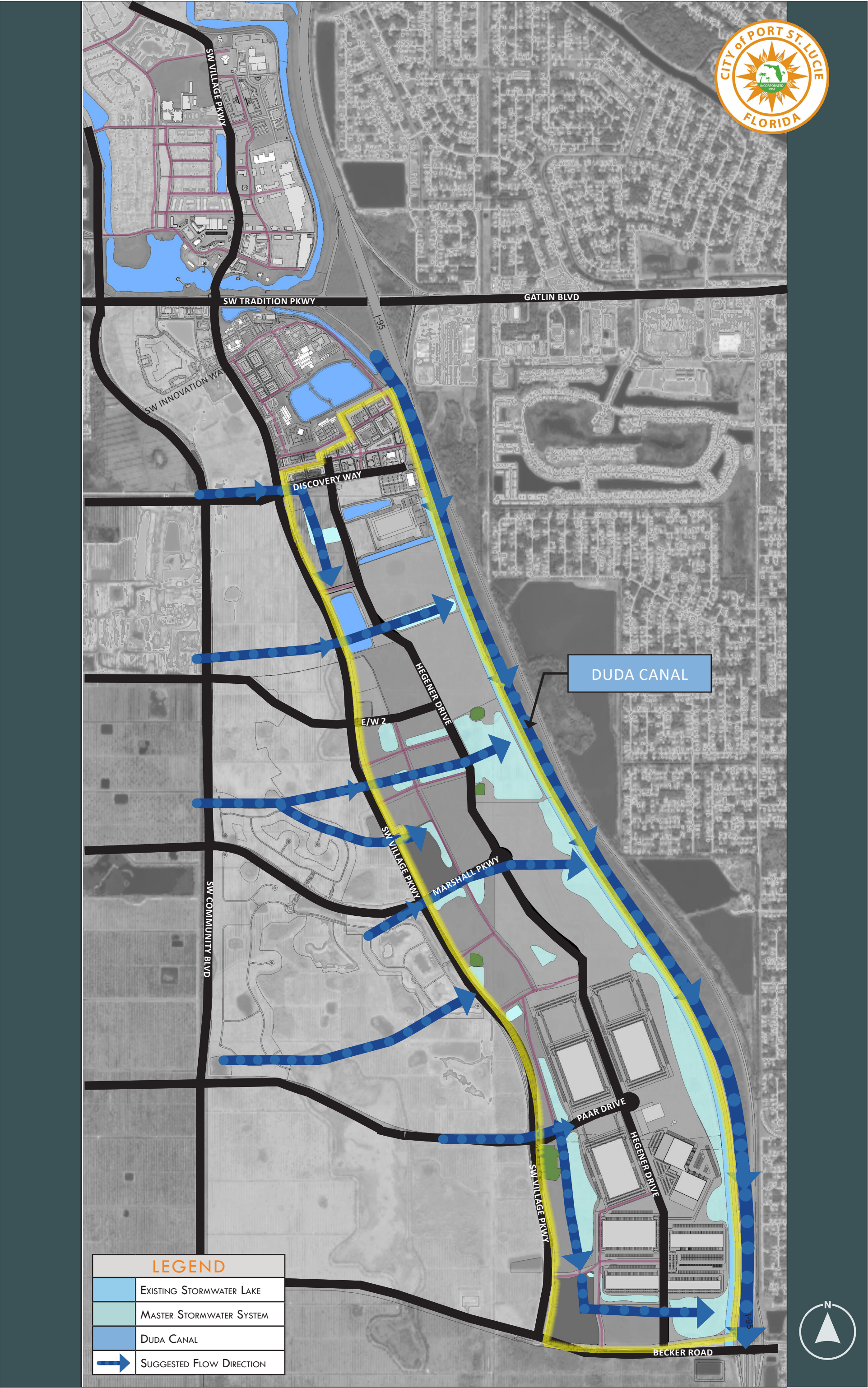




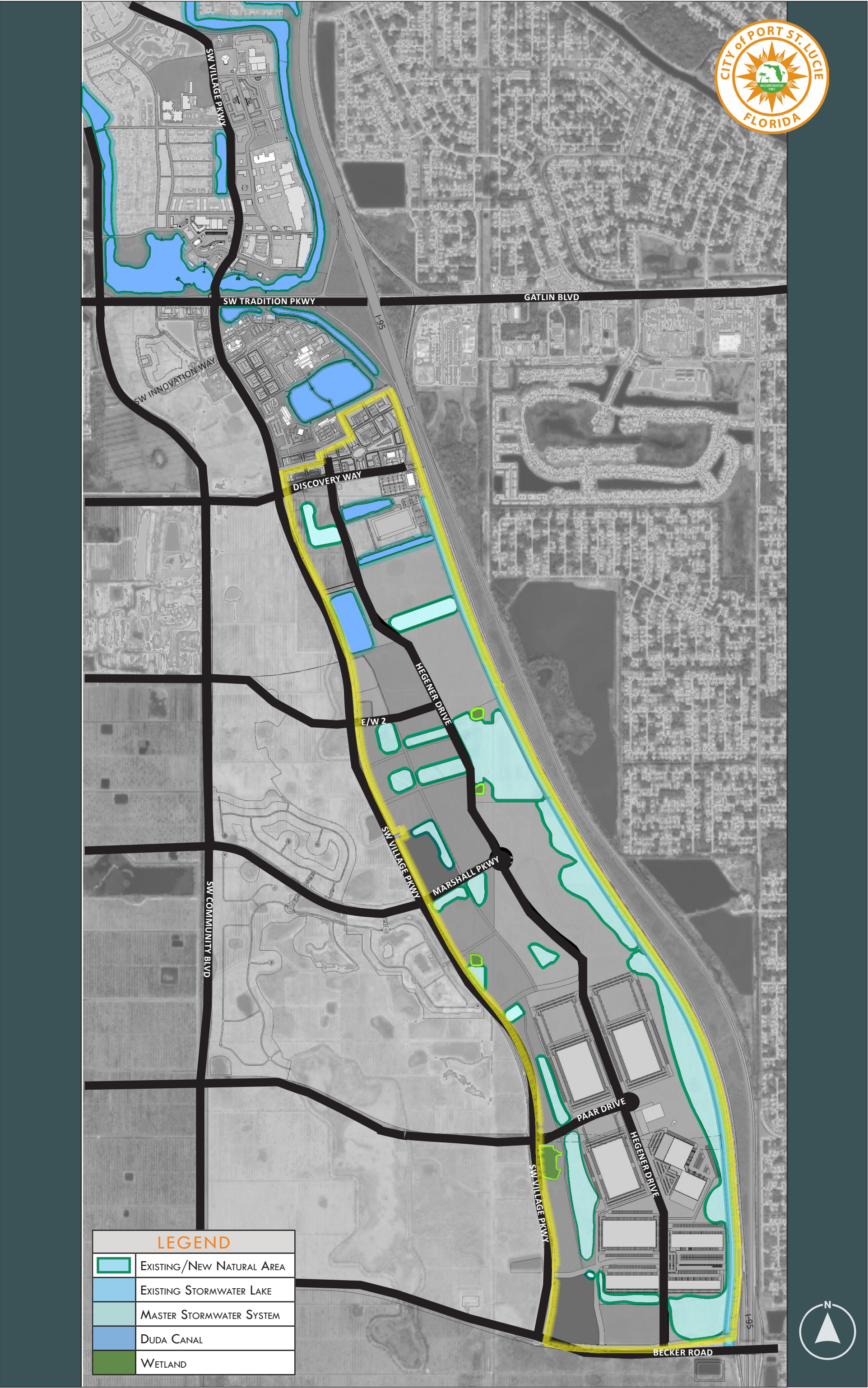






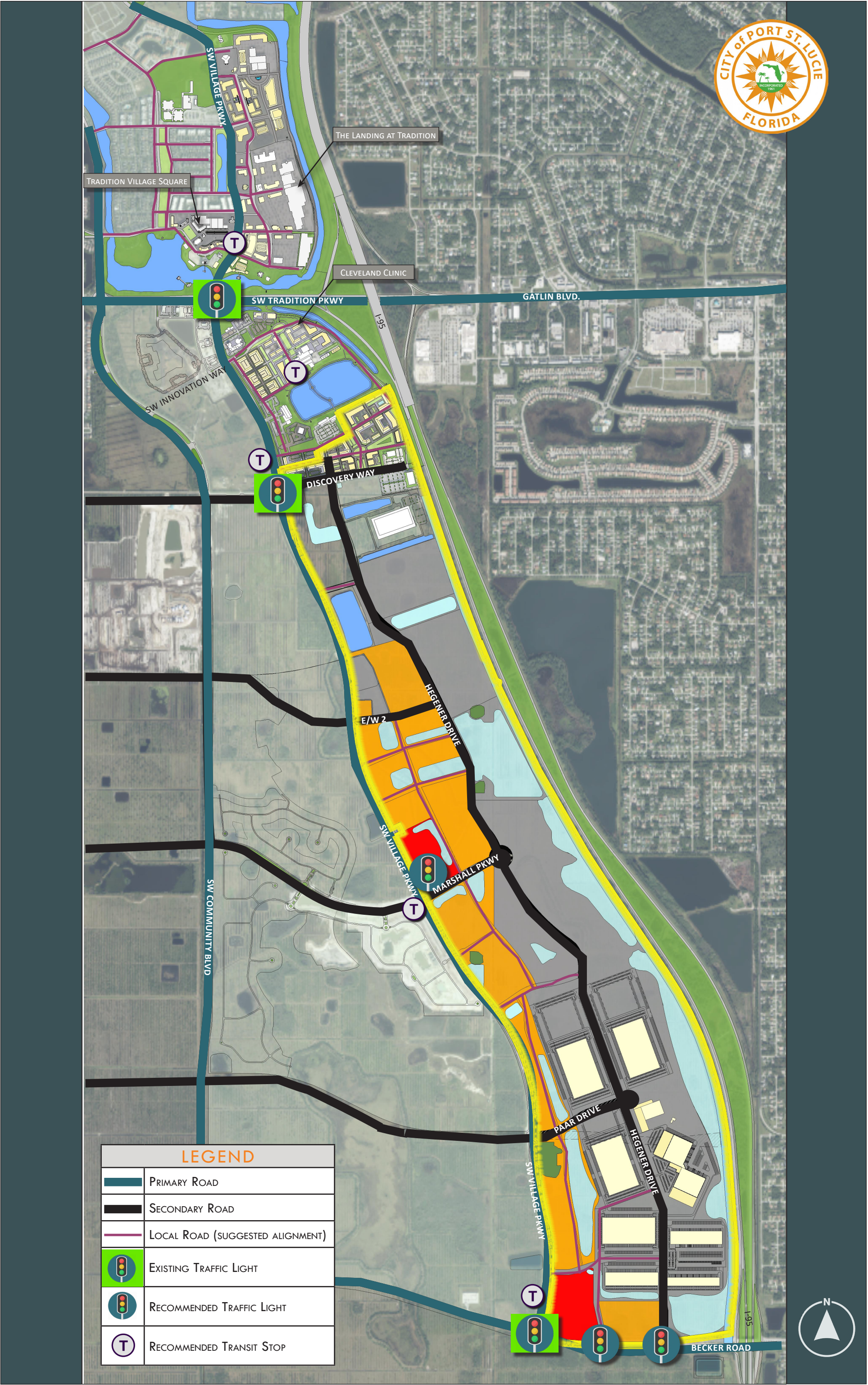








SOUTHERN GROVE- TRANSIT NETWORK DIAGRAM





## APPENDIX B

TECHNICAL MEMORANDUM #1	
TO	CITY OF PORT ST. LUCIE
FROM	WTL+a via TCRPC
DATE	February 5, 2020
RE	SUMMARY OF INITIAL DEMOGRAPHIC & ECONOMIC CHARACTERISTICS AND FINDINGS

The purpose of this memorandum is to provide a high-level overview of the demographic and economic characteristics related to the Port St. Lucie “Southern Grove” study area and the context within which it is located. This memorandum will be a component of the overall Market & Economic Analysis Report that has been requested by the City of Port St. Lucie through its inter-local agreement with the Treasure Coast Regional Planning Council (TCRPC).

## Overview

The City of Port St. Lucie, located in St. Lucie County, Florida, is one of the fastest-growing municipalities in the State of Florida. Established in 1961, its municipal boundaries encompass 121.5 square miles. The City acquired 1,223.35 acres known as the “Southern Grove” property (the “study area”) on June 28, 2018. The study area, which is part of the Southern Grove Development of Regional Impact (DRI) which encompasses approximately 3,606 acres. This technical memorandum provides a demographic and economic profile relevant to subsequent analysis of development potentials of the study area.

## Demographic & Economic Profile

The following summary provides an evaluation of those indices that drive fundamental market demand for various land uses to inform development potentials in the Southern Grove study area. Accordingly, the overview is focused on population and household growth, employment

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trends and forecasts, household incomes and annual retail spending power, the current business mix in St. Lucie County and Port St. Lucie, and other economic indicators based on available data that form the basis of potential market support.

This profile and analysis are 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 Port St. Lucie and St. Lucie County; ESRI Business Analyst; Claritas, Inc. and Dun & Bradstreet, Inc.; and other sources.

## Demographic Trends & Forecasts



WTL+a evaluated historic population growth patterns and forecasts in various geographies, including the City of Port St. Lucie and nearby communities in St. Lucie County using the sources noted above. Key findings are summarized below, with data illustrated in the accompanying tables.

### St. Lucie County

- As illustrated in Table 1 below, St. Lucie County's population increased—from 192,695 residents in 2000 to more than 309,300 residents as of the April 1, 2019 state census, reflecting extraordinary population growth of exceeding 116,600 new residents over the past 19 years. This represents *sustained* annual growth of 2.5% per year since 2000; notably, growth slowed to a more reasonable but still solid rate of 1.2% per after 2010.
- St. Lucie County consists of two primary municipalities—Port St. Lucie and Fort Pierce—as well as the smaller municipality of St. Lucie Village. Otherwise, the remaining land area is unincorporated.
- Outside of Port St. Lucie, the other municipalities and unincorporated area expanded by only 13,530 new residents, accounting for only 12% of the County's overall population growth since 2000.

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**Table 1: St. Lucie County Population Trends & Forecasts, 2000—2040**

	2000	% of County	2010	% of County	1-Apr 2019	% of County	Change: 2000-2019 Amount	CAGR (2)	Forecasts (3)			% of County	Change: 2019-2040 Amount	CAGR (2)
									2020	2030	2040			
Population														
St. Lucie County	192,695		277,789		309,359		116,664	2.5%	313,100	359,500	395,100		85,741	1.17%
Fort Pierce	37,516	19.5%	41,590	15.0%	43,653	14.1%	6,137	0.8%	44,181	50,728	55,752	14.1%	12,099	
Port St. Lucie	88,769	46.1%	164,603	59.3%	191,903	62.0%	103,134	4.1%	194,224	223,007	245,090	62.0%	53,187	
St. Lucie Village	604	0.3%	590	0.2%	646	0.2%	42	0.4%	654	751	825	0.2%	179	
Unincorporated	65,806	34.2%	71,006	25.6%	73,157	23.6%	7,351	0.6%	74,042	85,014	93,433	23.6%	20,276	
Total:	192,695	100.0%	277,789	100.0%	309,359	100.0%	116,664	2.5%	313,100	359,500	395,100	100.0%	85,741	1.17%

(1) Based on the 2019-2040 Low-Medium-High Population Forecasts prepared by BEBR. Analysis uses the Medium Growth Scenario for St. Lucie County.

(2) CAGR=Compound Annual Growth Rate.

(3) Population projections for 2019-2040 for selected municipalities assume that each continues the same rate of growth as occurred between 2010-2019. If growth rates continue at this pace, it would yield overall population growth exceeding the County's forecast by 2040.

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

Source: U.S. Census Bureau; University of Florida, Bureau of Business & Economic Research; ESRI Business Analyst; WTL+a, December 2019.



**Since 2000, St. Lucie County Added**

**116,600+ New Residents**

- **Port St. Lucie captured fully 88% of the County’s population growth between 2000 and 2019—with 103,100 new residents. This equates to a *sustained* annual average of more than 5,400 new residents per year.**
- Based on the Moderate Growth scenario of long-term population forecasts through 2040 (prepared by the University of Florida/Bureau of Economic & Business Research/BEBR), **St. Lucie County is expected to add another 85,700 new residents**, which translates into an annual growth rate of 1.17% per year over the next 20 years, for a projected 2040 population of 395,100 residents. The state’s forecasts suggest the County’s population growth will moderate from its historic patterns between 2000-2010 and 2010-2019.

Additional demographic characteristics for St. Lucie County are illustrated in Table 2 below.

### **Port St. Lucie**

Key demographic characteristics of the City of Port St. Lucie are illustrated in Table 3 and summarized in detail below:

- In 2019, data from ESRI Business Analyst suggests that Port St. Lucie **contains more than 188,700 residents in 68,775 households**. This is slightly less than the official April 1<sup>st</sup> state estimate of 191,900 residents.
- Between 2000 and 2010, the City’s population increased substantially—with the addition of almost 74,300 new residents. This equates to an annual average gain of more than 7,400 residents per year and an extraordinary annual growth rate of 6.2% per year. Growth moderated between 2010 and 2019—with the addition of 24,250 new residents in 7,900 new households and an annual growth rate of 1.54%.
- It is likely that the City’s population and household growth in the decade between 2000 and 2010 occurred prior to the national recession and attendant housing collapse that affected many jurisdictions in South Florida and across the U.S.

Table 2: Demographic Trends &amp; Forecasts—St. Lucie County, 2000—2024

	2000	2010	2019	% Dist.	2024	% Dist.	Change: 2019-2024	
							No.	CAGR %
<b>Demographic Profile</b>								
Population	192,695	277,789	313,221		343,956		30,735	1.89%
Households	76,933	108,523	120,231		131,302		11,071	1.78%
Avg. HH Size	2.53	2.53	2.58		2.60			
Median Age		42.4	44.5		44.5			
<b>Race</b>								
White		199,336	215,211	69%	229,371	67%	14,160	1.3%
Black		53,036	63,547	20%	73,132	21%	9,585	2.8%
American Indian		1,123	1,129	0%	1,182	0%	53	0.9%
Asian, Pacific Islander		4,495	6,243	2%	7,836	2%	1,593	4.7%
Other		12,512	16,852	5%	19,918	6%	3,066	3.4%
Two or More Races		7,287	10,239	3%	12,517	4%	2,278	4.1%
<b>Total:</b>		<b>277,789</b>	<b>313,221</b>		<b>343,956</b>		<b>30,735</b>	
Hispanic (1)		45,995	62,437	20%	74,022	22%	11,585	3.5%
<b>Age Distribution</b>								
0-14		51,139	51,948	17%	57,140	17%	5,192	1.9%
15-24		32,336	34,001	11%	35,095	10%	1,094	0.6%
25-34		30,110	38,432	12%	42,501	12%	4,069	2.0%
35-44		34,617	33,800	11%	39,226	11%	5,426	3.0%
45-54		39,265	37,651	12%	37,328	11%	(323)	-0.2%
55-64		34,944	43,097	14%	44,863	13%	1,766	0.8%
65-74		29,395	39,411	13%	45,616	13%	6,205	3.0%
75+		25,983	34,881	11%	42,187	12%	7,306	3.9%
<b>Income Profile</b>								
<b>Households by Income</b>								
<\$15,000			9.7%		8.1%			
\$15,000 - \$24,999			11.2%		9.5%			
\$25,000 - \$34,999			11.3%		10.0%			
\$35,000 - \$49,999			16.3%		15.6%			
\$50,000 - \$74,999			18.5%		18.7%			
\$75,000 - \$99,999			15.1%		16.4%			
\$100,000 - \$149,999			11.8%		13.8%			
\$150,000 - \$199,999			3.1%		4.2%			
\$200,000+			3.1%		3.7%			
<b>Average HH Income</b>			\$ 68,159		\$ 77,265			2.5%
<b>Median HH Income</b>			\$ 51,425		\$ 56,898			2.0%
<b>Education Profile</b>								
<b>Years of Education (2017 American Community Survey/ACS)</b>								
Less than 9th Grade			5.7%					
9th-12th Grade, No Diploma			8.2%					
High School Graduate (Includes Equivalency)			34.0%					
Some College, No Degree			21.9%					
Associate Degree			10.7%					
Bachelor's Degree			12.8%					
Graduate/Professional Degree			6.8%					

(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/index.xhtml>

Source: ESRI Business Analyst; American Community Survey; WTL +a, December 2019.



- Moreover, the City's share of St. Lucie County's population has increased over the past 19 years—from 46% in 2000 to 62% in 2019. Over the next five years, ESRI forecasts suggest the City's share of St. Lucie County's population will remain stable in the range of 61% by 2024.
- Port St. Lucie's population is roughly 71% White, 18% Black, and 22% Hispanic (can be two or more races).
- Residents have a median age of 42.0 years, which is forecast to decline slightly to 41.6 years by 2024. By comparison, St. Lucie County's median age is slightly older—44.5 with no change expected by 2024.
- Port St. Lucie is a solidly middle-class community, with average household incomes in 2019 of \$73,500 per year. Approximately 20% of the City's households have annual incomes greater than \$100,000 per year.

Average household incomes are forecast to increase by 2.5% per year over the next five years, rising to \$83,200 by 2024. The City's average household income is forecast to remain higher than its counterparts in St. Lucie County, where average household incomes are forecast to be roughly \$77,265 by 2024.

- Notably, ESRI's five-year forecasts through 2024 suggest that Port St. Lucie's growth will moderate over recent trends, with a forecast population gain of more than **20,650 new residents in 7,180 new households**. This forecast suggests average annual growth rates of 2.1% and 2.0% per year, respectively.
- ESRI forecasts further suggest that **population growth will be greatest in four age cohorts** over the next five years:
  - Those ages 75 and over are expected to exhibit the greatest rate of growth—4.3% per year (consistent with an aging population throughout Florida and the U.S.).
  - Strong growth of 3% per year is also expected in the 25-34, 35-44 and 65-74 age cohorts. This is likely to translate into opportunities for specific types of housing, such as first-time buyers (25-34) and move-up buyers (35-44) as well as age-restricted and independent living/continuing care for those over the age of 65.

**Table 3: Demographic Trends & Forecasts—City of Port St. Lucie, 2000—2024**

	2000	2010	2019	% Dist.	2024	% Dist.	Change: 2019-2024	
							No.	CAGR %
Demographic Profile								
Population	90,170	164,463	188,722		209,381		20,659	2.10%
As % of County	46.8%	59.2%	60.3%		60.9%			
Households	34,443	60,871	68,775		75,956		7,181	2.01%
Avg. HH Size	2.69	2.69	2.73		2.75			
Median Age		39.8	42.0		41.6			
Race								
White		122,234	133,808	71%	143,271	68%	9,463	1.4%
Black		26,847	33,631	18%	40,232	19%	6,601	3.6%
American Indian		627	646	0%	671	0%	25	0.8%
Asian, Pacific Islander		3,365	4,737	3%	5,903	3%	1,166	4.5%
Other		6,421	8,872	5%	10,670	5%	1,798	3.8%
Two or More Races		4,969	7,027	4%	8,634	4%	1,607	4.2%
Total:		164,463	188,721		209,381		20,660	
Hispanic (1)		30,190	41,354	22%	49,424	24%	8,070	3.6%
Age Distribution								
0-14		33,126	32,807	17%	36,731	18%	3,924	2.3%
15-24		19,468	21,556	11%	22,064	11%	508	0.5%
25-34		18,815	24,618	13%	28,684	14%	4,066	3.1%
35-44		23,126	21,813	12%	25,375	12%	3,562	3.1%
45-54		24,388	24,496	13%	23,954	11%	(542)	-0.4%
55-64		19,528	25,718	14%	27,310	13%	1,592	1.2%
65-74		14,435	20,802	11%	24,350	12%	3,548	3.2%
75+		11,577	16,914	9%	20,912	10%	3,998	4.3%
Income Profile								
Households by Income								
<\$15,000			6.5%		5.4%			
\$15,000 - \$24,999			9.4%		7.9%			
\$25,000 - \$34,999			10.3%		9.0%			
\$35,000 - \$49,999			16.2%		15.2%			
\$50,000 - \$74,999			20.2%		20.0%			
\$75,000 - \$99,999			17.1%		18.2%			
\$100,000 - \$149,999			13.3%		15.4%			
\$150,000 - \$199,999			3.5%		4.7%			
\$200,000+			3.4%		4.2%			
Average HH Income			\$ 73,509		\$ 83,193			2.5%
Median HH Income			\$ 57,072		\$ 63,262			2.1%
Educational Profile								
Years of Education (2017 American Community Survey/ACS)								
Less than 9th Grade			5.4%					
9th-12th Grade, No Diploma			7.2%					
High School Graduate (Includes Equivalency)			33.4%					
Some College, No Degree			23.4%					
Associate Degree			11.4%					
Bachelor's Degree			12.8%					
Graduate/Professional Degree			6.5%					

(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/index.xhtml>

Source: U.S. Census Bureau; American Community Survey; ESRI Business Analyst; WTL +a, December 2019.



**Population Growth in Port St. Lucie Next 5 Years:**

**20,650+ New Residents in 7,180 New Households by 2024**

## 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. Household retail spending patterns among households in St. Lucie County and the cities of Port St. Lucie and Fort Pierce are illustrated in Table 4.

- With 2019 average household incomes of \$73,500, households in Port St. Lucie have sufficient disposable incomes to support a wide range of retail offerings. Households spend approximately 22.9% of annual incomes on various retail categories compared to more than 23% among households countywide.
- The City’s households spend more than \$16,860 per year on consumer retail goods, including: clothing, entertainment/recreation, electronics, groceries, food & beverage, household furnishings and health care, while County households tend to spend less (\$15,700 per year).
- City annual household expenditures are also significantly higher than that spent annually by households in the City of Fort Pierce (\$12,075 per household).
- **Retail spending among the City’s households exceeds \$1.16 billion per year** as compared to \$830 million among households in Fort Pierce. Port St. Lucie households account for fully 61% of all household consumer retail spending in St. Lucie County. Notably, household spending totals are irrespective of location (i.e., spending can occur anywhere).

**Table 4: Annual Household Consumer Spending, 2019**

	St. Lucie County	Port St. Lucie	Fort Pierce
<b>Total Households (2019)</b>	<b>120,231</b>	<b>68,775</b>	<b>17,135</b>
<b>Apparel &amp; Accessories</b>			
Men's Wear	\$ 319	\$ 343	\$ 252
Women's Wear	564	603	432
Children's Wear	245	280	192
Footwear	373	401	303
Watches & Jewelry	113	122	80
Apparel Products & Services	52	55	38
<b>Subtotal:</b>	<b>\$ 1,665</b>	<b>\$ 1,804</b>	<b>\$ 1,298</b>
<b>Computers</b>			
Computers & Hardware	\$ 127	\$ 138	\$ 98
Software & Accessories	27	29	20
<b>Subtotal:</b>	<b>\$ 154</b>	<b>\$ 167</b>	<b>\$ 118</b>
<b>Entertainment &amp; Recreation</b>			
Membership Fees for Clubs	\$ 177	\$ 192	\$ 127
Fees for Participant Sports	89	97	61
Tickets to Theater/Operas/Concerts	55	58	41
Tickets to Movies	43	47	33
Tickets to Parks/Museums	24	27	19
Admission to Sporting Events	48	53	35
Fees for Recreational Lessons	102	115	73
Dating Services	0.53	0.55	0.49
<b>Subtotal:</b>	<b>\$ 538</b>	<b>\$ 589</b>	<b>\$ 388</b>
<b>TV/Video/Audio</b>			
Cable & Satellite TV Services	\$ 723	\$ 760	\$ 565
Televisions	88	95	69
Satellite Dishes	1	1	1
VCRs, Video Cameras & DVD Players	5	5	4
Miscellaneous Video Equipment	21	23	15
Video Cassettes & DVDs	9	10	7
Video Game Hardware/Accessories	22	24	18
Video Game Software	11	13	10
Rental/Streaming/Downloaded Video	37	41	29
Installation of Televisions	1	1	1
Audio	77	84	59
Rental & Repair of TV/Radio/Audio/Sound	3	3	2
<b>Subtotal:</b>	<b>\$ 998</b>	<b>\$ 1,060</b>	<b>\$ 779</b>

(1) Consumer spending data are derived from the 2016 and 2017 Consumer Expenditure Surveys conducted by the Bureau of Labor Statistics.

**Source: US Department of Labor, Bureau of Labor Market Statistics; ESRI Business Analyst; WTL +a, December 2019.**

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**Table 4 (Continued): Annual Household Consumer Spending, 2019**

	St. Lucie County	Port St. Lucie	Fort Pierce
<b>Other Entertainment</b>			
Pets	\$ 531	\$ 562	\$ 409
Toys & Games	92	102	71
Recreational Vehicles & Fees	115	121	83
Sports/Recreation/Exercise Equipment	167	185	117
Photo Equipment & Supplies	41	45	30
Reading	86	90	63
Catered Affairs	18	20	14
<b>Subtotal:</b>	<b>\$ 1,049</b>	<b>\$ 1,124</b>	<b>\$ 788</b>
<b>Food &amp; Alcohol</b>			
Food at Home	\$ 4,142	\$ 4,415	\$ 3,249
Food Away from Home	2,888	3,128	2,220
Alcoholic & Non-alcoholic Beverages	443	475	336
<b>Subtotal:</b>	<b>\$ 7,472</b>	<b>\$ 8,017</b>	<b>\$ 5,805</b>
<b>Household Furnishings &amp; Equipment</b>			
Household Textiles	\$ 80	\$ 86	\$ 61
Furniture	486	529	368
Floor Coverings	24	26	17
Major Appliances	293	318	215
Housewares	86	92	64
Small Appliances	38	41	31
Luggage	11	12	8
Telephones & Accessories	59	65	45
Lawn & Garden	388	412	273
Housekeeping Supplies	619	658	474
Maintenance & Remodeling Materials	405	441	284
<b>Subtotal:</b>	<b>\$ 2,489</b>	<b>\$ 2,679</b>	<b>\$ 1,840</b>
<b>Health &amp; Personal Care</b>			
Non- & Prescription Drugs	\$ 434	\$ 454	\$ 325
Optical	73	78	55
Personal Care Products	404	436	310
School Supplies	119	130	93
Smoking Products	318	329	278
<b>Subtotal:</b>	<b>\$ 1,348</b>	<b>\$ 1,427</b>	<b>\$ 1,060</b>
<b>TOTAL:</b>			
Total Annual Spending	\$ 1,889,195,715	\$ 1,160,103,578	\$ 830,478,070
Per Household	\$ 15,713	\$ 16,868	\$ 12,075
Average HH Income	\$ 68,159	\$ 73,509	\$ 51,290
As % of Average HH Income	23.1%	22.9%	23.5%

(1) Consumer spending data are derived from the 2016 and 2017 Consumer Expenditure Surveys conducted by the Bureau of Labor Statistics.

Source: US Department of Labor, Bureau of Labor Market Statistics; ESRI Business Analyst; WTL +a, December 2019.

## Retail “Recapture” Opportunities

Another key indicator of retail market potentials involves what is known as the “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** indicates a potential recapture opportunity, while a negative value in **red** indicates 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 indicated on the right side of the graph while surplus sales (inflow) are illustrated on the left side of the graph. Numerical findings for the City of Port St. Lucie are illustrated in Table 5 below.

**Figure 1: Retail Leakage & Surplus—City of Port St. Lucie, 2019**

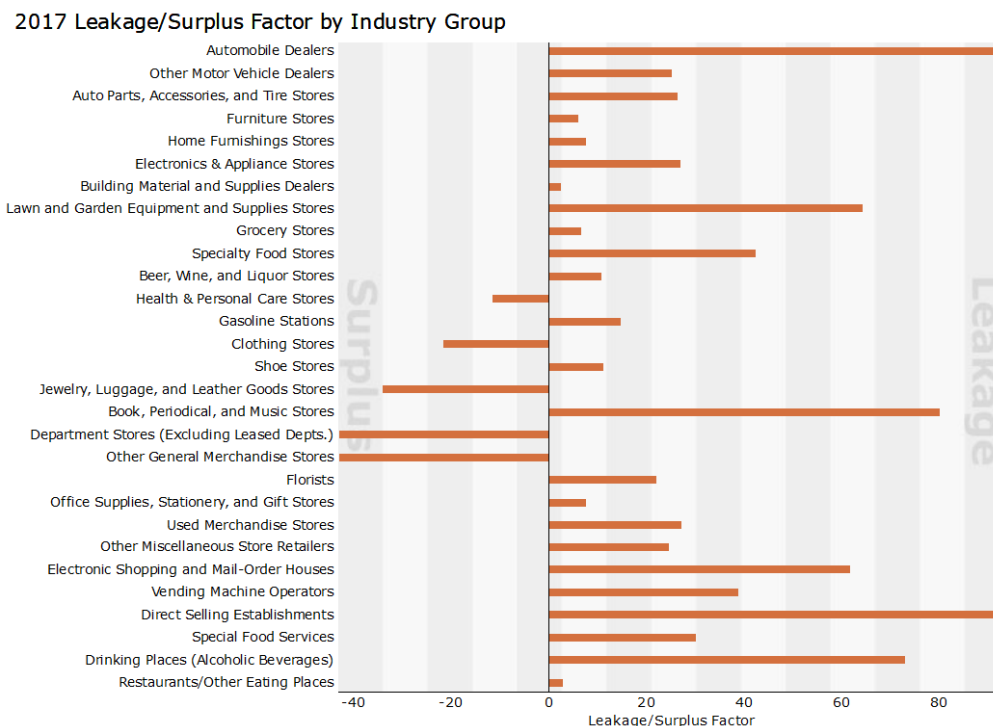




Table 5: Retail "Recapture" Opportunities—City of Port St. Lucie, 2019

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
<b>General Merchandise Stores</b>			
Department Stores Excl Leased Depts.	\$ 223,322,120	\$ 564,232,866	\$ (340,910,746)
Other General Merchandise Stores	96,252,355	243,355,156	(147,102,801)
<b>Subtotal:</b>	<b>\$ 319,574,475</b>	<b>\$ 807,588,022</b>	<b>\$ (488,013,547)</b>
<b>Clothing &amp; Accessories Stores</b>			
Clothing Stores	\$ 64,949,127	\$ 100,731,783	\$ (35,782,656)
Shoe Stores	14,913,516	11,911,355	3,002,161
Jewelry, Luggage, Leather Goods	16,299,377	33,254,357	(16,954,980)
<b>Subtotal:</b>	<b>\$ 96,162,020</b>	<b>\$ 145,897,495</b>	<b>\$ (49,735,475)</b>
<b>Furniture &amp; Home Furnishings Stores</b>			
Furniture Stores	\$ 39,500,068	\$ 34,985,777	\$ 4,514,291
Home Furnishing Stores	32,333,043	27,776,091	4,556,952
<b>Subtotal:</b>	<b>\$ 71,833,111</b>	<b>\$ 62,761,868</b>	<b>\$ 9,071,243</b>
<b>Electronics &amp; Appliance Stores</b>			
Appliances, TVs, Electronics Stores	\$ 55,920,376	\$ 32,065,293	\$ 23,855,083
<b>Subtotal:</b>	<b>\$ 55,920,376</b>	<b>\$ 32,065,293</b>	<b>\$ 23,855,083</b>
<b>Leisure &amp; Entertainment</b>			
Sporting Goods/Hobby/Musical Instruments	\$ 39,550,463	\$ 78,617,917	\$ (39,067,454)
Books, Periodicals & Music Stores	8,066,668	880,530	7,186,138
<b>Subtotal:</b>	<b>\$ 47,617,131</b>	<b>\$ 79,498,447</b>	<b>\$ (31,881,316)</b>
<b>Food Services &amp; Drinking Places</b>			
Special Food Services	\$ 3,491,897	\$ 1,877,093	\$ 1,614,804
Drinking Places - Alcoholic Beverages	16,281,259	2,509,743	13,771,516
Restaurants/Other Eating Places	187,374,093	176,612,093	10,762,000
<b>Subtotal:</b>	<b>\$ 207,147,249</b>	<b>\$ 180,998,929</b>	<b>\$ 26,148,320</b>

Source: Bureau of Labor Statistics; Claritas, Inc.; ESRI Business Analyst; WTL +a, December 2019.

**Table 5 (Continued): Retail "Recapture" Opportunities—City of Port St. Lucie, 2019**

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
<b>Food &amp; Beverage Stores</b>			
Grocery Stores	\$ 312,637,018	\$ 273,364,151	\$ 39,272,867
Specialty Food Stores	14,383,253	5,789,138	8,594,115
Beer, Wine & Liquor Stores	16,413,079	13,221,504	3,191,575
<b>Subtotal:</b>	<b>\$ 343,433,350</b>	<b>\$ 292,374,793</b>	<b>\$ 51,058,557</b>
<b>Health &amp; Personal Care Stores</b>			
Health & Personal Care Stores	\$ 131,678,893	\$ 166,648,868	\$ (34,969,975)
<b>Subtotal:</b>	<b>\$ 131,678,893</b>	<b>\$ 166,648,868</b>	<b>\$ (34,969,975)</b>
<b>Building Material, Garden Equipment Stores</b>			
Building Materials & Supplies	\$ 130,038,222	\$ 123,551,331	\$ 6,486,891
Lawn & Garden Equipment & Supplies	10,316,770	2,227,630	8,089,140
<b>Subtotal:</b>	<b>\$ 140,354,992</b>	<b>\$ 125,778,961</b>	<b>\$ 14,576,031</b>
<b>Miscellaneous Store Retailers</b>			
Florists	\$ 3,351,292	\$ 2,136,220	\$ 1,215,072
Office Supplies, Stationery, Gift Stores	17,117,048	14,693,003	2,424,045
Used Merchandise Stores	17,233,552	9,818,878	7,414,674
Other Miscellaneous Retail Stores	42,290,278	25,435,774	16,854,504
<b>Subtotal:</b>	<b>\$ 79,992,170</b>	<b>\$ 52,083,875</b>	<b>\$ 27,908,295</b>
<b>TOTAL:</b>			
<b>HH Demand vs. Retail Sales</b>	<b>\$ 1,493,713,767</b>	<b>\$ 1,945,696,551</b>	<b>\$ (451,982,784)</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, December 2019.



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

- The City's households spend more than \$1.49 billion 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 that surpass \$1.94 billion per year**. The difference between spending and sales is known as *inflow*; in other words, **there is more than \$451.9 million in annual retail sales inflow into Port St. Lucie** from sources other than resident households. It should be noted that resident household sales can occur anywhere (i.e., often outside of Port St. Lucie), so sources of inflow include daytime employees (who don't live in the city), visitors and pass-through traffic;
- The retail analysis reveals there are several merchandise categories where *apparent* opportunities could be recaptured to support either new retail development in the Southern Grove study area (or stronger performance among existing businesses in Port St. Lucie). These include: Food & Beverage Stores (\$51 million); Miscellaneous Stores (\$27.9 million); Food Service & Drinking Places (\$26.1 million); and Electronics & Appliances (\$23.8 million); and
- **Highly notable is the level of inflow on General Merchandise (\$488 million per year) and Clothing & Accessories (\$49.7 million).** For General Merchandise, this reflects three anchor department stores at three Walmart Supercenters, two Walmart Neighborhood Stores, one Target store, four Dollar Tree stores, and two Home Goods stores, among others.

**Port St. Lucie Attracts \$451.9 Million**

**In Annual Retail Sales *Inflow***

## Economic Characteristics

### Employment Trends—St. Lucie MSA

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 the St. Lucie Metropolitan Statistical Area (MSA), which is comprised of Martin and St. Lucie Counties, as prepared by the state’s labor agency, the Department of Economic Opportunity (DEO), for the period between 1995 and 2018. This data is critical to understanding development potentials in the Southern Grove study area. Key findings are summarized below and illustrated in Table 6:

- **The St. Lucie MSA added 48,100 new jobs in the 11-year period between 1995 and 2006.** This growth, which translates into over 4,800 new jobs annually, was focused largely in specific sectors, including: Construction (7,700), Professional/Business Services (7,100), and Government (5,900). Growth in Professional/Business Services fueled demand for office space in key locations across the two counties during this period.
- Other sectors with solid job growth during this period also included Retail Trade (5,600) and Education/Health Services (5,500).
- By contrast, **the economic downturn of 2007—2009 resulted in the loss of 15,400 jobs in both counties.** Over the past 11 years (and over multiple economic cycles), job losses were greatest in Wholesale Trade (-1,300) and Financial Activities (-1,000).
- In the eight years between 2011 and 2018, however, **the economy of the St. Lucie MSA has significantly recovered from the 2007—2009 recession, with the creation of more than 33,000 new jobs.**

Notably, the Services sector—which comprises multiple categories such as Business and Professional Services, Education/Health Services and Leisure/Hospitality, has gained the largest share of new jobs in the MSA, exhibiting a net gain of 21,400 new jobs between 2007 and 2018.

**(15,400) Recession-based Job Losses in the St. Lucie MSA**

**Replaced with 33,000 New Jobs Since 2011**



## Employment Trends—St. Lucie County

As DEO employment data does not distinguish job growth specifically for St. Lucie County, WTL+a examined data from the U.S. Census Bureau's "On-the-Map" database, which tallies job growth by major industry sectors for specific jurisdictions and discrete geographies of the U.S. As illustrated in Table 7, data indicate the following:

- **In 2017 (latest data available), St. Lucie County contained a total of 74,900 jobs.** This would suggest that, in 2017, St. Lucie County accounted for almost 50 % of the jobs in the St. Lucie MSA.
- **The 2007—2009 recession (and subsequent recovery) resulted in the loss of more than 7,000 jobs in various sectors of the County's economy.** However, **since 2011 the County added almost 12,500 new jobs, resulting in a net gain of 6,824 new jobs** during this 12-year period.
- Between 2006 and 2017, notable job losses occurred in the following sectors:
  - Agriculture & Mining (-1,867 jobs)
  - Construction (-1,616 jobs)
  - Wholesale Trade (-2,360 jobs)
  - Financial Activities (-1,499 jobs)
- Conversely, notable gains occurred in the following sectors:
  - Health Care (+3,624 jobs)
  - Accommodation & Food Services (+2,785 jobs)
  - Retail Trade (+2,322 jobs)

**Table 6: Employment Trends—St. Lucie MSA, 1995—2018**

Industry Sector	1995	2000	2006	11-Year Change: 1995-2006		2007	2009	2011	2013	2015	2017	2018	11-Year Change: 2007-2018		
				Amount	CAGR %								Amount	CAGR %	
In 000s															
Agriculture/Mining/Construction	8.1	10.2	15.8	7.7	6.3%	12.8	8.0	7.2	7.9	9.2	10.6	12.3	(0.5)	-0.4%	
Manufacturing	5.4	5.9	7.0	1.6	2.4%	6.2	4.9	5.1	5.9	6.5	6.8	7.2	1.0	1.4%	
Transp/Warehousing/Utilities	3.7	3.2	4.4	0.7	1.6%	4.2	4.0	4.2	3.9	4.6	4.8	4.8	0.6	1.2%	
Trade															
Wholesale	2.8	3.2	6.9	4.1	8.5%	6.3	6.0	5.6	5.1	5.3	5.4	5.0	(1.3)	-2.1%	
Retail	15.2	16.8	20.8	5.6	2.9%	21.1	18.4	19.3	20.2	21.5	22.1	22.4	1.3	0.5%	
Information	1.7	1.8	1.7	-	0.0%	1.7	1.4	1.6	1.4	1.3	1.2	1.2	(0.5)	-3.1%	
Financial Activities	4.6	5.0	7.3	2.7	4.3%	6.8	5.6	5.4	5.3	5.4	5.7	5.8	(1.0)	-1.4%	
Services															
Prof'l/Business Services	7.2	10.6	14.3	7.1	6.4%	14.2	12.4	13.8	14.6	16.4	18.3	20.4	6.2	3.3%	
Education/Health Services	12.7	15.4	18.2	5.5	3.3%	19.2	20.7	21.5	22.5	25.6	27.3	28.0	8.8	3.5%	
Leisure & Hospitality	10.5	12.0	15.3	4.8	3.5%	15.5	14.8	15.3	16.7	18.1	19.9	20.6	5.1	2.6%	
Other Services	4.7	5.7	7.1	2.4	3.8%	7.1	6.9	6.4	7.0	8.5	8.3	8.4	1.3	1.5%	
Government	13.9	16.3	19.8	5.9	3.3%	20.4	20.1	19.7	19.3	19.8	20.3	20.1	(0.3)	-0.1%	
Total (In 000s):	90.5	106.1	138.6	48.1	4.0%	135.5	123.2	125.1	129.8	142.2	150.7	156.2	20.7	1.3%	
Change in Jobs During Period:		15.6	32.5			(3.1)	(12.3)	1.9	4.7	12.4	8.5	5.5			

(1) As of year-end for each reported year.

<http://www.floridajobs.org/workforce-statistics/data-center/statistical-programs/current-employment-statistics>

Source: US Department of Labor, Bureau of Labor Market Statistics; Florida Department of Economic Opportunity (DEO), Bureau of Labor Market Statistics; WTL +a, December 2019.



**Table 7: Employment Trends—St. Lucie County, 2006—2017**

Industry Sector	2006	2007	National Recession				2012	2013	2014	2015	2016	2017	2017 % Dist.	Change: 2006-2017	
			2008	2009	2010	2011								Amount	CAGR %
<b>Agriculture &amp; Mining</b>	2,782	4,075	4,127	3,118	2,844	3,740	3,126	2,698	1,789	1,204	1,060	915	1.2%	(1,867)	-9.6%
<b>Construction</b>	6,465	6,247	5,342	3,794	3,188	3,213	3,047	3,361	3,872	4,139	4,350	4,849	6.5%	(1,616)	-2.6%
<b>Manufacturing</b>	3,099	2,916	2,524	2,045	1,928	2,003	2,339	2,550	2,876	3,055	3,422	3,546	4.7%	447	1.2%
<b>Transp &amp; Warehousing</b>	1,047	686	978	942	1,000	1,200	1,240	1,185	1,234	1,359	1,454	1,409	1.9%	362	2.7%
<b>Utilities</b>	1,349	1,435	1,361	1,342	1,438	1,695	1,598	1,545	1,335	1,526	1,428	1,405	1.9%	56	0.4%
<b>Trade</b>															
Wholesale	5,169	4,719	4,526	4,413	4,092	3,981	4,064	3,122	2,778	2,504	2,745	2,809	3.7%	(2,360)	-5.4%
Retail	7,616	6,107	6,758	6,658	6,518	8,571	8,251	8,366	8,832	9,445	9,913	9,938	13.3%	2,322	2.4%
<b>Information</b>	453	388	368	308	302	683	839	498	526	455	470	404	0.5%	(49)	-1.0%
<b>Finance &amp; Insurance</b>	2,822	2,625	2,292	2,087	2,136	1,736	1,386	1,364	1,247	1,313	1,348	1,323	1.8%	(1,499)	-6.7%
<b>Real Estate/Rental &amp; Leasing</b>	1,226	1,124	1,046	1,005	972	1,080	1,122	952	1,104	1,235	1,250	1,408	1.9%	182	1.3%
<b>Services</b>															
Prof'l/Business Services	2,768	3,684	3,060	2,845	2,491	2,643	2,611	3,092	3,720	4,170	3,921	3,883	5.2%	1,115	3.1%
Management of Companies	106	98	112	97	166	154	169	190	242	249	251	266	0.4%	160	8.7%
Administration/Waste Mgmt.	4,228	3,474	3,377	2,971	3,272	3,502	3,899	4,064	4,323	4,408	4,438	4,372	5.8%	144	0.3%
Educational Services	7,303	8,494	8,999	8,827	8,678	9,038	8,780	8,901	8,682	9,114	9,164	8,906	11.9%	1,603	1.8%
Health Care & Social Assistance	8,188	8,698	9,197	9,331	9,592	10,520	10,538	10,759	10,242	10,833	11,298	11,812	15.8%	3,624	3.4%
Arts/Entertainment/Recreation	1,077	1,360	1,623	1,354	1,453	1,469	1,350	1,146	1,146	1,359	1,294	1,420	1.9%	343	2.5%
Accommodation & Food Services	5,353	5,971	5,362	5,545	5,698	6,274	6,501	7,133	7,169	7,869	7,915	8,138	10.9%	2,785	3.9%
Other Services	1,819	1,803	1,855	1,917	1,837	1,987	2,082	2,249	2,480	2,929	3,065	3,044	4.1%	1,225	4.8%
<b>Public Administration/Gov't</b>	5,223	5,601	5,369	5,221	4,844	4,543	4,530	4,511	4,806	4,549	5,033	5,070	6.8%	(153)	-0.3%
<b>Total (In 000s):</b>	<b>68,093</b>	<b>69,505</b>	<b>68,276</b>	<b>63,820</b>	<b>62,449</b>	<b>68,032</b>	<b>67,472</b>	<b>67,686</b>	<b>68,403</b>	<b>71,715</b>	<b>73,819</b>	<b>74,917</b>		<b>6,824</b>	<b>0.9%</b>
<i>Annual Change:</i>	-	1,412	(1,229)	(4,456)	(1,371)	5,583	(560)	214	717	3,312	2,104	1,098			
<i>Job Loss (As % of All Jobs):</i>			-2%	-7%	-2%		-1%								

Source: U.S. Census Bureau, On-the-Map; WTL +a, December 2019.

- As illustrated in Table 8 below, Dun & Bradstreet, Inc. estimates that **St. Lucie County contained 91,508 full- and part-time jobs** in 11,150 registered businesses in 2018, which reflects a jobs-to-population ratio of only 0.29. That is, there are 29 jobs for every 100 residents in the County, which reflects the concentration of employment centers such as St. Lucie West and downtown Fort Pierce as the County seat
- Notably, the County's jobs-to-population ratio is well-below that of Palm Beach County (0.49) and Martin County (0.46).
- Employment is concentrated in particular sectors, including Services (41.6%), Wholesale/Retail Trade (31.4%), and Government (6.9%).

### Employment Forecasts—Workforce Region #20

Employment forecasts for specific jurisdictions in Florida (defined as “Workforce Regions”) are also prepared by the Department of Economic Opportunity in eight-year forecast periods. As illustrated in Table 9 below, these forecasts suggest that:

- St. Lucie County is located in Workforce Region #20, which also includes Indian River and Martin Counties. According to DEO, **Workforce Region #20 is expected to add more than 23,000 new jobs between 2019 and 2027**, reflecting a *sustained* pace of 2,300 new jobs annually over this eight-year period.
- The Services sector is expected to comprise 65% of all new jobs in the region—adding over 14,900 new jobs—with the largest gains expected in Health Care and Accommodation & Food Services (hospitality and food and beverage) sectors. This can be expected to fuel demand for medical office space, restaurants and lodging.



Table 8: Business Mix—St. Lucie County, 2018

NAICS Category	Businesses		Employees	
	No.	% of Total	No.	% of Total
<b>Mining &amp; Natural Resources</b>	<b>283</b>	2.5%	<b>1,743</b>	1.9%
<b>Construction</b>	<b>936</b>	8.4%	<b>5,329</b>	5.8%
<b>Manufacturing</b>	<b>226</b>	2.0%	<b>2,437</b>	2.7%
<b>Transportation &amp; Warehousing</b>	<b>308</b>	2.8%	<b>2,019</b>	2.2%
<b>Communications</b>	<b>107</b>	1.0%	<b>651</b>	0.7%
<b>Utilities</b>	<b>30</b>	0.3%	<b>253</b>	0.3%
<b>Wholesale &amp; Retail Trade</b>				
Wholesale	323		3,753	
Retail	2,349		24,972	
- Home Improvement	139		1,459	
- General Merchandise	102		3,968	
- Food Stores	280		3,715	
- Auto Dealers/Gas Stations	371		2,902	
- Apparel & Accessory Stores	129		876	
- Furniture/Home Furnishings	162		780	
- Eating & Drinking Places	593		7,981	
- Miscellaneous & Non-store Retail	573		3,291	
<b>Subtotal - All Retail:</b>	<b>2,672</b>	24.0%	<b>28,725</b>	31.4%
<b>Finance/Insurance/Real Estate</b>	<b>979</b>	8.8%	<b>5,266</b>	5.8%
<b>Services</b>				
- Hotel/Lodging	74		928	
- Automotive Services	405		1,303	
- Motion Pictures & Amusements	283		2,087	
- Health Services	707		12,930	
- Legal Services	169		748	
- Educational Institutions	158		6,279	
- Other Services	2,666		13,768	
<b>Subtotal - Services:</b>	<b>4,462</b>	40.0%	<b>38,043</b>	41.6%
<b>Government</b>	<b>208</b>	1.9%	<b>6,319</b>	6.9%
<b>Unclassified Establishments</b>	<b>939</b>	8.4%	<b>723</b>	0.8%
<b>TOTAL:</b>	<b>11,150</b>	<b>100.0%</b>	<b>91,508</b>	<b>100.0%</b>

**ANALYSIS:**

2018 Employment	91,508
As % of Workforce Region 20	40.5%
2019 Population	313,221
Jobs/Population Ratio	0.29

Source: ESRI Business Analyst; InfoGroup, Inc.; Dun & Bradstreet, Inc.; WTL +a, December 2019.

**Table 9: State Employment Forecasts—Workforce Region #20, 2019—2027**

Employment Category	2019	% Dist.	2027	% Dist.	Change: 2019-2027	
					Total	CAGR
Agriculture/Mining/Construction						
Agriculture	2,612		2,178		(434)	-2.2%
Mining	135		133		(2)	0.0%
Construction	16,404		18,434		2,030	1.5%
Subtotal:	19,151	8.5%	20,745	8.3%	2,028	1.0%
Manufacturing						
Durable Goods Manufacturing	6,983		7,205		222	0.4%
Non-Durable Goods Manufacturing	2,375		2,386		11	0.1%
Subtotal:	9,358	4.1%	9,591	3.9%	233	0.3%
Transportation/Communications/Public Utilities						
Public Utilities	1,197		1,190		(7)	0.0%
Transportation & Warehousing	4,349		4,609		260	0.7%
Subtotal:	5,546	2.5%	5,799	2.3%	253	0.6%
Wholesale & Retail Trade						
Wholesale Trade	5,953		6,336		383	0.8%
Retail Trade	30,118		31,769		1,651	0.7%
Subtotal:	36,071	16.0%	38,105	15.3%	2,034	0.7%
Financial Activities & Information						
Information	1,844		1,778		(66)	-0.5%
Finance & Insurance	4,733		4,985		252	0.7%
Real Estate, Rental & Leasing	3,593		3,743		150	0.5%
Subtotal:	10,170	4.5%	10,506	4.2%	336	0.4%
Services						
Professional, Scientific & Technical Services	10,096		11,000		904	1.1%
Management of Companies & Enterprises	630		715		85	1.6%
Administrative & Waste Management	14,733		16,323		1,590	1.3%
Educational Services	2,775		3,215		440	1.9%
Health Care & Social Assistance	36,313		42,665		6,352	2.0%
Arts, Entertainment & Recreation	6,398		7,097		699	1.3%
Accommodation & Food Services	23,127		26,976		3,849	1.9%
Other Services (Except Government)	9,680		10,722		1,042	1.3%
Subtotal:	103,752	45.9%	118,713	47.7%	14,961	1.7%
Government	25,108	11.1%	27,193	10.9%	2,085	1.0%
Self-Employed & Unpaid Family Workers	16,670	7.4%	18,218	7.3%	1,548	1.1%
TOTAL:	225,826		248,870		23,044	1.2%
Annual Increase (Rounded):					2,900	

(1) DEO does not prepare employment forecasts for St. Lucie County.

<http://www.floridajobs.org/workforce-statistics/data-center/statistical-programs/employment-projections>

Source: Florida Department of Economic Opportunity, Bureau of Labor Statistics; WTL +a, December 2019.



- In conclusion, if St. Lucie County *maintains* its current share (40.5%) of Workforce Region #20's jobs in the future, it would suggest a potential gain of 9,300+ new jobs by 2027.

***Fair Share:***

**St. Lucie County Accounts for 40% of Workforce Region #20 Jobs**

**If 40% Share Maintained = 9,300 New Jobs by 2027**

### Employment Trends—Port St. Lucie

WTL+a utilized the same data from the U.S. Census Bureau's "On-the-Map" database, which tallies job growth by major industry sectors for specific jurisdictions and discrete geographies of the U.S., to understand employment trends in the City of Port St. Lucie. As illustrated in Table 10, data indicate the following:

- **In 2017 (latest data available), Port St. Lucie contained a total of 29,900 jobs.** This would suggest that, in 2017, the City accounted for almost 40% of the jobs in St. Lucie County.
- **Notably, the City's share of countywide jobs has increased**—from 33% in 2006 to 38% in 2012 and 40% in 2017.
- **The 2007—2009 recession (and subsequent recovery) resulted in the loss of only 930 jobs citywide** (as compared to 7,000 jobs lost in the County). **Since 2011, the City has added fully 7,335 new jobs, resulting in a net gain of 7,115 new jobs** during this 12-year period.
- Between 2006 and 2017, notable job losses occurred in the following sectors:
  - Construction (-552 jobs)
  - Wholesale Trade (-1,585 jobs)
  - Manufacturing (-277 jobs)
- Conversely, notable gains occurred in the following sectors:
  - Retail Trade (+2,176 jobs)
  - Health Care (+2,875 jobs)

**Table 10: Employment Trends—City of Port St. Lucie, 2006—2017**

Industry Sector	2006	2007	National Recession				2012	2013	2014	2015	2016	2017	2017 % Dist.	Change: 2006-2017	
			2008	2009	2010	2011								Amount	CAGR %
<b>Agriculture &amp; Mining</b>	47	89	83	78	71	44	30	35	44	43	57	48	0.2%	1	0.2%
<b>Construction</b>	2,855	2,926	2,465	1,533	1,272	1,306	1,219	1,325	1,718	1,921	2,081	2,303	7.7%	(552)	-1.9%
<b>Manufacturing</b>	809	700	616	631	606	636	394	449	498	729	548	532	1.8%	(277)	-3.7%
<b>Transp &amp; Warehousing</b>	184	183	175	154	154	190	254	218	200	228	214	197	0.7%	13	0.6%
<b>Utilities</b>	98	135	133	91	133	155	174	174	147	195	195	173	0.6%	75	5.3%
<b>Trade</b>															
Wholesale	2,976	2,592	2,660	2,888	2,679	2,720	2,792	1,887	1,476	1,198	1,376	1,391	4.7%	(1,585)	-6.7%
Retail	2,803	2,093	2,721	2,767	2,803	3,920	3,783	3,892	4,182	4,145	5,058	4,979	16.7%	2,176	5.4%
<b>Information</b>	169	154	126	111	115	342	478	150	165	94	135	100	0.3%	(69)	-4.7%
<b>Finance &amp; Insurance</b>	588	734	625	572	574	586	736	727	690	707	754	700	2.3%	112	1.6%
<b>Real Estate/Rental &amp; Leasing</b>	542	425	390	342	324	400	520	362	461	452	401	416	1.4%	(126)	-2.4%
<b>Services</b>															
Prof'l/Business Services	1,182	1,974	1,557	1,492	1,203	1,380	1,272	1,433	1,421	1,452	1,283	1,617	5.4%	435	2.9%
Management of Companies	14	22	38	31	36	15	29	38	37	23	37	28	0.1%	14	6.5%
Administration/Waste Mgmt.	2,328	2,076	1,941	1,891	2,210	2,240	2,694	2,824	2,930	3,193	2,926	2,761	9.2%	433	1.6%
Educational Services	276	519	610	538	737	656	443	547	585	788	844	858	2.9%	582	10.9%
Health Care & Social Assistance	3,095	3,427	3,900	4,107	4,279	4,681	4,891	5,185	5,201	5,503	5,579	5,970	20.0%	2,875	6.2%
Arts/Entertainment/Recreation	391	604	803	605	665	629	549	440	498	651	667	771	2.6%	380	6.4%
Accommodation & Food Services	2,334	2,731	2,619	2,815	2,760	3,192	3,491	3,581	3,659	4,101	4,375	4,437	14.8%	2,103	6.0%
Other Services	575	452	474	492	494	600	679	838	945	1,113	1,155	1,246	4.2%	671	7.3%
<b>Public Administration/Gov't</b>	1,518	1,635	1,567	1,605	1,449	1,349	1,292	1,268	1,315	1,301	1,319	1,372	4.6%	(146)	-0.9%
<b>Total (In 000s):</b>	<b>22,784</b>	<b>23,471</b>	<b>23,503</b>	<b>22,743</b>	<b>22,564</b>	<b>25,041</b>	<b>25,720</b>	<b>25,373</b>	<b>26,172</b>	<b>27,837</b>	<b>29,004</b>	<b>29,899</b>		<b>7,115</b>	<b>2.5%</b>
<i>Annual Change:</i>	-	687	32	(760)	(179)	2,477	679	(347)	799	1,665	1,167	895			
<i>Job Loss (As % of All Jobs):</i>			0.1%	-3%	-1%			-1%							
<b>Port St. Lucie As % of County:</b>	<b>33.5%</b>	<b>33.8%</b>	<b>34.4%</b>	<b>35.6%</b>	<b>36.1%</b>	<b>36.8%</b>	<b>38.1%</b>	<b>37.5%</b>	<b>38.3%</b>	<b>38.8%</b>	<b>39.3%</b>	<b>39.9%</b>		<b>12-Year Avg:</b>	<b>36.8%</b>

Source: U.S. Census Bureau, On-the-Map; WTL +a, December 2019.



- Accommodation & Food Services (+2,103 jobs)
- As illustrated in Table 11 below, Dun & Bradstreet, Inc. estimates there are **45,275 jobs in 5,748 registered businesses in Port St. Lucie**. According to Dun & Bradstreet, the City accounts for approximately 49.5% of the 91,508 jobs in St. Lucie County.
- The two largest sectors generating demand for workplace real estate in Port St. Lucie include: Wholesale/Retail Trade (14,433 jobs, or 32% of all jobs) and Services (20,425 jobs, or 45% of all jobs). Within Services, “Health Services” accounts for more than one-third of all Services employment (7,785 jobs). Together, Retail Trade and Services account for 77% of total employment in Port St. Lucie. Another dominant sector, “Other Services”, includes such industries as automotive repair and maintenance.
- As noted above, Port St. Lucie **contains 49.5% of all at-place jobs in St. Lucie County**. This is known as *fair share* and will be considered in the analysis of workplace market potentials in subsequent tasks of this study.

**Port St. Lucie’s Jobs-to-Population Ratio of 0.24**

**Reinforces Critical Importance of Net New Job Creation at Southern Grove**

- The data also suggest the City’s current jobs-to-population ratio is only 0.24 (i.e., there are 24 jobs for every 100 residents living in Port St. Lucie). This is lower than the overall ratio of St. Lucie County (0.29) (and significantly below Palm Beach County’s ratio of 0.49 and Martin County’s ratio of 0.46), thus reinforcing the importance of net new job creation in the Southern Grove study area.

**Table 11: Business Mix—City of Port St. Lucie, 2018**

NAICS Category	Businesses		Employees	
	No.	% of Total	No.	% of Total
<b>Agriculture &amp; Mining</b>	<b>120</b>	<b>2.1%</b>	<b>397</b>	<b>0.9%</b>
<b>Construction</b>	<b>540</b>	<b>9.4%</b>	<b>2,327</b>	<b>5.1%</b>
<b>Manufacturing</b>	<b>80</b>	<b>1.4%</b>	<b>560</b>	<b>1.2%</b>
<b>Transportation &amp; Warehousing</b>	<b>142</b>	<b>2.5%</b>	<b>587</b>	<b>1.3%</b>
<b>Communications</b>	<b>60</b>	<b>1.0%</b>	<b>388</b>	<b>0.9%</b>
<b>Utilities</b>	<b>15</b>	<b>0.3%</b>	<b>78</b>	<b>0.2%</b>
<b>Wholesale &amp; Retail Trade</b>				
Wholesale	122		1,103	
Retail	1,198		14,433	
- Home Improvement	78		657	
- General Merchandise	62		3,195	
- Food Stores	109		1,640	
- Auto Dealers/Gas Stations	124		700	
- Apparel & Accessory Stores	81		728	
- Furniture/Home Furnishings	99		573	
- Eating & Drinking Places	333		4,973	
- Miscellaneous & Non-store Retail	312		1,967	
<b>Subtotal - All Retail:</b>	<b>1,320</b>	<b>23.0%</b>	<b>15,536</b>	<b>34.3%</b>
<b>Finance/Insurance/Real Estate</b>	<b>484</b>	<b>8.4%</b>	<b>2,629</b>	<b>5.8%</b>
<b>Services</b>				
- Hotel/Lodging	19		322	
- Automotive Services	190		572	
- Motion Pictures & Amusements	147		883	
- Health Services	459		7,785	
- Legal Services	70		316	
- Educational Institutions	81		3,734	
- Other Services	1,461		6,813	
<b>Subtotal - Services:</b>	<b>2,427</b>	<b>42.2%</b>	<b>20,425</b>	<b>45.1%</b>
<b>Government</b>	<b>71</b>	<b>1.2%</b>	<b>1,722</b>	<b>3.8%</b>
<b>Unclassified Establishments</b>	<b>489</b>	<b>8.5%</b>	<b>626</b>	<b>1.4%</b>
<b>TOTAL:</b>	<b>5,748</b>	<b>100.0%</b>	<b>45,275</b>	<b>100.0%</b>

**ANALYSIS:**

2018 Employment	45,275
As Share of St. Lucie County	<b>49.5%</b>
2019 Population	188,722
Jobs/Population Ratio	<b>0.24</b>

**Source:** ESRI Business Analyst; InfoGroup, Inc.; Dun & Bradstreet, Inc.; WTL +a, December 2019.

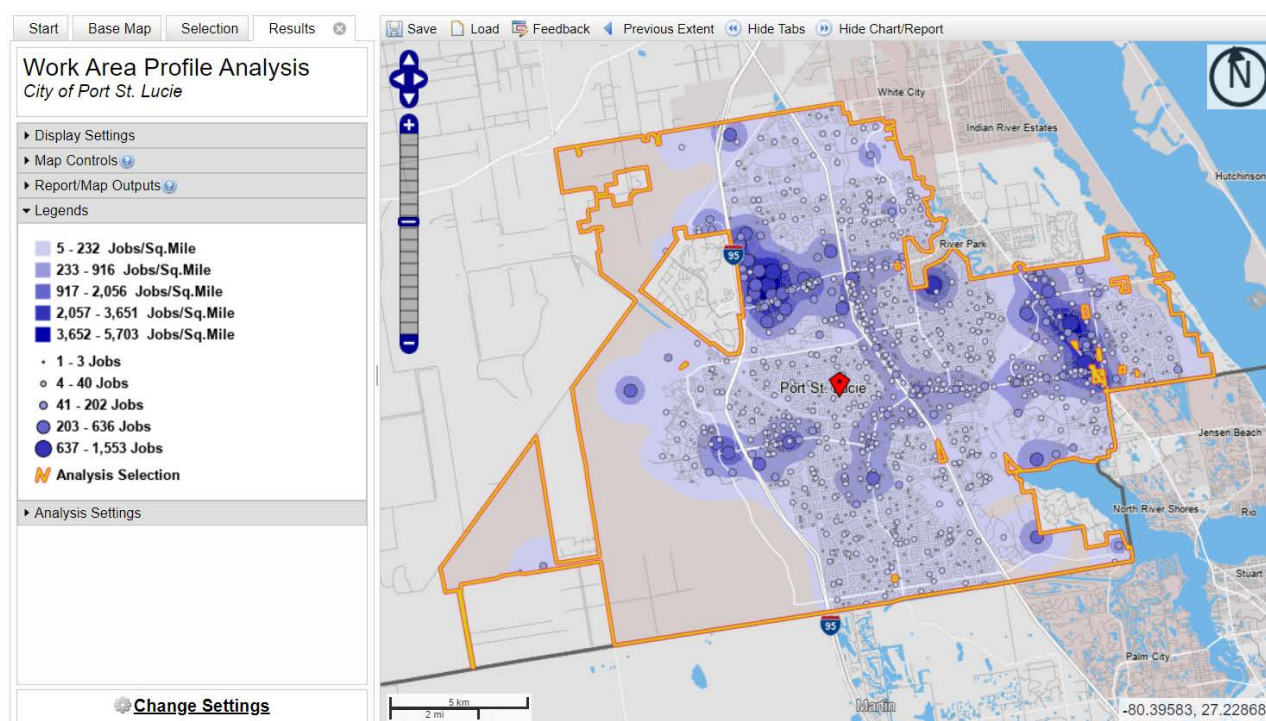
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- In summary, **despite fewer than 1,000 recession-based job losses, Port St. Lucie had a net gain of 7,115 new jobs between 2006 and 2017.** It should be noted that differences between the U.S. Census Bureau On-the-Map data (Table 10) and Dun & Bradstreet (Table 11) are attributed to part-time jobs, self-employment, and those jobs not contributing to the Unemployment Insurance Fund.
- As illustrated in Figure 2 below, in 2017, the U.S. Census Bureau estimates the highest employment densities were concentrated in St. Lucie West and the U.S. Route 1/Federal Highway corridor. An emerging employment center is also clustered near Tradition Town Center and the Tradition Hospital medical campus.

**Figure 2: Employment Densities—City of Port St. Lucie, 2017**



- As illustrated in Table 12 and Figure 3 below, according to 2017 U.S. Census Bureau data, the City exhibited net outflow of more than 39,970 residents who live in, but work outside of, the City.

- Notably, since 2007, **net outflow of residents of Port St. Lucie who work outside the City has increased by fully 41%**. By comparison, outflow of residents of St. Lucie County who work outside the County has also increased—by 49% between 2007 and 2017.

**Table 12: Employee Inflow/Outflow, 2007—2017**

	2007	2012	2017	% Change: 2007-2017
<b>City of Port St. Lucie</b>				
Employed in the Selection Area	23,471	25,720	29,899	<b>27%</b>
Living in the Selection Area	51,897	62,261	69,873	<b>35%</b>
<b>Net Job Inflow (+) or Outflow (-)</b>	<b>(28,426)</b>	<b>(36,541)</b>	<b>(39,974)</b>	<b>41%</b>
<b>St. Lucie County</b>				
Employed in the Selection Area	69,505	67,472	74,917	<b>8%</b>
Living in the Selection Area	96,800	97,209	115,546	<b>19%</b>
<b>Net Job Inflow (+) or Outflow (-)</b>	<b>(27,295)</b>	<b>(29,737)</b>	<b>(40,629)</b>	<b>49%</b>

**Source: U.S. Census Bureau, On-the-Map; WTL+a; December 2019.**

**More than 39,900 City Residents Work *Outside of*  
Port St. Lucie—an *Increase of 41%* Since 2007**



Figure 3: Employment Inflow/Outflow—City of Port St. Lucie, 2017

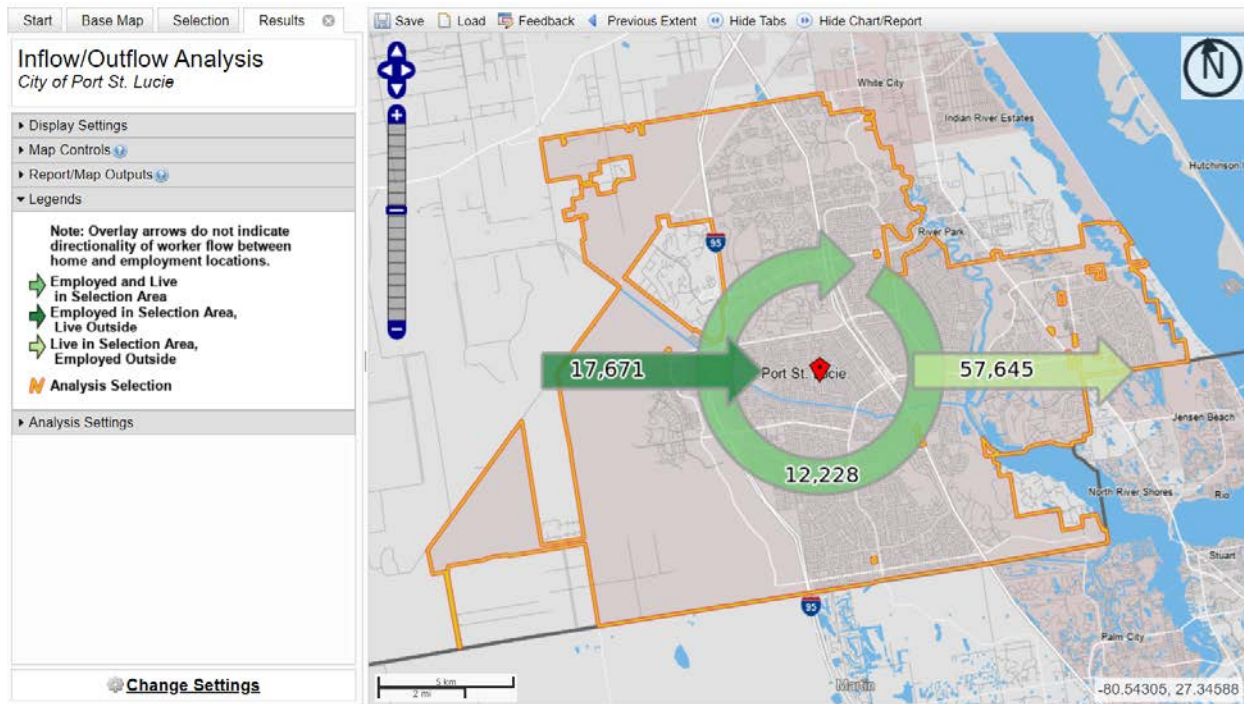
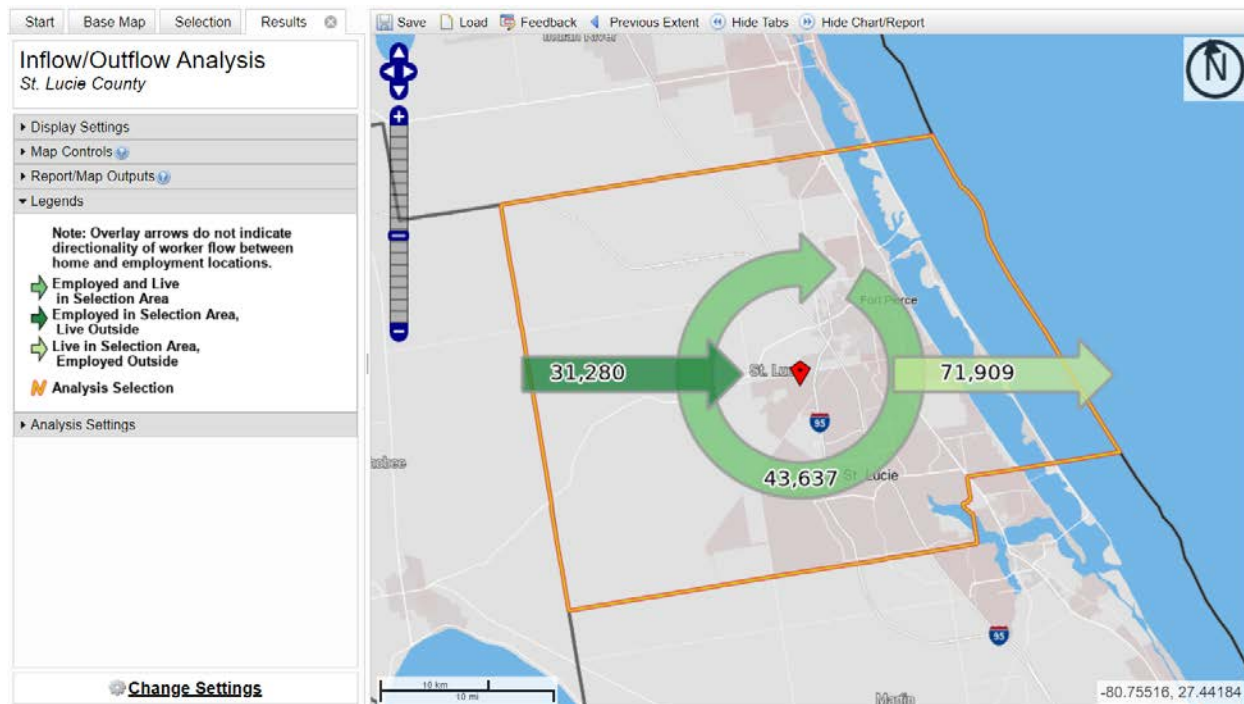


Figure 4: Employment Inflow/Outflow—St. Lucie County, 2017



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**Table 13: Comparison of Employment Growth/Losses by Sector—City, County & MSA**

Industry Sector	2017 Total Jobs					
	City	%	Remainder of County	%	Total MSA	%
<b>Agriculture &amp; Mining</b>	48	0%	867	2%	1,595	1%
<b>Construction</b>	2,303	8%	2,546	6%	10,038	7%
<b>Manufacturing</b>	532	2%	3,014	7%	6,774	5%
<b>Transp &amp; Warehousing</b>	197	1%	1,212	3%	2,782	2%
<b>Utilities</b>	173	1%	1,232	3%	1,813	1%
<b>Trade</b>						
Wholesale	1,391	5%	1,418	3%	4,973	4%
Retail	4,979	17%	4,959	11%	18,769	13%
<b>Information</b>	100	0%	304	1%	1,115	1%
<b>Finance &amp; Insurance</b>	700	2%	623	1%	3,250	2%
<b>Real Estate/Rental &amp; Leasing</b>	416	1%	992	2%	2,309	2%
<b>Services</b>						
Prof'l/Business Services	1,617	5%	2,266	5%	7,622	5%
Management of Companies	28	0%	238	1%	391	0%
Administration/Waste Mgmt.	2,761	9%	1,611	4%	9,094	6%
Educational Services	858	3%	8,048	18%	12,058	9%
Health Care & Social Assistance	5,970	20%	5,842	13%	25,893	18%
Arts/Entertainment/Recreation	771	3%	649	1%	3,539	2%
Accommodation & Food Services	4,437	15%	3,701	8%	15,568	11%
Other Services	1,246	4%	1,798	4%	5,909	4%
<b>Public Administration/Gov't</b>	1,372	5%	3,698	8%	8,142	6%
<b>TOTAL:</b>	<b>29,899</b>	<b>100%</b>	<b>45,018</b>	<b>100%</b>	<b>141,634</b>	<b>100%</b>
<b>Total City &amp; County</b>			<b>74,917</b>			
<i>As % of MSA</i>	<b>21%</b>		<b>32%</b>			

Industry Sector	Change in Total Jobs: 2006-2017		
	City	Remainder of County	Total MSA
<b>Agriculture &amp; Mining</b>	1	(1,868)	(1,988)
<b>Construction</b>	(552)	(1,064)	(1,449)
<b>Manufacturing</b>	(277)	724	753
<b>Transp &amp; Warehousing</b>	13	349	1,117
<b>Utilities</b>	75	(19)	26
<b>Trade</b>			
Wholesale	(1,585)	(775)	(2,274)
Retail	2,176	146	3,190
<b>Information</b>	(69)	20	(382)
<b>Finance &amp; Insurance</b>	112	(1,611)	(1,383)
<b>Real Estate/Rental &amp; Leasing</b>	(126)	308	(81)
<b>Services</b>			
Prof'l/Business Services	435	680	1,839
Management of Companies	14	146	(285)
Administration/Waste Mgmt.	433	(289)	1,052
Educational Services	582	1,021	1,735
Health Care & Social Assistance	2,875	749	8,919
Arts/Entertainment/Recreation	380	(37)	707
Accommodation & Food Services	2,103	682	4,631
Other Services	671	554	1,531
<b>Public Administration/Gov't</b>	(146)	(7)	(199)
<b>TOTAL:</b>	<b>7,115</b>	<b>(291)</b>	<b>17,459</b>

Source: U.S. Census Bureau, On-the-Map; WTL +a, February 2020.

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- Table 13 above compares jobs (by industry sector) between the City of Port St. Lucie, St. Lucie County and the MSA (which includes both St. Lucie and Martin Counties). This comparison utilized employment data from the U.S. Census On-the-Map for 2017, as it provided the latest year available to allow for consistency of data.
- This comparison reveals that the City contains a disproportionate share of jobs in Retail Trade (17% vs. 11%-13%), Health Care (20% vs. 13%-18%) and Accommodation & Food Services (15% vs. 8%-11%) relative to the other two geographies. In addition, the City contains a greater share of jobs in Construction and Administration/Waste Management.
- By comparison, both the County and the MSA contain a higher share of jobs in Manufacturing (5%-7% vs. 2%) as well as a significantly larger share of jobs in Educational Services (9%-18% vs. 3%) than the City of Port St. Lucie. Jobs that fuel demand for office space (e.g., Professional/Business Services and Finance & Insurance) are generally on par across the three geographies—in the range of 2% for Finance and 5% for Professional/Business Services.
- As noted previously, **between 2006 and 2017, the City had a net gain of 7,115 new jobs**, as compared to a **loss of jobs (-291) in St. Lucie County**. There was an overall net gain of 17,459 new jobs in the MSA (i.e., suggesting that **Martin County added 10,635 new jobs during this period**).
- Port St. Lucie lost jobs in Manufacturing (-277), while both the County and the MSA gained between 725 and 750 jobs each in that sector. **The City's loss of jobs in Wholesale Trade (-1,585) was roughly double losses that occurred in the County (-775)** and contributed fully 70% of the MSA's employment declines in this sector (-2,274). The City's loss of Construction jobs (-552) was roughly half of the loss experienced in that sector in the County (-1,064), and comprised one-third of the MSA's job losses in this sector (-1,449).
- It is also notable that the City was the only geography to gain office-using jobs in Finance & Insurance (+112), as both the County and MSA lost jobs in that sector between 2006—2017 (-1,611 and -1,383, respectively). On the other hand, while Port St. Lucie added 435 new jobs in Professional/Business Services over this 12-year period, it dwarfed gains in both the County (+680) and MSA (+1,839) in this sector. The City's job gains in Educational Services (+582) were also significantly below the County (+1,021) and MSA (+1,735).

- **Most notable employment gains in Port St. Lucie occurred in Health Care (+2,875 new jobs)**, which was significantly greater than gains experienced in this sector elsewhere in the County (+749), but significantly below the MSA's overall gains in this sector (+8,919). This suggests that Martin County added almost 5,300 new jobs in Health Care between 2006 and 2017.
- In conclusion, changes in St. Lucie County's economy between 2006—2017 were most notable in Port St. Lucie, with a net gain of over 7,100 new jobs that offset job losses outside of the City limits (such as Fort Pierce).

## Key Findings

In conclusion, WTL+a notes the following key findings from the demographic and economic profile:

- The City of Port St. Lucie has exhibited significant growth over the past 19 years, with more than **98,500 new residents and 34,300+ new households**. This reflects a sustained annual growth rate of 3.96% per year, and has resulted in an increase in the City's share of the County's total population—from 46% in 2000 to 62% in 2019. Forecasts suggest that growth will slow over the next five years, with **20,650 new residents in 7,180 new households**, a more moderate forecast growth rate of 2.1% per year.
- Solidly middle-class household incomes among City residents (\$73,500 per year) suggests sufficient disposable income to support consumer spending. Household incomes are forecast to increase on par with the rate of inflation over the next five years. In next steps, the market analysis will evaluate the degree to which population/household growth and consumer spending can support retail development in the Southern Grove study area. This may include existing consumer spending in specific merchandise categories that occurs outside of the City (known as "retail leakage") as opportunities to "recapture" this spending.
- However, we also note that market potentials for retail in the Southern Grove study area must include the effects of two related factors: 1) now-unrealistic expectations for a super-regional mall of more than 1.0 million sq. ft. that was planned as part of the site's original DRI, and 2) the character of existing retail space near the study area. Specifically, the



Landings at Tradition has significant vacancies in former “Big Box” stores (PetsMart and Sports Authority) and the retail center’s configuration does not provide the walkability and community character critical to creating a more urban/walkable layout.

- The retail sales ‘surplus’ and ‘leakage’ analysis also likely includes a significant amount of revenues generated by Wholesale Trade and Warehousing & Distribution tenancies that do not reflect actual retail store sales made by consumer purchases. Because these two data categories are not broken out, it is not possible to distinguish between Retail Trade and Wholesale Trade sales.
- Retail jobs are generally not high-paying, and provide more entry-level employment. For all these reasons, it is probable that **the redevelopment strategy created as part of the Southern Grove Master Plan will focus on refining/filling existing retail vacancies with marginal increases in net new space, with a stronger focus on strategies designed for net new job creation in other industry sectors** that serve to create long-term benefits to the City of Port St. Lucie.
- Between 2006 and 2017 (latest data available), the **City of Port St. Lucie experienced a net gain of 7,115 jobs** across a range of industry sectors. Retail Trade, Health Care and Accommodations & Food Services exhibited the highest job gains. Moreover, the City’s share of total jobs in St. Lucie County has increased—from 33% in 2006 to 40% in 2017.
- Despite employment gains, the number of City residents leaving to work elsewhere (outside the City) has increased—from 28,400 in 2007 to 39,900+ in 2017. According to U.S. Census data, **this 41% increase in those leaving the City for work exceeds the 35% increase in those living in the City** during this period. The City also has a low jobs-to-population ratio relative to surrounding jurisdictions. **Given employee outflows and the low jobs/population ratio, it is even more critical that strategies designed to generate net new job growth be implemented in the Southern Grove study area.**

The demographic and economic profile serves as the foundation for the next steps in the market analysis. These will include:

- An analysis of real estate market conditions, including key metrics such as inventory, vacancies, net absorption (leasing), construction activity, etc.
- Real estate development/market potentials for the Southern Grove study area

- 
- Analysis of the various financing mechanisms utilized in the Southern Grove study area and the impacts of development potentials as future revenue sources
  - Economic impact analysis, which will evaluate net new job creation, ad valorem/property tax revenues, construction jobs and wages and other critical indices.



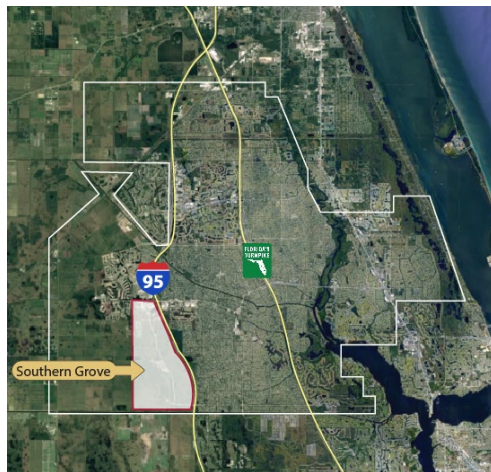
## APPENDIX C

# Technical Memorandum #2

## Market Conditions & Development Potentials

### Southern Grove Master Plan

#### Port St. Lucie, FL



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

On behalf of:  
**City of Port St. Lucie**  
 Port St. Lucie, FL

**FINAL: Revised September 2020**

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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.

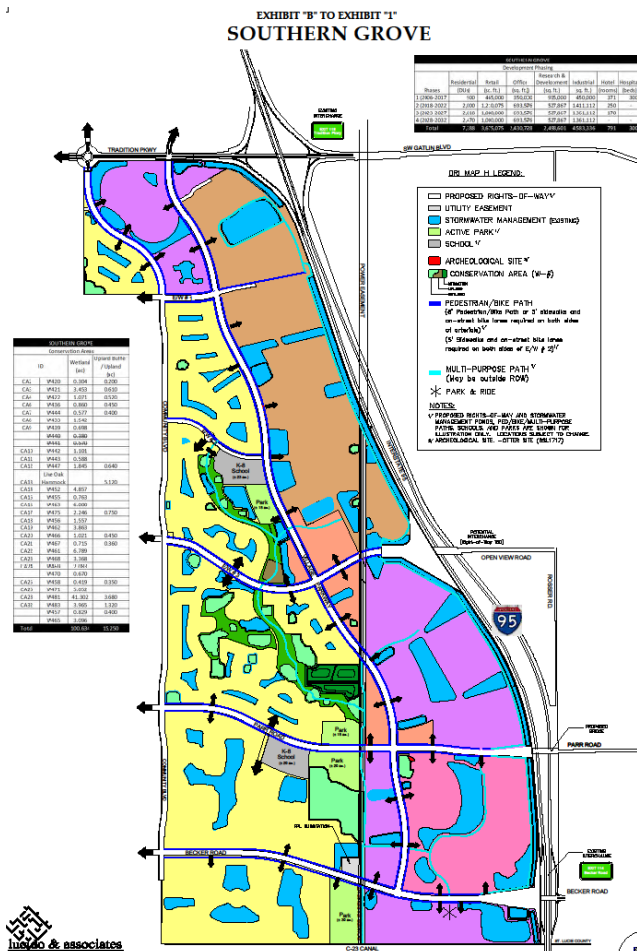
This study is qualified in its entirety by, and should be considered in light of, these limitations, conditions and considerations.

## Overview

The City of Port St. Lucie, located in St. Lucie County, Florida, is one of the fastest-growing municipalities in the State of Florida. Established in 1961, its municipal boundaries encompass 121.5 square miles. The City acquired 1,223.35 acres known as the “Southern Grove” property (the “study area”) on June 28, 2018, of which approximately 1,183 acres are owned by the City of Port St. Lucie Government Finance Corporation (GFC), and the focus of this analysis.

The study area is a part of the Southern Grove Development of Regional Impact (DRI), which encompasses approximately 3,606 acres. Technical Memorandum #2 evaluates real estate market conditions and supplements Technical Memorandum #1, which included a profile of demographic and economic profile characteristics prepared as part of a market and financial analysis of the Southern Grove study area.

Figure 1: Southern Grove Study Area





WTL +a, with Retail & Development Strategies LLC, evaluated real estate market conditions in Port St. Lucie and in other selected, nearby competitive locations in St. Lucie County (and adjacent Martin County) to understand how recent market trends, current economic conditions, and future growth affect opportunities for new economic development in the Southern Grove study 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 indicators for housing, workplace (office and industrial), supporting commercial (retail) and lodging/hospitality uses based on available data. Key findings are summarized below and illustrated in Table 1 through Table 33.

## Impacts of the 2020 Pandemic

This report presents the findings of the real estate market and development potentials for housing, workplace (commercial office and industrial), and supporting uses such as retail and hotel/lodging. It should be noted that **market conditions presented are based on data and conditions prior to COVID-19 impacts**. While the timing for future development may be more extended due to the pandemic, there are potentials for selected, carefully considered new growth and investment. Experience in other Florida markets has demonstrated the best way to fully optimize economic benefits will result from a strategically structured and implemented master plan that appropriately integrates different land uses and phases to provide development flexibility.

The most important difference between year-end 2019 (the data-year used for this analysis) and current conditions in September 2020 is the impact of the global Coronavirus pandemic. COVID-19 has already had a significant impact on commercial real estate, although these impacts vary considerably from location to location. It has affected consumer spending, real estate sales, job prospects and recreation options in ways that have profoundly modified pre-COVID conditions. **The office market, especially for technology and other computer-based industries, has responded most rapidly, and *not* in ways that are likely to encourage new office development.** At the broadest levels across the country, early reactions to self-isolation and working-at-home have resulted in some companies advising employees to work at home for the remainder of 2020, while Twitter has announced that its employees can work at home *forever*.

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The travel, hospitality and retail industries have been particularly hard-hit, with airline passenger volumes reportedly down by as much as 90%, major layoffs in the hotel and food & beverage industries, and last week's announcement of a bankruptcy filing by the Hertz Rental Car company. The travel and leisure market based on tourism has been seriously impacted and will likely take several years to stabilize, much less fully recover. **The National Retail Federation speculated in May 2020 that as many as 40% of small retailers may never re-open.**

National unemployment levels are at their highest since the Great Depression of the 1930s; in August (the latest month in which unemployment levels were reported), the official U.S. unemployment rate was 8.4%, while Florida's rate (July 2020) was 11.3%. It is projected the national unemployment rate could climb to more than 20% during the pandemic recovery, approaching the 25% in 1933 that is the highest ever recorded. For a visitor destination like Florida, where the \$111.7 billion annual tourism industry is the state's largest industry, the impact is already significant, and could become a profound issue if the virus continues without a vaccine. Like many states, government policies are intended to balance social responsibility and safety with the economic implications of re-opening businesses and encouraging visitors to return. The re-opening of beaches and public spaces across the state has been a relief to millions of Florida residents, but could also result in a virus rebound that could require retrenchment or (at minimum) more carefully regulated public behaviors.

Taken in total, **these impacts will cause a major slowdown in economic activity across Florida (especially in hospitality and tourism-dependent sectors), and the costs of lost consumer spending will result in near-term increases in vacancy rates for retail and office uses, a massive slowdown in tourism and visitor spending,** and a slow recovery period, due in large part to the number of unknowns about a global pandemic. Until a reliable vaccine is developed and produced in sufficient volumes to stabilize the rate of transfer, restoring consumer confidence to travel, spend time in other places and have the money to stimulate local economies will be set back for many months, if not years.

Accordingly, the short-term economic forecasts should be cautious and slow. However, there are mitigating factors that could change the mid-to longer-term outlook:

- **Slowing of Unsupportable Speculative Real Estate Development**—an overheated real estate market in Florida has encouraged speculative development and over-entitlements in many submarkets.



- **Time to Plan More Effectively**—a slowdown could encourage a more manageable pace of development and reduce environmental and social impacts that often result from hurried decisions.
- **Business Opportunities for Millennials**—the millennial generation is highly entrepreneurial and will be more willing to start new retail, food & beverage and consumer service businesses once the pandemic has stopped.
- **Pent up Demand for Social Experiences**—while online sales have spiked, consumers are also looking forward to dining out, going out, and shopping, assuming there are surviving businesses; it would be reasonable to assume consumer demand for goods and services is pent-up at levels not seen since the 2007 recession.
- **Creative Regulation & Behavior Management**—if reasonable standards can be put into place and safety practices realized, Florida's beaches, communities and visitor destinations should rebound faster than other parts of the country.

For Port St. Lucie and Southern Grove, the impacts are more likely related to time and phasing than permanent loss of economic activity. The area's economic recovery period may present opportunities to take advantage of the 'pause' and consider how to best optimize prospective agreements to create new jobs, attract business investment, and create an overall plan that will capitalize on the site's advantages. For example, the Cleveland Clinic has stimulated a bio-health cluster in the northern portion of the Southern Grove study area, and manufacturing and warehouse/distribution companies have been attracted due to the proximity to I-95 and lower land values than more urbanized counties to the south. While economic recovery may take two to three years, the longer-term prospects for Southern Grove remain moderate but steady over time.

Ironically, U.S. financial markets have stabilized more quickly than consumer markets. The reduced costs of debt/capital have encouraged developers to accelerate proposed projects, allowing 18-24 months for regulatory review, approvals, and construction so that they are ready for the rebound when it occurs. The challenge for the City of Port St. Lucie will be to select those projects carefully so that new development in the Southern Grove study area can generate the greatest economic benefits possible for the City of Port St. Lucie over the long-term.

## Executive Summary

The market analysis evaluated development potentials for four key land uses in the Southern Grove study area: “workplace” (multi-tenant/speculative office and general industrial); hotel/lodging; supporting retail; and multi-family residential.

We note that **it is *not* possible to evaluate development potentials for specific end-users of office or industrial space (also known as “build-to-suits”) like Project Bullet or portions of Sansone** that are looking for a specific location like Southern Grove, as such deals are based on specific recruitment strategies and terms (e.g., the amount of space to be occupied) negotiated on a case-by-case basis. As a result, the analysis **estimates demand only for speculative/multi-tenant opportunities for office and general industrial space based on employment forecasts** prepared by the Florida Department of Economic Opportunity (DEO).

## Definitions

The market study also uses key metrics common to the real estate industry. These include **net absorption**, which is defined as the occupancy of previously vacant space. Net absorption also includes an existing tenant that *expands* their occupied space when renewing their lease; the amount of the expansion—in square feet—constitutes the net absorption. It is a standard—and critical—metric in evaluating the overall potential for office and industrial space.

Another term utilized in the study includes **stabilized occupancy**, which is defined by the real estate industry as a building that is 95% occupied (i.e., 5% vacancy). Real estate market studies also evaluate how much time it will take for vacant space to be absorbed to 95% stabilized occupancies. This is typically based on past trends—both short- (5 years) and long-term (years are based on available data). For example, over the past 13 years the City’s office market has averaged net absorption of 65,295 sq. ft. per year. If this pace continues, it will take approximately 4.25 years to reduce vacant office space—from 8.1% vacancy at year-end 2019 to 5% vacancy. In other words, the higher the annual net absorption the shorter amount of time required to achieve stabilized (95%) occupancies.



## Employment Forecasts

The Florida Department of Economic Opportunity (DEO) issues employment forecasts in specific industry sectors for selected, individual counties across the state. For other counties, DEO groups multiple counties into “**Workforce Regions**”. St. Lucie County is included in “Workforce Region #20”, which comprises Martin, St. Lucie and Indian River Counties. In order to extract employment forecasts specific to St. Lucie County, the analysis assumes that the County’s current share of jobs (using existing data)—also known as “fair share”—continues. We also note that **DEO forecasts are for eight-year periods (2019—2027) only**.

In its review of Technical Memorandum #2, City staff inquired whether the City has the potential to *increase* its share of St. Lucie County’s employment base, which would thereby enhance demand for office and industrial space generated by growth in specific job sectors. Based on employment data from the U.S. Census Bureau’s “On-the-Map” database, **between 2006 and 2017, Port St. Lucie’s historic share of countywide employment increased from 33.5% in 2006 to 39.9% in 2017** (latest data available), averaging 36.8% over this 12-year period (see Table 10 in Technical Memorandum #1). By comparison, a different data source, Dun & Bradstreet, Inc., estimates that employment in Port St. Lucie accounted for 49.5% of all jobs in St. Lucie County in 2019 (see Table 11 in Technical Memorandum #1). The difference between the two sources—part-time and self-employment—is excluded in the Dun & Bradstreet data. **WTL+a utilized the higher ratio—49.5%—as the City’s “fair share” in our analysis of demand potentials for office and industrial space generated by future employment growth.**

Moreover, for analytical purposes, the fair share forecasts can be considered a baseline. However, the likelihood that trend-based shares for specific land uses such as office or industrial can be reallocated will be affected by a number of other factors. These include:

- Long-term infrastructure investment
- Focused marketing of available sites elsewhere in Port St. Lucie in addition to Southern Grove (such as the proposed City Center redevelopment), and
- A broad understanding by both City officials and residents of the City’s existing financial obligations in the study area. This point is reflected in the City’s recent success in capturing a share of regional demand for industrial and warehouse space. It also underscores the

need to revisit Southern Grove's current approved DRI entitlements, which do *not* reflect current market conditions and near-term demand potentials.

## Market Overview & Development Potentials—Industrial

According to CoStar, Inc., there are 3.42 million sq. ft. of industrial space in Port St. Lucie in 207 buildings. The City accounts for 28% of St. Lucie County's 12.0 million sq. ft. of industrial space, as the majority of industrial supply in the County is located in Fort Pierce and in unincorporated areas along the I-95 corridor. The City's share of the County's industrial supply has remained relatively stable in the range of 27% to 28% over the past 13 years.

Prior to the national recession, the City's industrial vacancy rate was 15% in 2007; vacancies jumped to almost 22% in 2009. Job growth in industrial-using sectors resulted in vacancies declining to 8.7% by 2014, and to only 3.3% by 2019 generated by eight years of positive net absorption. Vacancies ticked up to 5.1% during the first quarter of 2020.

Citywide, **net industrial absorption totaled almost 463,400 sq. ft. over this 13-year period, averaging 35,645 sq. ft. per year**, and accounting for fully 60% of all countywide industrial absorption during this period. Activity in PSL's industrial market strengthened slightly over the past five years—with net absorption increasing to **53,500 sq. ft. per year**.

Our analysis of industrial market potentials is summarized below:

- DEO estimates that Workforce Region #20 (all three counties) will add **over 23,000 new jobs** between 2019 and 2027. Currently, St. Lucie County's share of jobs in Workforce Region #20 is 40.5%. **If the County maintains its fair share it would translate into 9,330 new jobs by 2027.** With an estimated 42,275 employees working in Port St. Lucie, the City's share of all jobs in St. Lucie County is 49.5%;
- Under this "fair share" analysis, Port St. Lucie would continue to capture 49.5% of future countywide job growth, or approximately 4,620 new employees, by 2027. Assuming industry-standard metrics whereby 26% of all jobs in the city are industrial-using with an average occupancy factor of 675 sq. ft. per job translates into **net demand for 796,600 sq. ft. of industrial space citywide over the next eight years** after accounting for partial occupancy of existing vacant industrial space;



- The next step considers that existing DRIs with industrial entitlements located in the City's western planning areas will capture their full share of future demand. That is, remaining entitlements are built in their entirety:
  - 269,300 sq. ft. at The Reserve (oriented to small industrial tenants)
  - 136,322 sq. ft. in the St. Lucie West DRI
  - No industrial space is entitled at either Riverland/Kennedy or Verano
- **This leaves approximately 390,900 sq. ft. of “unallocated” industrial space that could be built in the Southern Grove study area over the next eight years.** (This includes the 53,743 sq. ft. that was recently approved). To reiterate, **“un-allocated” demand is for speculative/multi-tenant space only; it does not include potential build-to-suit facilities for end users, such as that proposed in the “Project Bullet” or portions of the recently-proposed Sansone project; and**
- This key finding reinforces the critical importance of building upon the City's recent success at recruiting end users to support approved entitlements for industrial space at Southern Grove.

#### Market Potentials—Industrial:

**Up to 400,000 SF of Speculative Space Next 8 Years (Excludes “Build-to-Suits”)**

## Market Overview & Development Potentials—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.

According to CoStar, Inc., there are 3.61 million sq. ft. of office space in Port St. Lucie in 276 buildings. The City accounts for 55% of St. Lucie County's 6.6 million sq. ft. of office space. The City's share of the County's supply has remained relatively stable—ranging from 51% to 55% over the past 13 years.

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Similar to the City's industrial market, the impacts of the national recession on the City's office market were dramatic: office vacancies doubled between 2007 and 2009—from 9.5% to 18.6%. It took fully five years for the vacancy rate to drop to 15.5% in 2014; vacancies declined more rapidly thereafter as net absorption strengthened. By 2018, the office vacancy rate had dropped to 5.8%, although it jumped to 8.1% in 2019.

Citywide *net* office absorption totaled 848,800 sq. ft. over this 13-year period, averaging almost 65,300 sq. ft. per year. **The City's office market strengthened over the past five years—with net absorption doubling (over its historic 13-year pace)—to more than 124,300 sq. ft. per year.** If the City's long-term annual average of 65,300 sq. ft. of net absorption (over 13 years based on available data) can be sustained, it would require approximately 4.25 years to achieve 95% stabilized occupancy in the City's office supply.

Since the 2007—2009 recession, office-using businesses across the United States 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 the current 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. **The unprecedented shift to teleworking as a result of COVID-19 may, as previously noted, lead to permanent part-time and full-time teleworking for some workplace industries.**

Another study by CoStar, Inc., an international commercial real estate database, indicates that the **amount of office space occupied per employee dropped to 182 sq. ft. per worker in 2017 from 197.3 sq. ft. in 2010.**



Our analysis of office market potentials is summarized below:

- DEO estimates that Workforce Region #20 (all three counties) will add **over 23,000 new jobs** between 2019 and 2027. Currently, St. Lucie County's share of jobs in Workforce Region #20 is 40.5%. **If the County maintains its fair share it would translate into 9,330 new jobs by 2027.** With an estimated 42,275 employees working in Port St. Lucie, the City's share of all jobs in St. Lucie County is 49.5%;
- Under this "fair share" analysis, Port St. Lucie would continue to capture 49.5% of future countywide job growth, or approximately 4,620 new employees, by 2027. Assuming industry-standard metrics whereby 34% of all jobs in the city are office-using with an average occupancy factor of 193 sq. ft. per job translates into **net demand for 272,400 sq. ft. of office space citywide over the next eight years**, after accounting for partial occupancy of existing vacant office space;
- The next step considers that existing DRIs with office entitlements located in the City's western planning areas will capture their full share of future demand. That is, remaining entitlements are built in their entirety. **If built, this list would consume approximately 64% of citywide demand potentials over the next eight years.** According to data provided by the City, this includes:
  - 49,210 sq. ft. of unbuilt office space at The Reserve, and
  - 124,635 sq. ft. of unbuilt office space in the St. Lucie West DRI
- In addition, there are 9,860 sq. ft. of office space under construction and 63,960 sq. ft. of approved office space in the study area. In the short-term, **sufficient market potential exists to support this 73,820 sq. ft. of new office space as well as an additional 25,000 sq. ft. of "unallocated" office space citywide.** Depending on the marketability of other competitive locations citywide, this reinforces the critical importance of an economic development strategy aimed at recruiting owner-users and/or build-to-suit office buildings in the study area.
- To reiterate, **"un-allocated" demand is for speculative/multi-tenant space only; it does not include potential build-to-suit office space for end users**, such as future medical office space likely to be built by the hospital/Cleveland Clinic; and

- This key finding reinforces the critical importance of building upon the City’s recent success at recruiting end users to support approved entitlements for additional office space at Southern Grove as well as economic development strategies aimed at recruiting owner-users and/or build-to-suit office buildings in the study area.

#### Market Potentials—Office:

**75,000 to 100,000 SF Next 8 Years (Excludes “Build-to-Suits”)**

### Market Overview & Development Potentials: Hotel/Lodging

Demand for hotel/motel rooms in any location is typically driven by specific market segments, including: corporate business, leisure/social, tourism and visitors to specific venues or events.

**The capital markets typically seek sustained annual occupancies between 65% and 72% before financing new hotel construction.** Since 2014, the Port St. Lucie area hotel market has strengthened, with occupancies increasing from 58.1% in 2014 to 71.4% in 2019 among 17 properties (with 1,602 rooms) identified for this analysis. This includes two properties located in or near the study area—a Marriott Townplace Suites (128 rooms), which opened in December 2019 and a Hilton Homewood Suites (111 rooms), which opened in December 2009.

The larger Southern Grove DRI is entitled for **a total of 791 hotel rooms, of which 158 rooms can be built in the Southern Grove study area.** Of the 393 rooms “conveyed by the land sale”, 111 rooms (the Hilton Homewood Suites) have been completed, 84 rooms are under construction and another 82 rooms have been approved.

According to data provided by the City, several other DRIs in surrounding/nearby planning areas have entitlements for up to 491 additional hotel rooms, including:

- 100 rooms at The Reserve
- 291 rooms at the St. Lucie West DRI, and
- 100 rooms at Verano

WTL+a prepared two scenarios for hotel development at Southern Grove:



- The first scenario assumes limited growth in hotel performance after the strong period of recovery that occurred over the past six years (2014—2019), measuring future room demand based on assumptions that continued growth in available roomnights (supply) will remain stable, and occupied roomnights (demand) will be limited to 50% of actual 2014—2019 growth rates. This translates into growth of 1.30% per year, for occupied roomnights yields **demand for 138 new hotel rooms** over the next 10 years (through 2030);
- The 84 rooms under construction in Scenario 1 reflect a 61% share of potential market support, and the 82 rooms approved would require another 59% share. In other words, these two properties would provide slightly more rooms than the market could support over the next 10 years;
- The second scenario assumes that growth in available roomnights (supply) will remain stable and occupied roomnights (demand) will continue at their historic 2014—2019 pace of 2.59% per year through 2030. This translates into **demand for 293 new hotel rooms** over the next 10 years (through 2030); and
- The 84 rooms under construction in Scenario 2 reflect a more reasonable share of 29% of potential market support, and the 82 rooms approved would require another 28% share. In other words, these two properties would provide a room supply of approximately two-thirds of what the market could support over the next 10 years.

#### Market Potentials—Hotel/Lodging:

**150—175 Rooms** Next 10 Years (High-Growth Scenario)

## Market Overview & Development Potentials: Retail

Port St. Lucie contains almost **7.5 million sq. ft. of retail space**, comprising 56% of the County's total retail supply. At year-end 2019, there were **335,900 sq. ft. of vacant retail space** (including direct vacancies and sublet space), which reflects a vacancy rate of only 4.5%. Over the past 13 years, retail vacancies peaked at 8.7% in 2007. Despite another peak of 7.7% in 2013, vacancy rates have continued to decline. Paralleling the County, the **retail sector in Port St. Lucie is operating in stabilized market conditions with vacancies of less than 5%.**

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The City's retail inventory suggests there are **39.7 sq. ft. of retail space** for each of the City's 188,722 residents. This is well-above the U.S. average of approximately 26 sq. ft. per capita (based on shopping centers/malls alone; estimates including other retail locations such as strip development and downtown areas suggest a ratio up to 50 sq. ft. per capita). Moreover, more than 2.41 million sq. ft. of new retail space was built in Port St. Lucie between 2007 and 2019, with fully 1.65 million sq. ft. delivered in 2007 and 2008 alone. The City **captured fully 85% of all new retail space built in St. Lucie County during this period.**

Net retail absorption totaled over **2.39 million sq. ft. citywide over the past 13 years, which equates to a sustained annual average of 183,860 sq. ft. per year.** Port St. Lucie accounted for 98% of all countywide retail absorption. **Of all "workplace" uses, the City's retail sector is the strongest.**

- The retail demand analysis indicates that **there is approximately 125,000 to 135,000 sq. ft. of market-supportable retail potentials in the Southern Grove study area.** Of this total, demand for approximately 100,000 sq. ft. will be generated from unmet market demand generated by current residents;
- Spending from visitors and tourists will account for most of the remaining incremental demand, assuming recovery of pre-COVID visitor totals to the Treasure Coast/St. Lucie County. The business mix is dispersed across specialty retail and consumer service categories
- There will be **sufficient demand to support an additional grocery store (20,000 to 35,000 sq. ft.),** such as the proposed future Publix grocery at Village Parkway and Becker Road. This future store would be on the smaller size of Publix' typical range of store sizes; and
- Restaurants and drinking places (pubs, wine bars, craft breweries, etc.) comprise the largest incremental demand category at just over 32,000 sq. ft. of combined total space. Stakeholders commented that they wanted more dining options and a mix of national and locally-owned restaurants. At an average size of about 3,500 sq. ft. (with selected larger operations and some smaller-sized locations) this would suggest that an additional nine-to-10 food service operations could be included in the retail mix.



**Market Potentials—Retail:****125,000—135,000 SF Next 10 Years (High-Growth Scenario)****Market Overview & Development Potentials—Multi-family Residential**

The Southern Grove study area has approval for up to 1,686 housing units, including 786 multi-family units and 900 apartments. We assume that “multi-family” is defined as condominiums (for-sale product) and “apartments” are defined as rental units. Based on revised entitlement information provided by the City in September 2020, WTL+a prepared a revised demand analysis that measures market potentials for new housing—with a specific focus on multi-family units—for a 10-year period between 2020 and 2030. The analysis considers the following scenarios:

- **Scenario #1**—Utilizes an annual (“straight-line”) growth rate of **3.96% per year** consistent with historic *actual* population growth rates in Port St. Lucie between 2000—2019. For purposes of this analysis, we extrapolated this growth rate for 10 years (through 2030).
- **Scenario #2**—Utilizes an annual growth rate of **2.10% per year** based on a five-year forecast of population growth in Port St. Lucie as prepared by ESRI Business Analyst, a demographic forecasting service, for the next five years (2019—2024). For purposes of this analysis, we extrapolated this growth rate for 10 years (through 2030).

Both scenarios allocate market share to the Southern Grove DRI (outside of the study area) as well as known residential projects in the planning areas surrounding Southern Grove as identified by the City (including the master planned communities of The Reserve, Riverland/Kennedy, St. Lucie West and Verano), to determine the number of “unallocated” units that could be available to accommodate future population/household growth and captured as part of new multi-family residential development in the Southern Grove study area. This also provides an opportunity to understand the “required” market capture, or share, that new multi-family residential development at Southern Grove would need in order to be market-supportable.

The focus on market potentials for multi-family units also considers the 2019—2020 lease-up/absorption patterns underway at two new properties—including Springs at Tradition and The Atlantic Palms at Tradition.

### Scenario #1

In Scenario #1, if the *pace* of growth continues at this historic/overall rate of 3.96% per year, it would yield more than **89,660 new residents in 32,840 new households** (i.e., housing units) by 2030, assuming the City’s average household size of 2.73 remains unchanged. This would translate into *annual* demand of 3,280 units per year. By comparison, actual new housing starts in Port St. Lucie between 2000 and 2006 (the high growth period) averaged over 4,500 units per year, but *declined* to 901 units per year between 2007 and 2018 as population and household growth moderated (particularly after 2010);

- The next step allocates future growth in population/households to Southern Grove (outside the study area) as well as fully-entitled residential projects in DRIs located in the City’s western planning areas remaining to be built. According to revised data provided by the City (September 2020), in addition to the 3,090 entitled units approved by the sale of Southern Grove to the City as well as the 5,044 units located in the DRI but *outside of* the study area, these include: The Reserve (369 units); Riverland/Kennedy (2,208 units); St. Lucie West (50 units); and Verano (608 units);
- The analysis assumes that all entitled units (11,369) as identified are built. We note that Riverland/Kennedy is entitled for 11,700 units. Since the DRI was approved in September 2016, a total of 883 units have been built, which equates to an annual average of 221 units over this four-year period. WTL+a has assumed that this average annual pace continues for the next 10 years, yielding 2,208 completed units. This leaves 21,475 “unallocated” units citywide. The analysis illustrates the number of future units built based on the City’s current distribution of single-family (90%) and multi-family (8%). (Another 1.5% are other/mobile homes);
- If the study area’s 1,686 entitled units are built over the next 10 years, it would require a “capture”, or share, of fully 97% of the 1,738 multi-family units that would be market-supportable. In our view, we believe this to be an **unreasonably disproportionate share**



**of citywide demand for multi-family units over the next 10 years**, suggesting that market absorption of the 1,686 units would need to extend *beyond* 10 years;

- Alternatively, if the proportion of multi-family units built in Port St. Lucie in the future increases, it will *reduce* the required market capture needed to support the study area's 1,686 units. For example, if the proportion of the City's multi-family stock increases from its current 8% to 12%, the study area's required capture declines from 97% to 65%, and to 49% if multi-family comprises 16% of the City's future housing inventory; and
- While it is not known where other multi-family units could be accommodated/entitled elsewhere in the city (such as at the proposed City Center project), increasing employment opportunities should be accompanied by a concomitant increase in the housing types across the City. This could be expected to enhance the City's overall marketability as a jobs location and should be a critical component of an overall economic development strategy.

## Scenario #2

Scenario #2 utilizes the 2019—2024 growth rate as estimated by ESRI Business Analyst of 2.10% per year, and extrapolates that growth over the 10-year forecast period. ESRI's forecasts suggest that the City's growth over the next five years will increase above the slower growth rate that occurred between 2010 and 2019 (1.54% per year).

- If Port St. Lucie grows at a sustained annual rate of 2.10% per year, it would yield almost **43,600 new residents in 15,960 new households (housing units)**, which would translate into annual demand of almost 1,600 units per year;
- Like Scenario #1, **future growth in Scenario #2 is allocated to the same DRI projects identified above, thereby leaving “unallocated” demand for approximately 4,595 units citywide** after accounting for the 11,369 units allocated to existing DRIs. The analysis illustrates the number of future units built based on the City's current distribution of single-family (90%) and multi-family (8%). (Another 1.5% are other/mobile homes);
- If the study area's 1,686 entitled units are built over the next 10 years, it would require a “capture”, or share, of fully 453% of the 372 multi-family units that would be market-supportable if multi-family remains at 8% of the City's total housing stock. Even if the number of multi-family units doubles as a proportion of citywide housing inventory in the future, it will still necessitate a required market capture of 229%, suggesting either that 1)

higher population growth is necessary and/or 2) the buildout period to deliver 1,686 multi-family units in the study area would extend well-beyond 10 years. Nonetheless, **increasing the number of multi-family units as a proportion of the City’s housing stock could be expected to enhance marketability for business recruitment as the City’s labor force expands**; and

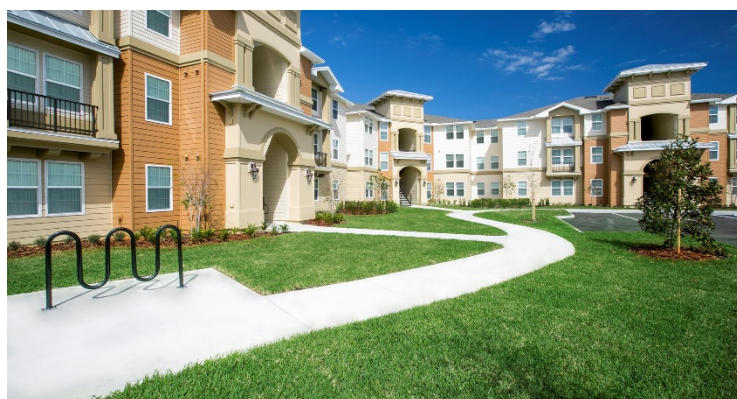
- Institutional/national multi-family developers typically seek to build 200 to 300 units in a single project—as witnessed in both competitive nearby projects with Springs at Tradition (304 units) and Atlantic Palms at Tradition (300 units). **Monthly absorption (lease-up) in these two projects has averaged between 16 and 36 units per month in 2019 and 2020;**
- At a consistent monthly absorption pace of 16 units per month, it would require a minimum of 8.7 years (105 months) to lease-up the 1,686 entitled units in the study area if built in a single phase. Of course, development of multi-family product in the study area is likely to occur over multiple phases; with additional time required for permitting and construction, well beyond 10 years will likely be required for buildout irrespective of the study area’s ability to capture a portion of citywide demand for multi-family units.

**Solid Market Potentials for Multi-family:**

**Absorption Patterns of 16 to 36 Units/Month among Comparable Projects**



## Market Conditions—Housing



Port St. Lucie contains a diverse array of residential neighborhoods. Market metrics of the City's housing stock are illustrated in Table 1 and detailed below:

- Based on data from ESRI Business Analyst and the American Community Survey (ACS), Port St.

Lucie contains over 78,000 housing units, comprising 53% of St. Lucie County's total housing stock. Since 2010, ESRI data suggest that the City's housing inventory has increased by almost 7,200 units;

- Unlike many communities across the U.S. after the 2007—2009 recession, **the number of owner-occupied units in the City has remained stable**—in the range of 67% between 2010 and 2019. The number of renter-occupied units increased slightly during this time—from 18.8% in 2010 to 21.1% by 2019. As discussed in greater detail below, 12% of the City's housing stock is “unoccupied” (estimated at 9,257 units);
- The average unit value of all housing units in the City in 2019 is \$233,385. Over the next five years, ESRI Business Analyst forecasts suggest that average housing values will increase at a solid compound annual rate of 3.7% per year—to more than \$279,700;
- 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, “truly vacant” units. U.S. Census data indicate that 9,972 units were unoccupied as of the 2010 Census, as the economic recovery from the 2007—2009 recession ended, and recovery gained momentum, thereby reducing the number of vacant units in many housing markets with an improving economy. In Port St. Lucie, **the number of unoccupied units decreased between 2010 and 2019**—from 9,972 units in 2010 to 9,257 units in 2019;

Table 1: Housing Profile—City of Port St. Lucie, 2010—2024

	2010	2019	% Dist.	2024	% Dist.	Change: 2019-2024	
						No.	CAGR %
<b>Housing Tenure</b>							
<b>Owner-occupied</b>	47,523	52,297		59,312		7,015	2.5%
% of Total	67.1%	67.0%		68.5%			
<b>Renter-occupied</b>	13,348	16,478		16,643		165	0.2%
% of Total	18.8%	21.1%		19.2%			
<b>Unoccupied</b>	9,972	9,257		10,621		1,364	2.8%
% of Total	14.1%	11.9%		12.3%			
<b>Total Units:</b>	<b>70,843</b>	<b>78,032</b>		<b>86,576</b>		<b>8,544</b>	<b>2.1%</b>
<b>Change in Units:</b>		<b>7,189</b>					
<b>Owner-Occupied Value</b>							
\$0 - \$99,999		5,440	10%	3,311	6%	(2,129)	-9.5%
\$100,000 - \$199,999		22,171	42%	18,468	31%	(3,703)	-3.6%
\$200,000 - \$299,999		15,733	30%	21,454	36%	5,721	6.4%
\$300,000 - \$399,999		4,612	9%	7,999	13%	3,387	11.6%
\$400,000 - \$499,999		2,005	4%	4,035	7%	2,030	15.0%
\$500,000 - \$749,999		1,588	3%	2,747	5%	1,159	11.6%
\$750,000 - \$999,999		324	0.6%	582	1.0%	258	12.4%
\$1,000,000 - \$1,499,999		202	0.4%	337	0.6%	135	10.8%
\$1,500,000 - \$1,999,999		12	0.02%	13	0.02%	1	1.6%
\$2,000,000+		209	0.4%	366	0.6%	157	11.9%
<b>Median Value</b>		<b>\$ 194,496</b>		<b>\$ 235,184</b>			<b>3.9%</b>
<b>Average Value</b>		<b>\$ 233,385</b>		<b>\$ 279,739</b>			<b>3.7%</b>
<b>All Housing Units By Structure (2017 American Community Survey)</b>							
1 Unit, Detached		62,340	87.3%				
1 Unit, Attached		2,228	3.1%				
2 Units		433	0.6%				
3 or 4 Units		1,350	1.9%				
5 to 9 Units		1,142	1.6%				
10 to 19 Units		1,054	1.5%				
20 to 49 Units		1,163	1.6%				
50 or more Units		638	0.9%				
Mobile Home		1,082	1.5%				
Boat/RV/Other		-	0.0%				
<b>Total Units:</b>		<b>71,430</b>	<b>100%</b>				
<b>Unoccupied Housing Units By Status</b>							
<b>Unoccupied-All Reasons</b>	<b>2010</b>	<b>2017 (ACS)</b>					
Rented (Not Occupied)		76					
For Sale Only		2,079					
Sold (Not Occupied)		384					
3.5% Seasonal Use		2,508					
For Migrant Workers		-					
<b>Subtotal:</b>		<b>5,047</b>					
<b>TRUE VACANCIES</b>							
Other Vacant		3,668					
Vacant, For Rent		1,257					
<b>Subtotal:</b>		<b>4,925</b>	<b>4,767</b>	(1)			
<b>True Vacancy Rate</b>		<b>7.0%</b>	<b>6.1%</b>				

Total Unoccupied Units: 9,972 9,652 49.4%

(1) True vacant units reflect those actually available for rent/occupancy. Estimates of true vacancy for 2017 are based on 2010 true vacant units as a proportion of total unoccupied units.

<https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

Source: ESRI Business Analyst; American Community Survey; WTL +a, February 2020.



- The number of unoccupied units includes 2,508 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—7.0%, or 4,925 units.** The 2017 American Community Survey (ACS) suggests that the number of truly vacant units has declined further—to 4,767 units in 2017, revealing a true vacancy rate of 6.1%. In effect, the City's housing market is nearing stabilized levels, as 5% vacancy is considered industry-standard; and
- ACS data reveal the City's housing stock consists of a diverse array of housing types. This includes a predominant share of single-family detached (87.3%), a small share of single-family attached (3.1%), and multi-family units (8.1%). In addition, 1.5% of the City's housing stock, or 1,082 units, consists of mobile homes.



## Housing Starts

To document how population and household growth affects market potentials for new housing in the Southern Grove study area, WTL+a reviewed information on annual housing starts.

**Housing starts are defined as the start of actual construction (after permits are issued).** This

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analysis also compares housing starts to household growth to understand whether the pace of one metric is consistent with (or exceeds) the other. According to data provided by the U.S. Department of Housing & Urban Development (HUD), housing starts for the 12-year period between 2007 and 2018 (latest date available) are illustrated in Table 2 below. Key findings indicate that:

- Between 2007 and 2018, housing starts across St. Lucie County resulted in delivery of more than **13,990 new housing units, producing a *sustained* annual pace of over 1,166 units per year** between 2007 and 2018. In terms of unit distribution, this includes 11,325 single-family units (81% of the total) and 2,668 multi-family units (19% of the total);
- Between 2000 and 2018, the County recorded 54,231 total housing starts, equating to an annual pace of 2,854 units per year during this 19-year period;
- **Between 2007 and 2018**, housing starts in Port St. Lucie resulted in delivery of **10,808 new housing units, producing an average annual pace of 901 units per year**. This included 9,010 single-family detached units and 1,798 multi-family units. The City accounted for fully 80% of the County's single-family starts and 67% of its multi-family units since 2007;
- **Notably, between 2000 and 2006**, the City recorded 31,810 total housing starts, **which equates to a remarkable 4,544 units built annually during this seven-year period** (data for 2000—2006 are not shown in the table). **While the pace of residential construction slowed significantly between 2008 and 2014, annual housing starts have again increased—averaging over 1,700 new starts annually between 2015 and 2018;**
- Most new housing starts in Port St. Lucie were in numerous residential subdivisions and multiple planning areas at the western edges of the City adjacent or proximate to Southern Grove, such as:
  - Del Webb—entitled for 1,300 units on 762.5 gross acres
  - The Reserve—2,531 units completed out of 2,900 approved units in 36 different communities
  - TCI Village Point—entitled for 2,160 units on 397.5 gross acres located at Village Parkway and Discovery Way, and
  - Verano—592 units completed out of 1,200 approved units.



**Table 2: 12-Year Housing Starts—St. Lucie County & Selected Municipalities, 2007—2018**

													Change: 2007-2018		
Municipality	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total Starts	Annual Average	% of County
Single-family Detached															
Fort Pierce	136	63	21	12	5	8	7	16	19	24	18	61	390	33	3%
Port St. Lucie	1,281	513	197	192	153	176	489	545	783	1,114	1,465	2,102	9,010	751	80%
As % of County	76%	75%	78%	72%	58%	63%	83%	80%	83%	82%	83%	82%			
St. Lucie Village	2	-	-	-	-	-	-	-	-	-	1	1	4	0.3	0%
Unincorporated County	271	108	36	61	108	95	91	121	143	225	274	388	1,921	160	17%
Subtotal:	1,690	684	254	265	266	279	587	682	945	1,363	1,758	2,552	11,325	944	100%
SFD-St. Lucie County:	1,690	684	254	265	266	279	587	682	945	1,363	1,758	2,552	11,325	944	81%
Multi-family															
Fort Pierce	220	243	10	22	21	28	15	5	7	2	18	88	679	57	25%
Port St. Lucie	8	96	-	6	28	6	26	275	231	145	136	841	1,798	150	67%
As % of County	2%	28%	0%	21%	57%	17%	58%	98%	95%	99%	88%	86%			
St. Lucie Village	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%
Unincorporated County	125	6	-	-	-	2	4	-	6	-	-	48	191	16	7%
Subtotal:	353	345	10	28	49	36	45	280	244	147	154	977	2,668	222	100%
MF-St. Lucie County:	353	345	10	28	49	36	45	280	244	147	154	977	2,668	222	19%

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

Source: U.S. Census Bureau; U.S. Dept. of Housing & Urban Development; WTL+a, February 2020.

**Table 2 (Continued): 12-Year Housing Starts—St. Lucie County & Selected Municipalities, 2007—2018**

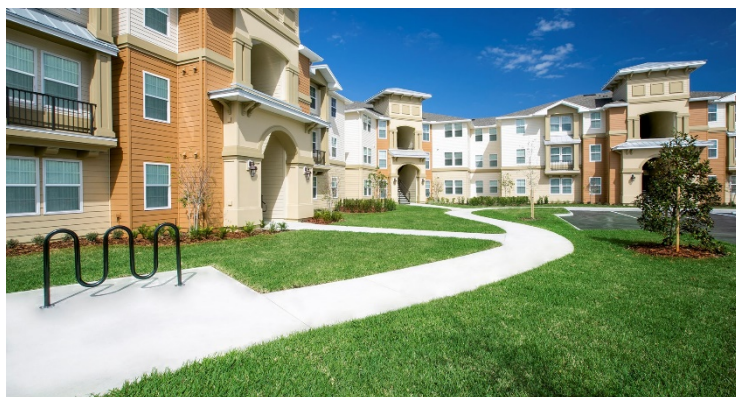
Municipality	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Change: 2007-2018		
													Total Starts	Annual Average	% of Total
<b>Total Starts</b>															
Fort Pierce	356	306	31	34	26	36	22	21	26	26	36	149	1,069	89	8%
<b>Port St. Lucie</b>	<b>1,289</b>	<b>609</b>	<b>197</b>	<b>198</b>	<b>181</b>	<b>182</b>	<b>515</b>	<b>820</b>	<b>1,014</b>	<b>1,259</b>	<b>1,601</b>	<b>2,943</b>	<b>10,808</b>	<b>901</b>	<b>77%</b>
As % of County	63%	59%	75%	68%	57%	58%	81%	85%	85%	83%	84%	83%			
St. Lucie Village	2	-	-	-	-	-	-	-	-	-	1	1	4	0	0%
Unincorporated County	396	114	36	61	108	97	95	121	149	225	274	436	2,112	176	15%
<b>Subtotal:</b>	<b>2,043</b>	<b>1,029</b>	<b>264</b>	<b>293</b>	<b>315</b>	<b>315</b>	<b>632</b>	<b>962</b>	<b>1,189</b>	<b>1,510</b>	<b>1,912</b>	<b>3,529</b>	<b>13,993</b>	<b>1,166</b>	<b>100%</b>
<b>TOTAL-St. Lucie County:</b>	<b>2,043</b>	<b>1,029</b>	<b>264</b>	<b>293</b>	<b>315</b>	<b>315</b>	<b>632</b>	<b>962</b>	<b>1,189</b>	<b>1,510</b>	<b>1,912</b>	<b>3,529</b>	<b>13,993</b>	<b>1,166</b>	<b>100%</b>

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

Source: U.S. Census Bureau; U.S. Dept. of Housing & Urban Development; WTL+a, February 2020.



## Multi-family Rental



WTL+a examined market trends in the City's multi-family rental market based on data for those properties that are tracked by CoStar, Inc.

Overall market conditions are key to understanding development potentials for the 1,686 units of new rental housing entitled in the

Southern Grove study area.

Market performance characteristics for the City's multi-family rental market are illustrated in Table 3. Key findings indicate the following:

- **Port St. Lucie contains an inventory of almost 5,100 rental units in 21 properties**, as tracked by CoStar, Inc.;
- In 2019, the overall **vacancy rate was 4.5%**. Vacancies, which peaked at 12.8% in 2007 as the national recession commenced, have steadily declined. Vacancy rates have remained at stabilized levels (i.e., of 5% or less) since 2015;
- Over the past 12 years, **net absorption in Port St. Lucie totaled 1,381 units, or 99 units per year**. However, with construction deliveries of 662 new rental units since 2016, net absorption has strengthened—averaging 142 units per year over the past five years. In fact, net absorption has been positive in 13 of the past 14 years; and
- Average monthly rents have increased at a compound annual rate of 2.1% per year since 2006, with an average rent of \$1,267 per month (\$1.21 per sq. ft.) in 2019 and an average unit size of 983 sq. ft.

WTL+a also examined two recently-opened multi-family rental properties located on Village Parkway in the Southern Grove DRI to understand multi-family market performance in this part of the City. Key metrics are illustrated in Table 4 and summarized below.

**Table 3: Multi-family Rental Characteristics—City of Port St. Lucie, 2006—2019**

	2006	2007	National Recession & Recovery				2012	2013	2014	2015	2016	2017	2018	2019	YTD 2020	Change: 2006-2019		
			2008	2009	2010	2011										Total	Ann'l Avg.	% CAGR
Inventory (Units)	3,580	4,068	4,150	4,150	4,150	4,150	4,150	4,150	4,402	4,402	4,612	4,612	4,612	5,064	5,064	1,484		
No. of Buildings	14	16	17	17	17	17	17	17	18	18	19	19	19	21	21	7		
Vacant Stock (Units)	170	522	425	314	252	250	209	165	279	168	173	160	140	230	167	60		
Vacancy Rate	4.7%	12.8%	10.2%	7.6%	6.1%	6.0%	5.0%	4.0%	6.3%	3.8%	3.8%	3.5%	3.0%	4.5%	3.3%			-0.3%
<b>Total Net Absorption (Units)</b>	<b>(45)</b>	<b>137</b>	<b>178</b>	<b>112</b>	<b>63</b>	<b>2</b>	<b>41</b>	<b>43</b>	<b>138</b>	<b>112</b>	<b>204</b>	<b>14</b>	<b>21</b>	<b>361</b>	<b>64</b>	<b>1,381</b>	<b>99</b>	
<b>Past 5 Years</b>																<b>712</b>	<b>142</b>	
Construction Deliveries	-	488	82	-	-	-	-	-	252	-	210	-	-	452	-	1,484		
Average Unit Size (SF)	938	958	961	961	961	961	961	961	966	966	968	968	968	983	983			0.4%
Average Monthly Rent	\$ 969	\$ 989	\$ 970	\$ 934	\$ 941	\$ 955	\$ 972	\$ 995	\$ 1,021	\$ 1,091	\$ 1,136	\$ 1,178	\$ 1,219	\$ 1,267	\$ 1,274			2.1%
Per SF Rent	\$ 0.92	\$ 0.94	\$ 0.92	\$ 0.89	\$ 0.90	\$ 0.91	\$ 0.93	\$ 0.95	\$ 0.97	\$ 1.04	\$ 1.08	\$ 1.12	\$ 1.16	\$ 1.21	\$ 1.21			2.1%
Average Annual % Change		2.2%	-2.1%	-3.3%	1.1%	1.1%	2.2%	2.2%	2.1%	7.2%	3.8%	3.7%	3.6%	4.3%	0.0%			

Source: CoStar, Inc.; WTL+a, April 2020.



**Table 4: Market Performance—Springs at Tradition & Atlantic/Grand Palms, 2019—2020**

Project/Location	Year Built Class & Height	Site Size/ Densities & Bldg. Area	Unit Type	No. of Units	% Dist.	Size (In SF)	Per Month				3-Year Vacancy & Absorption Analysis			
							Asking Rent		Effective Rent		Vacant	2020	2019	2018
							Amount	Per SF	Amount	Per SF				
<b>Springs at Tradition</b>	2019	30.14	Studios	48	16%	606	\$ 1,383	\$ 2.28	\$ 1,378	\$ 2.28	1			
<b>Market-rate</b>	B	acres	1 BR	104	34%	850	1,714	2.02	1,709	2.01	2			
11200 SW Village Court	4 floors	0.28	2 BR	126	41%	1,143	1,893	1.66	1,887	1.65	2			
Port St. Lucie		364,800	3 BR	26	9%	1,356	2,092	1.54	2,085	1.54	1			
<b>Total:</b>							<b>304</b>		<b>976</b>	<b>\$ 1,768</b>	<b>\$ 1.81</b>	<b>\$ 1,762</b>	<b>\$ 1.80</b>	
<b>Asking Rent Concessions:</b>										<b>-0.3%</b>				

**Developer:** Continental Properties Co., Inc.

	6	2.0%	38.7%	100%
Months Open:	7	12		
Avg. Monthly Absorption:	16	16		







**Table 4 (Cont.): Market Performance—Springs at Tradition & Atlantic/Grand Palms, 2019—2020**

Project/Location	Year Built Class & Height	Site Size/ Densities & Bldg. Area	Unit Type	No. of Units	% Dist.	Size (In SF)	Per Month				3-Year Vacancy & Absorption Analysis			
							Asking Rent		Effective Rent		Vacant	2020	2019	2018
							Amount	Per SF	Amount	Per SF				
<b>COMPARABLES ANALYSIS</b>			Studios	48	8%	606	\$ 1,383	\$ 2.28	\$ 1,378	\$ 2.28				
<b>Total/Weighted Average:</b>			1 BR	168	28%	835	1,662	1.99	1,659	1.99				
			2 BR	332	55%	1,121	1,797	1.60	1,795	1.60				
			3 BR	56	9%	1,312	2,010	1.53	2,006	1.53				
			<b>Total:</b>	<b>604</b>		<b>1,018</b>	<b>\$ 1,746</b>	<b>\$ 1.72</b>	<b>\$ 1,743</b>	<b>\$ 1.71</b>	128	21.2%	69.1%	-
<b>Estimated Unit Absorption (2018-2020):</b>											<b>Avg. Annual Absorption:</b>	290	186	
											<b>Avg. Monthly Absorption:</b>	52	16	

(1) Certificates of Occupancy for Atlantic (Grand) Palms were issued starting in May 2020. The analysis assumes pre-leasing started in March, suggesting a five-month period of unit absorption (March-July).

Source: City of Port St. Lucie; CoStar, Inc.; WTL+a, August 2020.

Both Springs at Tradition (304 units) and The Atlantic Palms at Tradition, Phase 1 (300 units) have recently opened and are in the process of occupancy/lease-up.

### ***Springs at Tradition***

- Springs at Tradition contains a mix of units (75% of which are one- and two-bedroom units), with an average unit size of 976 sq. ft. Asking rents average \$1,768 per month, with effective rents of \$1,762 per month (\$1.81 per sq. ft.) suggesting nominal tenant concessions of 0.3% per month;
- The City of Port St. Lucie issued Certificates of Occupancy (CO) for all 304 units over a seven-month period in 2019. CoStar data suggest that the pace of **unit occupancies (absorption) averaged 16 units per month over a 12-month period in 2019**. That lease-up pace was maintained over the first seven months of 2020. WTL+a notes that this pace is considered solid. Springs at Tradition has achieved stabilized occupancies, with a vacancy rate of only 2%.

### ***The Atlantic Palms at Tradition, Phase 1***

- The Atlantic Palms at Tradition (also known as Grand Palms) contains a mix of units (90% of which are one- and two-bedroom units), with an average unit size of 1,060 sq. ft. Asking and effective rents average \$1,724 per month (i.e., there are no tenant concessions);
- The City of Port St. Lucie issued COs for 116 units between May and July 2020. CoStar data suggest that the pace of **unit occupancies at Atlantic Palms is averaging approximately 36 units per month for the estimated five months the project has been leasing in 2020** (i.e., it is common for new multi-family properties to initiate pre-leasing for one to two months prior to issuance of COs). Monthly lease-up at this pace is considered very strong. If Atlantic Palms maintains this pace, the project should achieve stabilized occupancies (i.e., 5% vacancy) in less than four months.

Overall, market performance of the two new multi-family properties in the Southern Grove DRI is strong. Continued market strength is necessary to support development of the 1,686 multi-family units currently entitled in the study area.

In conclusion, **the Port St. Lucie housing market reflects generally stabilized market conditions—with stabilized occupancies, increasing values among owner-occupied**

properties, and **strong lease-up (absorption) activity in new multi-family properties accompanied by solid achieved monthly rents.** Ongoing population and household growth, which translates into significant levels of new residential development, as well as the reported pace of lot take-downs and unit sales among the master-planned communities adjacent or proximate to Southern Grove reinforce the City's strong market conditions in its housing sector.

## Market Conditions—Hotel/Lodging

WTL+a reviewed data on market conditions for hotel and lodging uses in St. Lucie County based on performance data provided by STR Global, the industry leader in hotel market data. Performance metrics from this analysis will be used to determine hotel/lodging market potentials as an amenity to support ongoing business retention and recruitment and job-creation initiatives in the Southern Grove study area.

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 the absence of an 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 5, St. Lucie County contains 3,058 hotel rooms, with Fort Pierce containing 1,557 rooms (51% of supply) and **Port St. Lucie containing 1,501 rooms (49% of the County's room inventory).** By comparison, neighboring Martin County contains 1,674 rooms, with 79% of Martin County's room inventory located in Stuart. STR Global categorizes hotel properties into the following class levels:

- **Economy**—properties in this class typically include EconoLodge, Day's Inn, Extended Stay America, Red Roof Inn and a number of smaller, non-chain affiliated properties across Broward County. This category comprises 23% of the County's hotel market



- **Midscale**—hotels in this category typically include Best Western, Quality Inn, Sleep Inn and Wingate by Wyndham. This category comprises 13% of the County's hotel market
- **Upper Midscale**—properties in this category typically include the Comfort Inn, Fairfield Inn, Hampton Inn and Holiday Inn Express & Suites. This category comprises 31% of the County's hotel market
- **Upscale**—properties in this class typically include Marriott Courtyard, Hilton Garden Inn, Hyatt Place and Residence Inn. This category comprises 16% of the County's hotel market
- **Upper Upscale**—properties in this class typically include Hyatt Regency, Marriott, Sheraton and Wyndham. This category, which includes the 337-room Club Med Sandpiper Bay Hotel in Port St. Lucie, comprises 17% of the County's hotel market, and
- **Luxury**—properties in this class typically include international chains such as the Ritz Carlton and W Hotel. There are no luxury properties in St. Lucie County.

To understand hotel market performance and opportunities for additional new hotel development in Southern Grove, WTL+a obtained hotel performance data for 17 selected properties across St. Lucie County with 1,602 rooms from STR Global, the hotel industry's leader in tracking market performance in the lodging industry.

Hotel occupancies are a principal source of information on both business and leisure travel markets; measures of demand for hotel development follow general industry patterns that identify markets to determine readiness to add more room capacity. The general investment thresholds used in capital markets to test expansion feasibility for new hotel rooms include Average Daily Rates (ADRs) and sustained average annual room occupancies (allowing for seasonal changes over the year in major visitor markets).

The industry benchmark identified for construction feasibility/potential expansion is a **sustained annual occupancy level between 65% and 72%**. If a market/location sustains an average annual occupancy within these levels (or higher), that location can support additional capacity and warrant development of new hotel rooms.

Table 5: St. Lucie County Hotel Inventory, 2019

Location (By Rooms)	No. of Rooms by Property Class						Total Rooms	As % of County
	Economy	Mid-scale	Upper Mid-scale	Upscale	Upper Upscale	Luxury		
St. Lucie County	(1)	(2)	(3)	(4)	(5)			
Fort Pierce	891	139	457	70	-	-	1,557	50.9%
Port St. Lucie	-	260	435	469	337	-	1,501	49.1%
<b>Subtotal-St. Lucie:</b>	<b>891</b>	<b>399</b>	<b>892</b>	<b>539</b>	<b>337</b>	<b>-</b>	<b>3,058</b>	<b>64.6%</b>
<b>Martin County</b>								
Indiantown	22	-	-	-	-	-	22	1.3%
Jensen Beach	15	-	23	110	178	-	326	19.5%
Stuart	183	201	548	120	274	-	1,326	79.2%
<b>Subtotal-Martin:</b>	<b>220</b>	<b>201</b>	<b>571</b>	<b>230</b>	<b>452</b>	<b>-</b>	<b>1,674</b>	<b>35.4%</b>
<b>TOTAL:</b>	<b>1,111</b>	<b>600</b>	<b>1,463</b>	<b>769</b>	<b>789</b>	<b>-</b>	<b>4,732</b>	<b>100%</b>
<b>% Dist. by Class</b>	<b>23%</b>	<b>13%</b>	<b>31%</b>	<b>16%</b>	<b>17%</b>	<b>0%</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.

Source: STR Global; WTL+a, February 2020.

Table 6 illustrates key performance metrics among the selected competitive hotel properties; notably, 16 of these 17 properties are considered “limited” or “select” service and located primarily at I-95 interchanges in Port St. Lucie and Fort Pierce. The Club Med Sandpiper Bay Hotel is the only full-service hotel in St. Lucie County. Key findings from STR Global data on these competitive properties indicate that:

- The 17 properties selected for this analysis include 1,602 rooms. In terms of STR class levels, four properties reporting their performance data to STR are Economy Class, nine are Upper Midscale and four are Upscale. The Club Med property does *not* report its market performance to STR;
- Occupancy levels have strengthened; over the past six years, **average annual occupancies ranged from a low of 58.1% in 2014 to a peak of 73.6% in 2017, with a six-year average of 71.8%;**



- Notably, for the past three years, **sustained annual occupancies for these properties have averaged 67.4%**. In 2019, occupancies averaged 71.4% and, indicative of peak seasonality, occupancy averaged 84.7% in January and February of 2020—*prior* to the impacts of the COVID-19 pandemic;

- Other indicators of solid market

performance include Average Daily Rates (ADRs), which increased at a sustained annual pace of 3.76% per year and Revenue per Available Room (REVPAR), which increased at a remarkable 8.12% per year between 2014 and 2019. There were significant year-over-year jumps in this particular metric;

- In conclusion, based on occupancy and revenue performance, this analysis suggests **there may be sufficient demand/investment-level performance necessary to support new hotel rooms in the Southern Grove study area**. However, with the delivery of the 128-room Townplace Suites property on Village Parkway (outside of the study area near The Landing at Tradition) in December 2019, additional time will be required to gauge its impacts on market performance and the capacity to support additional new rooms beyond this new supply.

#### Area Hotel Market Performance (Before Coronavirus) is Strong:

**Occupancies Exceeded 70% Past 3 Years**





**Table 6: Market Performance of Selected Competitive Hotel Properties, 2014—2019**

	2014	2015	2016	2017	2018	2019	February 2020	CHANGE: 2014-2019	
								Average	CAGR
<b>Performance Characteristics</b>									(1)
Number of Rooms	1,619	1,550	1,544	1,454	1,506	1,497	1,602		
Available Room Nights (Supply)	591,021	565,778	563,711	530,510	549,559	546,619	567,108	557,866	-1.55%
Occupied Room Nights (Demand)	343,224	365,578	383,528	390,224	383,730	390,041		376,054	2.59%
<b>Annual Occupancy (%)</b>	<b>58.1%</b>	<b>64.6%</b>	<b>68.0%</b>	<b>73.6%</b>	<b>69.8%</b>	<b>71.4%</b>	<b>84.7%</b>	<b>67.4%</b>	<b>4.21%</b>
Average Daily Rate	\$ 84.97	\$ 90.03	\$ 95.40	\$ 100.63	\$ 102.38	\$ 102.20	\$ 124.93	\$ 96.21	3.76%
(2) Revenue Per Available Room	\$ 49.35	\$ 58.17	\$ 64.91	\$ 74.02	\$ 71.49	\$ 72.92	\$ 105.76	\$ 64.86	8.12%
<b>Year-to-Year % Growth</b>									
Annual Occupancy	-	11.3%	5.3%	8.1%	(5.1%)	2.2%			
Average Daily Rate	-	5.9%	6.0%	5.5%	1.7%	(0.2%)			
Revenue/Available Room	-	17.9%	11.6%	14.0%	(3.4%)	2.0%			
<b>Selected Property</b>	<b>Rooms</b>	<b>% Dist.</b>	<b>Year Open</b>						
Hampton Inn Fort Pierce	81	5%	Nov 2006						
Comfort Suites Fort Pierce I 95	68	4%	Dec 2004						
La Quinta Inns & Suites Fort Pierce	87	5%	Jul 2008						
Fairfield Inn & Suites Fort Pierce	108	7%	Dec 2008						
Holiday Inn Express & Suites Fort Pierce West	94	6%	Sep 2009						
Best Western Port St Lucie	98	6%	Jan 1987						
Holiday Inn Port St Lucie	142	9%	Oct 1988						
SpringHill Suites Port St Lucie	103	6%	Jul 1998						
Holiday Inn Express & Suites Port St Lucie West	93	6%	Apr 2009						
Sleep Inn At PGA Village	17	1%	Mar 2013						
Residence Inn Port St Lucie	125	8%	Feb 2009						
Hilton Garden Inn PGA Village Port St Lucie	130	8%	Nov 2006						
Hampton by Hilton Inn & Suites Port St Lucie West	72	4%	Mar 2002						
Perfect Drive Golf Villas	82	5%	Jul 2006						
MainStay Suites At PGA Village Port St Lucie	63	4%	Mar 1999						
TownePlace Suites Port St Lucie I-95	128	8%	Dec 2019						
Homewood Suites by Hilton Port St Lucie Tradition	111	7%	Nov 2009						
<b>Total:</b>	<b>1,602</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, March 2020.

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## Market Conditions—Office

The market analysis evaluated development potentials for “workplace” uses, including multi-tenant/speculative office (and general industrial sectors) in St. Lucie County and Port St. Lucie. We note that it is not possible to evaluate development potentials for specific end-users such as Project Bullet (or portions of Sansone) looking for a specific location such as Southern Grove, as such deals are based on specific recruitment strategies and terms (e.g., the amount of space to be occupied) that are negotiated on a case-by-case basis. As a result, the analysis estimated demand for speculative/multi-tenant opportunities based on employment forecasts. This task was tailored to:

- Understand the Southern Grove study area’s overall competitive market position for speculative/multi-tenant uses, based on key performance metrics (total inventory, construction deliveries, net annual absorption/leasing activity, vacant stock, vacancy rates, and rental rates);
- Inform the evaluation of workplace development potentials for the study area based on the findings in this profile; and
- Guide the TCRPC planning team’s testing of development scenarios to ensure that uses such as office and industrial space will physically fit and be sufficiently marketable.

Given that the study area is a designated “jobs corridor”, the City is particularly interested in understanding recent and current real estate market conditions for general industrial uses in a number of competing jurisdictions throughout Florida. As a result, City staff identified four counties (Palm Beach, Broward and Miami-Dade in South Florida and Orange in Central Florida) for additional research on industrial market performance. Key findings for the area’s office market are illustrated in multiple tables that follow, and summarized below:

### St. Lucie County

- As illustrated in Table 7, St. Lucie County contains **6.6 million sq. ft. of office space** distributed across Port St. Lucie, Fort Pierce and unincorporated areas. Countywide,

**Table 7: Office Market Profile—St. Lucie County, 2007—2019**

	2007	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	YTD 2020	Change: 2007-2019		
		2008	2009	2010	2011	2012									Total	Ann'l Avg.	% CAGR
Office																	
Inventory	5,393,752	5,940,029	5,966,605	5,998,552	6,033,852	6,055,552	6,118,606	6,129,961	6,271,609	6,271,609	6,409,726	6,496,336	6,567,106	6,583,470	1,173,354		
No. of Buildings/Centers	536	552	554	558	561	564	567	569	578	578	584	591	594	595			
Vacant Stock	686,401	960,195	1,098,697	878,725	870,118	868,608	858,022	782,330	709,035	725,853	743,911	620,241	717,697	729,773	31,296		
Vacancy Rate	12.7%	16.2%	18.4%	14.6%	14.4%	14.3%	14.0%	12.8%	11.3%	11.6%	11.6%	9.5%	10.9%	11.1%	-1.3%		
Net Absorption:	(208,440)	272,483	(111,926)	251,919	43,907	23,210	73,640	87,047	214,943	(16,818)	120,059	210,280	(26,686)	4,288	933,618	71,817	
Past 5 Years															501,778	100,356	
Construction Deliveries	172,143	546,277	26,576	31,947	35,300	21,700	63,054	11,355	141,648	-	138,117	86,610	70,770	16,364	1,345,497		
Gross Rent/SF	\$ 18.10	\$ 17.84	\$ 17.62	\$ 16.15	\$ 16.27	\$ 15.56	\$ 15.00	\$ 13.79	\$ 14.32	\$ 14.39	\$ 13.34	\$ 13.27	\$ 15.32	\$ 16.94	-1.4%		
Average Annual % Change	-	-1.5%	-1.2%	-8.4%	0.8%	-4.4%	-3.6%	-8.1%	3.8%	0.5%	-7.3%	-0.5%	15.4%	10.6%			

Source: CoStar, Inc.; WTL+a, revised April 2020.



there were **717,700 sq. ft. of vacant office space** (including direct vacancies and sublet space), which reflects a year-end 2019 vacancy rate of 10.9%;

- Office vacancies peaked at more than 18% during the national recession in 2009, but they declined steadily between 2010 and 2018, at 9.5%. Vacancies have increased slightly to 11.1% in the first quarter of 2020;
- 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 totaled **933,600 sq. ft. countywide over this 13-year period**. Notably, net absorption in St. Lucie County has strengthened over the past five years—to an average of 100,300 sq. ft. per year;
- If the County’s historic annual pace of 71,800 sq. ft. of net absorption (over 13 years) can be sustained, approximately **9.7 years would be required to absorb 95% of the County’s existing vacant office space**. Nine of the past 13 years have recorded positive net absorption in the County’s office market;
- Interestingly, gross office rents *declined* between 2007 and 2019—from \$18.10 per sq. ft. in 2007 to \$15.32 per sq. ft. at year-end 2019, reflecting a compound annual decline of -1.4% per year during this period; and
- Declining office rents may have propelled positive net absorption to some extent, particularly since St. Lucie County’s office inventory expanded with 1.34 million sq. ft. of new office construction since 2007.

## Port St. Lucie



- As illustrated in Table 8, there are 3.61 million sq. ft. of office space in Port St. Lucie in 276 buildings. The City accounts for 55% of St. Lucie County’s 6.6 million sq. ft. of office space. The City’s share of the County’s supply has remained relatively stable—ranging from 51% to 55%;

- The impacts of the national recession on the City's office market were dramatic: office vacancies doubled between 2007 and 2009—from 9.5% to 18.6%. It took fully five years for the vacancy rate to drop to 15.5% in 2014; vacancies declined more rapidly thereafter as net absorption strengthened. By 2018, the office vacancy rate had dropped to 5.8%, although it jumped to 8.1% in 2019;
- More than 892,300 sq. ft. of new office space has been built citywide since 2007, equating to annual average deliveries of 68,600 sq. ft. per year;
- Citywide *net* office absorption totaled 848,800 sq. ft. over this 13-year period, averaging almost 65,300 sq. ft. per year. **The strength of the City's office market is best exemplified in metrics over the past five years—with net absorption doubling (over its historic 13-year pace)—to more than 124,300 sq. ft. per year;**
- **If the City's historic annual pace of 65,300 sq. ft. of net absorption (over 13 years) can be sustained, it would require approximately 4.25 years to absorb 95% of the City's vacant office space.** Similar to the County, nine of the past 13 years have recorded positive net absorption in the City's office market;
- Unlike the County, gross office rents remained generally flat between 2007 and 2019—between \$19 per sq. ft. in 2007 and almost \$18 per sq. ft. at year-end 2019, reflecting a nominal compound annual decline of -0.6% per year during this period; and
- Positive net absorption may also have been buoyed by flat office rents to some extent, particularly since the City's office inventory expanded with the addition of 892,400 sq. ft. of new office space built since 2007.

**A Strengthening Office Market in PSL:**

**Annual Absorption *Doubled* to 124,300 SF/Year Past 5 Years**



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**Table 8: Office Market Profile—Port St. Lucie, 2007—2019**

		National Recession & Recovery												YTD	Change: 2007-2019		
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	Ann'l Avg.	% CAGR
Office																	
Inventory	2,877,400	3,033,303	3,059,879	3,091,826	3,110,074	3,128,338	3,191,392	3,202,747	3,337,450	3,337,450	3,461,624	3,548,234	3,619,004	3,635,368	741,604		
As % of County	53%	51%	51%	52%	52%	52%	52%	52%	53%	53%	54%	55%	55%	55%			
No. of Buildings/Centers	228	239	241	245	247	249	252	254	262	262	266	273	276	277			
Vacant Stock	272,019	495,079	568,079	497,281	468,907	460,580	437,587	497,746	464,734	356,509	331,567	205,668	292,132	321,717	20,113		
Vacancy Rate	9.5%	16.3%	18.6%	16.1%	15.1%	14.7%	13.7%	15.5%	13.9%	10.7%	9.6%	5.8%	8.1%	8.8%			-1.3%
Net Absorption:	127,342	(67,157)	(46,424)	102,745	46,622	26,591	86,047	(48,804)	167,715	108,225	149,116	212,509	(15,694)	(13,221)	848,833	65,295	
Past 5 Years															621,871	124,374	
Construction Deliveries	150,765	155,903	26,576	31,947	18,248	18,264	63,054	11,355	134,703	-	124,174	86,610	70,770	16,364	892,369		
Gross Rent/SF	\$ 19.14	\$ 19.26	\$ 19.19	\$ 17.93	\$ 18.15	\$ 17.47	\$ 17.26	\$ 16.15	\$ 17.27	\$ 16.76	\$ 15.70	\$ 15.88	\$ 17.86	\$ 19.23			-0.6%
Average Annual % Change	-	0.6%	-0.4%	-6.6%	1.2%	-3.8%	-1.2%	-6.4%	7.0%	-3.0%	-6.3%	1.1%	12.5%	7.7%			

Source: CoStar, Inc.; WTL+a, revised April 2020.

## Martin County

- As illustrated in Table 9, Martin County contains **4.03 million sq. ft. of office space** distributed across Stuart, Palm City, the U.S. Route 1 and A1A corridors and unincorporated areas. Countywide, there were **269,860 sq. ft. of vacant office space** (including direct vacancies and sublet space), which reflects a year-end 2019 vacancy rate of 6.7%. Office vacancies peaked at almost 13% during the national recession in 2009 and again in 2012, but declined steadily to a low of 4.3% in 2017. Vacancies have increased to 7.8% in the first quarter of 2020;
- Net* absorption totaled **226,750 sq. ft. countywide over this 13-year period, equating to an annual average of only 17,440 sq. ft. per year**. Net absorption in Martin County strengthened slightly over the past five years—to an average of 38,930 sq. ft. per year;
- If the County's historic annual pace of 17,440 sq. ft. of net absorption (over 13 years) can be sustained, approximately **15 years would be required to absorb 95% of the County's vacant office space**. There has been positive net absorption in only six of the past 13 years, and only 246,155 sq. ft. of new construction;
- Similar to St. Lucie County, gross office rents in Martin County *declined* between 2007 and 2019—from \$24.75 per sq. ft. in 2007 to \$17.54 per sq. ft. at year-end 2019, reflecting a sizable compound annual decline of -2.8% per year during this period; and
- The Martin County office market is smaller than St. Lucie County—with less average annual absorption activity (17,400 sq. ft. per year compared to 71,800 sq. ft. per year). Moreover, it is not expanding as rapidly, with only 246,155 sq. ft. of new office supply (compared to 1.34 million sq. ft. in St. Lucie). While overall office rents are higher in Martin, they have declined more rapidly than St. Lucie over the past 13 years.



**Table 9: Office Market Profile—Martin County, 2007—2019**

	2007	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	YTD 2020	Change: 2007-2019		
		2008	2009	2010	2011	2012									Total	Ann'l Avg.	% CAGR
Office																	
Inventory	3,857,307	3,911,333	3,940,333	3,940,333	3,959,374	3,959,374	3,973,972	3,973,972	3,973,972	3,991,339	3,996,339	4,008,911	4,038,785	4,038,785	181,478		
No. of Buildings/Centers	459	464	466	466	468	468	470	470	470	473	474	476	479	479			
Vacant Stock	321,299	400,073	500,078	424,385	469,298	503,328	510,029	399,703	298,791	266,963	172,867	215,539	269,860	314,167	(51,439)		
Vacancy Rate	8.3%	10.2%	12.7%	10.8%	11.9%	12.7%	12.8%	10.1%	7.5%	6.7%	4.3%	5.4%	6.7%	7.8%			-1.8%
Net Absorption:	(5,470)	(31,414)	(71,005)	82,359	(25,872)	(34,030)	7,200	110,326	100,912	49,195	99,096	(30,100)	(24,447)	(44,307)	226,750	17,442	
Past 5 Years															194,656	38,931	
Construction Deliveries	64,677	54,026	29,000	-	19,041	-	14,598	-	-	17,367	5,000	12,572	29,874	-	246,155		
Gross Rent/SF	\$ 24.75	\$ 25.55	\$ 17.71	\$ 17.01	\$ 16.88	\$ 16.51	\$ 15.86	\$ 15.77	\$ 15.81	\$ 16.22	\$ 16.27	\$ 16.50	\$ 17.54	\$ 18.29			-2.8%
Average Annual % Change	-	3.2%	-30.7%	-4.0%	-0.8%	-2.2%	-3.9%	-0.6%	0.3%	2.5%	0.3%	1.4%	6.3%	4.3%			

Source: CoStar, Inc.; WTL+a, revised April 2020.



In conclusion, **the office market in (and surrounding) Port St. Lucie has benefitted from strong job growth in office-using sectors of the regional economy.** As reported previously in Technical Memorandum #1, Port St. Lucie added 7,115 new jobs between 2006 and 2017 (latest data available), which fueled positive net absorption totaling 848,800 sq. ft. between 2007 and 2019. With almost 892,400 sq. ft. of new office space, demand kept pace with deliveries during this period. **Demand has been strongest over the past five years, with annual net absorption of 124,400 sq. ft. per year.**

WTL+a notes, however, that **rent growth has not kept pace with demand; in fact, office rents have declined** at a compound annual rate of -0.6% per year during this period. While commercial office rents declined, the more concerning metric may be negative net absorption of -28,915 sq. ft. in 2019 and the first quarter of 2020. Combined with more significant (but as yet unknown) impacts of COVID-19, the City's office market may face a period of weakness in the short-term.

**Table 10: Summary of Regional Office Market Conditions**

Location	2019		% Vacant		Average Annual Absorption (In SF)		Total New Construction 2007-2019
	SF Inventory (Ranked by Size)	Vacant SF	2007	2019	2007-2019	Past 5 Years	
St. Lucie County	6,567,106	717,697	12.7%	10.9%	71,817	100,356	1,345,497
Port St. Lucie	3,619,004	292,132	9.5%	8.1%	65,295	124,374	892,369
As % of County	55%						66%
Martin County	4,038,785	314,167	8.3%	6.7%	17,442	38,931	246,155

Source: CoStar, Inc.; WTL+a, revised April 2020.

## Market Conditions—Retail

Historic development patterns in Port St. Lucie differ from most other Florida communities in that there was never a traditional commercial downtown or urban center in the City that created a center for retail, commerce and civic identity. This issue was mentioned in many of the stakeholder interviews in the early stages of the Southern Grove market study, both as a needed planned solution as well as to fill a void in market identity and civic pride. Opinions were divided about whether a new (or redeveloped) “town center” could be created within Tradition/Southern Grove, although many considered the location west of I-95 to be an opportunity to form a new civic identity for the City. **Many stakeholders also commented that there are not enough entertainment and recreational activities in Port St. Lucie, and that Southern Grove could be a logical location for entertainment-oriented uses because of the site’s visibility and access from I-95.**

Because much of the early development occurred in Port St. Lucie in single-family residential development, existing retail and commercial clusters are scattered along major arterial roadways, such as St. Lucie West Boulevard. St. Lucie West, a 1980s DRI, was entitled for 2,125,287 sq. ft. of commercial retail space. According to data provided by the City, a total of 1,886,610 sq. ft. of retail space has been built, such as the Shoppes at St. Lucie West (384,400 sq. ft. across three phases), Walmart Center (225,767 sq. ft.), Lowe’s (171,069 sq. ft.), and Home Depot (129,268 sq. ft.).

Other retail developments are located along the Federal Highway/U.S. Route 1 corridor, mostly in individual pad sites and small retail strip shopping centers. While Tradition Town Center has added some pedestrian-friendly spaces, there is only limited contiguous retail. The Landing at Tradition, a 600,000 sq. ft. Big Box center, includes a Target superstore (127,000 sq. ft.), Bed Bath & Beyond (31,000 sq. ft.), and TJ Maxx (29,000 sq. ft.), but there is approximately 126,500 sq. ft. of vacant retail space (20% of the gross leasable area/GLA). The Landing also has large vacant parcels between the in-line stores and Village Parkway, and does it not create a strong pedestrian connection to other parts of Tradition. While The Landing is not technically part of the Southern Grove study area, given its current vacancy rate and longer-term planning prospects as an assembled parcel, the TCRPC planning team believes that it is both necessary and appropriate to include it as a redevelopment prospect, rather than creating significant competing retail within the study area boundaries.

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Port St. Lucie also has significant retail competition both nearby and within an easy driving distance:

- Treasure Coast Square**—in nearby Jensen Beach (Martin County) includes over 875,000 sq. ft. of retail space. Reportedly, the mall generated the nearby development of an additional 800,000 sq. ft. of other retail within 10 years of its opening. Like many traditional malls, the mall's department store 'anchors' are challenged by changes in consumer shopping patterns: The Sears store is closed; JC Penney is closing stores nationally and has significant debt that will require further adjustments in 2020 and beyond; and Macy's is streamlining its store count and planning to close 28 of its stores nationwide (plus the Bloomingdales in The Falls center in Miami). The Simon Company, the mall's owner (and largest shopping center developer in the U.S.) is leading an ongoing repositioning of the mall and its store mix over time.



- Downtown Stuart**—this traditional downtown cluster of dining and specialty retailers is approximately 13 miles (driving distance) from the Southern Grove study area, and it includes a number of destination restaurants, specialty retailers and consumer services, all within a pleasant, walkable environment. The 18-block Main Street District was revitalized with concerted public initiatives and supported by both resident and visitor spending.



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- Gardens Mall**—the 1.4 million sq. ft. Gardens Mall in Palm Beach Gardens is located approximately 35 miles from Southern Grove in Palm Beach County. The Gardens Mall has been a high performing, upscale destination with luxury stores and national tenants. While the Sears store has closed, the mall's other anchors include Saks Fifth Avenue, Nordstrom and Bloomingdale's (which is owned by Macy's). The mall has over 7,000 parking spaces across acres of surface parking lots that could be redeveloped; with a strong operating history, it is likely to survive the COVID downturn.



- Indian River Mall**—this regional center is located in Vero Beach to the north of Southern Grove. The mall has experienced significant vacancies (Sears had previously closed, and Macy's announced its permanent closing in mid-May), and could be considered a candidate for a major repositioning strategy for a re-use program.



Retail market conditions, by geography, are highlighted below.

## St. Lucie County



- As illustrated in Table 11, St. Lucie County contains almost **13.5 million sq. ft. of retail space** distributed across the County (this includes all of the county's incorporated municipalities). At year-end 2019, there were more than **853,700 sq. ft. of vacant retail space** (including direct vacancies and sublet space), which reflects a vacancy rate of only 6.3%. Over the past 13 years, retail

vacancies peaked at only 7.4% during the national recession in 2010. Between 2007 and 2019, vacancies ranged from 5.6% to 7.2%. Effectively, the retail sector in St. Lucie County is operating in stabilized market conditions;

- The County's retail inventory suggests that there are **43 sq. ft. of retail space** for each of the County's 313,200 residents. This is well-above the U.S. average of approximately 26 sq. ft. per capita (based on shopping centers/malls alone; estimates including other retail locations such as strip development and downtown areas suggest the ratio is up to 50 sq. ft. per capita). By any reasonable measure, these per capita metrics are too high and more than the market can support;



- Multiple factors contribute to the strength of the County's retail market—including significant population and household growth and the County's (secondary) role as a visitor destination in South Florida. Net absorption totaled over **2.43 million sq. ft. countywide over the past 13 years, which equates to a sustained annual average of 187,530 sq. ft. per year**. Fully 11 of the past 13

years exhibited positive absorption, although the pace slowed to roughly 93,900 sq. ft. per year over the past five years;



**Table 11: Retail Market Profile—St. Lucie County, 2007—2019**

	2007	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	YTD 2020	Change: 2007-2019		
		2008	2009	2010	2011	2012									Total	Ann'l Avg.	% CAGR
Retail																	
Inventory	11,571,918	12,574,580	12,719,593	12,828,195	12,859,788	12,870,818	13,007,409	13,042,499	13,053,992	13,150,733	13,291,507	13,456,153	13,477,367	13,477,367	1,905,449		
No. of Buildings/Centers	976	1,007	1,023	1,029	1,034	1,036	1,042	1,046	1,048	1,065	1,080	1,098	1,104	1,104			
Vacant Stock	752,623	666,536	877,666	945,895	770,167	869,433	933,410	911,768	838,596	734,388	769,203	845,666	853,731	852,325	101,108		
Vacancy Rate	6.5%	5.3%	6.9%	7.4%	6.0%	6.8%	7.2%	7.0%	6.4%	5.6%	5.8%	6.3%	6.3%	6.3%			-0.2%
Net Absorption:	652,798	1,093,041	(67,042)	41,298	207,321	(88,236)	72,614	56,732	84,665	200,949	101,959	68,643	13,149	1,406	2,437,891	187,530	
Past 5 Years															469,365	93,873	
Construction Deliveries	948,866	1,002,662	145,013	108,602	31,593	11,030	136,591	35,090	11,493	96,741	136,774	145,106	21,214	-	2,830,775		
Base Rent/SF (NNN)	\$ 22.38	\$ 21.22	\$ 17.49	\$ 15.29	\$ 14.75	\$ 14.11	\$ 14.02	\$ 13.94	\$ 14.27	\$ 14.03	\$ 15.63	\$ 16.21	\$ 15.89	\$ 16.35			-2.8%
Average Annual % Change	-	-5.2%	-17.6%	-12.6%	-3.5%	-4.3%	-0.6%	-0.6%	2.3%	-1.7%	11.4%	3.7%	-1.9%	2.9%			

Source: CoStar, Inc.; WTL+a, revised April 2020.

- Notably, more than 2.83 million sq. ft. of new retail space was built in St. Lucie County between 2007 and 2019, with fully 1.95 million sq. ft. delivered in 2007 and 2008 alone. As detailed below, the City of Port St. Lucie captured fully 85% of all new retail space built in the County during this period; and
- Similar to the County's office sector, retail rents *declined* between 2007 and 2019—from \$22.38 per sq. ft. in 2007 to \$15.89 per sq. ft. (on a triple net basis) at year-end 2019, reflecting a compound annual decline of -2.8% per year during this period.

### Port St. Lucie



- As illustrated in Table 12, Port St. Lucie contains almost **7.5 million sq. ft. of retail space** and comprises 56% of the County's total retail supply. At year-end 2019, there were **335,900 sq. ft. of vacant retail space** (including direct vacancies and sublet space), which reflects a vacancy rate of only 4.5%. Over the past 13 years, retail vacancies peaked at 8.7%

in 2007. Despite another peak of 7.7% in 2013, vacancy rates have continued to decline. Paralleling the County, the retail sector in Port St. Lucie is operating in stabilized market conditions;

- The City's retail inventory suggests there are **39.7 sq. ft. of retail space** for each of the City's 188,722 residents. This is well-above the U.S. average of approximately 26 sq. ft. per capita (based on shopping centers/malls alone; estimates including other retail locations such as strip development and downtown areas suggest a ratio up to 50 sq. ft. per capita);
- Net retail absorption totaled over **2.39 million sq. ft. citywide over the past 13 years, which equates to a sustained annual average of 183,860 sq. ft. per year**. Port St. Lucie accounted for 98% of all countywide retail absorption, and 10 of the past 13 years exhibited positive absorption, although the pace slowed to roughly 104,200 sq. ft. per year over the past five years;

**Table 12: Retail Market Profile—City of Port St. Lucie, 2007—2019**

	2007	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	YTD 2020	Change: 2007-2019		
		2008	2009	2010	2011	2012									Total	Ann'l Avg.	% CAGR
Retail																	
Inventory	5,994,339	6,779,793	6,891,901	6,955,503	6,965,913	6,965,913	7,087,702	7,122,792	7,134,285	7,215,983	7,326,969	7,478,019	7,493,111	7,493,111	1,498,772		
As % of County	52%	54%	54%	54%	54%	54%	54%	55%	55%	55%	55%	56%	56%	56%			
No. of Buildings/Centers	345	369	379	384	386	386	391	395	397	410	421	438	441	441			
Vacant Stock	522,840	382,852	516,969	497,925	441,176	499,640	546,669	509,975	488,076	361,032	335,928	316,298	335,918	350,485	(186,922)		
Vacancy Rate	8.7%	5.6%	7.5%	7.2%	6.3%	7.2%	7.7%	7.2%	6.8%	5.0%	4.6%	4.2%	4.5%	4.7%			-5.4%
Net Absorption:	723,761	929,734	(22,009)	82,646	67,159	(58,464)	74,760	71,784	33,392	208,742	132,090	151,140	(4,528)	(14,567)	2,390,207	183,862	
Past 5 Years															520,836	104,167	
Construction Deliveries	943,866	785,454	112,108	63,602	10,410	-	121,789	35,090	11,493	81,698	106,986	131,510	15,092	-	2,419,098		
Base Rent/SF (NNN)	\$ 24.16	\$ 23.17	\$ 20.05	\$ 17.00	\$ 16.06	\$ 15.51	\$ 15.42	\$ 15.73	\$ 16.28	\$ 15.40	\$ 16.18	\$ 16.28	\$ 18.18	\$ 19.09			-2.3%
Average Annual % Change	-	-4.1%	-13.5%	-15.2%	-5.6%	-3.4%	-0.6%	2.0%	3.5%	-5.4%	5.1%	0.6%	11.7%	5.0%			

Source: CoStar, Inc.; WTL+a, revised April 2020.



- Notably, more than 2.41 million sq. ft. of new retail space was built in Port St. Lucie between 2007 and 2019, with fully 1.65 million sq. ft. delivered in 2007 and 2008 alone. As noted, the City of **Port St. Lucie captured fully 85% of all new retail space built in St. Lucie County during this period**;
- WTL+a estimates that it would take only two years to absorb 95% of the City's existing vacant retail space, assuming the historic (13 years) pace of annual absorption continues; and
- Similar to the County, retail rents in Port St. Lucie *declined* between 2007 and 2019—from \$24.16 per sq. ft. in 2007 to \$18.18 per sq. ft. (on a triple net basis) at year-end 2019, reflecting a compound annual decline of -2.3% per year during this period.



**Port St. Lucie Captured 98% of All Retail Absorption & 85% of New Construction  
In St. Lucie County between 2007 and 2019**

## Martin County

- As illustrated in Table 13, Martin County contains **11.4 million sq. ft. of retail space**. At year-end 2019, there were more than **622,200 sq. ft. of vacant retail space** (including direct vacancies and sublet space), which reflects a vacancy rate of 5.4%. Over the past 13 years, retail vacancies peaked at 8.0% in 2009. Since that time, vacancy rates have declined and have been in the range of 3% to 5% over the past five years. Similar to St. Lucie County, Martin County's retail sector is operating in stabilized market conditions;



- The County's retail inventory suggests that there are an extraordinary **72 sq. ft. of retail space** for each of the County's 158,598 residents. This is well-above the U.S. average of approximately 26 sq. ft. per capita (and St. Lucie County's 43 sq. ft. and Port St. Lucie's 39.7 sq. ft. per capita) (based on shopping centers/malls alone; estimates including other retail locations such as strip development and downtown areas suggest a ratio up to 50 sq. ft. per capita), and likely reflects the significant impacts of tourism spending generated by visitors to Martin County's Hutchinson Island and resorts as well as affluent primary households and second homeowners;
- Net retail absorption totaled **584,870 sq. ft. countywide over the past 13 years, which equates to a sustained annual average of only 44,990 sq. ft. per year**. Eight of the past 13 years exhibited positive absorption, although the pace strengthened to more than 80,100 sq. ft. per year over the past five years. **The rate of retail net absorption in Martin County is significantly lower than in neighboring Port St. Lucie;**
- More than 856,400 sq. ft. of new retail space was built in Martin County between 2007 and 2019;
- WTL+a estimates that it would require approximately 13 years to absorb 95% of the County's existing vacant retail space, assuming the historic pace of annual absorption (of 44,990 sq. ft. per year) continues; and
- Unlike St. Lucie County and Port St. Lucie, retail rents increased between 2007 and 2019—from \$17.10 per sq. ft. in 2007 to \$18.37 per sq. ft. (on a triple net basis) at year-end 2019, reflecting a nominal compound annual increase of 0.6% per year during this period.

**Table 13: Retail Market Profile—Martin County, 2007—2019**

		National Recession & Recovery												YTD	Change: 2007-2019		
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	Ann'l Avg.	% CAGR
Retail																	
Inventory	10,815,533	10,842,273	10,899,216	11,000,476	11,042,270	11,042,270	11,105,373	11,113,423	11,131,811	11,260,467	11,292,629	11,394,697	11,426,442	11,426,442	610,909		
No. of Buildings/Centers	727	731	733	737	742	742	750	751	753	763	767	778	783	783			
Vacant Stock	519,666	784,817	874,169	669,732	749,952	795,449	785,999	709,891	502,940	352,745	502,965	603,881	622,245	746,286	102,579		
Vacancy Rate	4.8%	7.2%	8.0%	6.1%	6.8%	7.2%	7.1%	6.4%	4.5%	3.1%	4.5%	5.3%	5.4%	6.5%			1.0%
Net Absorption:	51,156	(213,027)	(32,409)	305,697	(38,426)	(45,497)	72,553	84,158	225,339	278,851	(118,058)	1,152	13,381	(124,041)	584,870	44,990	
Past 5 Years																	
															400,665	80,133	
Construction Deliveries	245,523	26,740	56,943	101,260	41,794	-	63,103	8,050	18,388	128,656	32,162	102,068	31,745	-	856,432		
Base Rent/SF (NNN)	\$ 17.10	\$ 17.42	\$ 17.68	\$ 16.97	\$ 17.10	\$ 16.27	\$ 15.75	\$ 15.74	\$ 16.24	\$ 16.40	\$ 17.99	\$ 19.08	\$ 18.37	\$ 18.04			0.6%
Average Annual % Change	-	1.9%	1.4%	-4.0%	0.7%	-4.8%	-3.2%	0.0%	3.2%	0.9%	9.7%	6.1%	-3.7%	-1.8%			

Source: CoStar, Inc.; WTL+a, revised April 2020.



**Table 14: Summary of Regional Retail Market Conditions**

Location	2019		% Vacant		Average Annual Absorption (In SF)		Total New Construction
	SF Inventory (Ranked by Size)	Vacant SF			2007-2019	Past 5 Years	2007-2019
			2007	2019			
St. Lucie County	13,477,367	853,731	6.5%	6.3%	187,530	93,873	2,830,775
Martin County	11,426,442	622,245	4.8%	5.4%	44,990	80,133	856,432
Port St. Lucie	7,493,111	335,918	8.7%	4.5%	183,862	104,167	2,419,098
As % of County	56%						85%

(1) Number of years to stabilized (95%) occupancy based on average annual absorption between 2007-2019.

Source: CoStar, Inc.; WTL+a, revised April 2020.

## Market Conditions—Industrial

### St. Lucie County

- As illustrated in Table 15, St. Lucie County contains more than **12.0 million sq. ft. of industrial space** distributed across the County (this includes all of the county's incorporated municipalities). At year-end 2019, there were **514,000 sq. ft. of vacant industrial space** (including direct vacancies and sublet space), which reflects a vacancy rate of only 4.3%. Over the past 13 years, vacancies in the County's industrial supply peaked at 13.5% during the national recession in 2009 and steadily declined to a low of only 2.7% in 2018. The amount of vacant industrial space countywide increased slightly to 4.3% in 2019 and 4.9% during the first quarter of 2020. Effectively, the industrial sector in St. Lucie County is operating in stabilized market conditions;
- Multiple factors contribute to the strength of the County's industrial market—including job growth in industrial-using sectors as well as significant population and household growth. Net absorption totaled over **770,000 sq. ft. countywide over the past 13 years, which equates to a sustained annual average of 59,240 sq. ft. per year**. Ten of the past 13 years exhibited positive absorption. Notably, the pace of net absorption has strengthened—to roughly 95,355 sq. ft. per year over the past five years;
- New construction resulted in deliveries of over 745,350 sq. ft. of new industrial space in St. Lucie County between 2007 and 2019. As detailed below, the City of Port St. Lucie captured fully 50% of all new industrial space built in the County during this period;
- WTL+a estimates that it would require approximately eight years to absorb 95% of the County's existing vacant industrial space, assuming the historic pace of annual absorption (of 59,240 sq. ft. per year) continues; and
- Similar to the County's office and retail sectors, industrial rents also *declined* between 2007 and 2019—from \$8.12 per sq. ft. in 2007 to \$7.78 per sq. ft. (on a gross basis) at year-end 2019, reflecting a nominal compound annual decline of -0.4% per year during this period.

**Table 15: Industrial Market Profile—St. Lucie County, 2007—2019**

		National Recession & Recovery												YTD	Change: 2007-2019															
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	Ann'l Avg.	% CAGR													
Industrial																														
Inventory	11,552,495	11,747,392	11,868,842	11,908,200	11,908,200	11,908,200	11,908,200	11,908,200	11,929,367	11,939,966	11,952,782	11,970,622	12,015,042	12,015,042	462,547															
No. of Buildings/Centers	688	696	702	705	705	705	705	705	706	707	709	710	713	713																
Vacant Stock	1,188,275	1,247,888	1,604,150	1,465,073	1,415,632	1,347,623	1,112,709	883,928	793,886	494,326	480,402	318,415	513,996	589,264	(674,279)															
Vacancy Rate	10.3%	10.6%	13.5%	12.3%	11.9%	11.3%	9.3%	7.4%	6.7%	4.1%	4.0%	2.7%	4.3%	4.9%			-7.0%													
Net Absorption:														(366,678)	135,284	(234,812)	178,435	49,441	68,009	234,914	228,781	111,209	310,159	26,740	179,827	(151,161)	(75,268)	770,148	59,242	
Past 5 Years																												476,774	95,355	
Construction Deliveries	282,806	194,897	121,450	39,358	-	-	-	-	21,167	10,599	12,816	17,840	44,420	-	745,353															
Gross Rent/SF	\$ 8.12	\$ 7.57	\$ 7.35	\$ 5.74	\$ 5.46	\$ 5.42	\$ 5.50	\$ 6.03	\$ 6.34	\$ 6.50	\$ 6.76	\$ 6.47	\$ 7.78	\$ 9.02			-0.4%													
Average Annual % Change	-	-6.8%	-3.0%	-21.8%	-4.9%	-0.7%	1.4%	9.5%	5.1%	2.6%	4.0%	-4.3%	20.3%	15.9%																

Source: CoStar, Inc.; WTL+a, revised April 2020.



## Port St. Lucie



- As illustrated in Table 16, there are 3.42 million sq. ft. of industrial space in Port St. Lucie in 207 buildings. The City accounts for only 28% of St. Lucie County's 12.0 million sq. ft. of industrial space, as the majority of industrial supply in the county is located in the City of Fort Pierce and in unincorporated areas along the I-95 corridor. The City's share of the

County's supply has remained relatively stable in the range of 27% to 28%;

- Prior to the national recession, the City's industrial vacancy rate was 15% in 2007; vacancies jumped to almost 22% in 2009. Job growth in industrial-using sectors resulted in vacancies declining to 8.7% by 2014, and to only 3.3% by 2019 generated by eight years of positive net absorption. Vacancies ticked up to 5.1% during the first quarter of 2020;
- Citywide *net* industrial absorption totaled almost 463,400 sq. ft. over this 13-year period, averaging 35,645 sq. ft. per year, and accounting for fully 60% of all countywide industrial absorption during this period. Activity in PSL's industrial market strengthened slightly over the past five years—with net absorption increasing to **53,500 sq. ft. per year**. However, even though the pace of absorption increased, it comprised less of the countywide activity (56%);
- Ten of the past 13 years have recorded positive net absorption in the City's industrial supply. While vacancies ticked up to 5.1% during the first quarter of 2020, the City's industrial market is effectively in stabilized operations.
- Similar to the City's office rents, gross industrial rents declined slightly between 2007 and 2019—from \$9.88 per sq. ft. in 2007 to \$8.82 per sq. ft. at year-end 2019, reflecting a nominal compound annual decline of -0.9% per year during this period; and

**Table 16: Industrial Market Profile—City of Port St. Lucie, 2007—2019**

		National Recession & Recovery												YTD	Change: 2007-2019																
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	Ann'l Avg.	% CAGR														
Industrial																															
Inventory	3,126,231	3,296,429	3,329,029	3,337,229	3,337,229	3,337,229	3,337,229	3,337,229	3,358,396	3,368,995	3,379,711	3,379,711	3,424,131	3,424,131	297,900																
As % of County	27%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%																	
No. of Buildings/Centers	191	197	200	201	201	201	201	201	202	203	204	204	207	207																	
Vacant Stock	467,858	590,679	718,303	612,411	665,293	602,449	445,599	291,933	252,922	197,788	186,653	138,299	111,339	175,049	(356,519)																
Vacancy Rate	15.0%	17.9%	21.6%	18.4%	19.9%	18.1%	13.4%	8.7%	7.5%	5.9%	5.5%	4.1%	3.3%	5.1%			-11.9%														
Net Absorption:															(191,033)	47,377	(95,024)	114,092	(52,882)	62,844	156,850	153,666	60,178	65,733	21,851	48,354	71,380	2,000	463,386	35,645	
Past 5 Years																													267,496	53,499	
Construction Deliveries	76,840	170,198	32,600	8,200	-	-	-	-	21,167	10,599	10,716	-	44,420	-	374,740																
Gross Rent/SF	\$ 9.88	\$ 9.65	\$ 7.94	\$ 6.35	\$ 6.26	\$ 6.14	\$ 6.10	\$ 6.48	\$ 6.96	\$ 7.10	\$ 8.05	\$ 7.97	\$ 8.82	\$ 9.74			-0.9%														
Average Annual % Change	-	-2.3%	-17.8%	-20.1%	-1.3%	-2.0%	-0.6%	6.2%	7.4%	2.0%	13.3%	-1.0%	10.7%	10.4%																	

Source: CoStar, Inc.; WTL+a, revised April 2020.



- More than 374,700 sq. ft. of new industrial space was built citywide between 2007 and 2019, accounting for 50% of all new industrial space built in St. Lucie County. However, data from CoStar, Inc. does *not* include the 411,000 sq. ft. City Electric plant, which was built on a 40-acre site within the study area.

## Martin County

- As illustrated in Table 17, Martin County contains **7.3 million sq. ft. of industrial space** distributed across the County. At year-end 2019, there were **384,600 sq. ft. of vacant industrial space** (including direct vacancies and sublet space), which reflects a vacancy rate of 5.2%. Over the past 13 years, vacancies in the County's industrial supply peaked at 10.2% during the national recession in 2009 and steadily declined to a low of only 1.3% in 2017. The amount of vacant industrial space countywide increased to 5.2% in 2019 and 7.7% during the first quarter of 2020. For the past five years, the industrial sector in Martin County has been operating at stabilized levels;



- Multiple factors contribute to the strength of Martin County’s industrial market—including job growth in industrial-using sectors. Net absorption totaled over **812,790 sq. ft. countywide over the past 13 years, which equates to a sustained annual average of 62,500 sq. ft. per year;**
- Notably, **these market trends indicate that the pace of industrial absorption in Martin County is *higher* than it has been in St. Lucie County—both in the short-term (past five years) and long-term (past 13 years).** Similar to St. Lucie County, 10 of the past 13 years exhibited positive **industrial** absorption **in Martin County and** the pace of net absorption has strengthened over the past five years; and

Average Annual Industrial Absorption	Past 13 Years	Past 5 Years
St. Lucie County	35,645 SF	53,499 SF
Martin County	62,522 SF	72,817 SF

- New construction resulted in deliveries of over 860,800 sq. ft. of new industrial space in Martin County between 2007 and 2019. WTL+a estimates that it would take six years to lease 95% of the County’s existing vacant space at current absorption patterns.

**Table 17: Industrial Market Profile—Martin County, 2007—2019**

	2007	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	YTD 2020	Change: 2007-2019																
		2008	2009	2010	2011	2012									Total	Ann'l Avg.	% CAGR														
Industrial																															
Inventory	6,575,563	6,575,563	6,575,563	6,900,962	6,900,962	6,900,962	6,907,012	6,907,012	6,907,012	6,907,012	6,979,546	7,221,616	7,334,116	7,534,116	758,553																
No. of Buildings/Centers	393	401	405	405	405	405	406	406	406	406	412	419	421	422																	
Vacant Stock	202,231	313,444	668,870	624,390	596,217	603,716	395,032	386,005	263,328	116,603	93,375	223,418	384,606	583,633	182,375																
Vacancy Rate	3.1%	4.8%	10.2%	9.0%	8.6%	8.7%	5.7%	5.6%	3.8%	1.7%	1.3%	3.1%	5.2%	7.7%			4.5%														
Net Absorption:															297,332	119,280	(256,820)	44,480	28,173	(7,499)	214,734	9,027	122,677	146,725	95,762	55,107	(56,188)	973	812,790	62,522	
Past 5 Years																												364,083	72,817		
Construction Deliveries	166,725	226,793	98,606	-	-	-	6,050	-	-	-	72,534	185,150	105,000	200,000	860,858																
Gross Rent/SF	\$ 11.28	\$ 9.58	\$ 8.04	\$ 7.39	\$ 6.81	\$ 6.65	\$ 6.83	\$ 6.73	\$ 6.90	\$ 8.06	\$ 8.99	\$ 9.87	\$ 10.90	\$ 10.33			-0.3%														
Average Annual % Change	-	-15.1%	-16.1%	-8.1%	-7.8%	-2.4%	2.7%	-1.5%	2.6%	16.7%	11.6%	9.7%	10.5%	-5.3%																	

Source: CoStar, Inc.; WTL+a, revised April 2020.

## Competitive Industrial Markets

Given that the study area is a designated “jobs corridor”, the City is particularly interested in understanding recent and current real estate market conditions for general industrial uses in several competing jurisdictions throughout Florida. As a result, City staff identified four counties (Palm Beach, Broward and Miami-Dade in South Florida and Orange in Central Florida) for additional research on industrial market performance. Key findings are highlighted below and illustrated in a summary in Table 18. Key data tables for each county are contained in the Appendix to this report.

- Three of the largest jurisdictions—Miami-Dade, Broward and Orange Counties—contain a combined 470.9 million sq. ft. of industrial space, with Miami-Dade comprising 42% of that amount (230.4 million sq. ft.). In sum, these three counties account for 87% of the 540.4 million sq. ft. across these six jurisdictions. St. Lucie County accounts for only 2% of the regional industrial inventory;
- During the national recession, vacancies peaked at 9% to 10% in these three jurisdictions—as compared to 13.5% in St. Lucie County and almost 22% in the City of Port St. Lucie. Since the 2009—2010 recession ended, however, **vacancy rates have generally been at 5% or below, suggesting that the industrial sector in the three largest counties has been in stabilized operations.** By the end of 2019 (pre-COVID), only Orange County/Orlando exhibited vacancies slightly above stabilized levels—at 7.1%;
- While industrial vacancy rates in other counties generally remained at stabilized levels or better after the 2007—2009 recession, both St. Lucie County and the City of Port St. Lucie experienced significant *declines* in industrial vacancy rates during this period. In fact, the industrial vacancy rate in St. Lucie County dropped from 10.3% in 2007 to 4.3% in 2019; in Port St. Lucie, the rate of decline was even greater—dropping from 15% to 3.3%—a 78% decrease as the pace of absorption/occupancy of vacant industrial space across the City over this period;



**Table 18: Summary of Regional Industrial Market Conditions**

Location	2019		% Vacant		Average Annual Absorption (In SF)		Total New Construction 2007-2019
	SF Inventory (Ranked by Size)	Vacant SF	2007	2019	2007-2019	Past 5 Years	
Miami-Dade County	230,416,331	9,383,906	5.3%	4.1%	1,690,007	3,054,612	28,133,082
Orange County (Orlando) (1)	124,592,193	8,787,270		7.1%		1,386,454	
Broward County	115,979,512	6,435,980	4.8%	5.5%	645,711	1,173,097	13,405,103
Palm Beach County	52,073,374	1,574,269	6.0%	3.0%	312,778	759,633	5,567,480
St. Lucie County	12,015,042	513,996	10.3%	4.3%	59,242	95,355	745,353
Port St. Lucie	3,424,131	111,339	15.0%	3.3%	35,645	53,499	374,740
As % of County	28%	22%			60%	56%	50%
Martin County	7,334,116	384,606	3.1%	5.2%	62,522	72,817	860,858

(1) Data from Cushman & Wakefield, Inc. Net absorption limited to calendar year 2019.

Source: CoStar, Inc.; Cushman & Wakefield, Inc.; WTL+a, revised April 2020.

- While Palm Beach County has 4.3x the amount of industrial space of St. Lucie County (52 million versus 12 million sq. ft.), **its average annual absorption was 5.3x that of St. Lucie County between 2007 and 2019, and 8x higher over the past five years;** and
- Moreover, while St. Lucie County has 1.6x the amount of industrial space of Martin County (12 million versus 7.3 million sq. ft.), St. Lucie County's annual absorption averaged only 95% of Martin County's absorption activity between 2007 and 2019.

**Palm Beach County: Industrial Inventory is 4.3x Larger but  
Net Absorption was 8x Greater than St. Lucie County Past 5 Years**

## Development Potentials

This section of Technical Memorandum #2 details the analysis of real estate market potentials for four key land uses for the Southern Grove study area based on the demographic profile and evaluation of real estate market conditions. As presented in detail below, the market analysis focused on four uses: housing, workplace (office and industrial), supporting retail and hotel/lodging.

### Approved Entitlements

A significant amount of entitlements at Southern Grove were previously approved by the City of Port St. Lucie. Based on the Southern Grove Development of Regional Impact (DRI) Resolution 15-R59 Approved Development Program, the following uses are entitled in the Southern Grove DRI (**updated September 2020**):

**Table 19: Approved Entitlements—Entire Southern Grove DRI**

Land Use	Approved	Conveyed by Land Sale	Completed	Under Construction	Approved
Residential Units	7,388	3,090	542	820	1,082
Retail (SF)	3,675,075	170,985	37,194	2,500	24,516
Office (SF)	2,430,728	679,691	216,872	9,860	63,960
Research & Development (SF)	2,498,602	-	201,557	-	-
Warehouse/Industrial (SF)	4,583,336	798,743	411,852	-	53,743
Hotel (Rooms)	791	393	111	84	82
Hospital (Beds)	300	300	180	-	-

*Source: City of Port St. Lucie; WTL+a, revised September 2020.*

As illustrated in Figure 2, the DRI is comprised of eight separate areas. The Southern Grove study area encompasses Areas 4, 5 and 6 located between I-95 on the east and Village Parkway on the west. **According to September 2020 data provided by the City, Southern Grove DRI entitlements** include:



- **Housing**—Under the DRI, there are 7,388 approved residential units: 3,314 single-family units and 4,074 multi-family units. Mattamy Palm Beach LLC has development rights for 3,394 units, and other third parties have development rights to 2,308 units; 3,090 units conveyed with the land sale; 542 units are completed; 820 units are under construction; and another 1,082 units have been approved. For example, recently completed projects include Atlantic (Grand) Palms at Tradition, Phase 1 apartments (300 units) and The Springs at Tradition (304 units).

In the Southern Grove study area, 1,686 multi-family units are entitled. With 372 units allocated to the proposed AHS project, there remain 1,314 units for future development.

- **Industrial**—2,498,602 sq. ft. of research & development (R&D) and 4,583,336 sq. ft. of warehouse space are entitled; 798,743 sq. ft. of warehouse/industrial space conveyed with the land sale; City Electric/Tamco's 411,852 sq. ft. manufacturing center was completed in the first quarter of 2020 (a relocation of its operations from other locations in Port St. Lucie); and 53,743 sq. ft. of warehouse/industrial space have been approved.

In the Southern Grove study area, entitled industrial uses include 2,168,602 sq. ft. of R&D space and 3,784,593 sq. ft. of warehouse/industrial space.

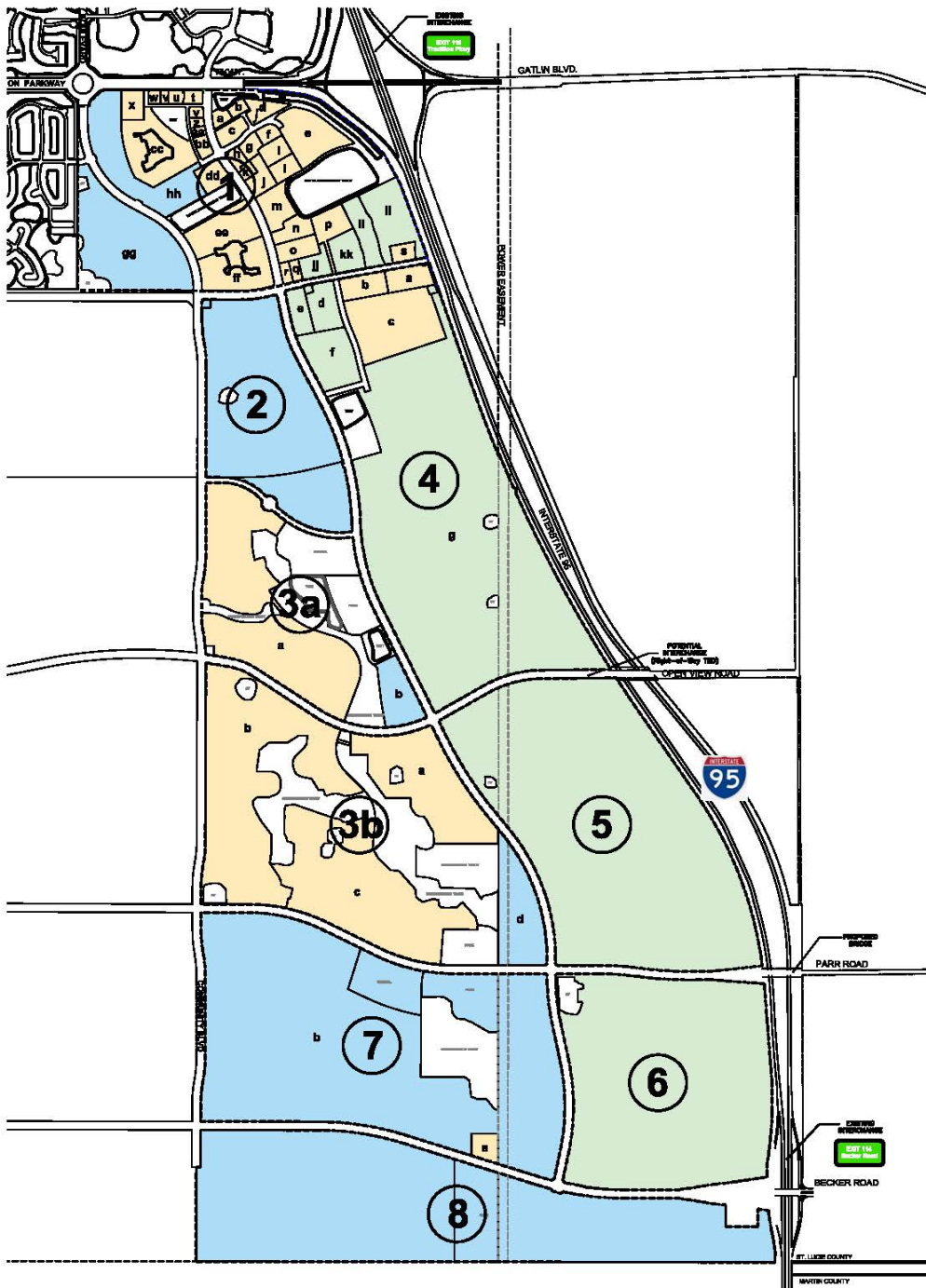
- **Office**—2,430,728 sq. ft. of office are entitled, with 679,691 sq. ft. conveyed by the land sale; 216,872 sq. ft. are completed; 9,860 sq. ft. are under construction; and 63,960 sq. ft. have been approved.

In the Southern Grove study area, entitled office uses include 2,024,647 sq. ft.

- **Retail**—3,675,075 sq. ft. of retail are entitled, with 170,985 sq. ft. conveyed by the land sale to GFC; 37,194 sq. ft. are completed; 2,500 sq. ft. are under construction; and, 24,516 sq. ft. have been approved.

In the Southern Grove study area, entitled retail uses include 2,581,091 sq. ft.

Figure 2: Southern Grove DRI



**Table 20: Entitled Uses—Southern Grove Study Area**

Map Area No.	Owner	Acres	DRI Entitlements Sold/Assigned										NOTES
			SF	MF	Apt.	Retail	Office	R&D	Warehouse	Medical	Hotel	ALF	
4 e	PSL Governmental Finance Corp	5.623	-	-	-	39,000	-	-	-	-	122	-	Contracts pending  Uses to be allocated to specific parcels by developer; Uses may be altered per application of DRI Conversion Matrix
1 ii	PSL Governmental Finance Corp	9.610											
1 jj	PSL Governmental Finance Corp	5.260											
1 kk	PSL Governmental Finance Corp	8.360											
1 ll	PSL Governmental Finance Corp	20.969	-	786	528	2,542,091	2,024,647	2,168,602	3,784,593	-	36	-	
4 g	PSL Governmental Finance Corp	373.460											
5	PSL Governmental Finance Corp	413.460											
6	PSL Governmental Finance Corp	298.370											
<b>Total-GFC:</b>		<b>1,135.11</b>	<b>-</b>	<b>786</b>	<b>528</b>	<b>2,581,091</b>	<b>2,024,647</b>	<b>2,168,602</b>	<b>3,784,593</b>	<b>-</b>	<b>158</b>	<b>-</b>	

Source: City of Port St. Lucie; Treasure Coast Regional Planning Council; WTL+a, revised September 2020.



The following details our market/demand analysis for specific land uses in the Southern Grove study area. We note that the forecast period varies, by use, between five and 10 years based on specific data utilized as the basis of forecasts (such as employment forecasts prepared by the Florida Department of Economic Opportunity/DEO).

## Market-rate Housing

As illustrated previously in Table 20, the Southern Grove study area has approval for up to 1,686 housing units, including 786 multi-family units and 900 apartments. We assume that “multi-family” is defined as condominiums (for-sale product) and “apartments” is defined as rental units. WTL+a prepared a revised demand analysis that measures market potentials for new housing—with a specific focus on multi-family units—for a 10-year period between 2020 and 2030. The analysis considers the following scenarios:

- **Scenario #1**—Utilizes an annual (“straight-line”) growth rate of 3.96% per year consistent with historic *actual* population growth rates in Port St. Lucie between 2000—2019. For purposes of this analysis, we extrapolated this growth rate for 10 years (through 2030).
- **Citywide Scenario #2**—Utilizes an annual growth rate of 2.10% per year based on a five-year forecast of population growth in Port St. Lucie as prepared by ESRI Business Analyst, a demographic forecasting service, for the next five years (2019—2024). For purposes of this analysis, we extrapolated this growth rate for 10 years (through 2030).

Both scenarios allocate market share to known residential projects in the planning areas surrounding Southern Grove as identified by the City (including the master planned communities of The Reserve, Riverland/Kennedy, St. Lucie West and Verano), to determine the number of “unallocated” units that could be available to accommodate future population/household growth and captured as part of new residential development in the Southern Grove study area. This also provides an opportunity to understand the “required” market capture, or share, that new residential development at Southern Grove would need to be market-supportable.

The focus on market potentials for multi-family units considers the 2019—2020 lease-up/absorption patterns underway at two new properties—including Springs at Tradition and The Atlantic Palms at Tradition.

## Citywide Scenario #1

- As noted in the demographic profile in Technical Memorandum #1, the City of Port St. Lucie has experienced significant population growth over the past 20 years—increasing from 90,170 residents in 2000 to 188,722 residents in 2019—**more than doubling its population with 98,552 new residents in 34,332 new households** during this period;

**Table 21: Housing Potentials—Scenario #1, 2020—2030**

		Forecasts (1)		Average Household Size (2)	2030 Housing Units
Competitive (DRI) Projects	2020	2030	Population Change		
Scenario 1: Straight-line Forecast					
Average Annual Growth Rate (2000-2019)	3.96%				
Current & Future Population (Extrapolated to 2030)	188,722	278,384	89,662	2.73	32,843
Allocation to Known Residential Projects:					
Southern Grove					
Conveyed by Land Sale					3,090
- Under Construction				820	
- Approved				1,082	
Reserve					369
Riverland/Kennedy	(3)				2,208
Southern Grove DRI (Outside of Study Area)	(5)				5,044
St. Lucie West (SLW)					50
Verano					608
Subtotal - Allocated Units:					11,369
Scenario 1 - Supportable (Unallocated) Units:					21,475
Assumed Citywide Distribution of Units					
	Existing	5 Years	10 Years		
Single-family Units	90%	85%	82%		
Supportable Units	19,412	18,253	17,609		
Multi-family Units	8%	12%	16%		
Supportable Units	1,738	2,577	3,436		
Study Area Entitled Units	1,686	1,686	1,686		
Required Market Capture of Citywide MF Units	97%	65%	49%		

- (1) Population forecasts assume that Port St. Lucie continues to grow at the same pace it did between 2000 and 2019 (straight-line forecast).
- (2) In order to convert 2030 population growth into housing units, the analysis assumes that average household size remains the same as it was in 2019 (2.73 persons per household).
- (3) The Riverland/Kennedy DRI is entitled to build 11,700 units. To date, 579 units are completed and closed; 94 units are awaiting CO; and 210 units are under construction. This reflects average annual deliveries of 221 units per year since the DRI was approved in September 2016. The analysis assumes continued deliveries averaging 221 units per year for the 10-year forecast period.
- (4) Scenario #2 utilizes the 2019-2024 population growth forecasts and applies them through 2030. It also assumes no change in average household size.
- (5) This reflects 7,388 entitled units in the Southern Grove DRI, less 1,686 units entitled in the study area, less 658 units completed or under construction.

Source: City of Port St. Lucie; University of Florida Bureau of Business & Economic Research; ESRI Business Analyst; WTL+a, revised September 2020.

- The lion's share of this growth occurred between 2000 and 2010, when the City added almost 74,300 new residents (reflecting a *sustained* average annual growth rate of 6.19% per year). Growth moderated between 2010 and 2019—with 24,259 new residents and reflecting a much *lower* average **annual** growth rate of 1.54% per year. Thus, the overall growth rate **over the past 20 years averaged** 3.96% per year between 2000 and 2019;
- As illustrated in Table 21, if the *pace* of growth continues at this **historic/overall** rate of 3.96% per year, it would yield more than **89,660 new residents in 32,840 new households (i.e., housing units)** by 2030, assuming the City's average household size of 2.73 remains unchanged. This would translate into *annual* demand of 3,280 units per year. By comparison, actual new housing starts in Port St. Lucie between **2000 and 2006** (the high growth period) averaged **over 4,500 units per year, but declined to 901 units per year between 2007 and 2018 as population and household growth moderated (particularly after 2010);**
- The next step allocates future growth in population/households to fully-entitled residential projects in DRIs located in the City's western planning areas remaining to be built. According to revised data provided by the City (September 2020), in addition to the 3,090 entitled units previously assigned to **third parties by the original master developer, Mattamy Palm Beach and the City (GFC) as well as the 2,984 units located in the DRI but outside the Study Area, these include: The Reserve (369 units); Riverland/Kennedy (2,208 units); St. Lucie West (50 units); and Verano (608 units);**
- The analysis assumes that all entitled units (**11,369**) as identified are built. **We note that Riverland/Kennedy is entitled for 11,700 units. Since the DRI was approved in September 2016, a total of 883 units have been built, which equates to an annual average of 221 units over this four-year period. WTL+a has assumed that this average annual pace continues for the next 10 years, yielding 2,208 completed units. This leaves 21,475 "unallocated" units citywide. The analysis illustrates the number of future units built based on the City's current distribution of single-family (90%) and multi-family (8%). (Another 1.5% are other/mobile homes);**
- If the study area's 1,686 entitled units are built **over the next 10 years**, it would require a "capture", or share, **of fully 97% of the 1,738 multi-family units that would be market-supportable. In our view, we believe this to be an unreasonably disproportionate share**



of citywide demand for multi-family units over the next 10 years, suggesting that market absorption of the 1,686 units would need to extend *beyond* 10 years;

- Alternatively, if the proportion of multi-family units built in the future increases, it will *reduce* the required market capture needed to support the study area's 1,686 units. For example, if the proportion of the City's multi-family stock increases from its current 8% to 12%, the study area's required capture declines from 97% to 65%, and to 49% if multi-family comprises 16% of the City's overall housing inventory; and
- While it is not known where other multi-family units could be accommodated/entitled elsewhere in the city (such as at the proposed City Center project), increasing employment opportunities should be accompanied by a concomitant increase in the housing types across the City. This could be expected to enhance the City's overall marketability as a jobs location and should be a critical component of an overall economic development strategy.

## Citywide Scenario #2

- As illustrated in Table 22, Scenario #2 utilizes the 2019—2024 growth rate as estimated by ESRI Business Analyst of 2.10% per year, and extrapolates that growth over the 10-year forecast period. ESRI's forecasts suggest that the City's growth over the next five years will increase above the growth rate between 2010 and 2019 (1.54% per year);
- If Port St. Lucie grows at a sustained annual rate of 2.10% per year, it would yield almost **43,600 new residents in 15,960 new households (housing units)**, which would translate into annual demand of almost 1,600 units per year;
- Like Scenario #1, **future growth in Scenario #2 is allocated to the same DRI projects identified above, thereby leaving "unallocated" demand for approximately 4,595 units citywide** after accounting for the 11,369 units allocated to existing DRIs. The analysis illustrates the number of future units built based on the City's current distribution of single-family (90%) and multi-family (8%). (Another 1.5% are other/mobile homes);

Table 22: Housing Potentials—Scenario #2, 2020—2030

	Forecasts (1)		Average Household Size (2)	2030 Housing Units
Competitive (DRI) Projects	2020	2030	Population Change	
Scenario 2: Alternative Forecast (4)				
Average Annual Growth Rate (2019-2024)	2.10%			
Current & Future Population (Extrapolated to 2030)	188,722	232,301	43,579	2.73
Allocation to Known Residential Projects:				15,963
Southern Grove				
Conveyed by Land Sale				3,090
- Under Construction				820
- Approved				1,082
Reserve				369
Riverland/Kennedy	(3)			2,208
Southern Grove DRI (Outside of Study Area)	(5)			5,044
St. Lucie West (SLW)				50
Verano				608
Subtotal - Allocated Units:				11,369
Scenario 2 - Supportable (Unallocated) Units:				4,595
	Assumed Citywide Distribution of Units			
	Existing	5 Years	10 Years	
Single-family Units	90%	85%	82%	
Supportable Units	4,135	3,905	3,768	
Multi-family Units	8%	12%	16%	
Supportable Units	372	551	735	
Study Area Entitled Units	1,686	1,686	1,686	
Required Market Capture of Citywide MF Units	453%	306%	229%	

- (1) Population forecasts assume that Port St. Lucie continues to grow at the same pace it did between 2000 and 2019 (straight-line forecast).
- (2) In order to convert 2030 population growth into housing units, the analysis assumes that average household size remains the same as it was in 2019 (2.73 persons per household).
- (3) The Riverland/Kennedy DRI is entitled to build 11,700 units. To date, 579 units are completed and closed; 94 units are awaiting CO; and 210 units are under construction. This reflects average annual deliveries of 221 units per year since the DRI was approved in September 2016. The analysis assumes continued deliveries averaging 221 units per year for the 10-year forecast period.
- (4) Scenario #2 utilizes the 2019-2024 population growth forecasts and applies them through 2030. It also assumes no change in average household size.
- (5) This reflects 7,388 entitled units in the Southern Grove DRI, less 1,686 units entitled in the study area, less 658 units completed or under construction.

Source: City of Port St. Lucie; University of Florida Bureau of Business & Economic Research; ESRI Business Analyst; WTL+a, revised September 2020.

- If the study area's 1,686 entitled units are built over the next 10 years, it would require a "capture", or share, of fully 453% of the 372 multi-family units that would be market-supportable if multi-family remains at 8% of the City's total housing stock. Even if the number of multi-family units doubles as a proportion of citywide housing inventory in the future, it will still necessitate a required market capture of 229%, suggesting either that 1)

higher population growth is necessary and/or 2) the buildout period to deliver 1,686 multi-family units in the study area would extend well-beyond 10 years; and

- Institutional/national multi-family developers typically seek to build 200 to 300 units in a single project—as witnessed in both competitive nearby projects with Springs at Tradition (304 units) and Atlantic Palms at Tradition (300 units). As noted previously, **monthly absorption (lease-up) in these two projects has averaged between 16 and 36 units per month in 2019 and 2020.** At a consistent monthly pace of 16 units per month, it would require a minimum of 8.7 years (105 months) to lease-up the 1,686 entitled units in the study area if built in a single phase. Of course, development of multi-family product in the study area is likely to occur over multiple phases; with additional time required for permitting and construction, well beyond 10 years will likely be required for buildout irrespective of the study area's ability to capture a portion of citywide demand for multi-family units.

## 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 in the Southern Grove study area examines market potentials for office use in St. Lucie County, and allocates demand to the City of Port St. Lucie. The analysis translates employment forecasts (for 2019—2027) among specific industry sectors in St. Lucie 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 the current 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. **The unprecedented shift to teleworking as a result of COVID-19 may, as previously noted, lead to permanent part-time and full-time teleworking for some workplace industries.**

Another study by CoStar, Inc., an international commercial real estate database, indicates that the **amount of office space occupied per employee dropped to 182 sq. ft. per worker in 2017 from 197.3 sq. ft. in 2010.** According to the annual 2018 Experience Exchange Report (EER), prepared by the Building Owners & Managers Association, the average occupancy factor for office employees in 2018 was 288 sq. ft. per employee on a *rentable* basis (rentable includes all common areas of a building). However, after netting out a common area factor (typically 30% to 35%), the **usable occupancy factor for office employees is in the range of 187 to 202 sq. ft. per employee.**

**We note that our analysis of office market potentials is for speculative (or multi-tenant) office space only. That is, the analysis *excludes* any estimates for individual end-users (such as Project Bullet or portions of the Sansone project), also known as “build-to-suits”. The analysis is** illustrated in Table 23 and Table 24, and summarized below:

## Workforce Region #20 & St. Lucie County

- The Florida Department of Economic Opportunity/DEO prepares employment forecasts for individual counties and groups of counties throughout the state known as “workforce regions”. St. Lucie County is part of Workforce Region #20, which also includes Indian River and Martin Counties. DEO estimates that Workforce Region #20 will add **over 23,000 new jobs between 2019 and 2027**;
- The analysis indicates potential gross demand for 1.73 million sq. ft. of office space across the entire workforce region between 2019 and 2027. This estimate is based on an average occupancy factor of 193 sq. ft. per office employee, generated by growth in office-using jobs comprising roughly one-third of all jobs. This is inclusive of adjustments related to vacancy, cumulative (building) replacements, tenant churn, etc.;
- As noted in the demographic profile in Technical Memorandum #1, St. Lucie County’s current share of jobs in Workforce Region #20 is 40.5%. **If the County maintains its fair share it would translate into 9,300 new jobs by 2027, and gross demand for approximately 609,500 sq. ft. of new office space** using the same office-using and occupancy factors;
- From a financing perspective, however, some portion of the County’s existing 717,700 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 35% of St. Lucie County’s vacant office inventory is leased before financing is provided for new office construction. This serves to reduce the County’s office vacancy rate to roughly 7% from current levels, and lowers **demand generated by job growth in office-using sectors to approximately 358,300 sq. ft. of net new space by 2027.**

Table 23: Office Potentials—St. Lucie County, 2019—2027

Industry Sector	New Jobs 2019-2027	% Office- Using	SF Occupancy Factor	2027 Demand (In SF)
<b>Workforce Region #20</b>				
Agriculture/Mining	(436)	10%	175	(7,600)
Construction	2,030	20%	175	71,100
Manufacturing	233	20%	200	9,300
Transp/Communications/Utilities	253	40%	200	20,200
Wholesale & Retail Trade	2,034	20%	175	71,200
Finance/Insurance/Real Estate	336	95%	275	87,800
<b>Services</b>				
Professional, Scientific & Technical Services	904	95%	250	214,700
Management of Companies & Enterprises	85	65%	275	15,200
Administrative & Waste Management	1,590	35%	225	125,200
Educational Services	440	20%	200	17,600
Health Care & Social Assistance	6,352	35%	200	444,600
Arts, Entertainment & Recreation	699	20%	175	24,500
Accommodation & Food Services	3,849	20%	175	134,700
Other Services (Except Government)	1,042	35%	225	82,100
<b>Government</b>	2,085	65%	150	203,300
<b>Self-Employed</b>	1,548	10%	200	31,000
<b>Total/Weighted Average:</b>	<b>23,044</b>	<b>34%</b>	<b>193</b>	<b>1,544,900</b>
+ Vacancy Adjustment @		5%	(1)	77,200
+ Cumulative Replacement Demand		7.5%	(2)	115,900
<b>2027 Gross Demand - Workforce Region #20:</b>				<b>1,738,000</b>
<b>St. Lucie County</b>				
<b>Allocation to County</b>				
Current Share of Workforce Region #20				40.5%
2019-2027 Employment Growth (If Fair Share Maintained)				9,338
% Office-using Jobs				34%
SF Occupancy Factor				193
<b>2027 Gross Demand - St. Lucie County:</b>				<b>609,536</b>
Existing Vacant Office Space		717,697		
- Lease-up Required @	35%	(251,194)	(3)	(251,194)
<b>Remaining Vacant Space:</b>		<b>466,503</b>		
% Vacant		7.1%		
<b>2027 Net Demand - St. Lucie County (Rounded):</b>				<b>358,300</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 St. Lucie County will need to be leased before financing of new construction is viable. The analysis assumes that 35% of existing vacant office space is leased, thereby reducing the overall vacancy rate to approximately 7%.

Source: Florida Department of Economic Opportunity (DEO); CoStar, Inc.; WTL+a, March 2020.



## Port St. Lucie

The next step in the analysis is illustrated in Table 24, which estimates market potentials for speculative/multi-tenant office space based on the City's current share of countywide employment.

- With an estimated 42,275 employees working in Port St. Lucie, **the City's share of all jobs in St. Lucie County** is 49.5%;
- Under this "fair share" analysis, Port St. Lucie would continue to capture 49.5% of future countywide job growth, or approximately 4,620 new employees, by 2027. Assuming similar proportions of office-using jobs and occupancy factors translates into **gross demand for roughly 301,600 sq. ft. of office space over the next eight years;**
- **For new office buildings to receive construction financing**, some portion of the City's existing 292,100 sq. ft. of vacant office space would need to be leased before new office space could be built. It is also not known how much of the City's remaining existing vacant office 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 10% of the City's vacant office inventory is leased before financing is provided for new office construction. This serves to reduce the City's office vacancy rate to roughly 7% from current levels, and lowers **demand generated by job growth in office-using sectors to approximately 272,400 sq. ft. of net new office space by 2027.**

## Southern Grove Study Area

As illustrated previously in Table 20, the Southern Grove DRI is entitled for a total of 2,430,728 sq. ft. of office space. According to the City, the study area is entitled for **a total of 2,127,878 sq. ft. of office space**. Of that amount, approximately **103,231** sq. ft. has been assigned to third parties as a result of land sales by GFC.

Table 24: Office Potentials—City of Port St. Lucie, 2019—2027

Industry Sector	New Jobs 2019-2027	% Office- Using	SF Occupancy Factor	2027 Demand (In SF)
<b>City of Port St. Lucie</b>				
<b>Total Employment</b>			(4)	<b>45,275</b>
<i>As % of St. Lucie County (2019)</i>				<b>49.5%</b>
<b>Fair Share Analysis</b>				
2019-2027 Employment Growth (If Fair Share Maintained)				4,620
% Office-using Jobs				34%
SF Occupancy Factor				193
<b>2027 Citywide Gross Demand (In SF):</b>				<b>301,600</b>
<b>Existing Vacant Office Space</b>				
Vacant Space Available to Accommodate Future Demand		292,132		
- Lease-up Required @	10%	(29,213)		(29,213)
<b>Remaining Vacant Space:</b>		<b>262,919</b>		
% Vacant After Lease-up		7%		
<b>2027 NET DEMAND - CITYWIDE (Rounded, In SF):</b>				<b>272,400</b>

<b>Allocation to Approved DRI Office</b>				
<b>Existing DRIs</b>				
<b>Southern Grove</b>	<b>Entitled SF</b>	<b>Completed SF</b>		
<b>Conveyed by Land Sale</b>	<b>679,691</b>	<b>216,872</b>		
- Under Construction				9,860
- Approved				63,960
Reserve				49,210
Riverland/Kennedy				-
St. Lucie West (SLW)				124,635
Verano				-
<b>Subtotal-Allocated Office:</b>				<b>173,845</b>
<b>As % of Citywide Demand</b>				<b>64%</b>
<b>Unallocated Office (Rounded, In SF):</b>				<b>98,600</b>

(4) This reflects the City's share of all jobs in St. Lucie County in 2019. The analysis assumes that the City maintains its "fair share" of the County's total employment base in the future.

Source: Florida Dept. of Economic Opportunity (DEO); City of Port St. Lucie; Dun & Bradstreet, Inc.; CoStar, Inc.; WTL+a, revised September 2020.

- Similar to the housing analysis, the next step allocates future demand for office space to fully-entitled projects with office uses in DRIs located in the City's western planning areas remaining to be built. If built, this list would consume approximately 64% of citywide

**demand potentials over the next eight years.** According to data provided by the City, this includes:

- 49,210 sq. ft. of unbuilt office space at The Reserve, and
- 124,635 sq. ft. of unbuilt office space in the St. Lucie West DRI
- In addition, there are 9,860 sq. ft. of office space under construction and 63,960 sq. ft. of approved office space in the study area. In the short-term, **sufficient market potential exists to support this 73,820 sq. ft. of new office space as well as an additional 25,000 sq. ft. of “unallocated” office space citywide.** Depending on the marketability of other competitive locations citywide, this reinforces the critical importance of an economic development strategy aimed at recruiting owner-users and/or build-to-suit office buildings in the study area.

## Workplace—Industrial

**We note that our analysis of industrial market potentials is for speculative (or multi-tenant) industrial space only.** That is, the analysis *excludes* any estimates for individual end-users (such as Project Bullet or portions of the Sansone project), also known as “build-to-suits”.

The analysis is illustrated in Table 25 and Table 26, and summarized below:

### Workforce Region #20 & St. Lucie County

- The Florida Department of Economic Opportunity/DEO **prepares employment forecasts for individual counties and groups of counties throughout the state known as “workforce regions”.** St. Lucie County is part of Workforce Region #20, which also includes Indian River and Martin Counties. DEO estimates that Workforce Region #20 will add **over 23,000 new jobs between 2019 and 2027;**
- The analysis indicates potential gross demand for more than 4.83 million sq. ft. of industrial space across the **entire workforce** region between 2019 and 2027. This estimate is based on an average occupancy factor of 675 sq. ft. per industrial employee, generated by growth in industrial-using jobs comprising roughly 26% of all jobs. This is inclusive of adjustments related to vacancy, cumulative (building) replacements, tenant churn, etc.;
- As noted in the demographic profile in Technical Memorandum #1, St. Lucie County’s current share of jobs in Workforce Region #20 is 40.5%. **If the County maintains its fair**



share it would translate into 9,330 new jobs by 2027, and gross demand for approximately 1.63 million sq. ft. of new industrial space using the same use and occupancy metrics;

**Table 25: Industrial Potentials—St. Lucie County, 2019—2027**

Industry Sector	New Jobs 2019-2027	% Industrial- Using	SF Occupancy Factor	2027 Demand (In SF)
<b>Workforce Region #20</b>				
Agriculture/Mining	(436)	35%	500	(76,300)
Construction	2,030	70%	750	1,065,800
Manufacturing	233	95%	600	132,800
Transp/Communications/Utilities	253	90%	1,100	250,500
Wholesale Trade	383	75%	900	258,500
Retail Trade	1,651	20%	850	280,700
Finance/Insurance/Real Estate Services	336	10%	550	18,500
Professional, Scientific & Technical Services	904	5%	550	24,900
Management of Companies & Enterprises	85	20%	600	10,200
Administrative & Waste Management	1,590	35%	850	473,000
Educational Services	440	20%	500	44,000
Health Care & Social Assistance	6,352	15%	650	619,300
Arts, Entertainment & Recreation	699	15%	500	52,400
Accommodation & Food Services	3,849	20%	750	577,400
Other Services (Except Government)	1,042	45%	575	269,600
Government	2,085	10%	500	104,300
Self-Employed	1,548	25%	500	193,500
<b>Total/Weighted Average:</b>	<b>23,044</b>	<b>26%</b>	<b>675</b>	<b>4,299,100</b>
+ Vacancy Adjustment @		5%	(1)	215,000
+ Cumulative Replacement Demand		7.5%	(2)	322,400
<b>2027 Gross Demand - Workforce Region #20:</b>				<b>4,836,500</b>
<b>St. Lucie County</b>				
<b>Allocation to County</b>				
Current Share of Workforce Region #20				40.5%
2019-2027 Employment Growth (If Fair Share Maintained)				9,338
% Industrial-using Jobs				26%
SF Occupancy Factor				675
<b>2027 Gross Demand - St. Lucie County:</b>				<b>1,632,227</b>
Existing Vacant Industrial Space		513,996		
- Lease-up Required @	25%	(128,499)	(3)	(128,499)
<b>Remaining Vacant Space:</b>		<b>385,497</b>		
% Vacant		5.9%		
<b>2027 Net Demand - St. Lucie County (Rounded):</b>				<b>1,503,700</b>

- (1) This allows for a 5% "frictional" vacancy rate in new industrial 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 industrial space. This is assumed to represent 7.5% of total demand.
- (3) From a financing perspective, some portion of existing vacant industrial space in St. Lucie County will need to be leased before financing of new construction is viable. The analysis assumes that 25% of existing vacant industrial space is leased, thereby reducing the overall vacancy rate to approximately 12%.

Source: Florida Department of Economic Opportunity (DEO); CoStar, Inc.; WTL+a, March 2020.

- **For new industrial buildings to receive construction financing**, some portion of the County's existing 514,000 sq. ft. of vacant industrial space would need to be leased before new space could be financed. It is also not known how much of the remaining existing vacant inventory suffers from physical and/or functional obsolescence or could be demolished; and
- For purposes of this analysis, WTL+a conservatively assumes that 25% of St. Lucie County's vacant industrial inventory is leased before financing is provided for new construction. This serves to reduce the County's industrial vacancy rate to roughly 6% from current levels, and lowers **demand generated by job growth in industrial-using sectors to approximately 1.5 million sq. ft. of net new industrial space by 2027.**

### Port St. Lucie

The next step in the analysis is illustrated in Table 26, which estimates market potentials for speculative/multi-tenant industrial space based on the City's current share of countywide employment.

- With an estimated 42,275 employees working in Port St. Lucie, **the City's share of all jobs in St. Lucie County** is 49.5%;
- Under this "fair share" analysis, Port St. Lucie would continue to capture 49.5% of future countywide job growth, or approximately 4,620 new employees, by 2027. Assuming similar proportions of industrial-using jobs and occupancy factors translates into **gross demand for roughly 807,600 sq. ft. of industrial space citywide over the next eight years;**
- **For new industrial buildings to receive construction financing**, some portion of the City's existing 111,300 sq. ft. of vacant industrial space would need to be leased before new space could be financed. It is also not known how much of the remaining existing vacant inventory suffers from physical and/or functional obsolescence or could be demolished; and
- For purposes of this analysis, WTL+a conservatively assumes that 10% of the City's vacant industrial inventory is leased before financing is provided for new construction. This serves to reduce the City's industrial vacancy rate to roughly 3% from current levels, and lowers **demand generated by job growth in industrial-using sectors to approximately 796,500 sq. ft. of net new industrial space by 2027.**

## Southern Grove Study Area

As illustrated previously in Table 20, The Southern Grove study area is entitled for a total of **7,081,938 sq. ft. of industrial space**. This includes **2,498,602** sq. ft. of research & development (R&D) space and **4,583,336** sq. ft. of warehouse/industrial uses. Of that amount, **798,743** sq. ft. was “conveyed with the land sale”; **411,852 sq. ft. of warehouse space and 201,557 sq. ft. of R&D space** has been completed (the City Electric/Tamco project), and **53,743 sq. ft. has been approved**.

**Table 26: Industrial Potentials—Southern Grove Study Area, 2019—2027**

Industry Sector	New Jobs 2019-2027	% Office- Using	SF Occupancy Factor	2027 Demand (In SF)
<b>City of Port St. Lucie</b>				
<b>Total Employment</b>			(4)	<b>45,275</b>
As % of St. Lucie County (From Table 11, 2019)				<b>49.5%</b>
<b>Fair Share Analysis</b>				
2019-2027 Employment Growth (If Fair Share Maintained)				4,620
% Industrial-using Jobs				26%
SF Occupancy Factor				675
<b>2027 Citywide Gross Demand (In SF):</b>				<b>807,600</b>
<b>Existing Vacant Industrial Space</b>				
Vacant Space Available to Accommodate Future Demand		111,339		
- Lease-up Required @	10%	(11,134)		(11,134)
<b>Remaining Vacant Space:</b>		<b>100,205</b>		
% Vacant After Lease-up		2.8%		

<b>2027 NET DEMAND - CITYWIDE (Rounded, In SF):</b>	<b>796,500</b>
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<b>Southern Grove</b>			
<b>Allocation to Known Industrial Projects:</b>			
<b>Southern Grove</b>	<b>Entitled SF</b>	<b>Completed SF</b>	
Conveyed by Land Sale	798,743	411,852	
- Under Construction			-
- Approved			53,743
Reserve			269,300
Riverland/Kennedy			-
St. Lucie West (SLW)			136,322
Verano			-
<b>Subtotal-Allocated Industrial:</b>			<b>459,365</b>
As % of Citywide Demand			<b>58%</b>
<b>Unallocated Industrial (Rounded, In SF):</b>			<b>337,100</b>

(4) This reflects the City's share of all jobs in St. Lucie County in 2019. The analysis assumes that the City maintains its "fair share" of the County's total employment base in the future.

Source: Florida Dept. of Economic Opportunity (DEO); City of Port St. Lucie; Dun & Bradstreet, Inc.; CoStar, Inc.; WTL+a, revised September 2020.



- The next step allocates future demand for industrial space to fully-entitled projects with industrial uses in DRIs located in the City’s western planning areas remaining to be built;
- **If built, this list (459,365 sq. ft.) would consume approximately 58% of citywide demand potentials over the next eight years.** According to data provided by the City, this includes:
  - 269,300 sq. ft. at The Reserve
  - 136,322 sq. ft. in the St. Lucie West DRI
  - No industrial space **is entitled** at either Riverland/Kennedy or Verano
- **This leaves approximately 337,100 sq. ft. of “unallocated” industrial space that could be built in the Southern Grove study area over the next eight years.** WTL+a notes **“unallocated” demand is for speculative space only; it does not include potential build-to-suit facilities for end users, such as that proposed in the “Project Bullet” proposal.** Similar to the office analysis, this reinforces the critical importance of an economic development strategy aimed at recruiting owner-users and/or build-to-suit industrial buildings in the study area over the longer-term.

## Hotel/Lodging

Demand for hotel/motel rooms in any location is typically driven by specific market segments, including: corporate business, leisure/social, interstate pass-by traffic, tourism and visitors to specific venues or events. As noted previously, **the capital markets typically seek sustained annual occupancies between 65% and 72% before financing new hotel construction.**

Since 2014, the Port St. Lucie area hotel market has strengthened, with occupancies increasing from 58.1% in 2014 to 71.4% in 2019 among 17 properties (with 1,602 rooms) identified for this analysis. This includes two properties located in or near the study area—a Marriott Townplace Suites (128 rooms), which opened in December 2019 and a Hilton Homewood Suites (111 rooms), which opened in December 2009.

As illustrated previously in Table 20, the **larger Southern Grove DRI** is entitled for **a total of 791 hotel rooms, of which the Southern Grove study area is entitled for 158 rooms.** Of the **393** rooms “conveyed by the land sale”, 111 rooms (the Hilton Homewood Suites) have been completed, **84 rooms are under construction and another 82 rooms have been approved.**

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According to data provided by the City, several other DRIs in surrounding/nearby planning areas have entitlements for up to **491** additional hotel rooms, including:

- 100 rooms at The Reserve
- 291 rooms at the St. Lucie West DRI, and
- 100 rooms at Verano

WTL+a prepared two possible scenarios to evaluate hotel potentials in the study area.

### Scenario 1: Limited Growth

- This scenario assumes limited growth in hotel performance after the strong period of recovery that occurred over the past six years (2014—2019). Scenario 1 measures future demand for hotel rooms based on assumptions that continued growth in available roomnights (supply) will remain stable, and occupied roomnights (demand) will be limited to 50% of actual 2014—2019 growth rates. This translates into growth of 1.30% per year, for occupied roomnights yields gross **demand for 138 new hotel rooms** over the next 10 years (through 2030);
- In this scenario, the 84 rooms under construction reflects a 61% share of potential market support, and the 82 rooms approved would require another 59% share. In other words, these two properties would provide slightly more rooms than the market could support over the next 10 years; and
- Current entitlements in other DRIs total **491** hotel rooms, which exceeds market support by approximately **356%** in Scenario 1. In other words, if all **491** hotel rooms are built, there would be an **excess of supply of (400) rooms** in Scenario 1.

Table 27: Hotel Potentials—Scenario 1, 2020—2030

	2020	2030	Change: 2020-2030	Supportable Rooms
<b>Scenario 1: Limited Growth</b>				
Area Hotel Rooms	1,602			
Available Roomnights	557,866	559,178	1,312	
Estimated Growth (1)	0.02%			
Occupied Roomnights	376,054	427,699	51,645	138
Estimated Growth (1)	1.30%			
Annual % Occupancy	71.4%			

<b>Allocation to Known Hotel Rooms:</b>	<b>Entitled Rooms</b>	<b>Completed Rooms</b>	
<b>Southern Grove</b>			
<b>Conveyed by Land Sale</b>	<b>393</b>	<b>111</b>	
- Under Construction			84
- Approved			82
Reserve			100
Riverland/Kennedy			-
St. Lucie West (SLW)			291
Verano			100
<b>Subtotal-Allocated Hotel Rooms:</b>			<b>491</b>
<b>As % of Area-wide Demand</b>			<b>356%</b>
<b>Unallocated Hotel Rooms:</b>			<b>(400)</b>

(1) Assumes that future growth in occupied roomnights and annual occupancies is more limited (50% of 2014-2019 actual growth).

Source: STR Global; WTL+a, revised September 2020.

## Scenario 2: Trendline Growth

- Scenario 2 assumes that growth in available roomnights (supply) will remain stable and occupied roomnights (demand) will continue at their historic 2014—2019 pace of 2.59% per year through 2030. This translates into gross demand for 293 new hotel rooms over the next 10 years (through 2030);
- In this scenario, the 84 rooms under construction reflects a more reasonable share of 29% of potential market support, and the 82 rooms approved reflects another 28% share. In

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other words, these two properties would provide a room supply of approximately two-thirds of what the market could support over the next 10 years; and

- Current entitlements in other DRIs total 491 hotel rooms, which exceeds market support by approximately 168% in Scenario 2. In other words, if all 491 hotel rooms are built, there would be an excess of supply of (200) rooms in Scenario 2.

Table 28: Hotel Potentials—Scenario 2, 2020—2030

	2020	2030	Change: 2020-2030	Supportable Rooms
<b>Scenario 2: Past Trends (2014-2019)</b>				
Area Hotel Rooms	1,602			
Available Roomnights	557,866	560,492	2,626	
Annual Growth (2014-2019)	0.05%			
Occupied Roomnights	376,054	485,641	109,587	293
Annual Growth (2014-2019)	2.59%			
Annual % Occupancy	71.4%			

<b>Allocation to Known Hotel Rooms:</b>	<b>Entitled Rooms</b>	<b>Completed Rooms</b>	
<b>Southern Grove</b>			
<b>Conveyed by Land Sale</b>	<b>393</b>	<b>111</b>	
- Under Construction			84
- Approved			82
Reserve			100
Riverland/Kennedy			-
St. Lucie West (SLW)			291
Verano			100
<b>Subtotal-Allocated Hotel Rooms:</b>			<b>491</b>
<b>As % of Area-wide Demand</b>			<b>168%</b>
<b>Unallocated Hotel Rooms:</b>			<b>(200)</b>

(1) Assumes that future growth in occupied roomnights and annual occupancies is more limited (50% of 2014-2019 actual growth).

Source: STR Global; WTL+a, revised September 2020.

## Retail

The traditional sources of demand in retail districts come from three sources; resident spending (local and from the surrounding areas), spending by members of the local workforce, and tourist/visitor spending. The retail demand analysis indicates that **there is approximately 125,000 to 135,000 sq. ft. of market-supportable retail potentials in the Southern Grove study area**. Of this total, demand for approximately 100,000 sq. ft. will be generated from unmet market demand generated by current residents. Spending from visitors and tourists will account for most of the remaining incremental demand, assuming recovery of pre-COVID visitor totals to the Treasure Coast/St. Lucie County. The business mix is dispersed across specialty retail and consumer service categories.

- The retail demand analysis suggests that there will be **sufficient demand to support an additional grocery store (20,000 to 35,000 sq. ft.)**, such as the proposed future Publix grocery at Village Parkway and Becker Road. This future store would be on the smaller size of Publix' typical range of store sizes;
- Restaurants and drinking places (pubs, wine bars, craft breweries, etc.) comprise the largest incremental demand category at just over 32,000 sq. ft. of combined total space. Stakeholders commented that they wanted more dining options and a mix of national and locally-owned restaurants. At an average size of about 3,500 sq. ft. (with selected larger operations and some smaller-sized locations) this would suggest that an additional nine-to-10 food service operations could be included in the retail mix; and
- The planning team also analyzed opportunities for entertainment and recreation uses (e.g., cinema complex, golf driving range, indoor go-kart arena, trampoline courts, etc.) as part of the master plan's economic studies. These uses are activity-based destination 'retail' uses whose business models typically seek to keep participants within their facilities (i.e., frequently providing snacks, food and drinks to keep patrons on the premises for longer periods of time). For this reason, incremental retail spending is not expected to generate significant opportunities for additional retail square footage. While some spending may result (such as dinners associated with going to a movie), that spending alone would not justify additional stand-alone retail spaces. Additional retail square footage should be justified by larger market forces. Deal terms to attract these types of destination retail uses

can vary widely, and specific operating requirements and levels of capital investment may affect financial feasibility and/or timing of these types of projects.

**Table 29: Retail Potentials—Resident Sales**

Category	Sales Productivity Average Industry Sales/SF	Capture Rate: 25%			Capture Rate: 2.5%		
		Unmet Market Demand - Resident Sales			Re-Captured Demand - Inflow Sales		
		Total Annual Unmet Sales	Total Supportable SF	Supportable SF @ 25% Capture	Total Annual Unmet Sales	Total Supportable SF	Supportable SF @ 2.5% Capture
<b>General Merchandise Stores</b>							
Department Stores Excl Leased Depts.	\$ 257.02				\$ 8,522,769	33,160	829
Other General Merchandise Stores	\$ 317.56				\$ 3,677,570	11,581	290
<b>Clothing &amp; Accessories Stores</b>							
Clothing Stores	\$ 372.26				\$ 894,566	2,403	60
Shoe Stores	\$ 476.10	\$ 300,216	631	158			
Luggage, Leather Goods	\$ 710.21				\$ 423,875	597	15
Jewelry	\$ 1,219.80						
<b>Furniture &amp; Home Furnishings Stores</b>							
Furniture Stores	\$ 312.72	\$ 4,514,291	14,436	3,609			
Home Furnishings Stores	\$ 328.09	\$ 4,556,952	13,889	3,472			
<b>Electronics &amp; Appliance Stores</b>							
Appliances, TV's, Electronics Stores	\$ 530.62	\$ 23,855,083	44,957	11,239			
<b>Leisure &amp; Entertainment</b>							
Sporting Goods/Hobby/Musical Instru.	\$ 209.00						
Books, Periodicals & Music Stores	\$ 237.38	\$ 7,186,138	30,273	7,568	\$ 976,686	4,114	103
<b>Food Service &amp; Drinking Places</b>							
Special Food Services	\$ 478.73	\$ 1,614,804	3,373	843			
Drinking Places - Alcoholic Beverages	\$ 381.10	\$ 13,771,516	36,136	9,034			
Restaurant/Other Eating Places	\$ 235.24	\$ 10,762,000	45,749	11,437			
<b>Food &amp; Beverage Stores</b>							
Grocery Stores	\$ 560.82	\$ 39,272,867	70,028	17,507			
Specialty Food Stores	\$ 478.73	\$ 8,594,115	17,952	4,488			
Beer, Wine & Liquor Stores	\$ 490.10	\$ 3,191,575	6,512	1,628			
<b>Health &amp; Personal Care Stores</b>							
Health & Personal Care Stores	\$ 402.13				\$ 851,749	2,118	53
<b>Building Material, Garden Equipment Stores</b>							
Building Materials & Supplies	\$ 301.25	\$ 486,891	1,616	404			
Lawn & Garden Equipment & Supplies	\$ 238.00	\$ 8,089,140	33,988	8,497			
<b>Miscellaneous Store Retailers</b>							
Florists	\$ 439.43	\$ 1,215,072	2,765	691			
Office Supplies, Stationery, Gift Stores	\$ 248.65	\$ 2,424,045	9,749	2,437			
Used Merchandise Stores	\$ 285.00	\$ 7,414,674	26,016	6,504			
Thrift Stores	\$ 199.17						
Other Miscellaneous Retail Stores	\$ 458.38	\$ 16,854,504	36,770	9,192			
<b>Supportable SF by Retail Category &amp; Segment:</b>		<b>\$ 154,103,883</b>	<b>394,839</b>	<b>98,710</b>	<b>\$ 15,347,215</b>	<b>53,973</b>	<b>1,349</b>

Source: ESRI Business Analyst; RDS LLC, May 2020.



Table 29 (Continued): Retail Potentials—Visitor Sales

Category	Visitor Spending				Capture Rate: 2.5%
	Total Visitor Spending by Category	Adjusted Average Sales Productivity	Total County-wide Supportable SF	Supportable SF @ 2.5% Capture	
<b>General Merchandise Stores</b>					
Department Stores Excl Leased Depts.					
Other General Merchandise Stores					
<b>Clothing &amp; Accessories Stores</b>					
Clothing Stores	\$ 66,792,000	\$ 389	171,702	4,293	
Shoe Stores					
Luggage, Leather Goods					
Jewelry					
<b>Furniture &amp; Home Furnishings Stores</b>					
Furniture Stores					
Home Furnishings Stores					
<b>Electronics &amp; Appliance Stores</b>					
Appliances, TV's, Electronics Stores					
<b>Leisure &amp; Entertainment</b>					
Sporting Goods/Hobby/Musical Instru.	\$ 110,186,000	\$ 223	494,108	12,353	
Books, Periodicals & Music Stores					
<b>Food Service &amp; Drinking Places</b>					
Special Food Services					
Drinking Places - Alcoholic Beverages	\$ 134,740,600	\$ 308	437,469	10,937	
Restaurant/Other Eating Places					
<b>Food &amp; Beverage Stores</b>					
Grocery Stores	\$ 55,751,600	\$ 510	109,317	2,733	
Specialty Food Stores					
Beer, Wine & Liquor Stores					
<b>Health &amp; Personal Care Stores</b>					
Health & Personal Care Stores					
<b>Building Material, Garden Equipment Stores</b>					
Building Materials & Supplies					
Lawn & Garden Equipment & Supplies					
<b>Miscellaneous Store Retailers</b>					
Florists					
Office Supplies, Stationery, Gift Stores					
Used Merchandise Stores					
Thrift Stores					
Other Miscellaneous Retail Stores	\$ 13,364,100	\$ 399	33,494	837	
<b>Supportable SF by Retail Category &amp; Segment:</b>	<b>\$ 380,834,300</b>		<b>1,246,090</b>	<b>31,152</b>	

Source: ESRI Business Analyst; RDS LLC, May 2020.

**Table 30: Summary of Supportable Retail Space**

Market Segment	Capture Rate	Supportable SF
Unmet Resident/Household Sales	25.0%	98,710
Increased Share of Inflow Sales	2.5%	1,349
Share of Visitor Sales	2.5%	31,152
<b>Total Supportable Retail SF:</b>		<b>131,211</b>

*Source: ESRI Business Analyst; RDS LLC, May 2020.*

- It is noteworthy that **incremental market potentials for retail space in the Southern Grove study area are almost exactly the current estimated amount of vacant space at The Landing at Tradition** (operated by Kite Realty); and
- While the Big Box center is technically outside the Southern Grove study area addressed by this analysis, **WTL+a and RDS recommend that the greater part of retail demand (excluding the mid-sized grocery store and a modest amount of supporting retail) should be ‘backfilled’ in the Landing center** (or site), both as a tool to reposition the outmoded Big Box format, and to encourage a greater critical mass of retail uses in an already established location with vacancies to be filled and further support the Town Center.

# Appendix



**Table 31: Industrial Market Profile—Palm Beach County, 2007—2019**

	2007	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	YTD 2020	Change: 2007-2019		
		2008	2009	2010	2011	2012									Total	Ann'l Avg.	% CAGR
<b>Industrial</b>																	
Inventory	48,601,326	49,390,423	48,964,204	49,103,100	49,243,307	49,084,382	48,936,636	49,172,444	49,824,733	50,877,759	51,372,090	51,887,669	52,073,374	52,349,797	3,472,048		
No. of Buildings/Centers	2,691	2,711	2,699	2,697	2,691	2,685	2,675	2,676	2,670	2,677	2,683	2,688	2,688	2,690			
Vacant Stock	2,892,220	4,025,095	5,037,255	4,771,268	4,368,157	3,817,716	2,928,059	2,494,302	2,143,968	1,909,571	1,333,364	1,361,936	1,574,269	1,856,716	(1,317,951)		
Vacancy Rate	6.0%	8.1%	10.3%	9.7%	8.9%	7.8%	6.0%	5.1%	4.3%	3.8%	2.6%	2.6%	3.0%	3.5%	-5.5%		
Net Absorption:	(701,084)	(343,778)	(1,438,379)	404,883	543,318	391,516	741,911	669,565	992,623	1,287,423	1,057,738	487,007	(26,628)	(62,447)	4,066,115	312,778	
Past 5 Years																	
															3,798,163	759,633	
Construction Deliveries	646,077	981,826	32,755	196,163	248,261	16,227	9,060	240,400	745,634	1,066,930	553,424	537,394	293,329	220,000	5,567,480		
Gross Rent/SF	\$ 9.50	\$ 9.12	\$ 7.99	\$ 7.73	\$ 7.42	\$ 7.78	\$ 8.06	\$ 8.39	\$ 8.83	\$ 9.46	\$ 9.83	\$ 9.89	\$ 10.16	\$ 10.17			0.6%
Average Annual % Change	-	-4.0%	-12.4%	-3.3%	-4.0%	4.9%	3.6%	4.1%	5.2%	7.1%	3.9%	0.6%	2.7%	0.1%			

Source: CoStar, Inc.; WTL+a, March 2020.

**Table 32: Industrial Market Profile—Broward County, 2007—2019**

	2007	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	YTD 2020	Change: 2007-2019		
		2008	2009	2010	2011	2012									Total	Ann'l Avg.	% CAGR
Industrial																	
Inventory	105,878,473	108,131,250	108,964,702	109,296,264	109,224,201	108,859,993	109,201,506	110,251,972	111,183,802	111,563,450	112,248,606	113,676,973	115,979,512	116,228,517	10,101,039		
No. of Buildings/Centers	5,207	5,245	5,266	5,269	5,263	5,243	5,241	5,243	5,250	5,238	5,244	5,250	5,269	5,270			
Vacant Stock	5,105,980	7,453,465	10,362,148	9,987,048	10,148,136	9,351,212	8,330,051	7,100,559	6,647,276	4,462,116	3,317,456	3,842,009	6,435,980	6,646,318	1,330,000		
Vacancy Rate	4.8%	6.9%	9.5%	9.1%	9.3%	8.6%	7.6%	6.4%	6.0%	4.0%	3.0%	3.4%	5.5%	5.7%	1.2%		
Net Absorption:	143,935	(90,308)	(2,073,731)	706,662	(233,151)	432,716	1,362,674	2,279,958	1,214,740	2,564,808	1,478,857	898,514	(291,432)	38,667	8,394,242	645,711	
Past 5 Years															5,865,487	1,173,097	
Construction Deliveries	1,618,982	2,312,643	865,259	367,526	33,603	46,748	440,885	1,171,217	1,147,777	729,488	410,398	1,514,169	2,746,408	249,005	13,405,103		
Gross Rent/SF	\$ 8.35	\$ 8.12	\$ 7.52	\$ 7.29	\$ 7.11	\$ 7.05	\$ 7.31	\$ 7.72	\$ 8.26	\$ 8.94	\$ 9.24	\$ 9.47	\$ 9.86	\$ 9.93			1.4%
Average Annual % Change	-	-2.8%	-7.4%	-3.1%	-2.5%	-0.8%	3.7%	5.6%	7.0%	8.2%	3.4%	2.5%	4.1%	0.7%			

Source: CoStar, Inc.; WTL+a, March 2020.

**Table 33: Industrial Market Profile—Miami-Dade County, 2007—2019**

	2007	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	YTD 2020	Change: 2007-2019		
		2008	2009	2010	2011	2012									Total	Ann'l Avg.	% CAGR
Industrial																	
Inventory	209,511,465	211,072,861	212,835,252	212,894,187	212,779,629	213,483,566	214,817,971	217,014,647	218,768,918	220,981,260	224,017,710	227,617,954	230,416,331	230,673,875	20,904,866		
No. of Buildings/Centers	8,285	8,334	8,358	8,358	8,347	8,338	8,333	8,344	8,348	8,350	8,364	8,375	8,387	8,391			
Vacant Stock	11,112,777	16,214,473	20,752,955	16,485,343	14,260,109	12,868,720	11,989,587	11,274,283	8,864,909	7,804,118	8,513,983	9,138,393	9,383,906	10,620,482	(1,728,871)		
Vacancy Rate	5.3%	7.7%	9.8%	7.7%	6.7%	6.0%	5.6%	5.2%	4.1%	3.5%	3.8%	4.0%	4.1%	4.6%	-2.2%		
Net Absorption:	(644,854)	(3,540,300)	(2,784,227)	4,334,683	2,110,676	2,094,631	2,214,438	2,911,980	4,163,645	3,288,613	2,303,868	2,941,941	2,574,995	(979,032)	21,970,089	1,690,007	
Past 5 Years															15,273,062	3,054,612	
Construction Deliveries	2,953,666	1,748,352	1,955,019	470,969	384,146	1,144,972	1,802,444	2,330,528	2,184,234	2,546,366	3,318,386	4,306,020	2,987,980	257,544	28,133,082		
Gross Rent/SF	\$ 8.11	\$ 8.11	\$ 7.15	\$ 6.67	\$ 6.90	\$ 7.32	\$ 7.91	\$ 8.03	\$ 8.57	\$ 9.12	\$ 9.39	\$ 10.29	\$ 10.40	\$ 10.45	2.1%		
Average Annual % Change	-	0.0%	-11.8%	-6.7%	3.4%	6.1%	8.1%	1.5%	6.7%	6.4%	3.0%	9.6%	1.1%	0.5%			

Source: CoStar, Inc.; WTL+a, March 2020.



## APPENDIX D



**Southern Grove Master Plan**  
**Civil Infrastructure Order of Magnitude**  
**Estimate of Probable Cost**  
11/30/2020



**Treasure Coast Regional Planning Council**  
**Indian River – St. Lucie – Martin – Palm Beach**

Item	Description	Quantity	Unit	Cost Per Mile	Item Cost
<b>A. ROADWAY</b>					
<b>TYPICAL SECTION: 2~12 ft lanes, 6 ft paved shoulder, swale and 8 ft sidewalk on both sides within a 100 FT Right of Way</b>					
1	Hegener Drive from Discovery Way to Becker Road (3.06 MI) Marshall Parkway from Village Pkwy to Hegener Drive (0.30 MI) Paar Drive from Village Pkwy to Hegener Drive (0.40 MI)	3.76	MI	\$ 2,011,200	\$ 7,600,000
<b>TYPICAL SECTION Subtotal:</b>					<b>\$ 7,600,000</b>
<b>LIGHTING</b>					
2	Decorative Street Lighting (pedestrian-scale poles with banner and bollards)	3.76	MI	\$1,148,397	\$ 4,300,000
<b>LIGHTING Subtotal:</b>					<b>\$ 4,300,000</b>
<b>LANDSCAPE</b>					
3	Tree alley, ground cover shrubs, and Irrigation	3.76	MI	\$ 97,700	\$ 400,000
<b>LANDSCAPE Subtotal:</b>					<b>\$ 400,000</b>
<b>ROUNDBABOUT</b>					
4	2 lane Roundabout at Marshall Pkwy and Hegener Drive	1	EA	\$ 850,000	\$ 850,000
<b>ROUNDBABOUT Subtotal:</b>					<b>\$ 850,000</b>
<b>DUTCH INTERSECTION</b>					
5	Pedestrian and bike markings at Tradition Pkwy and Village Pkwy	1	EA	\$ 150,000	\$ 150,000
<b>DUTCH INTERSECTION Subtotal:</b>					<b>\$ 150,000</b>
<b>B. UTILITIES</b>					
<b>WATER SERVICE</b>					
6	12" PVC Water Main includes fire hydrants and looped tie-in	5.24	MI	\$ 400,750	\$ 2,100,000
<b>WATER SERVICE Subtotal:</b>					<b>\$ 2,100,000</b>
<b>SANITARY SERVICE</b>					
7	8" PVC Gravity Sewer includes Manholes	2.46	MI	\$ 560,000	\$ 1,377,600
8	8" Force Main (C900) Includes fittings, valves and tie-in/tap	1.68	MI	\$ 1,476,000	\$ 2,479,680
9	Lift Stations	4	EA	\$ 400,000	\$ 1,600,000
<b>SANITARY SERVICE Subtotal:</b>					<b>\$ 5,500,000</b>
<b>CONDUIT</b>					
10	4" Conduit (Pair) for communications and/or fiber optic service	3.76	MI	\$ 98,000	\$ 368,480
11	6" Conduit (Pair) for electrical and/or fiber optic service	3.76	MI	\$ 104,000	\$ 391,040
<b>CONDUIT Subtotal:</b>					<b>\$ 760,000</b>
<b>C. DRAINAGE STORMWATER</b>					
<b>CULVERTS</b>					
12	72" Culvert crossings and roadway drainage connection to the Southern Grove Master Drainage System	5	EA	\$ 350,000	\$ 1,750,000
<b>CULVERTS Subtotal:</b>					<b>\$ 1,750,000</b>
<b>LAKES</b>					
13	Lake construction Includes earthwork and removal of unsuitable organic soils from impoundment areas	174	AC	\$ 37,300	\$ 6,500,000
<b>LAKES Subtotal:</b>					<b>\$ 6,500,000</b>
<b>LITTORAL SHELF</b>					
14	Littoral shelf earthwork and plantings (DUDA Canal Lake Mitigation)	3.12	MI	\$ 835,000	\$ 2,600,000
<b>LITTORAL SHELF Subtotal:</b>					<b>\$ 2,600,000</b>



**Southern Grove Master Plan  
Civil Infrastructure Order of Magnitude  
Estimate of Probable Cost  
11/30/2020**



**Treasure Coast Regional Planning Council  
Indian River – St. Lucie – Martin – Palm Beach**

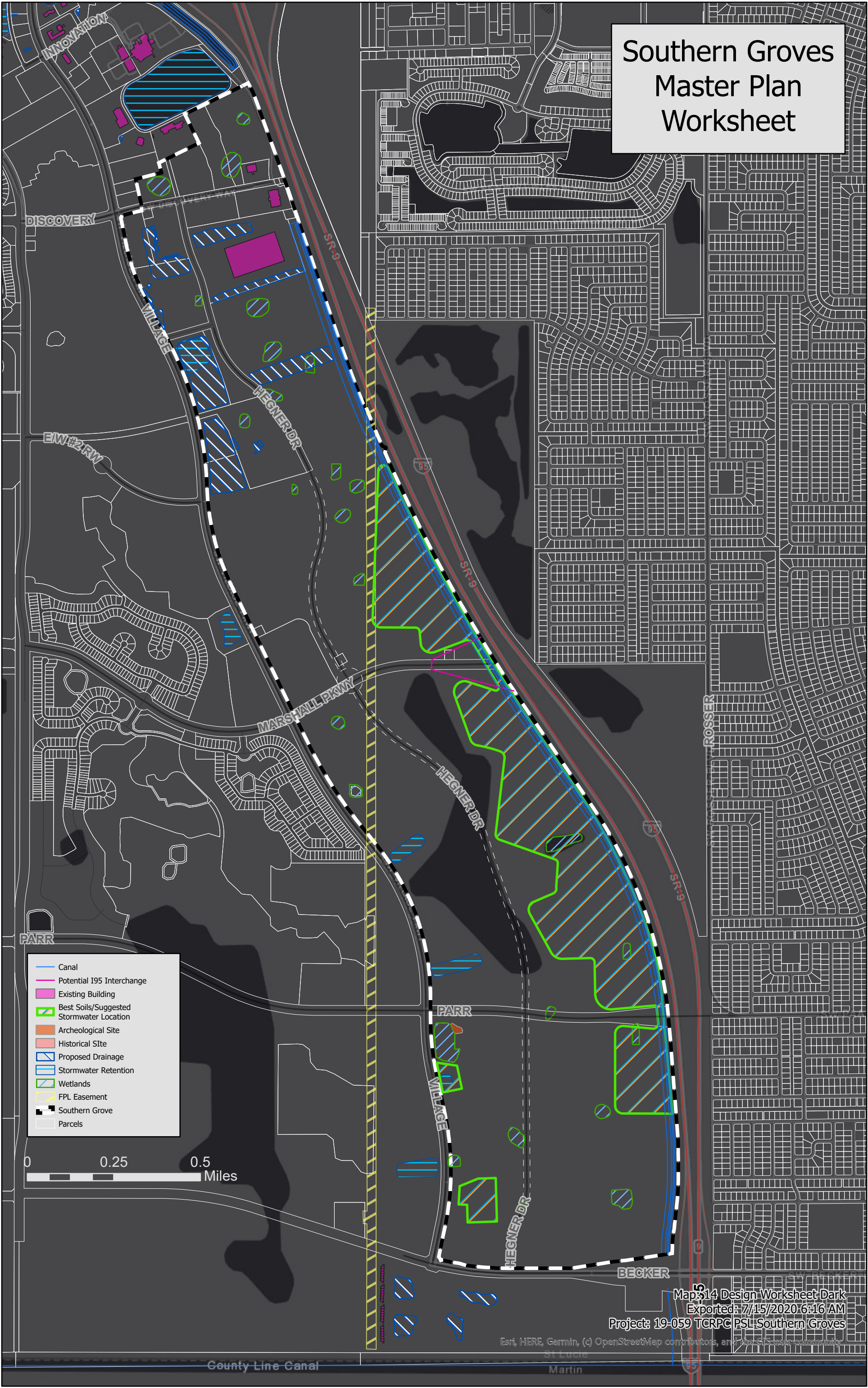
Item	Description	Quantity	Unit	Cost Per Mile	Item Cost
<b>D. TRADITION TRAIL</b>					
15	12 ft wide multiuse trail Includes 8 ft wide concrete multiuse trail and 4 ft wide flexipave walking surface	6.24	MI	\$ 600,000	\$ 3,744,000
16	Pedestrian Lighting	6.24	MI	\$ 700,000	\$ 4,368,000
<b>TRADITION TRAIL Subtotal:</b>					<b>\$ 8,000,000</b>
<b>E. GATEWAY ELEMENTS</b>					
<b>LAKE FEATURES</b>					
17	Decorative Monument Signs and Art, Lighting, Hardscape, Landscape, and Fountains placed at key locations at Tradition Medical Center, Marshall/I-95 and Becker/I-95	3	EA	\$ 233,000	\$ 700,000
<b>LAKE FEATURES Subtotal:</b>					<b>\$ 700,000</b>
<b>CORNER FEATURES</b>					
18	Decorative Monument Signs and Art, Lighting, Hardscape, Landscape Plaza items to be placed at key locations at Marshall/Village, Paar/Village and Village/Becker	6	EA	\$ 300,000	\$ 1,800,000
<b>CORNER FEATURES Subtotal:</b>					<b>\$ 1,800,000</b>
<b>F. TRANSIT STOPS</b>					
19	Decorative shelter, concrete pad, lighting, landscaping, bench, signage at Village/Becker, Village/Marshall and Village/Innovation.	3	EA	\$ 100,000	\$ 300,000
<b>TRANSIT STOP Subtotal:</b>					<b>\$ 300,000</b>
<b>Subtotal:</b>					<b>\$ 43,310,000</b>
<b>Engineering, Design and Administration (20%):</b>					<b>\$ 8,662,000</b>
<b>Contingency (20%):</b>					<b>\$ 8,662,000</b>
<b>Grand Total:</b>					<b>\$ 60,634,000</b>

**Notes:**

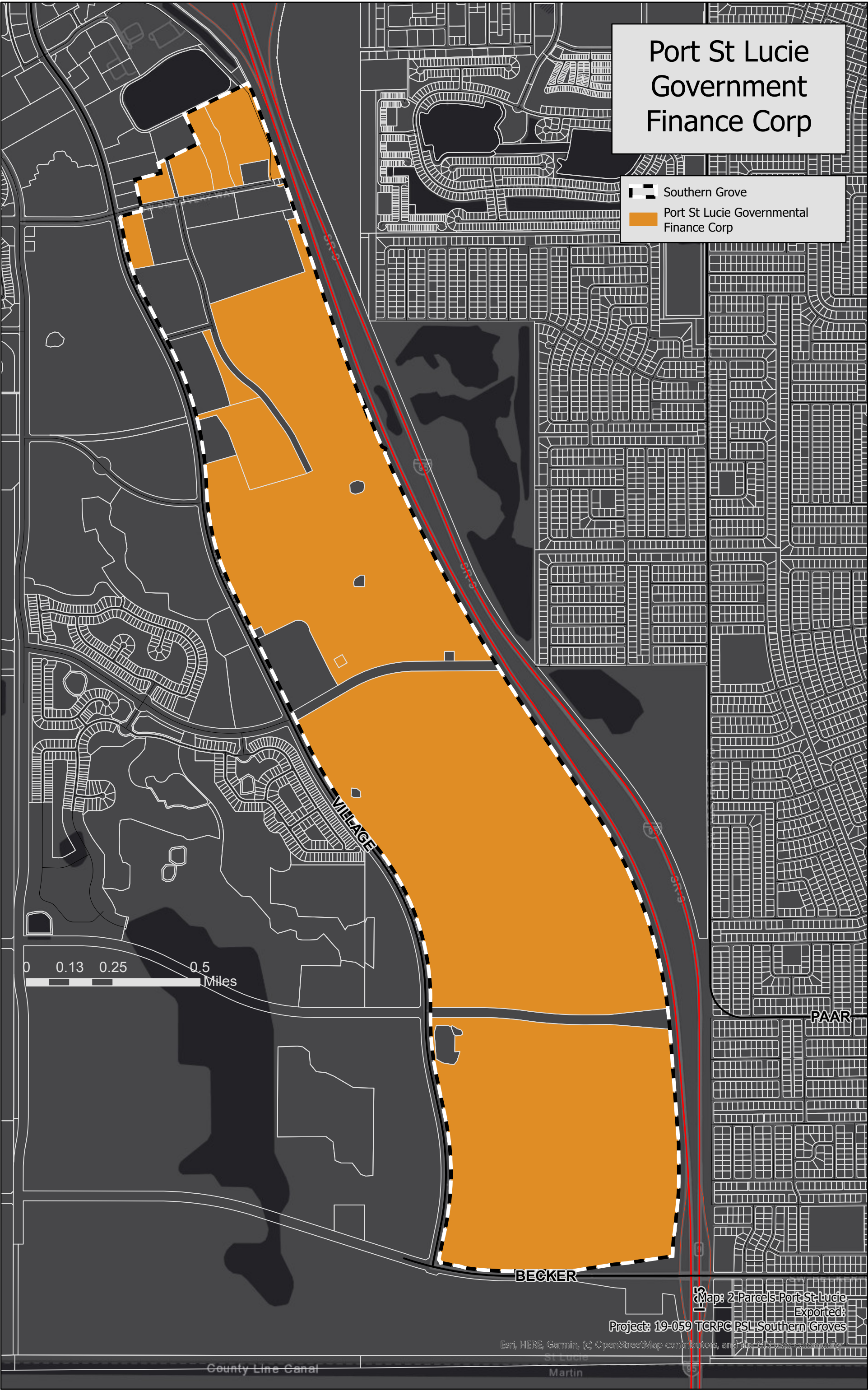
1. This estimate is based on the City of Port St Lucie Southern Grove Master Plan, Dated December 2020.
2. The roadway section costs include the typical section items and the trail costs would be in addition to the roadway costs.
3. Offsite PSLUSD utility main extensions are NOT included (raw water, reuse water, potable water, sanitary sewer force mains, etc.)
4. Offsite roadway widening improvements listed in the DRI are NOT included.
5. I-95 interchanges and/or bridge improvements are NOT included.
6. This estimate is based on building all improvements at one time; phasing the improvements will significantly change the costs.
7. All items include clearing/grubbing/erosion control/grading/soddig/pavement marking/signage/etc.
8. Traffic signal costs for Becker Road and Village Parkway are already included in the CDD master costs and are NOT repeated herein.
9. The minor secondary roadways are NOT included herein and will be constructed by the parcel developers.
10. These costs are not necessarily expected to be directly incurred by the City/GFC, but rather, some of these costs will be the obligation of purchasers and the CDD.



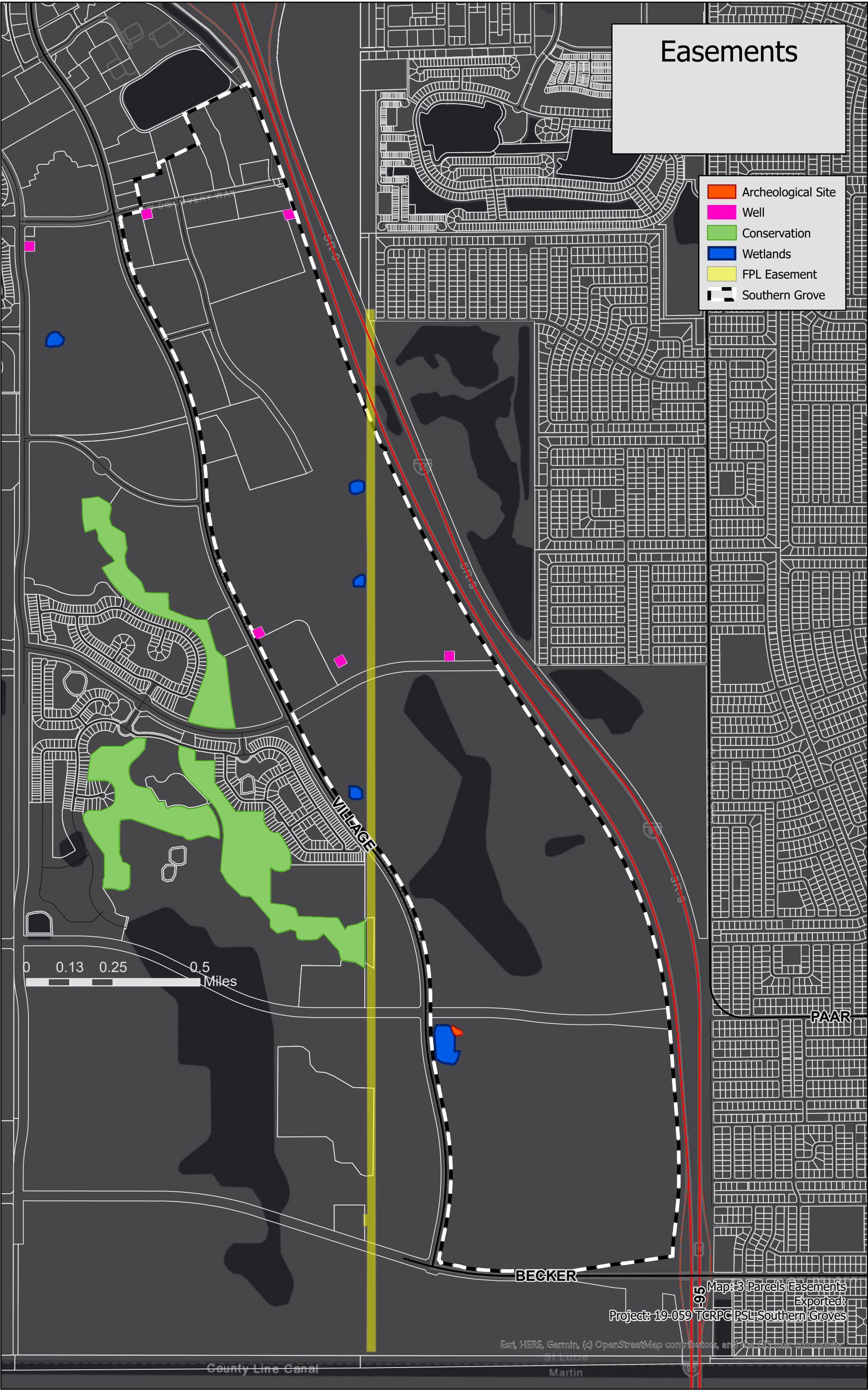
# Southern Groves Master Plan Worksheet



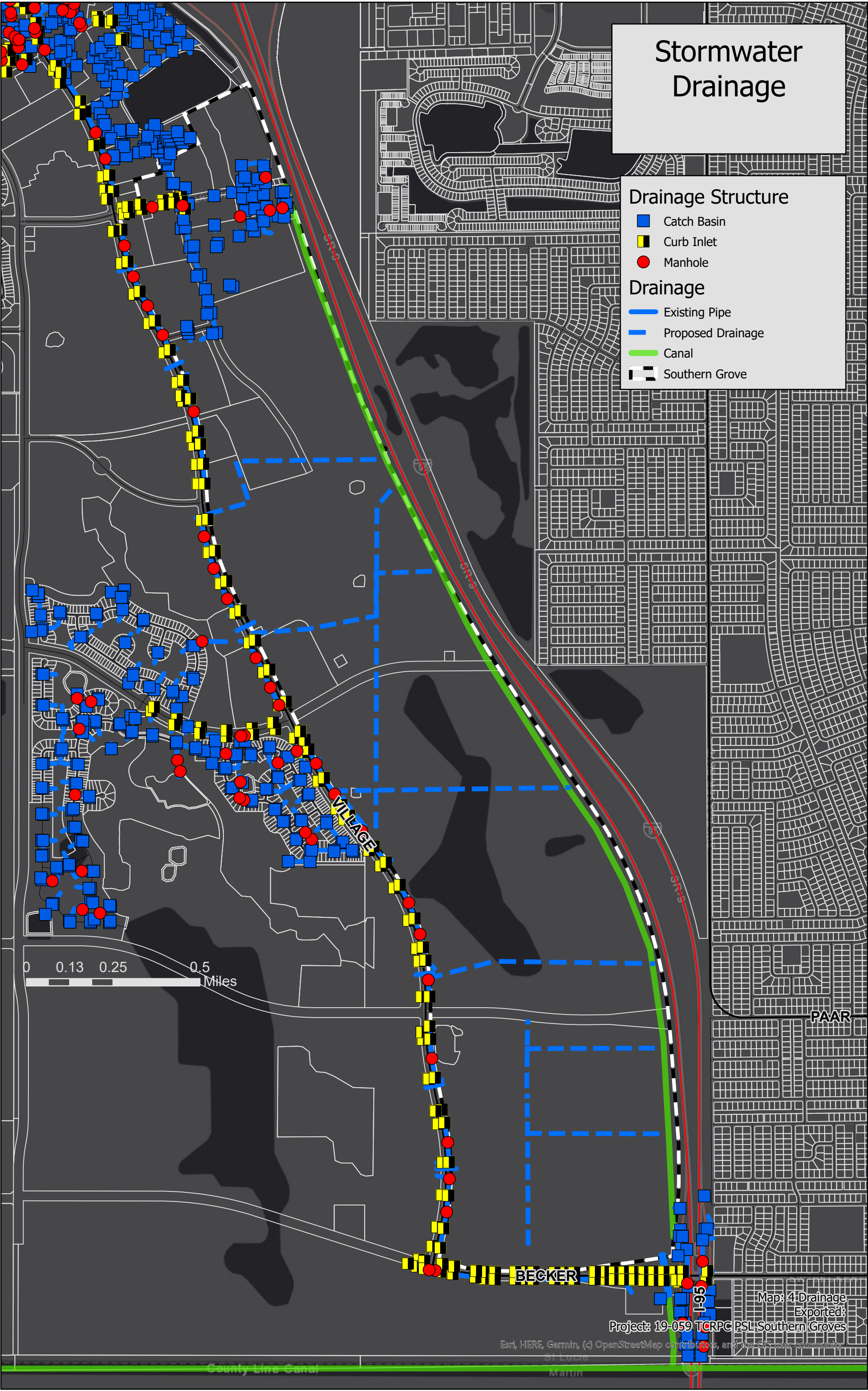




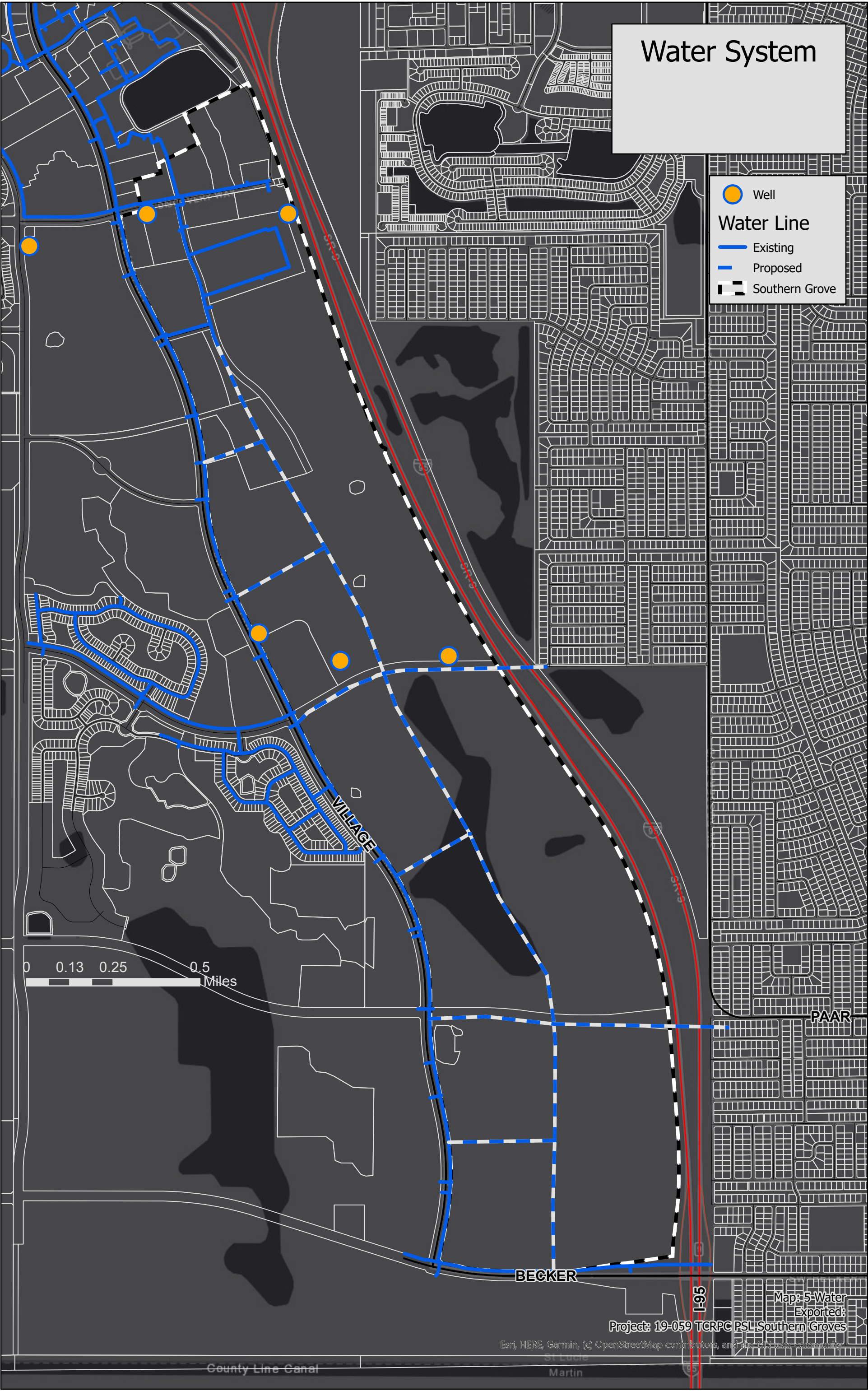




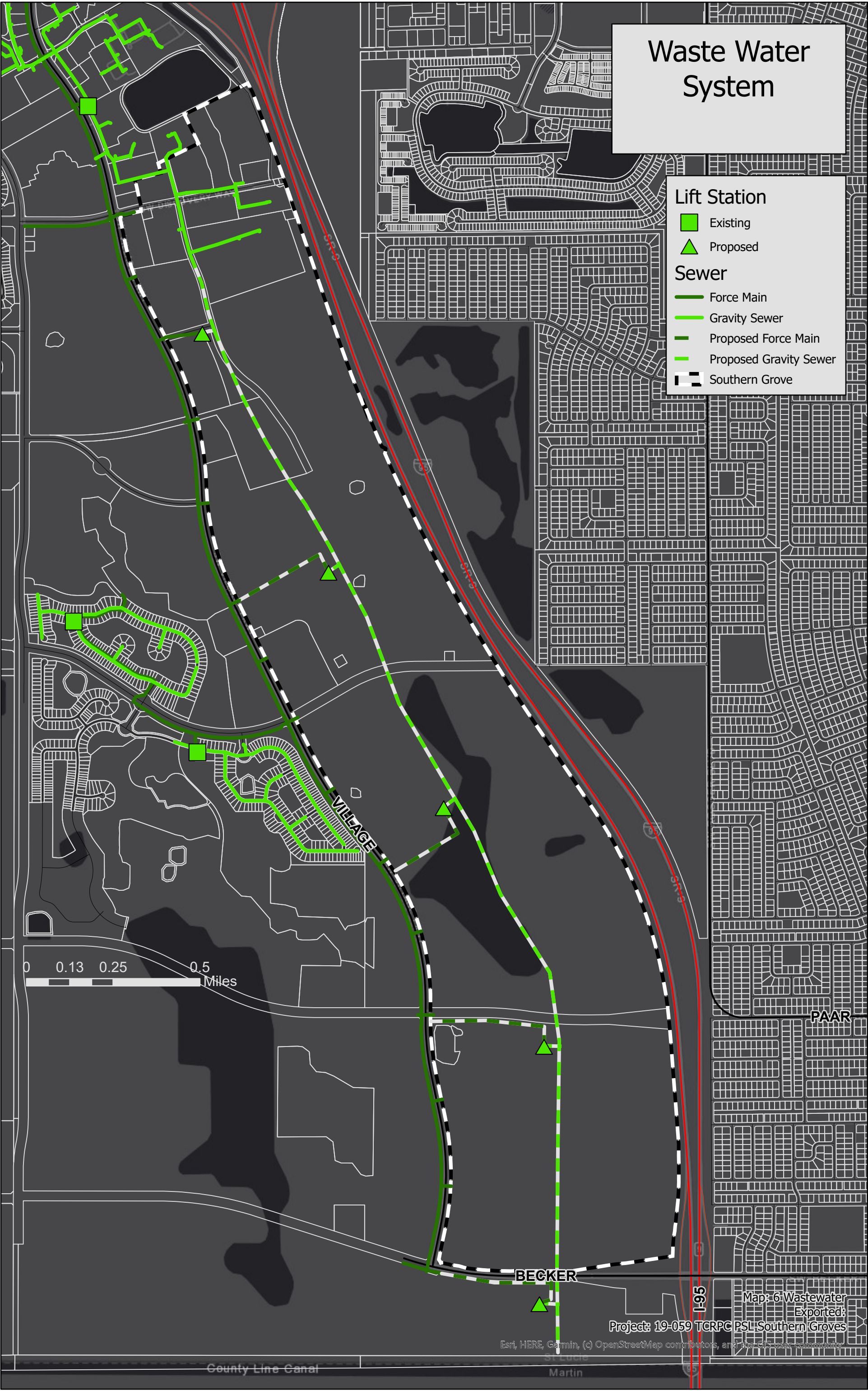
















# Existing and Built Properties

-  Southern Grove
-  Building Footprints

0 0.13 0.25 0.5 Miles

VILLAGE

BECKER

PAAR

Map: 7 Existing and Built Properties

Exported:

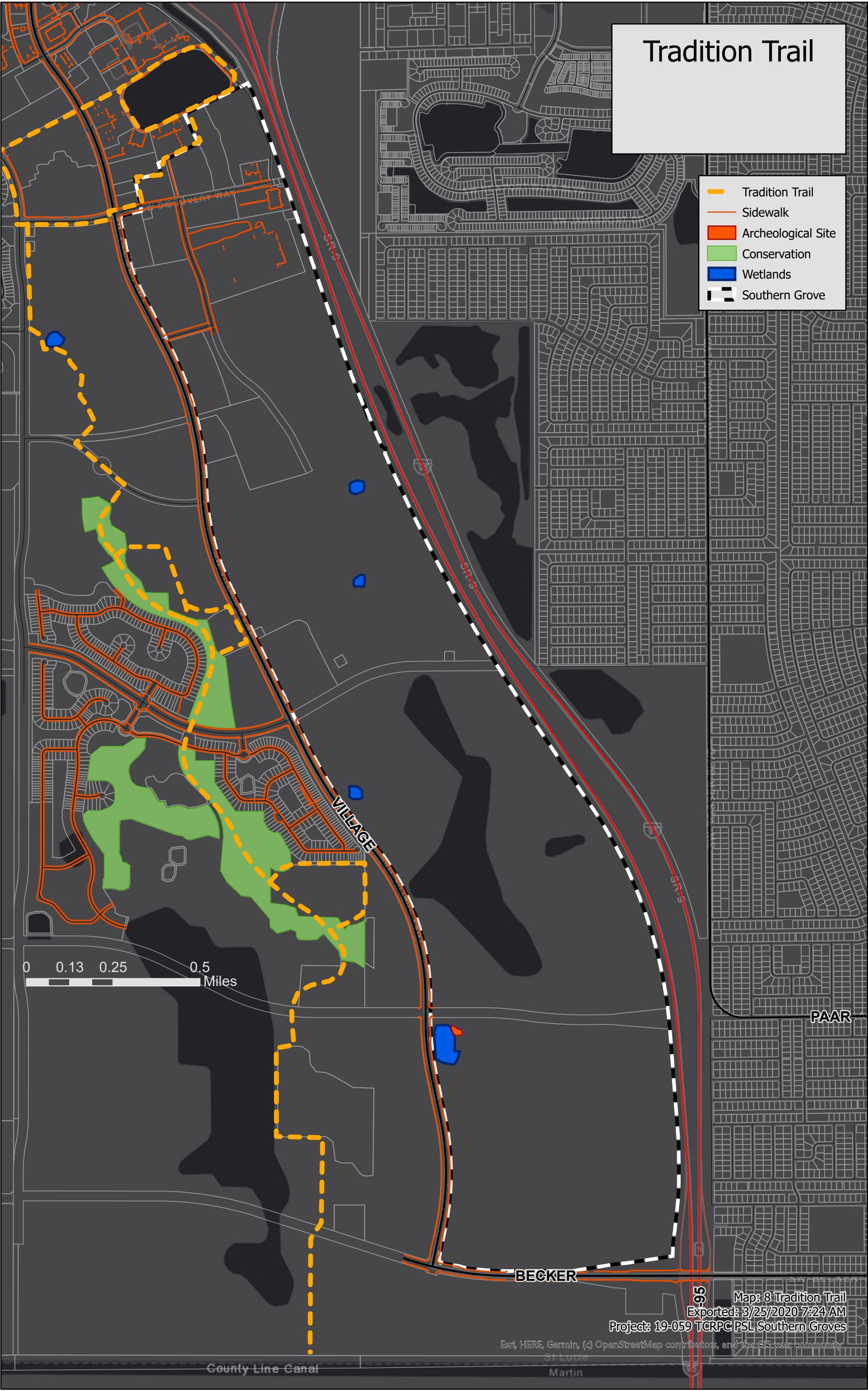
Project: 19-059 TCRPC PSL Southern Groves

Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community

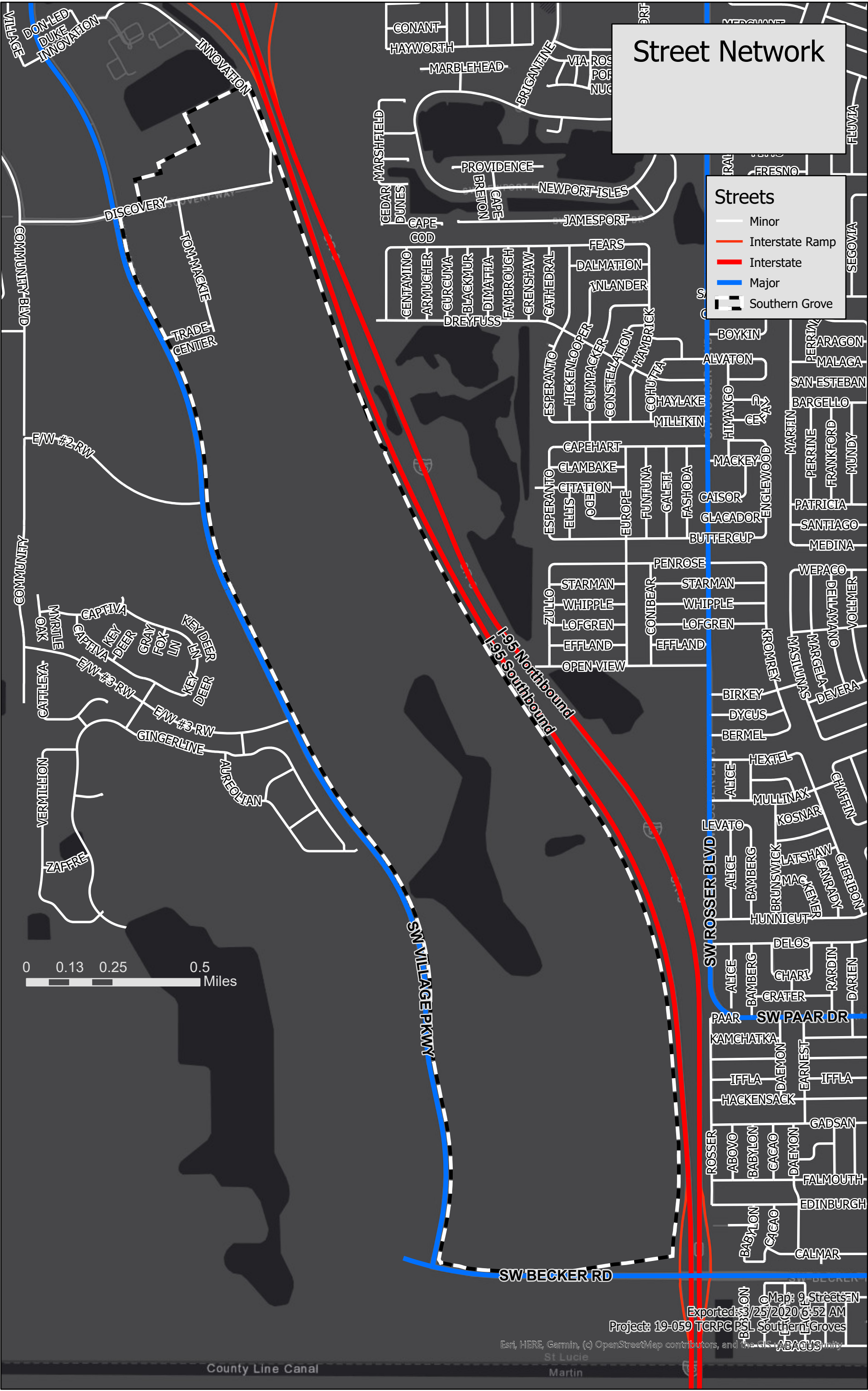
County Line Canal

St Lucie  
Martin











## APPENDIX E

### SOUTHERN GROVE DRI - Required Infrastructure Summary

Roadway	Existing Lanes	Required Improvement	Status	Potable Water Improvement	Status	Sanitary Sewer Improvement	Status
<b>Becker Road</b>							
Interstate I-95	0	New Interchange	Satisfied	12" WM	Existing	N/A	N/A
Village Pkwy to I-95	6LD	Widen to 6LD	Satisfied	12" WM	Existing	N/A	N/A
Community Blvd to Village Pkwy	0	Construct 6LD		12" WM		N/A	N/A
<b>Village Parkway</b>							
Tradition Parkway to E/W 1	6LD	Construct 6LD	Satisfied	24" WM	Existing	16" FM	Existing
E/W 1 to E/W 3	4LD	Widen to 6LD		24" WM	Existing	16" FM	Existing
E/W 3 to E/W 4	4LD	Widen to 6LD		24" WM	Existing	16" FM	Existing
E/W 4 to Becker Rd	4LD	Widen to 6LD		24" WM	Existing	16" FM	Existing
<b>Tom Mackie Boulevard</b>							
E/W 1 to Trade Center Drive	2L	Construct 2L	Satisfied	12" WM	Existing	San Sewer, LS & 8" FM	Existing
<b>Hegener Drive</b>							
Trade Center Drive to E/W 3	0	Construct 2L		12" WM		San Sewer, LS & 8" FM	
E/W 3 to E/W 4	0	Construct 2L		12" WM		San Sewer, LS & 8" FM	
E/W 4 to Becker Rd	0	Construct 2L		12" WM		San Sewer, LS & 8" FM	
<b>Community Blvd.</b>							
Tradition Pkwy to E/W 1	2LD	Widen to 4LD		12" WM	Existing	N/A	N/A
E/W 1 to E/W 4	Responsibility of the Residential Master Developer			N/A	N/A	N/A	N/A
Becker Road to E/W 4	0	Widen to 4LD		12" WM		N/A	N/A
<b>E/W 1 (Discovery Way)</b>							
Community Blvd to Village Pkwy	2LD			12" WM	Existing	N/A	N/A
<b>E/W 3 (Openview/Marshall Pkwy.)</b>							
Community Blvd to Village Pkwy	2LD			12" WM	Existing	N/A	N/A
Village Pkwy to West of I-95	0	Construct 2LD		12" WM		N/A	N/A
<b>E/W 4 (Paar Dr.)</b>							
Community Blvd to Village Pkwy	0	Construct 2LD				N/A	N/A
Village Pkwy to West of I-95	0	Construct 2LD		12" WM		N/A	N/A
Rosser Road to Port St Lucie Blvd	2L			24" WM	Existing	N/A	N/A
<b>Tradition Parkway</b>							
Interstate I-95	Ramps	Ramps	Satisfied				
Village Pkwy to I-95	6LD	Widen to 6LD	Satisfied				
Community Blvd to Village Pkwy	4LD	Construct 4LD	Satisfied				
N/S A to Community Blvd	0	Construct 4LD					
<b>N/S A</b>							
Tradition Pkwy to Crosstown	0	Construct 4LD					
Crosstown Pkwy to Glades Cut-off	0	Construct 2L					
<b>Westcliffe Lane</b>							
N/S A to Village Parkway	0	Construct 2L					
<b>Crosstown Parkway</b>							
Village Parkway to N/S A	0	Construct 4LD					
Commerce Center Dr to Village	2LD	Construct 6LD					
N/S A to Range Line Road	0	Construct 2L					
<b>St Lucie West Boulevard</b>							
Commerce Center Dr to I-95	2L	Construct 4LD					

**SOUTHERN GROVE DRI - Required Infrastructure Summary**

Roadway	Existing Lanes	Required Improvement	Status	Potable Water Improvement	Status	Sanitary Sewer Improvement	Status
<b>Port St. Lucie Boulevard</b>							
Paar Dr to Darwin Blvd	2	Widen to 4LD					
Darwin Blvd to Gatlin Blvd	4	Widen to 6LD					
Paar Dr to Darwin Blvd	4	Widen to 6LD					
<b>Becker Road</b>							
East of I-95 to Savona Blvd	4	Widen to 6LD					
Savona Blvd to Port St Lucie Blvd	4	Widen to 6LD					
<b>Savona Boulevard</b>							
Gatlin Blvd to California Blvd	2L	Widen to 4LD					
Paar Dr to Gatlin Blvd	2L	Widen to 4LD					
<b>St. Lucie West Boulevard</b>							
California Blvd to Cashmere Blvd	4	Widen to 6LD					
Interstate 95 to Peacock Blvd	4	Widen to 6LD					
Peacock Blvd to California Blvd	4	Widen to 6LD					
<b>Cashmere Boulevard</b>							
Crosstown Pkwy to SLW Blvd	2L	Widen to 4LD					
<b>California Boulevard</b>							
Savona Blvd to Del Rio Blvd	2L	Widen to 4LD					
<b>Bayshore Boulevard</b>							
Prima Vista Blvd to Selvitz Road	2L	Widen to 4LD					
<b>Darwin Boulevard</b>							
Paar Dr to Port St Lucie Blvd	2L	Widen to 4LD					
<b>Crosstown Parkway</b>							
Manth Lane to US 1	6LD	Widen to 6LD	Satisfied				
<b>Citrus Highway</b>							
St Lucie County Line to SR 714	2L	Widen to 4LD					
<b>Martin Highway (SR 714)</b>							
Citrus Hwy to Fla's Turnpike	2L	Widen to 4LD					
<b>Martin Highway (SR 714)</b>							
Fla's Turnpike to High Meadows	4LD	Widen to 4LD	Satisfied				
<b>Martin Highway (SR 714)</b>							
High Meadows Ave to Berry Ave	4LD	Widen to 4LD	Satisfied				
<b>Midway Road</b>							
Torino Parkway to Selvitz Road	4LD	Widen to 4LD	Satisfied				
<b>Midway Road</b>							
Selvitz Road to 25th Street	4LD	Widen to 4LD	Satisfied				
<b>Midway Road</b>							
25th Street to Oleander	4LD	Widen to 4LD	Satisfied				
<b>Range Line Road</b>							
SR 714 to Becker Road	2L	Widen to 4LD					

L= Lane; D=Divided; E/W 1 = Discovery Way; E/W 3 = Openview Dr.; E/W 4 = Paar Dr.



## APPENDIX F

## Florida is facing new challenges

Local governments are increasingly employing planning strategies and methods that provide predictability, balance land uses and mobility, and promote economic resilience and physical beauty in future growth. For coastal cities who faced near abandonment during the 1970s, the trend over the last two decades has been to re-cast themselves as viable, sustainable downtowns. For the first time in 40 years, ongoing discussions are engaged about restoring passenger rail service to the FEC corridor. Florida residents are playing a much more active role in planning and urban design decisions. The recent COVID-19 pandemic emphasized the value of communities that are walkable, bikeable, and contain well-designed open-air settings for outdoor dining and gathering. And perhaps most importantly, Floridians in general are recognizing how fragile the state is ecologically and that future growth and redevelopment must be more compact, require less fuel consumption, and promote a legacy of responsibility for both the natural and built environments.

This chapter discusses and describes time-tested principles that have historically shaped communities into sustainable, multi-modal, healthy, and attractive places.



John Nolen's 1925 plan for Venice, Florida, is one of 54 master plans the landscape architect designed in Florida in the 1920s. Nolen's plans are exemplary representations of many of the principles of urban design outlined in this report.

## Historic Patterns of Growth in Florida

Historically, towns, cities, and individual developments have followed one of two general patterns as they develop: a suburban pattern or a traditional pattern.

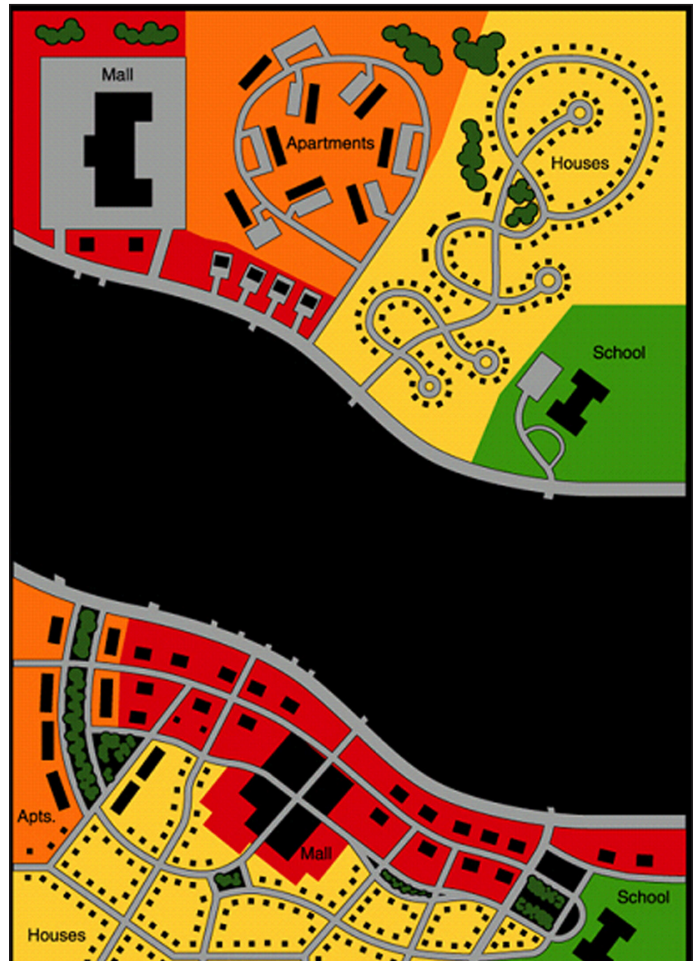
### A) The Suburban Pattern

The suburban pattern of development segregates uses by creating single use, disconnected areas. As a result, shopping, housing, schools, and recreation are not organized in an intrinsically connected, compact manner. In order to access each of these disconnected areas, the use of an automobile is typically required. As a result, parking becomes a dominant feature of a sprawling landscape. This sprawling and disconnected development relies upon a limited roadway network that gradually degrades and limits mobility options of a community.

This erosion of mobility is centered around the inevitable result that most vehicular trips must occur on collector or arterial roads. Local roads that are comfortable and safe for pedestrians and cyclists as well as motorists are either disconnected from most destinations or no longer sufficient to handle the vehicular demands of the suburban pattern of settlement. With most of the traffic volume accommodated on fewer and fewer local roads, the connecting thoroughfares become increasingly wide, auto-dominant, and unable to provide a safe or desirable environment for cyclists and pedestrians.

As roadways become less desirable, new development naturally “turns its back” to the road. This common development model further exacerbates the degraded physical environment, making suburban development self-perpetuating and very difficult to reverse. The necessity of an automobile is reinforced, and the situation worsens. Under the suburban pattern of development, the more an area develops, the worse the traffic congestion becomes.

The degree to which a community is auto-dependent is a result of its development patterns (suburban or traditional) and the network and size of its streets and blocks. The effect of the suburban pattern is particularly difficult for children and the elderly who either cannot drive or are losing their ability to drive. Many elderly residents of isolated communities find they must move from their homes and neighbors when they can no longer drive. This is due, in part, to another hallmark of the suburban pattern: low density. Low-density development has made the critical mass needed for a viable transit system almost impossible to achieve, thereby giving the transportation disadvantaged limited options.



**Top:** Conventional suburban pattern of development. Uses are strictly separated.

**Bottom:** Traditional pattern of development. Uses coexist and form multi-use neighborhoods.



## B) The Traditional Pattern

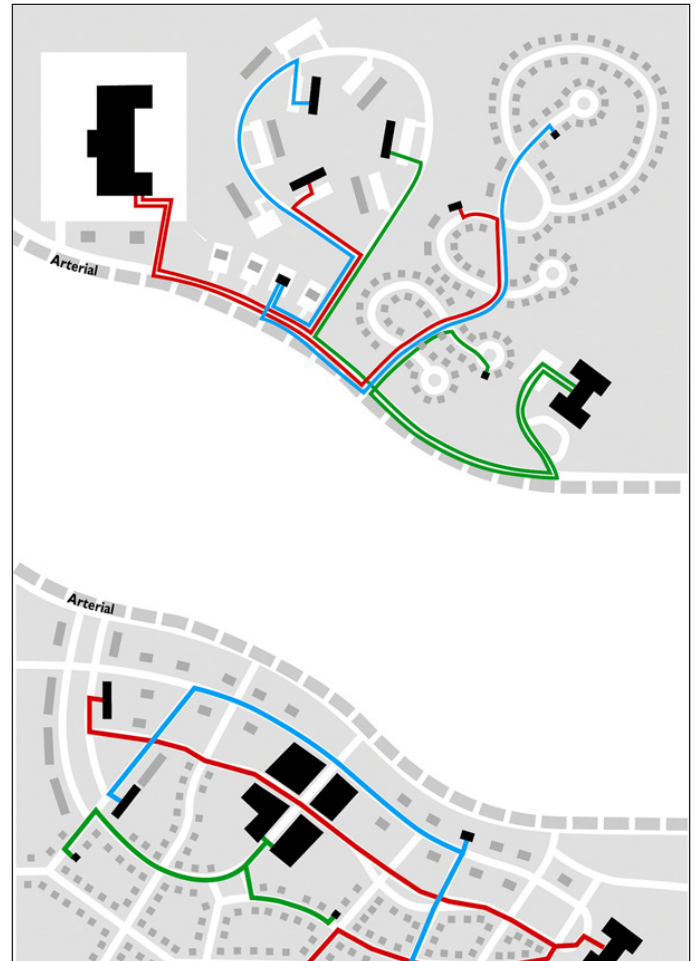
The traditional pattern of development is how cities, towns, and neighborhoods were built prior to World War II. In contrast to the suburban pattern, the traditional pattern mixes and interconnects different uses through a dense network of streets, blocks, and public spaces. This network of streets allows for the dispersion of vehicle trips throughout the community, rather than forcing all cars onto a limited number of through streets.

Dispersing vehicular trips into multiple routes allows roadways to be smaller with fewer lanes. Smaller roadways, unlike collector or arterial roads, easily accommodate bicyclists and pedestrians in a safe and often beautiful environment. One could easily travel from home to work or shopping on local streets without having to engage larger, auto-dominant thoroughfares. Additionally, a system of interconnected neighborhood streets reduces the number of local trips that rely on arterial and collector roads. As a result, the interconnected neighborhood streets also allow the larger, faster moving thoroughfares to remain a civilized size, serve primarily “through” traffic, and maintain efficiency as well.

Many of South Florida’s older downtowns - such as Stuart, West Palm Beach, Lake Worth, and Delray Beach - are great examples of the traditional pattern of development. Each of these areas has places to live, work, and shop all within very close proximity. Their higher densities are more transit-supportive and the balance of uses lessens the need for vast parking areas and creates livelier places throughout the day.

### A Shifting Paradigm

The majority of the metropolitan areas in south Florida have been built following the suburban model of single-use, disconnected pods that rely almost entirely on limited collector and arterial roadway networks. An interesting experiment is to visit any of the older downtowns listed above, find a major east-west roadway (Kanner Highway, Southern Boulevard, Lake Worth Road, Atlantic Avenue, etc.), and drive west. What one typically discovers is a road that progressively widens while the number of cross streets diminishes, and a public realm that becomes unattractive and auto-dominant. Having experienced the impacts of the suburban pattern of development for decades, many in South Florida desire a change. In the early 1980s, this dissatisfaction led to a resurgence of interest in areas developed in the traditional pattern. In fact, during the past twenty years, a nation-wide trend to develop and restore urban environments has been evident.



**Top:** Conventional suburban pattern of development. All traffic collects on one road.

**Bottom:** Traditional pattern of development. A street network creates many alternatives to get from one location to another.

### PRINCIPLES OF URBAN DESIGN

Every community has unique characteristics and conditions and boasts a unique identity. However, common fundamental planning principles have successfully shaped great cities, towns, and neighborhoods for centuries, and still describe successful, sustainable places today. These planning principles guide the designs and recommendations of the Southern Grove Master Plan.

History and research have demonstrated that the most successful, livable and economically resilient communities share the same basic, time-tested planning principles that guide:

- a) Neighborhood Size
- b) Neighborhood Center and Edge
- c) Interconnected Network of Streets
- d) Mix of Uses**
- e) Mix of Building Types
- f) Proper Building Placement**
- g) Proper Parking Placement**
- h) Civic Buildings
- i) Public Open Space

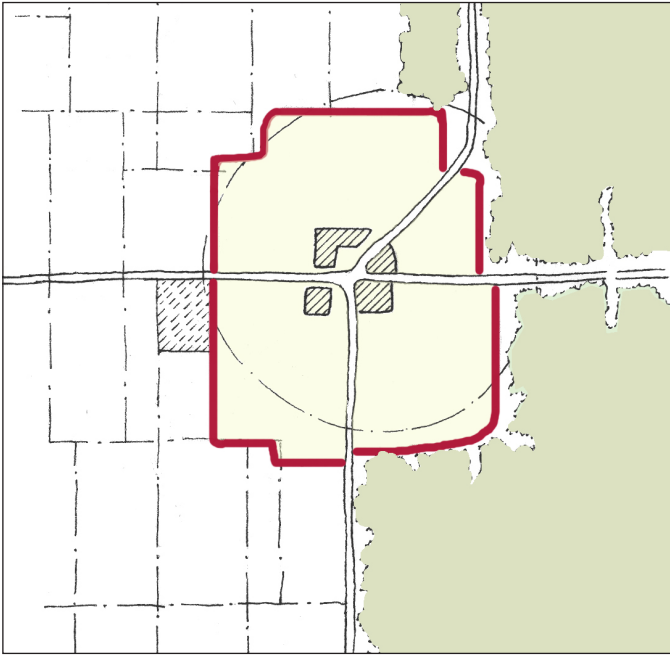
Port St. Lucie is a developing city with a mix of land development patterns. While the older portions of the City, east of I-95, tend to be suburban in format, the Tradition development has utilized an urban, walkable format in the Tradition Town Center and surrounding neighborhoods with market acceptance and success. This chapter describes the basic characteristics of each principle and their interdependency. While all principles are essential to the creation of place and to achieve physical and economic resilience for Port St. Lucie, some require more attention than others moving forward. The goal is to create predictability, establish a strong identity through the creation of place and to ensure the City is both physically and economically resilient for generations to come. To that effect, it is important that special attention be paid to the principles with particular focus on those highlighted above in bold: **Mix of Uses, Proper Building Placement and Proper Parking Placement.**



**Top:** Diagram of an ideal neighborhood, depicting a center and edge, an appropriate mix of uses and building types, diverse housing affordabilities, properly arranged public open spaces, and preserved natural areas. When combined, multiple neighborhoods form towns and cities. Image Courtesy of Dover Kohl & Partners

**Bottom:** Diagram of the fundamental planning principles applied to a neighborhood.

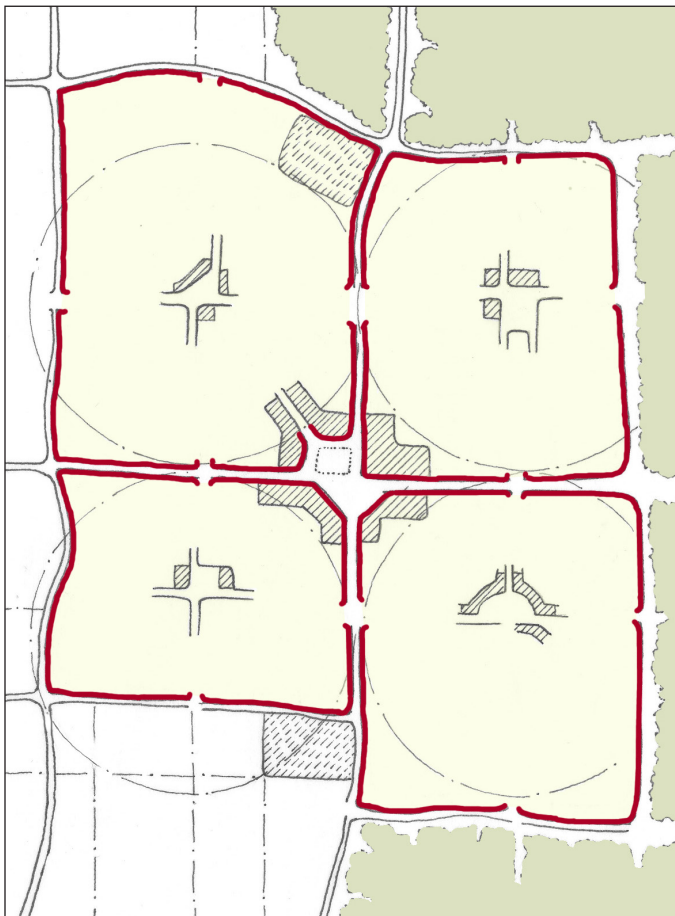




### A) Neighborhood Size

The Neighborhood is the basic increment of development of traditional towns and cities. When clustered with other neighborhoods it becomes a town or city; when standing free in the landscape, it is a village.

The Neighborhood is limited in size. Each neighborhood typically ranges in size from 40 to 125 acres. This results in a majority of the population living within a 5-minute walking distance (1/4 mile) of the neighborhood center. This distance represents the average most people will walk to satisfy their daily needs (whether this means reaching an actual destination, or accessing transit that provides transportation to the ultimate destination). When two or more neighborhoods are combined they form towns and cities.



The density of a residential neighborhood typically averages between 6 and 10 units per acre. Such density allows for a wide spectrum of housing options and lot sizes. Downtown cores and the more urban neighborhoods typically have much higher average densities given the larger occurrence of multi-family buildings. With higher densities, a greater variety of service is possible within close proximity to homes. Neighborhoods mostly dedicated to a specialized use or activity are Special Districts (i.e. industrial, entertainment, etc).

**Top:** Diagram of a neighborhood. When isolated in the countryside it is a Village.

**Bottom:** Diagram of a Town: a combination of two or more neighborhoods.



## **B) Center, Edge and Neighborhood Transition**

### *Center, Edge and the Transect*

A traditional neighborhood has a clearly defined Center and Edge and is generally structured so that a wide range of building types, density, and uses are accommodated in close proximity and arranged by intensity (more rural-to- more urban). This orderly, gradual transition is commonly referred to as the “Transect”.

### *Transitions between Uses and Scale*

Buildings have fronts and backs. In order to ensure compatibility, buildings of like scale and massing and compatible uses should face each other on a street. The front a building is much more relevant to the public realm than its rear. Ideally, transitions between differing intensities, uses, and scales should occur at the rear of buildings (parking areas or back yards) or along alleys.

### *Neighborhood Edge*

The lowest densities and less intense uses are placed towards the edge of the neighborhood. Neighborhood edges can be natural (i.e. rivers, natural preserves, farmland), or manmade (i.e. wide, high traffic streets).



Illustration of transition of uses, scale, and massing. Note the use of roads and alleys in the transition between varying intensities.

### “A” AND “B” STREETS

“A” streets are where the primary pedestrian activity and vehicle traffic occur. They have active ground floor uses, the primary building façade, the main building entrance, and limited or restricted curb cuts.

“B” Streets are the secondary streets and can accommodate parking, service and shipping entrances, driveways, and curb cuts.



**Center & Bottom:** Streets, whether in commercial or residential areas, are centers for human interaction and should be designed with great care for pedestrians, bicyclists and automobiles alike.

### C) An Interconnected Network of Streets

#### *Streets are the Center for Human Activity*

Streets are centers of human activity. As such, they should be inviting and comfortable places for people, whether driving, walking, or cycling.

Approximately thirty percent of developed areas in a neighborhood are dedicated to streets, which is why the way streets are designed and shaped by adjacent development has significant impacts on the safety, comfort, and quality of life. Street design should be undertaken with the same care given to any other important public or civic space.

#### *The Power of the Grid*

The grid is the most efficient system of street planning and circulation. When streets intersect with other streets, a fine network of alternative transportation routes results. Users of the system have many more routes to choose from, improving convenience for all modes of transportation. Another benefit of utilizing a dense network of streets, is intersections can be smaller and safer to cross for both motorists and non-motorists.

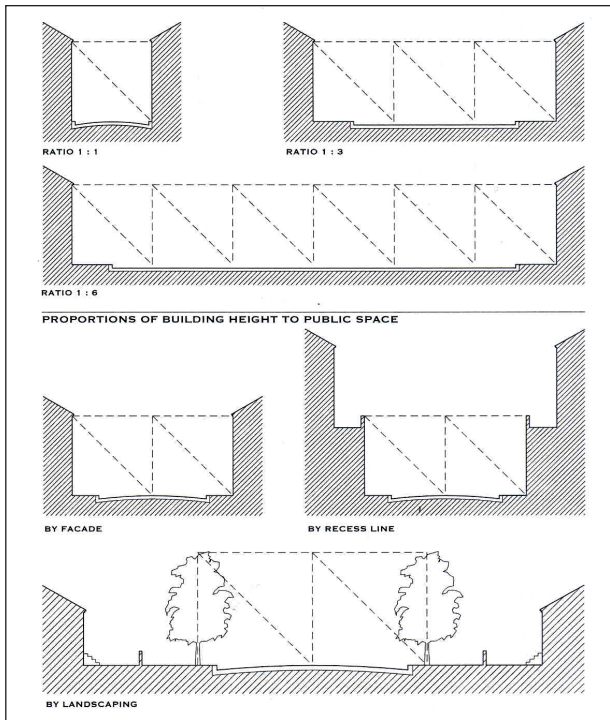
#### *Block Size*

The “block” is an essential, central element of urban planning. Blocks are areas surrounded by streets containing lots for private or public development. They are the basic unit of neighborhood planning.

Traditional neighborhoods are composed of blocks in a variety of sizes and shapes. In order to establish a walkable environment, a dense grid of interconnected streets is necessary, which ultimately affects block size. To achieve both walkability and a strong network of streets, blocks should have an average perimeter no greater than 1,320 feet.

Communities with a grid in place should protect it and its effectiveness by not closing streets to public use. As growth occurs, the opportunity to expand and enhance the grid with new connections must be taken in order to equitably distribute new traffic demands and accommodate a range of transportation options in the community.





**Top:** Ideal height-to-width ratios. (*Architectural Graphic Standards*, American Institute of Architects).

**Bottom:** As stated in *Architectural Graphic Standards*, a height to width ratio of one-to-three is the minimum height to width ratio if a sense of spatial enclosure is to result. The smaller the ratio, the higher sense of place and generally the higher the property values.

homes set back from the street, the proper enclosure can be provided with a continuous alignment of street trees. A proper building height relative to the width of the street is important to provide a sense of enclosure and definition to the street space.

### Diversity of Street Types

Great towns have a hierarchy of streets that are different in size, function, and configuration. Streets in business districts are usually wider with on-street parking lanes and broad sidewalks to accommodate street furniture, formal landscaping, and a large number of pedestrians. Local streets in residential areas are narrower, accommodating slower vehicular speeds with informal on-street parking arrangements, narrower sidewalks, and planting strips between the sidewalk and the travel lanes. General street types include highways, corridors (boulevards, avenues, etc.), commercial streets (main street), residential streets, and alleys.

### Street to Building Height Ratio

As stated in *Architectural Graphic Standards*, published by the American Institute of Architects, a ratio of one-to-three is the minimum to create a sense of spatial enclosure. The smaller ratio is typically more desirable as frequently indicated by higher real estate values. Consequently, recommended building heights will vary in accordance with the width of the street and sidewalks and the building setbacks. Wider streets accommodate taller buildings while narrower streets accommodate smaller buildings. In order to achieve the desired sense of enclosure on very wide streets, like boulevards, tall buildings frame the space, frequently reinforced with formally aligned street trees planted in medians. In lower density neighborhoods where single-family





### *Speed is Key to Safety*

In order to have streets conducive to human interaction, they must be and feel safe. Vehicular speed is directly linked to street safety. The chart to the right shows the increase in pedestrian fatalities as vehicles travel faster. Fatality rates increase significantly when vehicular speeds reach 30 miles per hour; fatality rates rise significantly, to about 80%, when vehicular speeds reach 40 miles per hour. The most effective way to keep traffic moving slowly is to design the roads to physically encourage the speed vehicles are intended to travel. Roadways should not be designed for faster speeds (through lane width, number of lanes, etc.), and rely upon posted speeds to control traffic.

### *Roadway Design Speed*

A network of two-lane parallel routes is the most efficient way to move traffic, and since the streets are narrower, pedestrians and cyclists feel safer, thereby encouraging the use of other modes of transportation. Speeds generally increase on wider roads. As lanes are added to a roadway, the incremental gain in capacity per lane mile is reduced because distances between vehicles becomes greater. Longer following distances between vehicles creates less compactness, less capacity, and consequently result in less efficient streets.

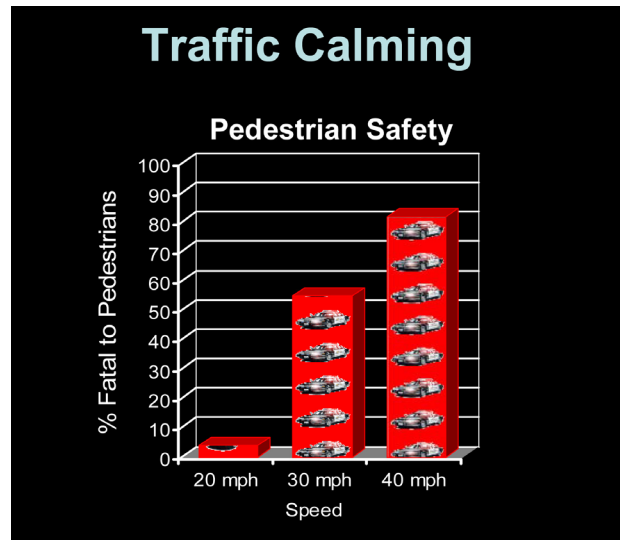
### *Traffic Calming Design Elements*

The best way to calm traffic is to design streets for the actual speed desired, as opposed to designing for higher speeds and posting slower speeds on the roadway signage. An array of elements can be used in the design of a street to calm traffic. Care must be given to the design and function of the street for all users when using traffic calming design features.

### *Sidewalks and Pathways*

Sidewalks are an integral part of the street and should be installed parallel to roadways. Sidewalks along streets create predictable, intuitive pedestrian routes. Installing sidewalks on both sides of the street encourage walking. A dense network of streets with sidewalks and/or multi-use paths offers choices, disperses foot and cycle traffic, and reduces unnecessary and dangerous road crossings.

Multi-use paths are routes designed for pedestrians, cyclists, skaters and other forms of non-motorized travel. These paths are intended for both transportation and recreation activities. The widths of sidewalks and multi-uses paths vary according to the location and level of use.



*Pedestrian Safety Graph: Pedestrian safety decreases as vehicle speed increases*



*Bulb-out and median create a lateral shift in the travel route. Image courtesy of Ian Lockwood.*



*Active commercial streets with wide sidewalks, with space for pedestrians, strollers, and outdoor cafes.*

### *Street Trees*

Properly planted, street trees serve three purposes: beautification, safety, and shelter. The most beautiful streets typically display strong alignments of formal, regularly spaced street trees. Trees planted between the sidewalk and the roadway help shield those using the sidewalk from passing cars. Street trees are also an effective traffic-calming device. The trees create a feeling of enclosure, and drivers tend to slow, becoming more aware of pedestrians. Trees provide shelter from the sun, which encourages walking.

### *Street Furnishings and Lighting*

Benches, shelters, fountains, and signage should be detailed and designed as furniture to be placed within the outdoor room of the city that constitutes the street. The community should use locally distinctive, durable, and easy to maintain materials for street furniture.

### *Seating*

Seating on key pedestrian routes should be provided every 300 to 600 feet to offer rest and afford opportunities for natural surveillance. Seating encourages street activity and offers respite to those who may be physically disadvantaged.

### *Signs*

The excessive or insensitive use of traffic and business signs can also have a negative impact on the street. Too many signs compete for a driver's attention. Messages on the street should be necessary and not distract the driver. Important messages should not be competing with unnecessary messages.

### *Lighting*

Pedestrian-scaled lighting in appropriate places will encourage use by cyclists and pedestrians. Lighting should be pedestrian in scale and full spectrum. Mixed-use and commercial districts are generally active later than residential neighborhoods and require brighter lighting solutions to ensure safety.

### *Bicycle Parking*

Bike parking should be made as convenient as car parking and considered part of the necessary infrastructure.



*Beautiful streets are a civic amenity that also accommodates motorists, pedestrians, cyclists, and outdoor diners.*



### **D) A Balanced Mix of Uses**

Places that have a sustainable pattern of development tend to have a balanced mix of land uses, which means people can live, work, shop, recreate and satisfy most daily needs within their community. Providing easy access to these uses does not mean people will stop traveling outside their community, but it greatly reduces (or even eliminates) the necessity to travel longer distances. A balanced mix of uses decreases the financial burden of providing spread-out infrastructure for the municipality, reduces reliance on fossil fuels, allows children and older people to be self-sufficient, and a reduces the number of vehicles a household needs to function.

A general desire for cities and neighborhoods to be more sustainable has led to a renewed interest in mixed-use districts. Mixed-use districts combine uses to accommodate diverse functions within an area. The mix can be a combination of residential, commercial, industrial, office, institutional, or other land uses. Allowing a mix of uses contributes to the sustainability of a city by legalizing the close proximity of various destinations.

The most successful mixed-use communities are compact, allowing ease of access between uses, and efficiently allocating resources such as water, electricity, roads, lighting, and street furnishings. Land is utilized resourcefully, typically occupied by higher density and intensity buildings. Parking requirements are reduced since a single trip provides access to many destinations. Compactness also supports alternative modes of transportation including walking, cycling, and mass transit.

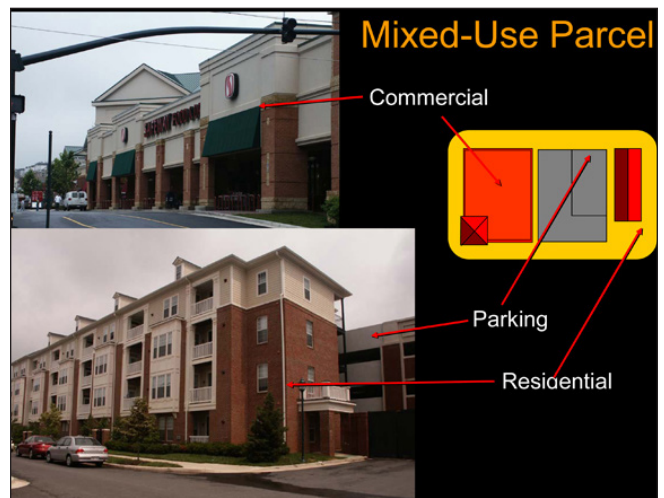
Mixed-use can occur vertically within a building or horizontally across a parcel or district.



*Mixed-use buildings lining a commercial street in a Florida downtown.*



*Mixed use building integrating retail office and residential uses.*



*Mixed use can occur both vertically within a building, or horizontally within a given block. The image above shows a single block that accommodates a diversity of uses.*



### **E) Appropriate Mix of Housing Types**

A balanced community has all types of individuals, earning a spectrum of incomes requiring a broad spectrum of housing options. To serve these individuals, a community should offer a palette of building types: single-family homes, townhouses, multi-family buildings, mixed-use buildings, outbuildings (containing accessory dwelling units), and estate homes. People should have choices that reflect their preferred lifestyle and income level, all of which can vary over time. A mix of housing types allows people to stay in one community all of their lives, if they so choose. How the types are arranged is paramount to sustainability. When housing types are separated into large, single-type developments, the result is a segregated community. Housing segregation contributes to road congestion and widening.

### **F) Proper Building Placement and Alignment**

Controlling building placement and alignment ensures that a predictable public realm is established. On commercial streets or higher density areas, buildings are generally set close to the sidewalk, aligned in a continuous façade to shape the street and encourage walking. Drivers tend to slow in response to a feeling of enclosure, becoming more aware of both the businesses and pedestrians. Pedestrians and cyclists feel safer in a visually defined street and have a more interesting environment where buildings line the route instead of parking lots and landscape buffers. In lower density, single-family areas, a more generous setback for the front yards is appropriate.



**Top:** Outbuildings, which are ancillary to the main dwelling unit, constitute a simple way of providing housing affordability within any neighborhood.

**Center & Bottom:** Houses and mixed use buildings line the street and define the pedestrian space.

## G) Proper Parking Placement and Quantities

Parking is an essential component of development. Sufficient parking should be provided in reasonable proximity to the destination it serves. In a traditional development form, parking opportunities take many different forms, including on-site, on-street, shared, or garaged. In a sprawl form, parking lots are a dominant feature of the landscape. Placemaking design practice suggests utilizing many parking options to provide choices and to ensure parking supports, rather than detracts from, the desired environment.

### *On-Street Parking*

On-street parking should be provided whenever possible. On-street parking can take two forms: a dedicated lane or an informal arrangement. In commercial, mixed-use, or higher density areas, on-street parking should be accommodated within a dedicated lane. The availability of on-street parking is directly related to increased sales in commercial streets. In addition, on-street parking physically shields pedestrians from moving cars, allows quick, convenient access to buildings, and acts as an effective traffic calming device.



In lower density areas, on-street parking occurs in informal arrangements. Intermittent parking along the sides of a road in a staggered fashion, results in a yield traffic pattern whereby on-coming drivers must slow and take turns moving around parked vehicles. This type of movement contributes to slowing traffic, resulting in safer neighborhood streets.

### *Off-Street Parking*

Off-street parking should be shielded from the view of the street to ensure an attractive, interesting pedestrian environment. Buildings provide the best screening. Other strategies can be used, including landscape buffers and low walls, but these are most successful if a building facade comprises most of the area along the street.



### *District-Wide Parking Strategy*

Parking requirements for destination areas of a city should be determined using a district-wide strategy rather than expecting all parking be provided on a parcel-by-parcel basis. For areas intending to become or maintain “park once” environments, reduced individual requirements and district-wide solutions are possible. “Park once” areas are places that easily allow a person to park and then walk between multiple destinations, instead of driving to and parking at each specific destination. Examples of district-wide strategies include incorporating public on-street parking, municipal lots, and mixing land uses to share spaces. For example, in areas with commercial, office and residential uses, the residents generally vacate parking spaces during working hours, freeing them for use by businesses or workers/customers living nearby, lessen the parking demand.



*Parking in a structure is shielded from view by buildings that address the street.*

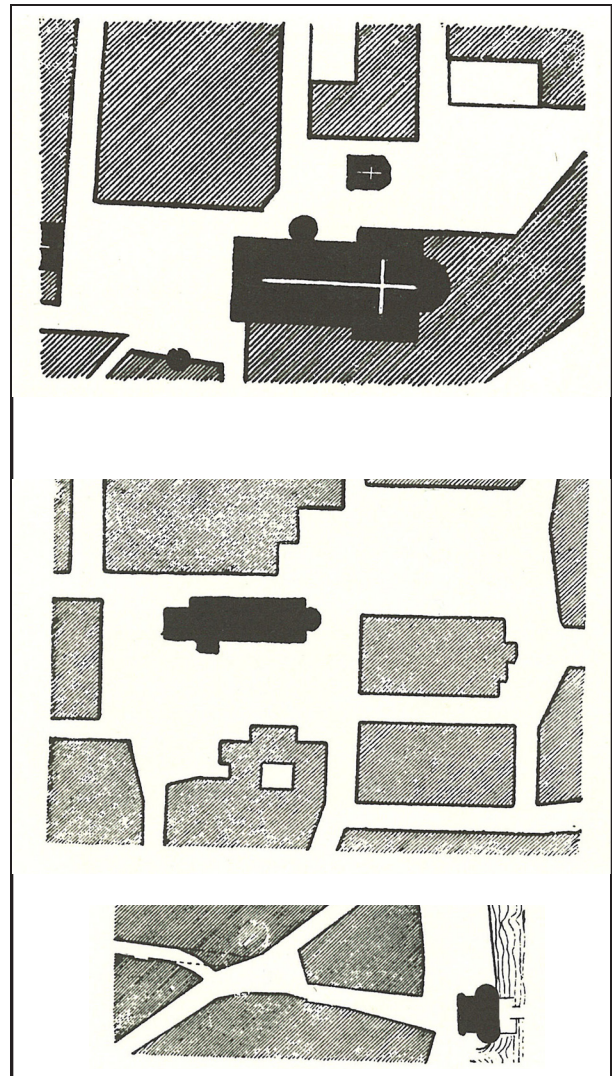


## H) Civic Buildings

Public buildings, such as schools, places of worship, and libraries, are important components of a community. These civic buildings help define the identity of a place and foster a sense of community pride. Significant public buildings, such as city halls, libraries, courthouses, and universities, should serve as centerpieces for downtown areas. To reflect their importance in the community and public nature, these buildings should be prominently located. Appropriate sitings for civic buildings include facing a public plaza, occupying a town square, or terminating the view of a street. Diagrams (shown below) by Camillo Sitte demonstrate various organizations celebrating civic buildings within city fabric. These studies are included in the book The American Vitruvius: An Architects' Handbook of Civic Art, by Hegemann & Peets, first published in 1922, which remains, over 65 years later, an excellent guide for civic building placement and design.



*The Polk County Historical Museum, originally the courthouse, in Bartow, Florida.*



*Studies of Civic Building Placement by Camillo Sitte.  
Top: Piazza del Duomo in Ravenna, Italy.  
Center: Eglise Saint-Martin in Brunswick, Germany.  
Bottom: Gentpoort Gate in Brugge, Belgium.*



## I) Public Open Space

Parks and open space are critical for the livability of any community. To ensure the success of public open spaces, they must be properly designed and placed. Parks need to be naturally monitored, without requiring the constant patrol of police or security personnel. By surrounding public open spaces with the fronts of buildings and interconnecting streets, natural surveillance of the space is provided. In neighborhoods, people living around and visiting the park provide oversight. In mixed-use areas, parks and plazas are frequented by shoppers and workers during the day and by residents in the evening. This 24-hour activity ensures a level of safety. Neighborhoods, towns, and cities should aspire to have many public open spaces, serving diverse purposes:

### *Regional Parks*

Regional parks are usually composed of many acres of preserved land with trails and room for active recreational fields. This type of open space should ideally coincide with natural land areas.



*Fletcher Park on Lake Bonny, Lakeland, Florida*



*Multi-use fields*



*This Florentine plaza serves as a gathering space and a market for both residents and visitors.*



*The square offers a formal setting for a civic building.*

### *Multi-Use Play Fields*

Multi-Use Play Fields are active parks that provide sports fields. These fields may be incorporated and shared with schools.

### *Greens*

Greens are open spaces generally surrounded on all sides by homes or other building types, with streets along at least two sides. Greens are informally landscaped and are generally for passive use or informal sport activities (i.e. throwing a frisbee).

### *Plazas*

Plazas are open spaces generally surrounded on all sides by buildings, with streets along at least two sides. Plazas are formally landscaped, frequently incorporating hardscape to accommodate both passive use and community gatherings.

### *Squares*

Squares are formally landscaped urban open spaces. Squares provide a setting for civic buildings or monuments. Squares can either be part of a block or surrounded by streets on all sides.





# City of Port St. Lucie

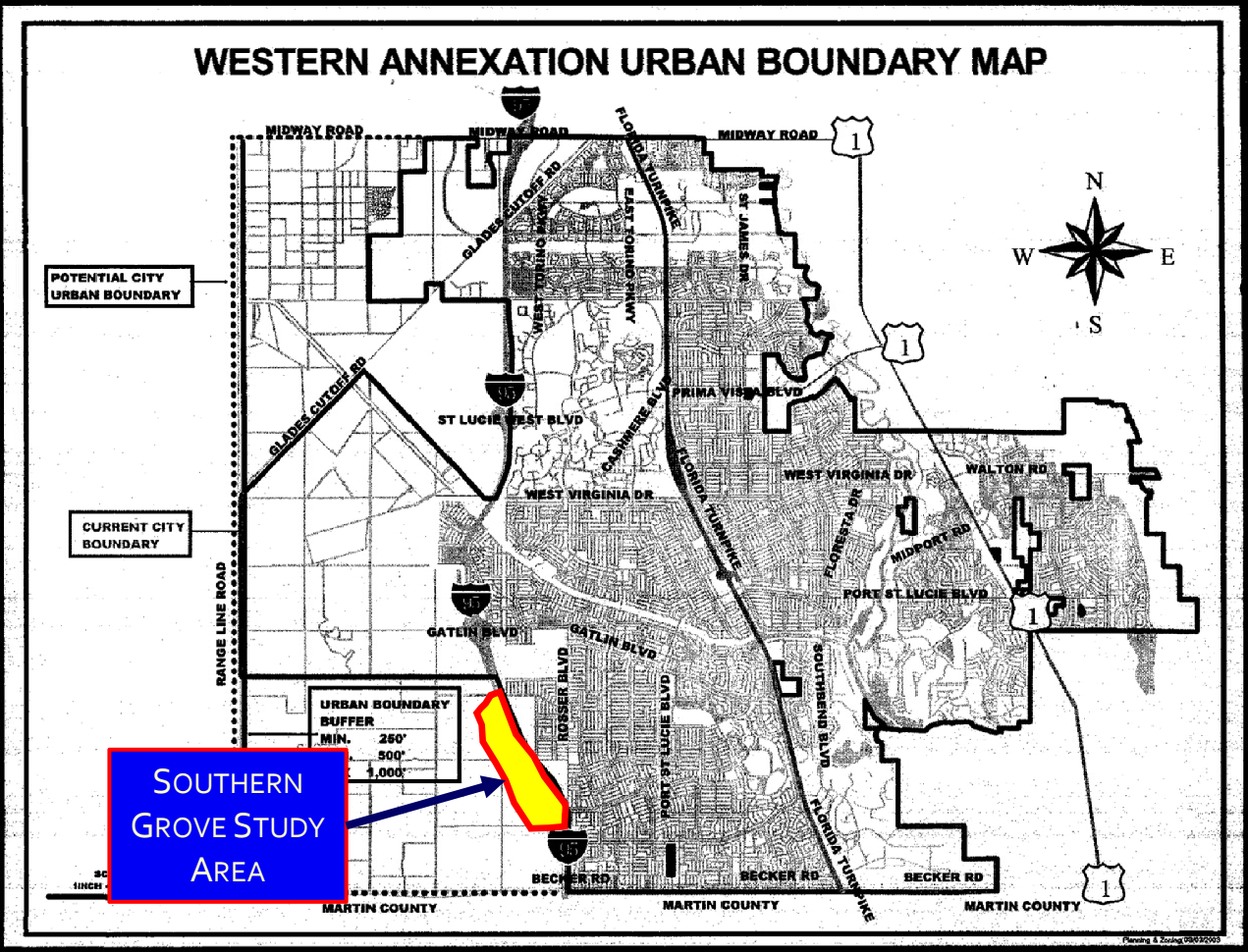
## Southern Grove Master Plan

### Part One Land Use & Infrastructure

Prepared by  
Treasure Coast Regional Planning Council  
December 2020



# Southern Grove Study Area





# Project Approach



## Project Objectives

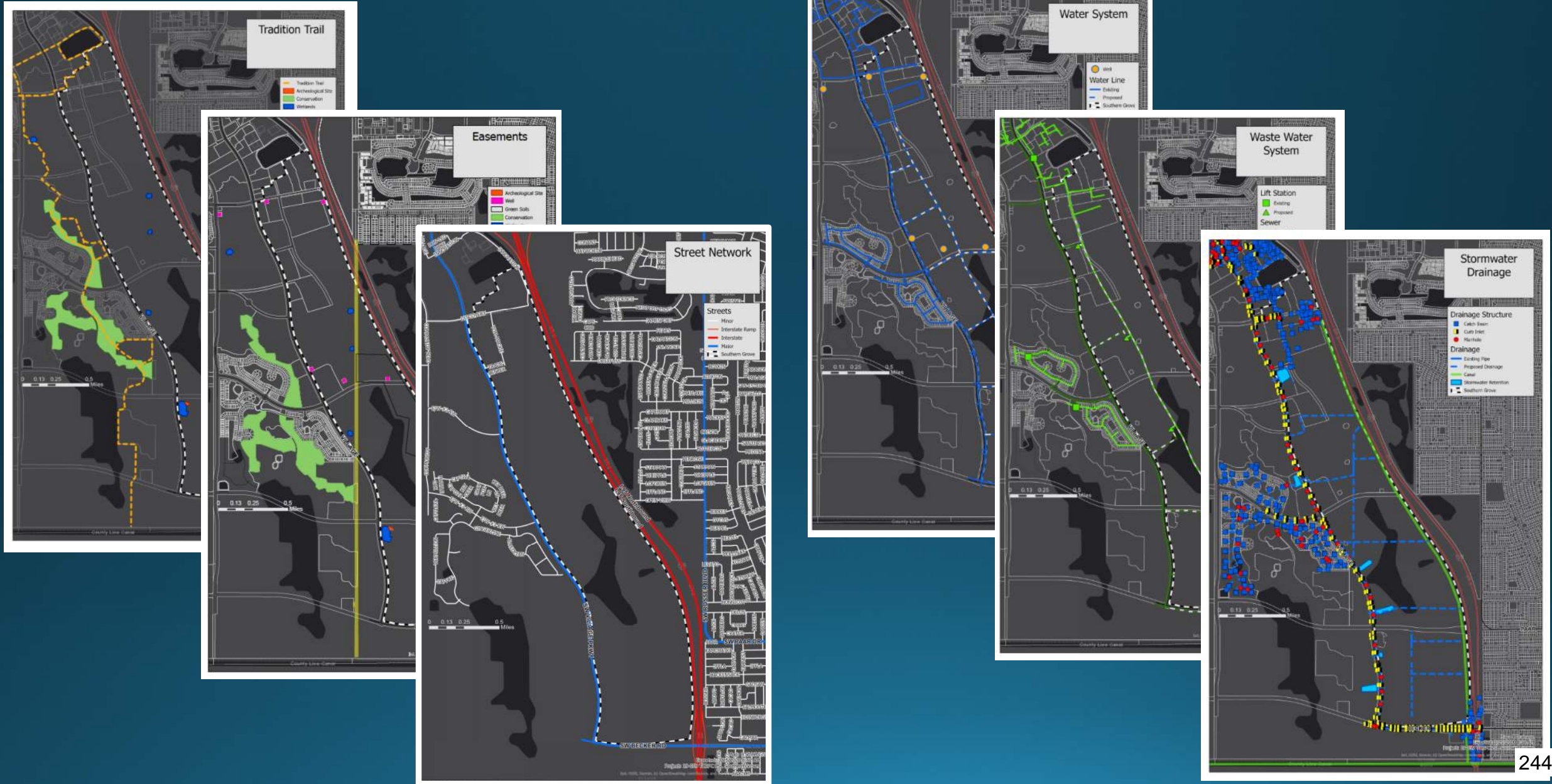
Develop Demographic and Economic Profile,  
Evaluate Real Estate Market Conditions &  
Market/Development Potentials

Evaluate Financial/TIF Mechanisms &  
Potential Funding Mechanisms

Develop an Updated Land Development &  
Infrastructure Master Plan, Including an  
Infrastructure Assessment, to Help Create a  
“Sense of Place”

Develop a Recommended Implementation  
Approach with Community Development and  
Phasing Strategies

# Infrastructure Assessment





# Demographic & Market Analysis

## City's Growth Is Extraordinary:

- Captured 88% of County's population growth (2000-2019): **103,100 new residents** (State estimates)
- 5-year forecast (2019-2024): **20,700 new residents in 7,200 new HHs**
- April 2020 population: **202,908 residents**

## Retail Spending Power

- Citywide average HH income: \$73,500/year (versus \$68,200 countywide)
- **Citywide HH retail spending: \$16,860/year**
- HHs spend \$1.49 billion & stores sell \$1.94 billion
- Difference = "Inflow" of **\$452 million** from other sources

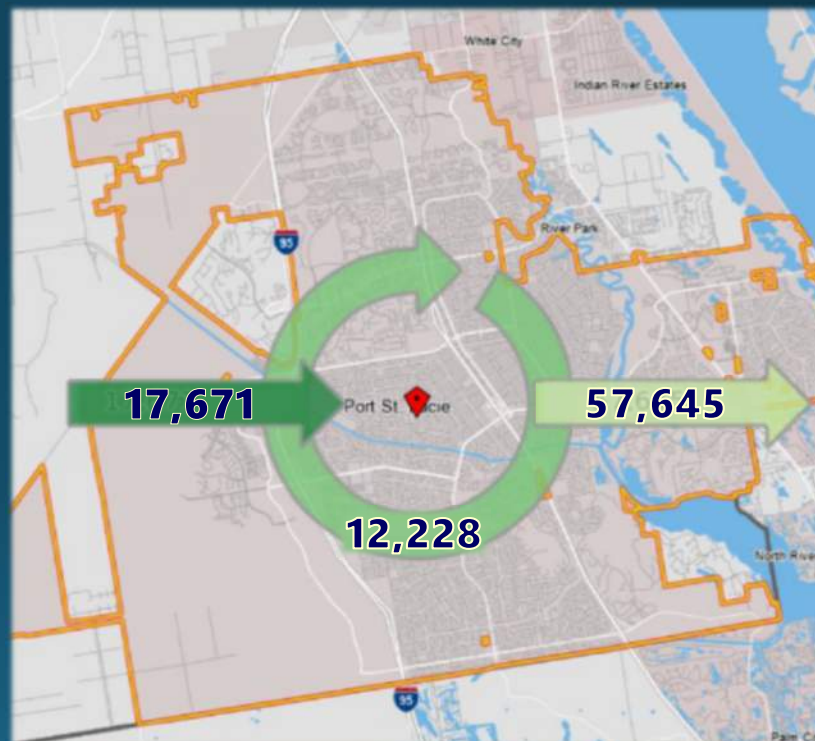




# Demographic & Market Analysis

## City's Economy & Job Growth

- City gained **7,115 new jobs** (2006-2017) and increased share of Countywide employment, from 33% (2006) to 40% (2017)
- Current jobs-to-population ratio:
  - **Port St. Lucie** **0.24**  
**(24 jobs for every 100 residents)**
  - St. Lucie County 0.29
  - Martin County 0.46
  - Palm Beach County 0.49
- Reinforces **critical importance of *net new job creation in Southern Grove***
- While population increased 35%, number of residents *leaving* PSL daily for jobs *outside* the City increased 41%



# Southern Grove Master Plan

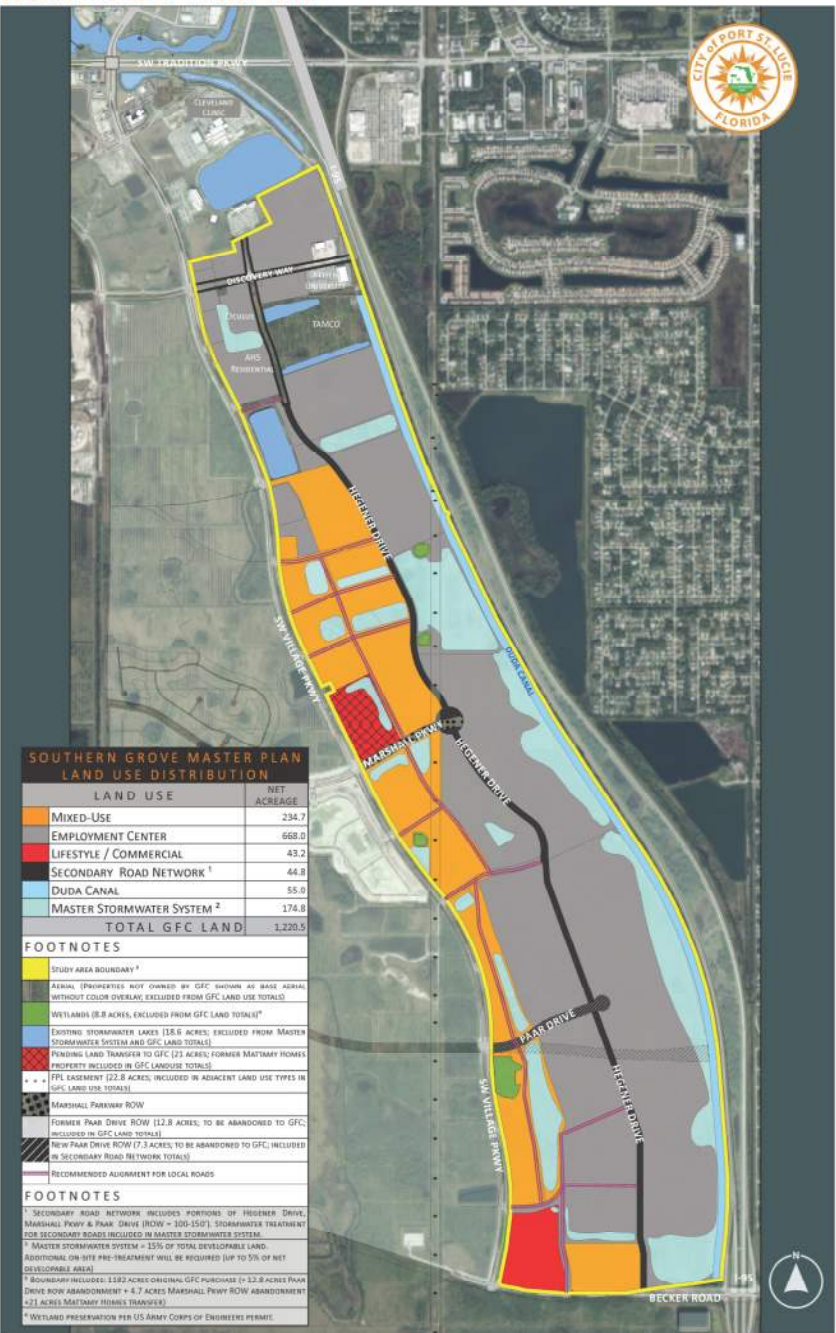
SOUTHERN GROVE MASTER PLAN  
LAND USE DISTRIBUTION

LAND USE	NET ACREAGE
MIXED-USE	234.7
EMPLOYMENT CENTER	668.0
LIFESTYLE / COMMERCIAL	43.2
SECONDARY ROAD NETWORK <sup>1</sup>	44.8
DUDA CANAL	55.0
MASTER STORMWATER SYSTEM <sup>2</sup>	174.8
TOTAL GFC LAND	1,220.5

FOOTNOTES

	STUDY AREA BOUNDARY <sup>3</sup>
	AERIAL (PROPERTIES NOT OWNED BY GFC SHOWN AS BASE AERIAL WITHOUT COLOR OVERLAY; EXCLUDED FROM GFC LAND USE TOTALS)
	WETLANDS (8.8 ACRES; EXCLUDED FROM GFC LAND TOTALS) <sup>4</sup>
	EXISTING STORMWATER LAKES (18.6 ACRES; EXCLUDED FROM MASTER STORMWATER SYSTEM AND GFC LAND TOTALS)
	PENDING LAND TRANSFER TO GFC (21 ACRES; FORMER MATTAMY HOMES PROPERTY INCLUDED IN GFC LANDUSE TOTALS)
	FPL EASEMENT (22.8 ACRES; INCLUDED IN ADJACENT LAND USE TYPES IN GFC LAND USE TOTALS)
	MARSHALL PARKWAY ROW
	FORMER PAAR DRIVE ROW (12.8 ACRES; TO BE ABANDONED TO GFC; INCLUDED IN GFC LAND TOTALS)
	NEW PAAR DRIVE ROW (7.3 ACRES; TO BE ABANDONED TO GFC; INCLUDED IN SECONDARY ROAD NETWORK TOTALS)
	RECOMMENDED ALIGNMENT FOR LOCAL ROADS

SOUTHERN GROVE- MASTER PLAN





# Illustrative Development Concepts

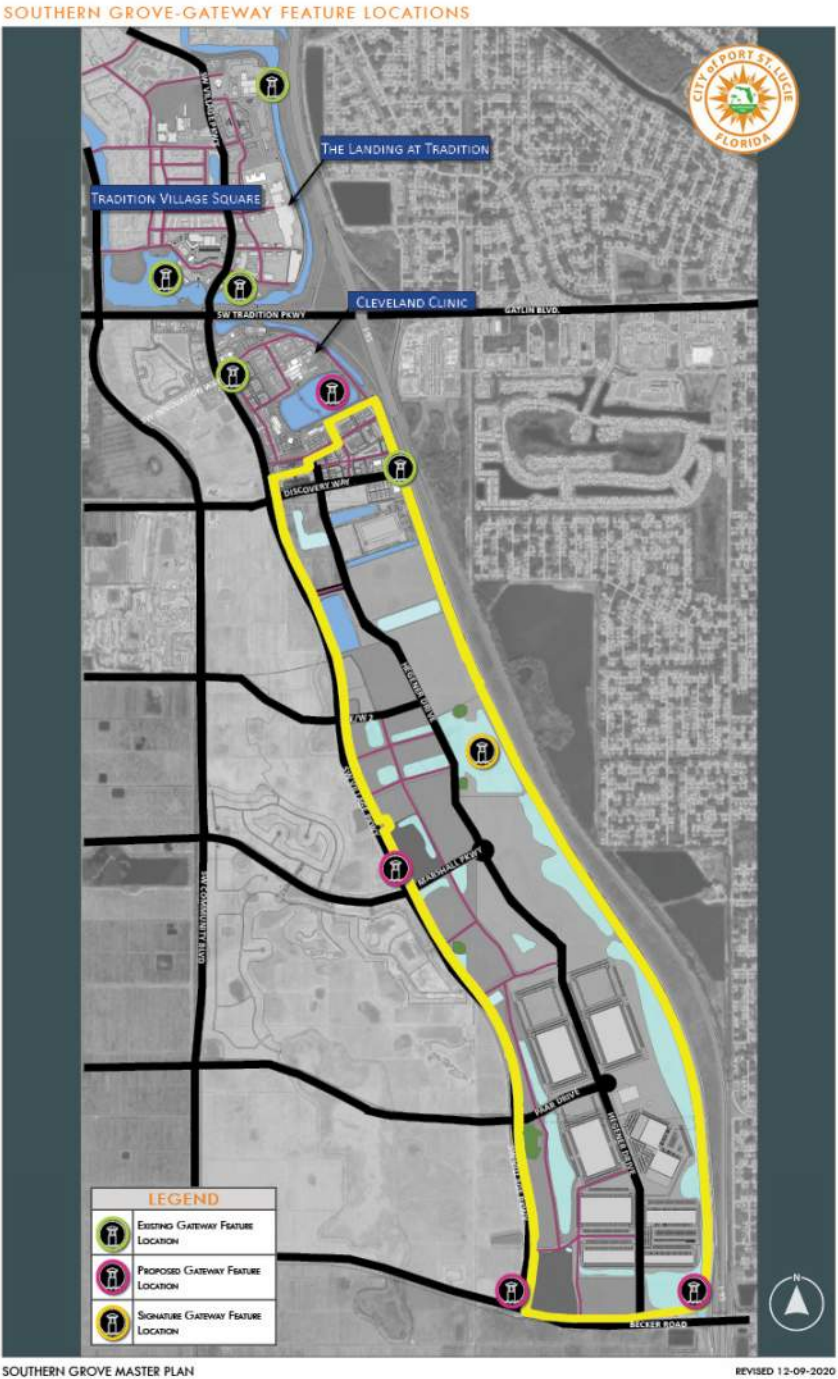
LEGEND	
<div></div>	MIXED-USE
<div></div>	EMPLOYMENT CENTER
<div></div>	LIFESTYLE / COMMERCIAL
<div></div>	PRIMARY ROAD NETWORK
<div></div>	SECONDARY ROAD NETWORK
<div></div>	LOCAL ROAD NETWORK
<div></div>	EXISTING BUILDING LOCATION
<div></div>	CONCEPTUAL BUILDING LOCATION
<div></div>	DUDA CANAL
<div></div>	MASTER STORMWATER SYSTEM
<div></div>	STUDY AREA BOUNDARY
<div></div>	WETLAND
<div></div>	EXISTING STORMWATER LAKE





# Gateway Feature Locations

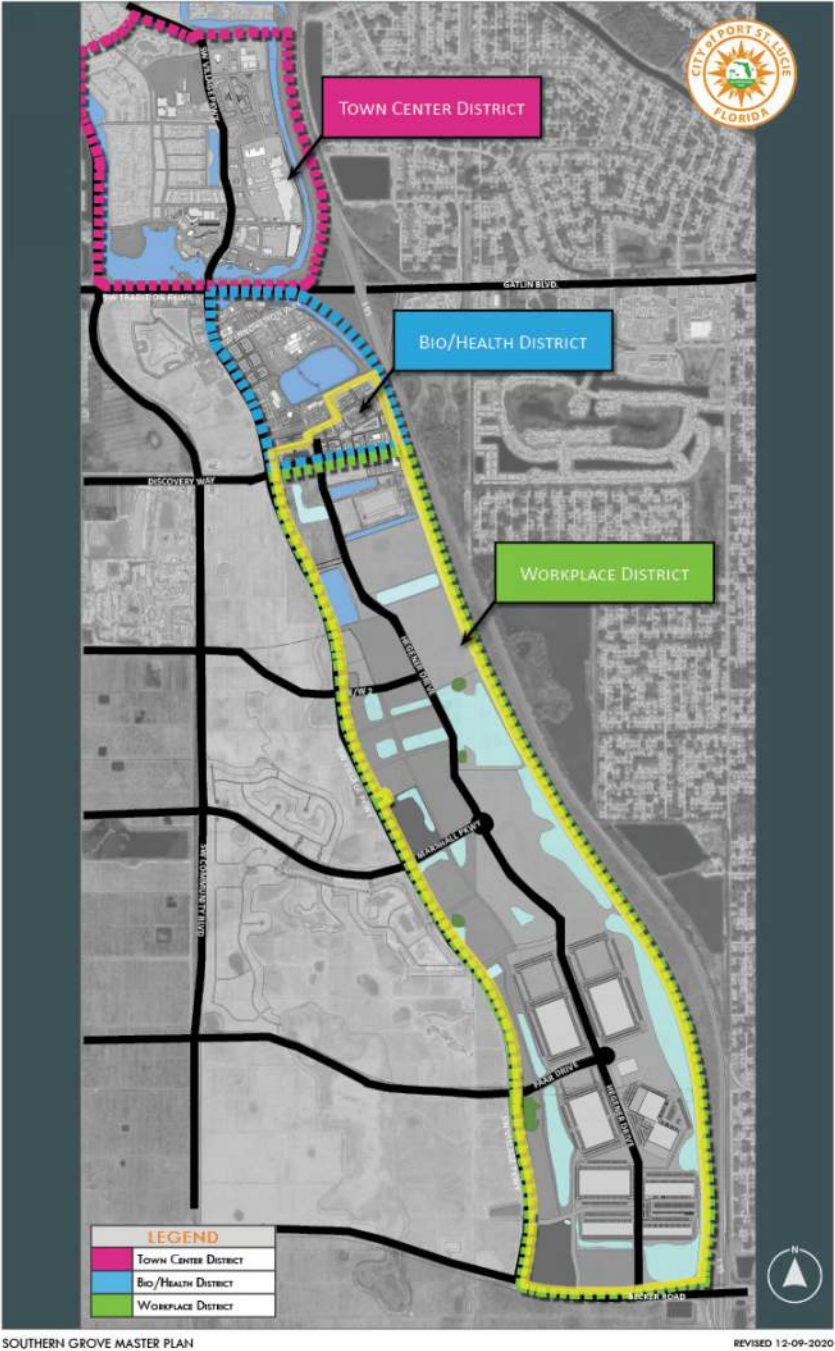
LEGEND	
	EXISTING GATEWAY FEATURE LOCATION
	PROPOSED GATEWAY FEATURE LOCATION
	SIGNATURE GATEWAY FEATURE LOCATION



# Subdistrict Diagram

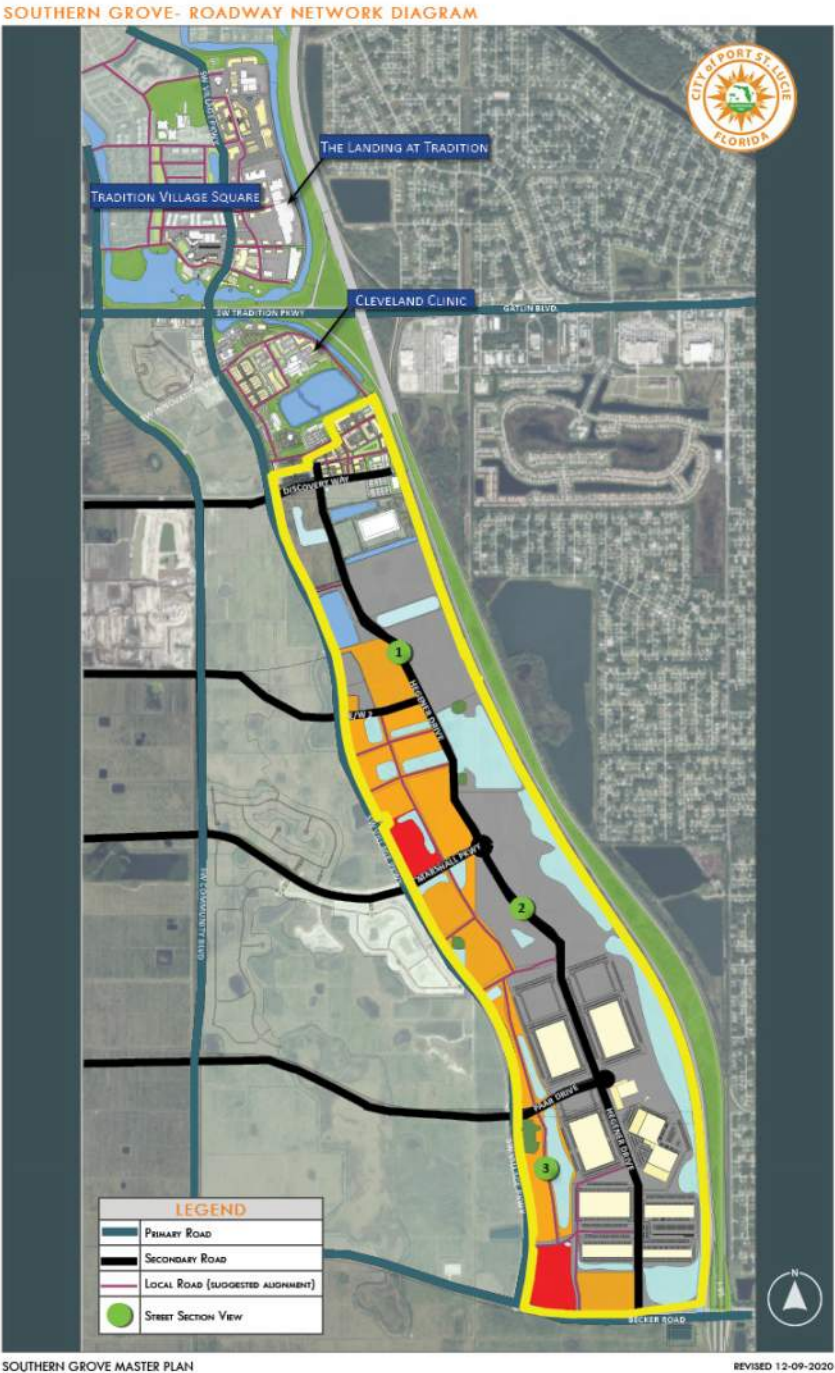
LEGEND	
<div></div>	TOWN CENTER DISTRICT
<div></div>	BIO/HEALTH DISTRICT
<div></div>	WORKPLACE DISTRICT

SOUTHERN GROVE- SUBDISTRICT DIAGRAM




# Roadway Network

LEGEND	
	PRIMARY ROAD
	SECONDARY ROAD
	LOCAL ROAD (SUGGESTED ALIGNMENT)
	STREET SECTION VIEW












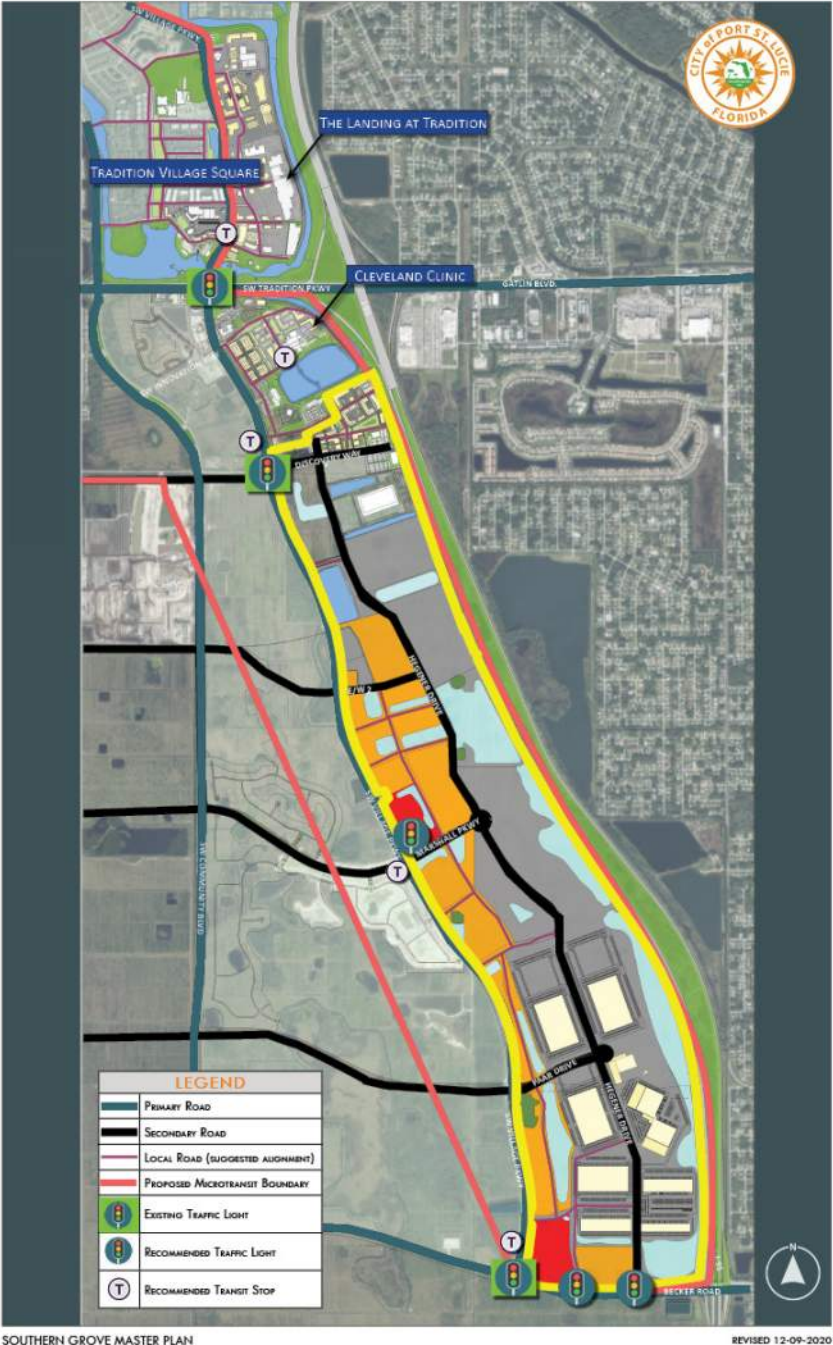
# Roadway Network

LEGEND	
	PRIMARY ROAD
	SECONDARY ROAD
	LOCAL ROAD (SUGGESTED ALIGNMENT)
	STREET SECTION VIEW



# Roadway Network

LEGEND	
	PRIMARY ROAD
	SECONDARY ROAD
	LOCAL ROAD (SUGGESTED ALIGNMENT)
	PROPOSED MICROTRANSIT BOUNDARY
	EXISTING TRAFFIC LIGHT
	RECOMMENDED TRAFFIC LIGHT
	RECOMMENDED TRANSIT STOP



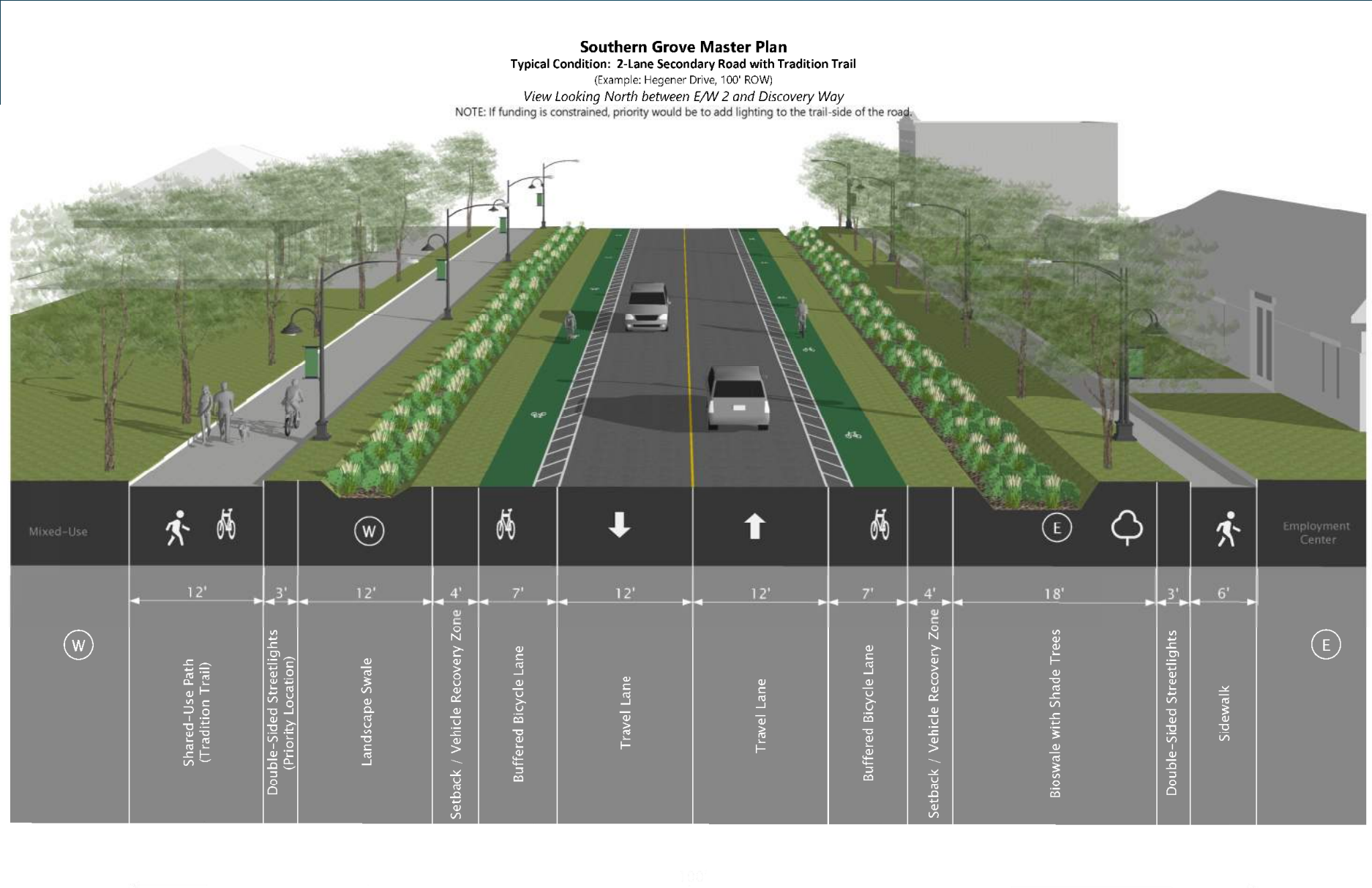
# Tradition Trail Alignment

LEGEND	
	PLANNED TRADITION TRAIL ALIGNMENT
	PROPOSED TRADITION TRAIL ALIGNMENT

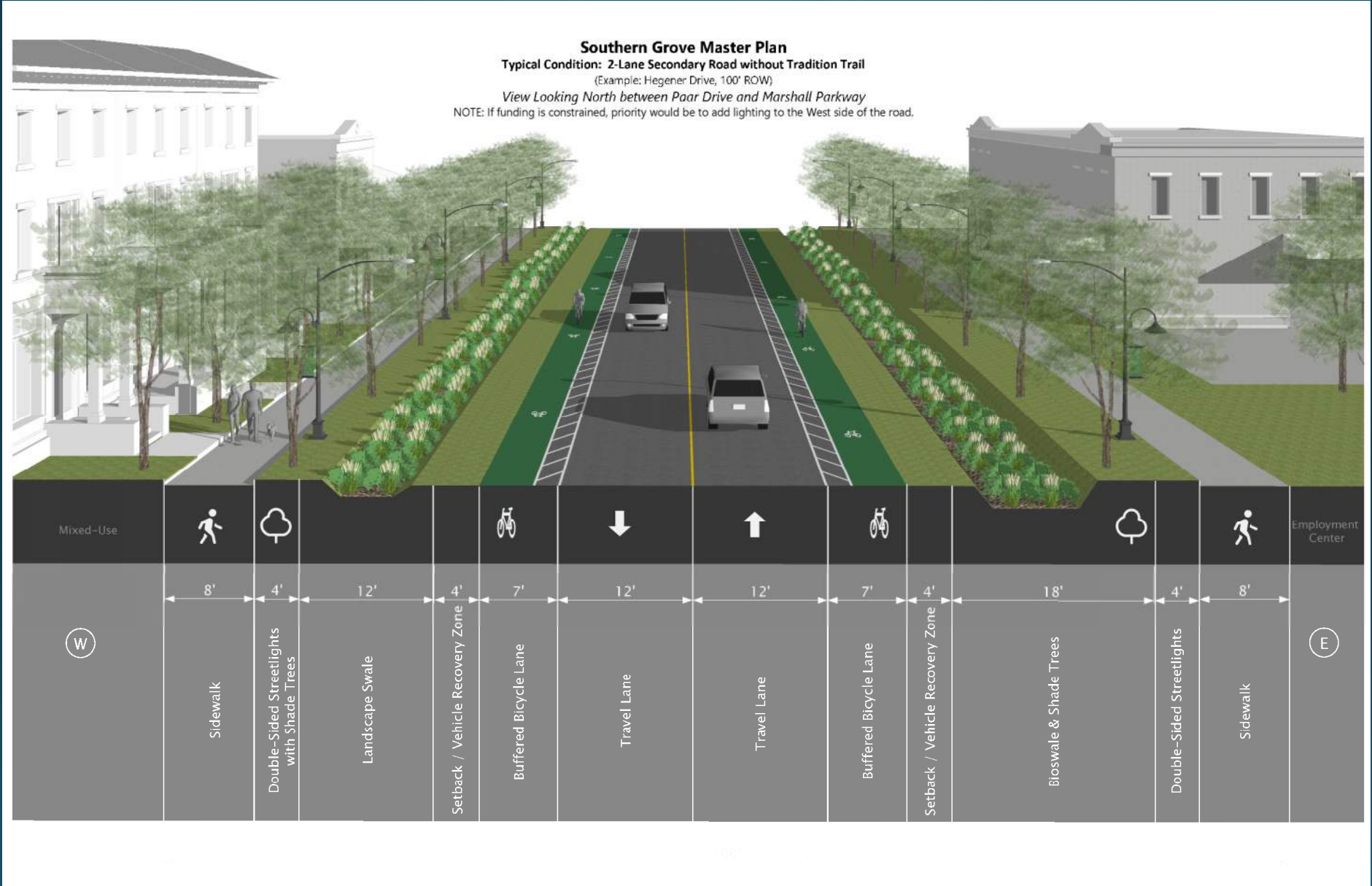




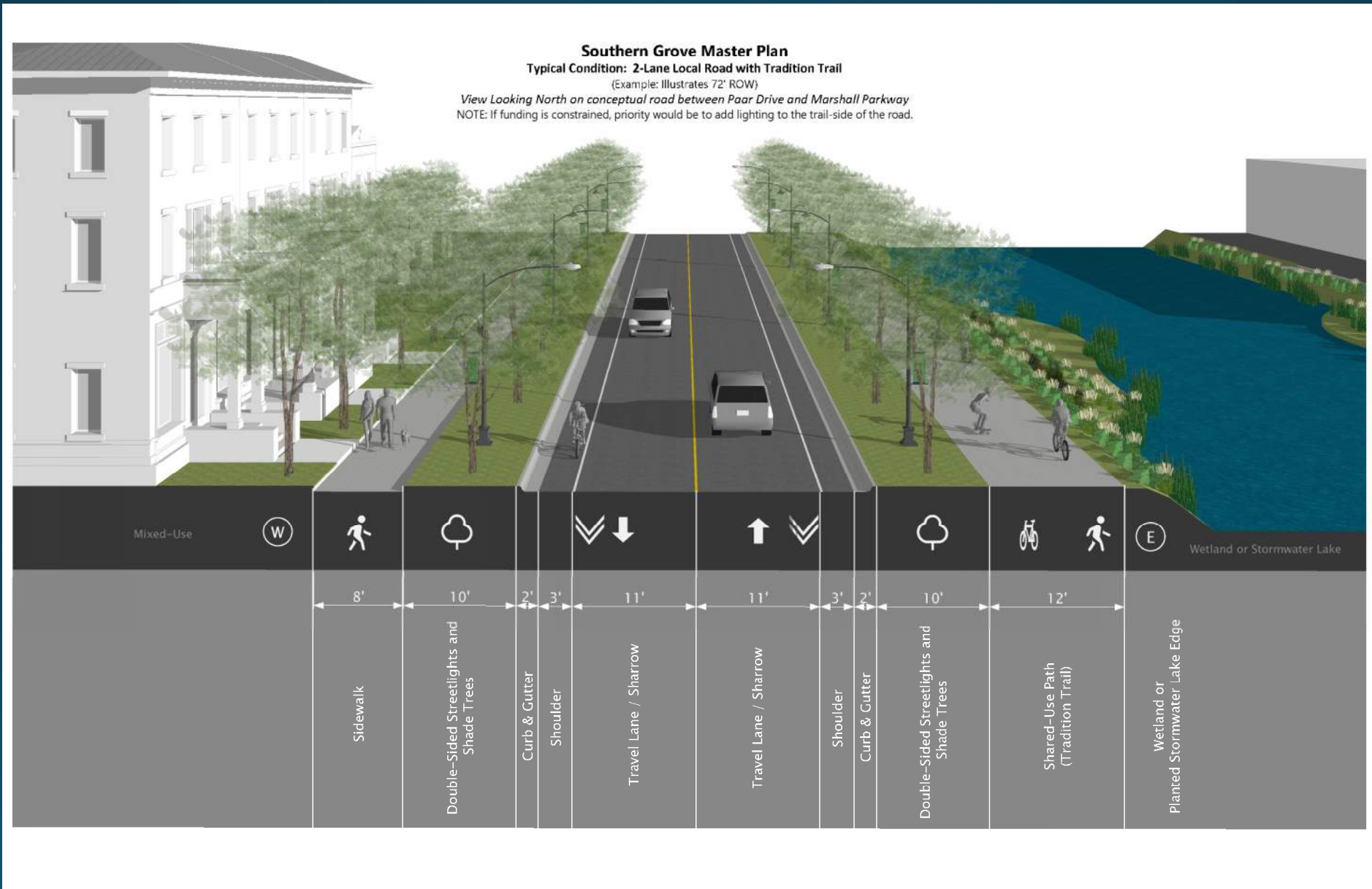
# Typical Street Sections



# Typical Street Sections



# Typical Street Sections





# Master Stormwater Lake System

LEGEND	
	EXISTING STORMWATER LAKE
	MASTER STORMWATER SYSTEM
	DUDA CANAL
	SUGGESTED FLOW DIRECTION

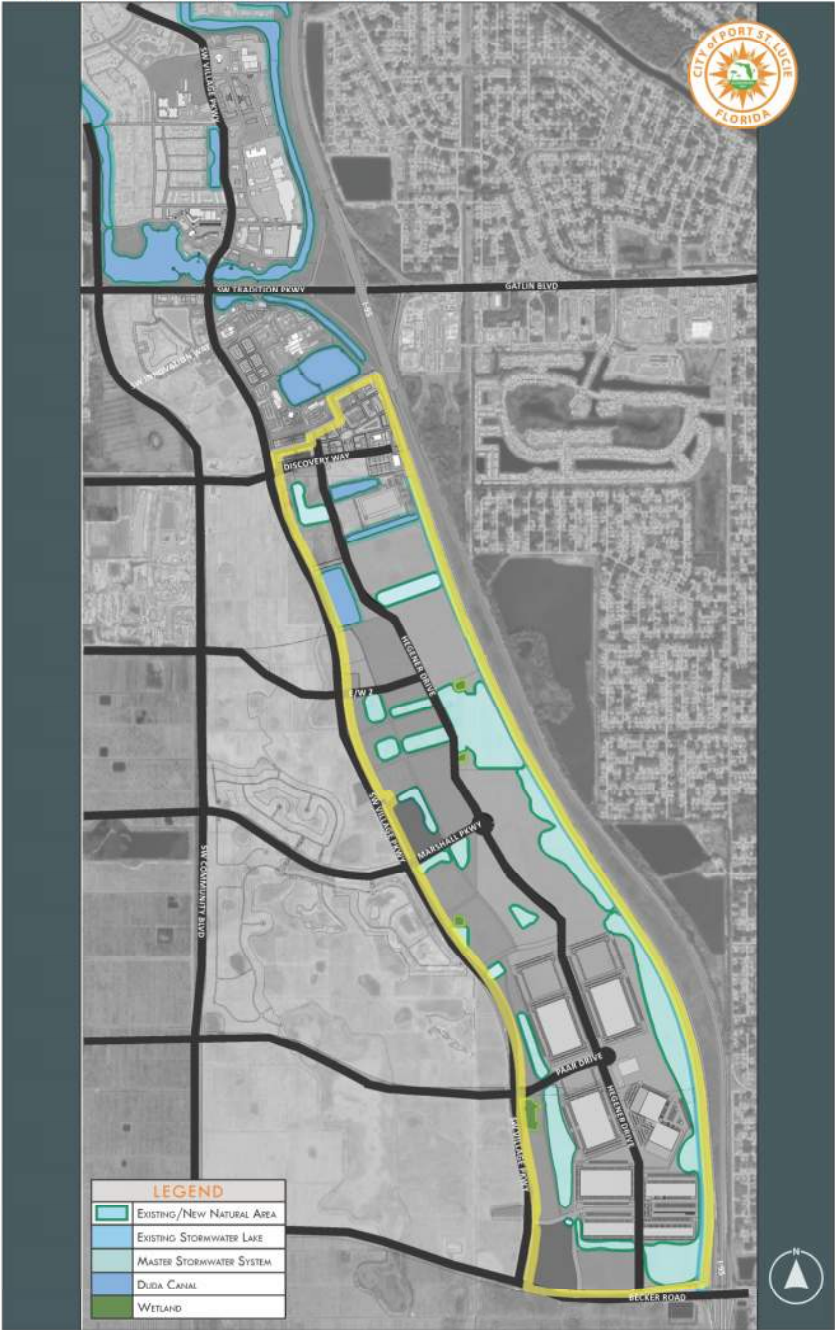
SOUTHERN GROVE- STORMWATER MASTER LAKE SYSTEM DIAGRAM



# Natural Systems

LEGEND	
	EXISTING/NEW NATURAL AREA
	EXISTING STORMWATER LAKE
	MASTER STORMWATER SYSTEM
	DUDA CANAL
	WETLAND

SOUTHERN GROVE- NATURAL SYSTEMS DIAGRAM





# Development Concepts





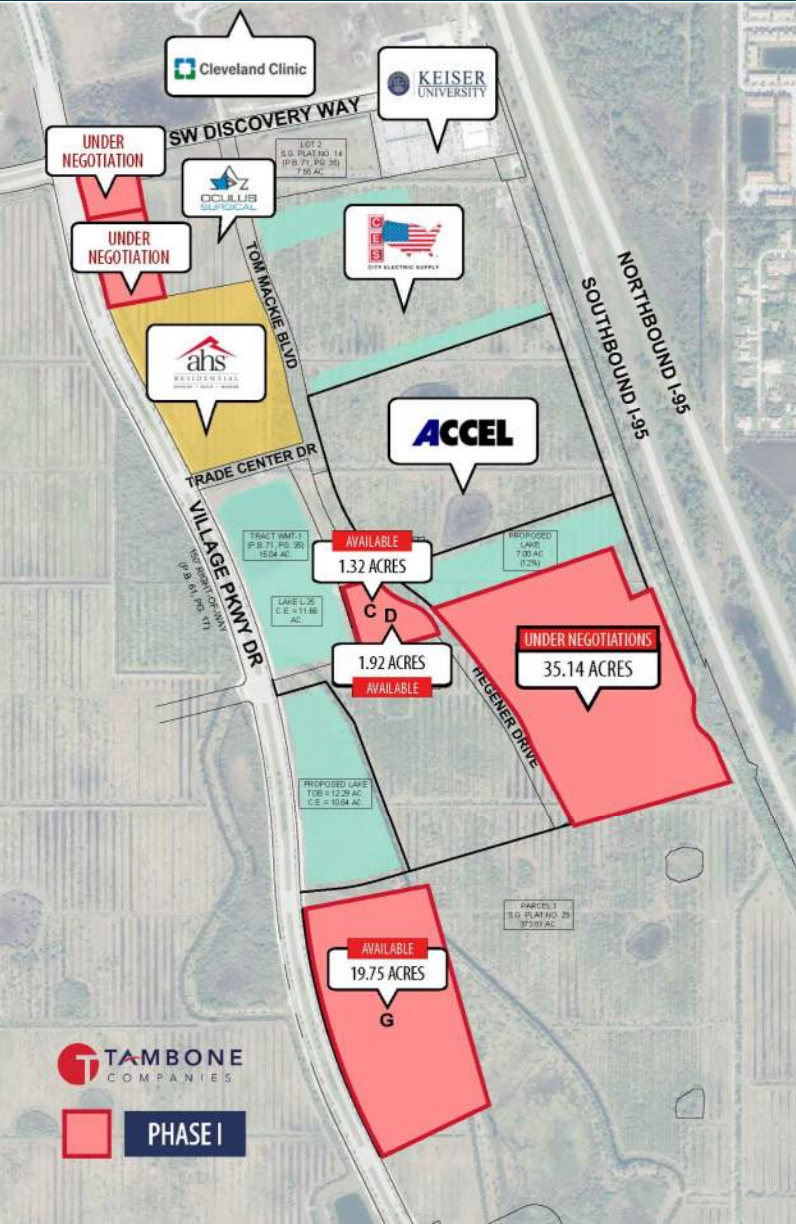
# Development Concepts



POTENTIAL  
"ACTIVE RECREATIONAL"  
CLUSTER (35 ACRES)



# Development Concepts



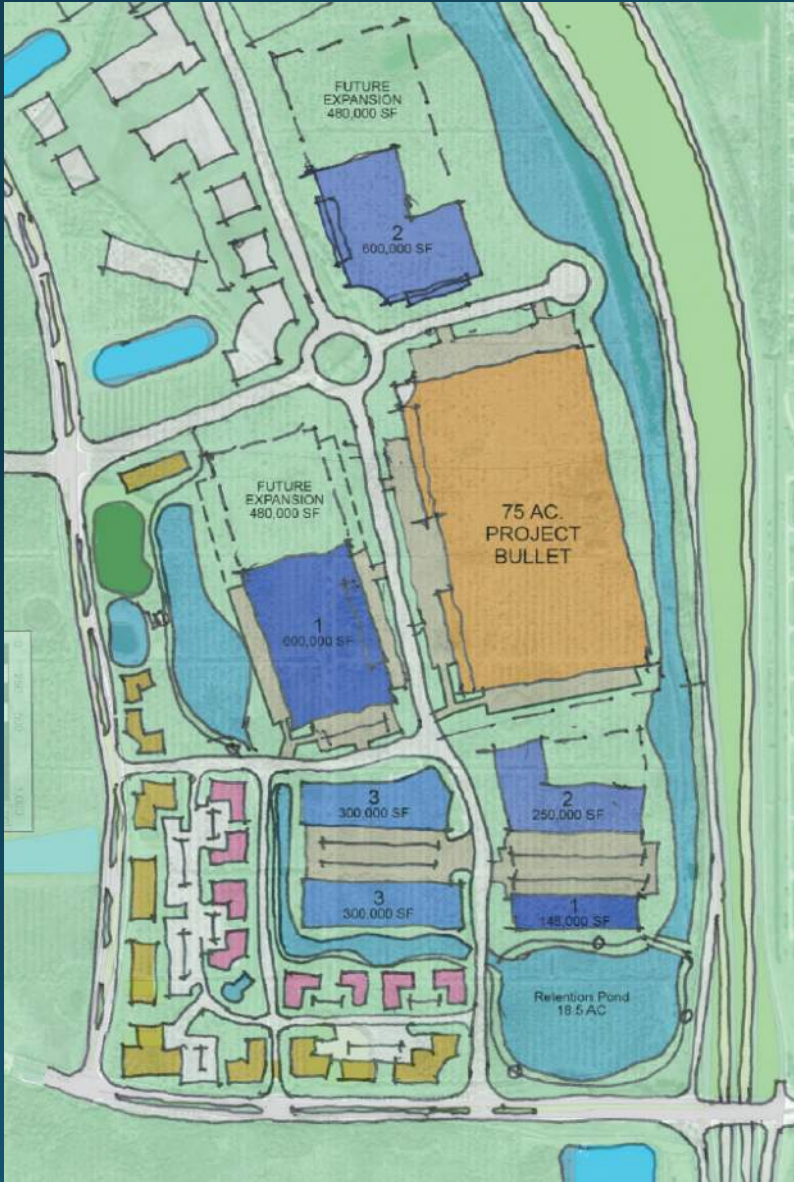
**GROWTH** **TC**Palm.  
**Port St. Lucie approves plans for Oculus Surgical, 82-room hotel in Tradition Commerce Park**  
Published 4:42 p.m. ET Oct. 30, 2019 | Updated 7:57 a.m. ET Nov. 4, 2019

**Accel International Holdings Chooses Port St. Lucie, Florida, for Manufacturing Complex**  
Area Development News Desk  
07/03/2020 **AREA**DEVELOPMENT

**NEWS CENTER** **PSL-TV20**  
**Tambone facilitates sale to AHS Residential for development of Tradition Center for Commerce in Port St. Lucie**  
Post Date: 07/02/2020 3:39 PM



# Development Concepts





# Development Concepts

GROWTH

TCPalm.

Port St. Lucie picks Sansone Group to develop 300 acres at Southern Grove

Published 4:52 p.m. ET May 4, 2020 | Updated 1:30 p.m. ET May 5, 2020

Port St. Lucie, FL SEP 3, 2020

NEWS BREAK

Project Bullet closing in on target in Port St. Lucie

NEWS

TCPalm.

FedEx planning regional center in Port St. Lucie; construction to begin in January

Published 8:16 p.m. ET Dec. 7, 2020 | Updated 1:57 p.m. ET Dec. 9, 2020





# Development Concepts



APRIL 22, 2020 / NEWS RELEASES  
**Cleveland Clinic Establishes Center for Global and Emerging Pathogens Research**  
Center aims to broaden understanding of emerging diseases, develop new therapeutics and vaccines

**GROWTH** **Torrey Pines to become part of Florida International University by March 1** **TCPalm.**  
Published 6:09 p.m. ET Feb. 4, 2020

**PROPERTY VALUES** **Cleveland Clinic taps University of Chicago, USC scientists for Port St. Lucie research center** **TCPalm.**  
Published 6:29 p.m. ET Apr. 24, 2020

**FIU planning on \$4.5M upgrade for Torrey Pines**  
Written by: George Andreassi December 06 2019 **VeroNews.com**  
YOUR LOCAL NEWS SOURCE FOR INDIAN RIVER COUNTY





# Development Concepts





# Development Concepts



# Recommendations

## 1. Maintain a Long-Term Holistic Development Strategy

- Southern Grove is competitive, well-located & desirable
- Highest standards for site design, architecture & quality
- Maintain the value of the entire Southern Grove property

## 2. Reorganize Into 3 Sub-Districts

- Town Center District
- Bio/Health District
- Workplace District

## 3. Revise Land Use Types in Comprehensive Plan

- Employment Center
- Mixed-Use
- Lifestyle/Commercial

# Recommendations

## 4. Recalibrate Land Use Entitlements

RECOMMENDED ENTITLEMENTS FOR GFC-OWNED LAND (1215.9 acres including pending 21-acre transfer from Mattamy)				
CATEGORY	CURRENT	PROPOSED	ALLOCATED/PENDING	REMAINING
Residential (SF units)	-	-	-	-
Residential (TH units)	786	900		900
Residential (Apt units)	900	900	372	528
Retail (SF)	2,582,851	500,000	49,478	450,522
Office (SF)	4,296,480	1,000,000	155,481	844,519
Warehouse/Industrial (SF)	3,838,336	8,000,000	4,353,743	3,646,257
School (SF)	-	-		-
R&D (SF)	(included with ofc)	1,000,000		1,000,000
Hotel (Beds)	240	500	204	296
Hospital (Beds)	-	-		-



# Recommendations

## 5. Introduce Master Stormwater Lake System

- Divide property into 4 sub-basins
- Add drainage control structures & conveyance systems
- Allocate 15% of developable area to stormwater lakes
- Maximize use of best quality soils
- Natural lake edges with native plantings

## 6. Create Multimodal Transportation Network

- Complete Streets - Primary, Secondary and Tertiary/Local
- Public Transit Network (County stops, micro-mobility, last-mile access)
- Tradition Trail alignment

## 7. Continue Water & Wastewater Improvements per DRI

- 12" & 24" water mains and fire hydrants
- Gravity sewers, lift stations, force mains with roadway construction

# Recommendations

## 8. Require Interconnected, Well-Organized Development

- Traditional urban design principles
- Mix of uses ~ horizontally and vertically
- Gateway features & architecture along Becker Road & Village Parkway
- Protected I-95 corridor views with lakes & building setbacks
- Parking design efficiency, interconnections, side/rear driveways

## 9. Announce the Arrival to Port St. Lucie's Gateways

- Celebrate the "Welcome to Port. St. Lucie" moments
- 3 lakes along I-95 ~ fountains, landscaping, lighting, signage
- 2 Village intersections (Becker Rd & Marshall Pkwy)

## 10. Develop Permitting Efficiencies for FP&L Easement

- Streamline development & reduce costs
- Maximize property utilization with allowable uses

# Recommendations

## 11. Continue Brokering with Public & Private Partners

- Public/public and public/private partnership successes
- Facilitate land transactions & buffers City from debt obligations
- Enables packaging of incentives & regulatory leverage
- Consider impacts on other parcels to be sold
- Maintain commitment to long-range vision for entire property

## 12. Adopt Southern Grove Master Plan (pending Part 2)

- Commit to vision through Council resolution
- Amend Comprehensive Plan, DRI documents and other plans to implement recommendations



An aerial photograph of a city landscape. In the center, there is a large, dark blue lake with a few sailboats. To the left of the lake, there are several large, modern buildings. To the right, a multi-lane highway runs diagonally across the frame. The background shows a dense residential area with many houses. The foreground is mostly green fields and some smaller buildings. A semi-transparent blue banner with the word "DISCUSSION" in green capital letters is overlaid in the center of the image.

# DISCUSSION

FOR MORE INFORMATION:

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