



**Town of Lake Park, Florida
 Planning & Zoning Board
 Meeting Minutes
 Monday, June 6, 2022 6:30 P.M.
 Town Hall Commission Chamber
 535 Park Avenue, Lake Park, Florida 33403**

CALL TO ORDER

The meeting was called to order at 6:30 p.m.

PLEDGE OF ALLEGIANCE

Chair Ahrens lead the Pledge of Allegiance.

ROLL CALL

Richard Ahrens, Chair	Present
Jon Buechele, Vice-Chair	Present
Lauren Paxton	Present
Elizabeth Woolford	Present

Also in attendance were Community Development Director Nadia DiTommaso, Attorney Thomas Baird, and Assistant to the Community Development Director Kimberly Rowley.

APPROVAL OF AGENDA

Motion: Board Member Woolford moved to approve the Agenda; Board Member Paxton seconded the motion.

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Paxton	X		
Board Member Woolford	X		
Vice-Chair Buechele	X		
Chair Ahrens	X		

Motion passed 4-0.

APPROVAL OF MINUTES

- Planning & Zoning Board Meeting Minutes of May 2, 2022

Motion: Board Member Woolford moved to approve the Planning & Zoning Board Meeting minutes of May 2, 2022; Board Member Paxton seconded the motion.

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Paxton	X		
Board Member Woolford	X		
Vice-Chair Buechele	X		
Chair Ahrens	X		

Motion passed 4-0.

Public Comment

Chair Ahrens explained the Public Comment procedure.

ORDER OF BUSINESS

The normal order of business for Hearings on agenda items are as follows:

- Staff presentation
- Applicant presentation (when applicable)
- Board Member questions of staff and applicant
- Public Comments – limited to 3 minutes per speaker
- Rebuttal or closing arguments for quasi-judicial items
- Motion on floor
- Vote of Board

NEW BUSINESS – SITE PLAN APPLICATIONS:

1. **PZ-22-09** C-3 TWIN CITY MIXED-USE DISTRICT. AMENDING CHAPTER 78, ARTICLE III, BY REPEALING SECTION 78-73, ENTITLED “C-3 REGIONAL BUSINESS DISTRICT” AND CREATING A NEW SECTION 78-73 ENTITLED “C-3 TWIN CITIES MIXED-USE DISTRICT”.
2. **PZ-22-10** – REZONING. REZONING 22.3 ACRES OF REAL PROPERTY FROM “C-3 REGIONAL BUSINESS DISTRICT” TO “C-3 TWIN CITIES MIXED-USE DISTRICT” AND PROVIDING FOR AN AMENDMENT TO THE TOWN’S OFFICIAL ZONING MAP.

Community Development Director DiTommaso explained the Staff initiated items (see Exhibits “A-D”). She explained that the two agenda items will be presented together and will require two motions.

Chair Ahrens asked what are the height maximums of each parking level. Community Development Director DiTommaso stated that the maximum was 160 feet overall, with each level maximum at 12 feet. She further explained that the exception was the ground floor, which was at 20 feet to include the accentuated architectural design. She explained that the language was included in the Regulations.

Chair Ahrens asked what was the buffers between the two (2) municipalities. He asked if there was an adjoining property. He further clarified by stating that the two municipalities have similar Zoning Codes. He asked if there would be an imaginary line drawn between the two municipalities for this property. Community Development Director DiTommaso explained that they did not create a buffer at the juridical boundary line. She explained that if the Town receives development plans for an easterly juridical boundary line property the Town would review it to assure that it includes a connection between the two municipalities. Chair Ahrens asked if a developer submitted a plan along the imaginary boundary line does the Village of North Palm Beach have a say in what was being proposed in Lake Park and vice versa. Community Development Director DiTommaso explained that the Village could make recommendations, but ultimately it would be up to the Town Commission to decide. Chair Ahrens asked how the Town controls the two elected bodies. Community Development Director DiTommaso explained that it would be part of the review stage, and the project would be reviewed jointly at the Staff level, Board level, and Commission/Council level. She stated that Staff was hopeful that by the time it arrives for the Commission/Council to review and approve, that all of the issues are addressed. She further explained that if it was a Town Project then the Town makes the ultimate decision and the same for the Village.

Public Comment open:

None

Public Comment closed:

Motion: Board Member Woolford moved to approve PZ-22-09 C-3 Twin City Mixed-Use District Amending Chapter 78, ARTICLE III, By Repealing Section 78-73, Entitled “C-3 REGIONAL BUSINESS DISTRICT” And Creating A New Section 78-73 Entitled “C-3 TWIN CITIES MIXED-USE DISTRICT”; Board Member Paxton seconded the Motion.

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Paxton	X		
Board Member Woolford	X		
Vice-Chair Buechele	X		
Chair Ahrens	X		

Motion passed 4-0.

Motion: Board Member Paxton moved to approve PZ-22-10 Rezoning. Rezoning 22.3 Acres Of Real Property From “C-3 REGIONAL BUSINESS DISTRICT” To “C-3 TWIN CITIES MIXED-USE DISTRICT” And Providing For An Amendment To The Town’s Official Zoning Map; Board Member Paxton seconded the Motion.

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Paxton	X		
Board Member Woolford	X		
Vice-Chair Buechele	X		

Chair Ahrens	X		
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Motion passed 4-0.

Planning & Zoning Board Member Comments

None

Community Development Director Comments and Project Updates

Community Development Director DiTommaso reviewed several upcoming Workshop dates with the Board. She stated that the industrial area of Town was booming. She gave an update on all the projects currently underway or coming to the Board in the near future.

Board Member Paxton asked for an update on 754 Park Avenue. Community Development Director DiTommaso explained that the project was currently at a standstill. She did not have details to provide to the Board at this time regarding that project.

ADJOURNMENT

There being no further business to come before the Planning & Zoning Board, and after a motion to adjourn by Board Member Woolford and seconded by Board Member Paxton, and by unanimous vote, the meeting adjourned at 6:46 P.M.

Richard C. Ahrens

Richard Ahrens, Chair
Town of Lake Park Planning & Zoning Board

Mivian Mendez
Mivian Mendez, Town Clerk

TOWN OF LAKE PARK
SEAL
Town Seal

FLORIDA
Approved on this 8 of August, 2022

**TOWN OF LAKE PARK
PLANNING & ZONING BOARD**
Meeting Date: June 6, 2022
Agenda Items PZ-22-09 AND PZ-22-10

ITEM DESCRIPTIONS:

PZ-22-09 – C-3 TWIN CITIES MIXED USE DISTRICT

AMENDING CHAPTER 78, ARTICLE III, BY REPEALING SECTION 78-73, ENTITLED “C-3 REGIONAL BUSINESS DISTRICT” AND CREATING A NEW SECTION 78-73 ENTITLED “C-3 TWIN CITIES MIXED USE DISTRICT”.

PZ-22-10 - REZONING

REZONING 22.3 ACRES OF REAL PROPERTY FROM “C-3 REGIONAL BUSINESS DISTRICT” TO “C-3 TWIN CITIES MIXED USE DISTRICT” AND PROVIDING FOR AN AMENDMENT TO THE TOWN’S OFFICIAL ZONING MAP.

REQUESTS: These are staff initiated items. Staff is proposing to rezone 22.3 acres of property that currently constitute the new C-3 Business District zoning district designation. In addition to the rezoning, Staff is proposing to overhaul the C-3 district by repealing all of its existing regulations in Town Code Section 78-73 and creating a new Town Code Section 78-73 that provides for mixed-use redevelopment opportunities.

STAFF RECOMMENDATIONS:

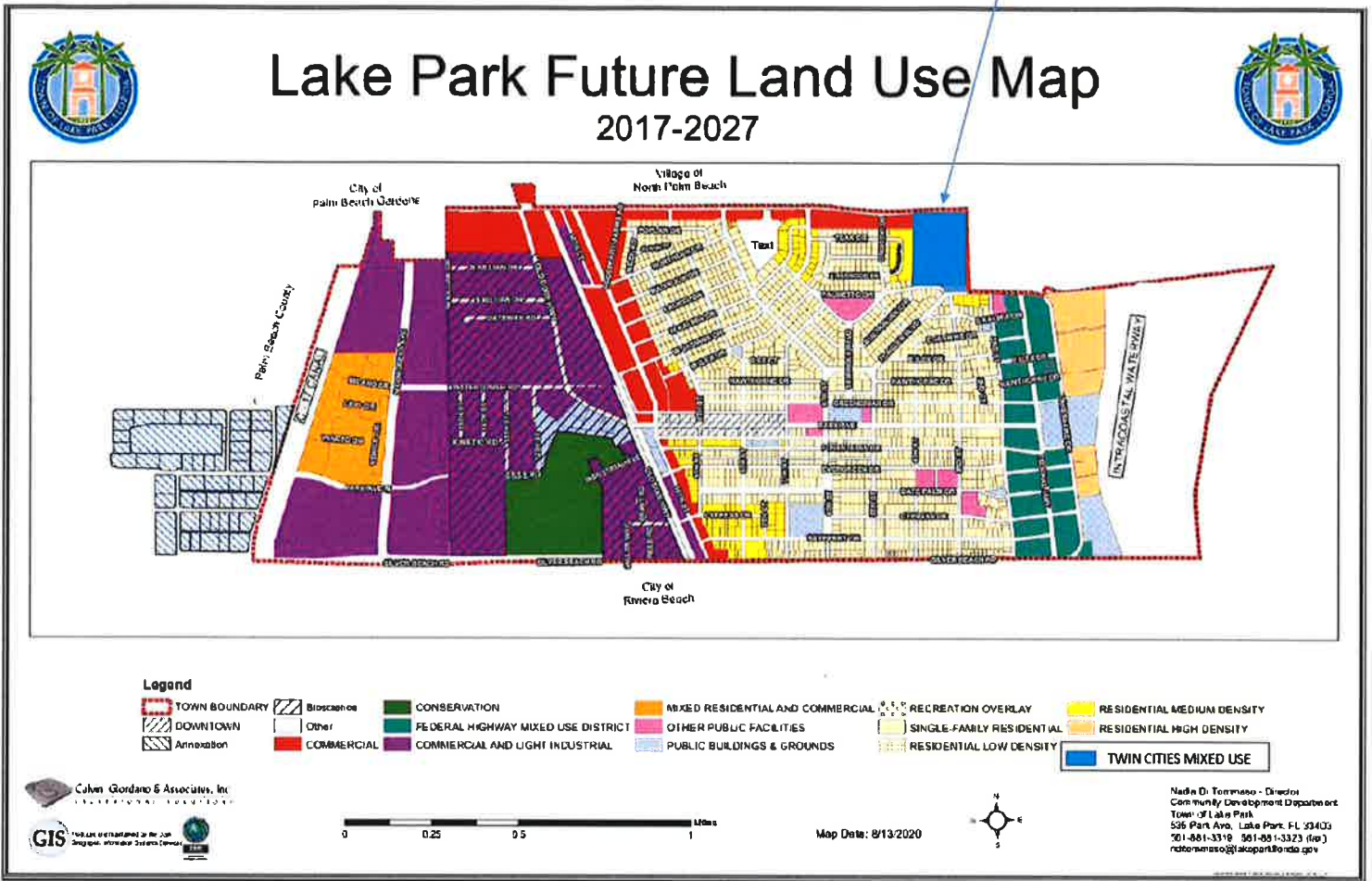
PZ-22-09: APPROVAL for the creation of the newly created Town Code Section 78-73 for the ‘C-3 Twin Cities Mixed Use District’.

PZ-22-10: APPROVAL for the rezoning of 22.3 acres from ‘C-3 Regional Business District’ to ‘C-3 Twin Cities Mixed Use District’.

BACKGROUND

In 2021, the Planning & Zoning Board, sitting as the Local Planning Agency considered and unanimously approved a land use change for the C-3 area (illustrated below). This change transitioned the area from a commercial only land use to a mixed-use land use designation, so as to allow for mixed-use development options to be created in the zoning code, pursuant to revised land development regulations (i.e. on the agenda this evening). The land use change created opportunities for vertical or horizontal mixed-use within the overall area and implemented 48 dwelling units/acre for density with a total of 1,070 dwelling units that can be used on a first-come, first-serve basis throughout the entire 22.3 acre area. The land use change was officially adopted by the Town Commission at a public hearing held August 4, 2021 by Ordinance #05-2021 (**Exhibit A**), representing the following:

PROPOSED FUTURE LAND USE MAP WITH TWIN CITIES MIXED USE



In essence, the C-3 area shares a municipal boundary with the Village of North Palm Beach and encompasses 22.3 acres of land within Lake Park's jurisdictional boundaries:

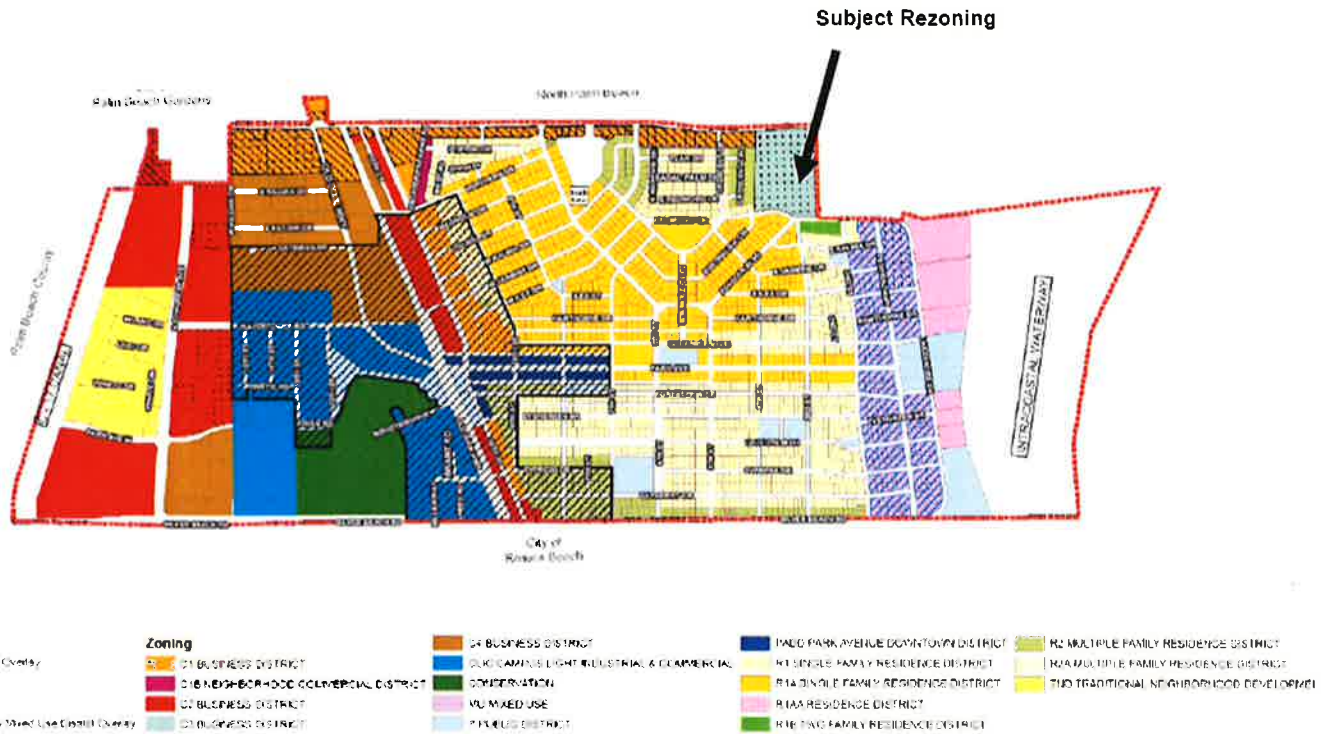




A few years ago, it was envisioned by both the Town Commission and the Planning & Zoning Board, that similar to the US-1 corridor, this area has the potential to redevelop as mixed-use so as to both add value to the area and introduce residents that can utilize the existing and newly-developed services. With this in mind, the Town Commission enacted a Zoning In Progress to provide the necessary time to develop regulations and Staff started to draft C-3 land development regulations, with the help of a consultant and jointly with the Village of North Palm Beach in 2020 and then in 2021 continued working on the regulations. In March 2021, the Town Commission decided to move forward with a Market Analysis and Financial Feasibility Study (**Exhibit B**). The regulations were put on hold until the completion of the Market Analysis and Financial Feasibility Study. During this time and in order to take an advance on the process, Staff moved forward and adopted the Comprehensive Plan Amendments associated with the C-3 area instead so as complete this first step (as aforementioned). During this time as well, the Town Commission approved a waiver to the Zoning-In-Progress for the C-3, providing a site plan applicant the ability to move forward with submitting their site plan application for review while the regulations were being created. Staff also worked on reviewing this application and issued several rounds of review comments to the Applicant (this application is still pending and may be forthcoming at a future meeting).

In December 2021, the Treasure Coast Regional Planning Council presented their conclusions of the Market Analysis for the C-3 area to the Town Commission. In January 2022, discussions regarding the C-3 re-initiated with Lake Park Staff and North Palm Beach and several internal rounds of review were conducted, culminating in the land development regulations now ready for presentation. Since the regulations propose to create a mixed-use district entitled "C-3 Twin Cities Mixed Use District", a rezoning of the 22.3 acres is also required.

Lake Park Zoning Map



ANALYSIS

General description and intent.

1. The C-3 Twin Cities Mixed Use District (C-3 district) is being enacted to encourage the redevelopment of the site of a former Planned Unit Development (PUD) known as the Twin City Mall and Northlake Promenade Shoppes into a vibrant mixed-use place for businesses, visitors, and residents of the municipalities of Lake Park, North Palm Beach, and surrounding areas.
2. The intent of this district is to provide for a destination with complementary uses consisting of a mixture of retail and other commercial uses such as offices and lodging; civic and educational uses; and residential multifamily uses.
3. The area comprising the C-3 district is separated by the Town's municipal boundary with the Village of North Palm Beach. The two municipalities entered into an interlocal agreement in 1993 to provide for consistent planning and to provide for the coordinated redevelopment of the area. These regulations carry forward the spirit and intent of the interlocal agreement by requiring that both municipalities to cooperate on site plan applications and insures that each municipality has a meaningful opportunity to review the zoning applications proposed within the C-3 district.

In creating the new "C-3 Twin Cities Mixed Use District" (**Exhibit C**), staff considered all of the prior feedback from the public, Board and Commission, including, but not limited to the following factors:

- The district, at least in the next 1-2 years, will likely see some redevelopment that will propose additional residential units to the area, but will likely not significantly redevelop, but for in future years. The new district adheres to the mixed-use vision as enacted by the land use and promotes mixed-use in the future.
- New regulations will not create any substantial nonconformities for the existing structures.
- The regulations incorporate various building typologies (i.e. different types/forms of buildings) that include a required 30 foot setback from residential parcels to the west and south, to provide buffering from the residential areas. The more intense building types, like the Tower building type, also requires a tiered design so as to further set back the higher floors from neighboring parcels outside of the C-3 area. This is similar to the US-1 corridor.
- The proposed regulations are all-inclusive and eliminate the need for an Interlocal agreement with North Palm Beach or the need for a PUD to govern the area. The intent is to repeal all existing governing documents for the C-3 area, including the Interlocal Agreement with North Palm Beach to provide for intergovernmental coordination in development and the Planned Unit Development (PUD) previously created to provide for consistency with signage, landscaping and connections. Instead, the new C-3 includes provisions that require intergovernmental coordination between Lake Park and North Palm on site plan reviews to ensure compatibility with design, landscaping, connections and drainage, and requires maintenance of the east/west roadway connections to provide for vehicular and/or pedestrian connectivity throughout the entire area.
- Permitted and special exception uses have been consolidated to allow for more flexibility in the types of uses that can be incorporated within the C-3 area, including residential-type uses. Definitions for uses are located in Chapter 78, Section 78-2 of the Town Code. Those listed in this district are included as a reference in **Exhibit D**.
- A maximum of 12 stories (or 160 feet) is permitted throughout the area, with the ability to exempt up to 3 levels of parking from the required height.
- Architectural styles are not limited so as to provide flexibility, but architectural consistency between buildings is provisions. Building articulation, building breaks, main entrance features, façade transparency and additional elements also provisions so as to encourage aesthetically pleasing development.

- Parking space requirements within the C-3 area have also been modified to promote alternative mobility options and mixed-use functionality within an area we consider to be transitional (not quite a downtown, but certainly not suburban).

STAFF RECOMMENDATIONS:

PZ-22-09: APPROVAL for the creation of the newly created Town Code Section 78-73 for the 'C-3 Twin Cities Mixed Use District'.

PZ-22-10: APPROVAL for the rezoning of 22.3 acres from 'C-3 Regional Business District' to 'C-3 Twin Cities Mixed Use District'.

all property owners were noticed by mail on 05/24/2022 per the Florida Statute requirement

EXHIBIT A

ORDINANCE 05-2021

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA, AMENDING ITS COMPREHENSIVE PLAN; PROVIDING FOR AMENDMENTS TO THE FUTURE LAND USE AND RECREATION AND OPEN SPACE ELEMENTS; PROVIDING FOR THE AMENDMENT OF THE FUTURE LAND USE CLASSIFICATION SYSTEM TO CREATE THE NEW LAND USE CATEGORY OF TWIN CITIES MIXED USE; PROVIDING FOR THE CREATION OF A NEW FUTURE LAND USE OBJECTIVE AND POLICIES; PROVIDING FOR THE AMENDMENT OF POLICY 4.3 WITHIN THE RECREATION AND OPEN SPACE ELEMENT; ASSIGNING THE NEW LAND USE CATEGORY OF TWIN CITIES MIXED USE TO 22.3 ACRES LEGALLY DESCRIBED AND SHOWN ON THE FUTURE LAND USE MAP; PROVIDING FOR THE TRANSMITTAL OF THE AMENDMENTS TO THE STATE DEPARTMENT OF ECONOMIC OPPORTUNITY; PROVIDING THE REPEAL OF LAWS IN CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town Commission of the Town of Lake Park, Florida (Town) has adopted a Comprehensive Plan pursuant to Chapter 163, Part II, Florida Statutes, previously known as the "Local Government Comprehensive Planning and Land Development Regulation Act" and now known as the "Community Planning Act" (the Act); and

WHEREAS, the former Department of Community Affairs, now known as the Department of Economic Opportunity, has previously determined that the Town's Comprehensive Plan was "in compliance" with the Act; and

WHEREAS, the Town's Planning and Zoning Board sitting as the Local Planning Agency (LPA) has conducted a public hearing as required by §163.3174(4)(a), *Fla. Stat.*, and has recommended that the Commission amend the Town's Comprehensive Plan as recommended by the Town's Department of Community Development; and

WHEREAS, the Commission has conducted a public hearing to consider the LPA's recommendations regarding the proposed amendments to the Future Land Use, and

Recreation and Open Space Elements (the Amendments) and

WHEREAS, the Commission has determined that the adoption of the proposed amendments would be in compliance with the Act; and

WHEREAS, pursuant to § 163.3184(11), *Fla. Stat.*, the Commission has conducted a public hearing and considered public comments regarding the Amendments and has voted to transmit the Amendments to the Florida Department of Economic Opportunity, appropriate reviewing agencies, and any other local government or governmental agency that has made a written request of the Town pertaining to the Amendments.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA:

Section 1: The whereas clauses are hereby incorporated as the legislative findings of the Town Commission.

Section 2: The Future Land Use Element of its Comprehensive Plan is hereby amended as follows:

3.0 FUTURE LAND USE ELEMENT

Objective 11: Redevelopment of Twin Cities Mall Site

The Twin Cities Mixed Use Future Land Use Classification is established to facilitate the redevelopment of the land formerly developed and known as the Twin Cities Mall, which encompasses land which is located within the boundaries of the Village of North Palm Beach and the Town. This land use category is established to enable a vibrant mixed-use place that will combine residences, businesses, and civic spaces; enhance the public realm through public plazas, green or open space areas or pocket parks; provide an urban form of integrated land use combinations with balanced densities and intensities; achieve the safe interconnectivity of vehicular, pedestrian and other non-motorized movement, and promote sustainability.

Policy 11.1: By 2021, the Town shall implement the Objective and Policies of the Twin Cities Mixed Use Future Land Use Classification through the

amendment of the C-3 Zoning District by renaming it the Twin Cities Mixed Use District and providing for the adoption of mixed use land development regulations for the zoning district.

Policy 11.2: The new land development regulations for the proposed Twin Cities Mixed Use District shall provide for the development of new compact residential and non-residential buildings to complement the existing commercial buildings, all of which are supported by publicly accessible civic spaces, walkable and bikeable streets and served by varied forms of public and private transportation.

Policy 11.3: The new land development regulations for the proposed Twin Cities Mixed Use District shall provide for public plazas, urban or green open spaces or pocket parks that are accessible to the public and which form an integrated component of redevelopment with the Twin Cities Mixed Use District.

Policy 11.4: The new land development regulations for the proposed Twin Cities Mixed Use District shall provide for compatibility of adjacent land uses by establishing land development regulations to control the height and intensity of structures so that new development is internally consistent with the height and intensity of structures and the intensity and density of uses within the adjacent zoning districts of the town, the Twin Cities Mixed Use District and the land development regulations adopted by the Village of North Palm Beach .

Policy 11.5: The new land development regulations for the Twin Cities Mixed Use District shall provide for a variety of non-residential uses that are internally compatible with and complementary to the residential uses provided for in the Twin Cities Mixed Use District.

Policy 11.6 The land development regulations shall prohibit uses that are automobile oriented, regional in nature, or inconsistent with the vision of this district that encourages pedestrian access and activity.

Policy 11.7: The new land development regulations for the Twin Cities Mixed Use District shall at a minimum include the following components:

1. A list of permitted and special exception uses.

2. A Regulating Plan that illustratively shows the location of future streets, terminating landmarks, blocks, civic spaces, and building heights identified by area.
3. Site development regulations, using building frontage types or building typologies including architectural regulations and features.
4. Street, alley, and sidewalk regulations.
5. Landscaping regulations.
6. Parking regulations.
7. Regulations to ensure that a mix of balanced, integrated uses occur within the district.
8. Special review procedures
9. Public plazas, urban open or green spaces, or pocket parks
10. Methodology to address developer contributions for equitable funding of shared infrastructure and public improvements in the Twin Cities Mixed Use District.

Policy 11.8: The land development regulations for the new Twin Cities Mixed Use zoning district shall provide for a density of up to 48 dwelling units per gross acre, which includes any density bonus, as calculated for the entire site. The Commission may grant bonus units that result in a density greater than 48 du/acre on an individual site so long as the average density for the entire Twin Cities Mixed Use District area does not exceed 48 du/acre. The regulations shall provide for a maximum FAR of 2.0 for non-residential uses. Development of sites within the Twin Cities Mixed Use District may exceed the maximum stated land use and density and FAR if appropriate and consistent with the policies contained herein and as provided in the land development regulations.

Policy 11.9: The Twin Cities Mixed Use Future Land Use Classification shall be reflected on the Future Land Use Map of the Town's Comprehensive Plan.

3.4.3 Future Land Use Classification System

Land use categories listed as follows are hereby adopted as the "Future Land Use Classification System.", consistent with and as a means to implement the objectives and policies of this element. Please note that the ability to achieve the maximum residential density and/or Floor Area Ratio (F.A.R.) is contingent upon, and shall be limited by, the ability to meet adopted Level of Service Standards in the short term planning horizon.

Twin Cities Mixed Use Future Land Use – Lands located in the southwest quadrant of Northlake Boulevard and Federal Highway as shown on the Future Land Use Map shall be designated with the future land use of "Twin Cities Mixed Use." These lands, and adjoining lands to the east in the Village of North Palm Beach, are within the property formerly known as the Twin City Mall. The purpose of the Twin City Mixed Use Classification is to redevelop this site into a vibrant mixed-use place that combines residences, businesses, and civic spaces. The maximum density shall not exceed an average of 48 dwelling units per gross acre, as calculated for the entire Twin Cities Mixed Use area within the Town of Lake Park. The FAR for non-residential uses shall not exceed an average FAR of 2.0, as calculated for the entire Twin Cities Mixed Use area within the Town of Lake Park. The policies which are intended to implement the site's redevelopment are located under Objective 11 of the Future Land Use Element.

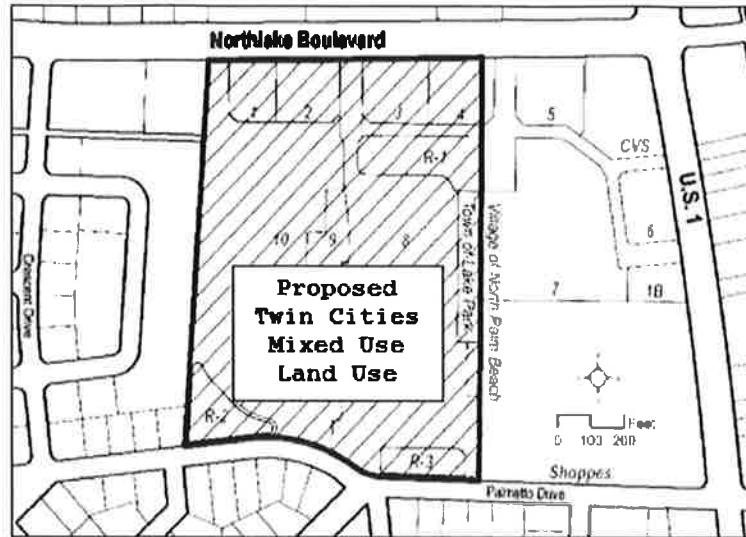
[no changes to other designations in the future land use classification system]

3.4.4 Future Land Use Map- Change in Land Use

The property within the Town legally described below, and as shown on the map below, is being changed from the existing "Commercial" designation to the future land use classification of "Twin City Mixed-Use" on the Future Land Use Map series:

Portions of Section 21, Township 42 South, Range 43 East, lying within the Town of Lake Park, Palm Beach County, Florida, more particularly described as:

- Those portions of Parcels 1, 2, 3, 4, R-1, R-2, R-3, and 7 lying within the Town of Lake Park as shown on the Northlake Promenade Shoppes PUD plat as recorded at Plat Book 102, Pages 130 and 131; and
- A parcel of land bounded on the east by the Town of Lake Park municipal boundary, on the north by Parcel 7, and on the west and south by Parcel 8, and
- Those portions of Parcels 8, 9, and 10 lying within the Town of Lake Park as shown on the Northlake Promenade Shoppes PUD Replat No. 1 as recorded at Plat Book 124, Pages 51 to 53;



Section 3. The Recreation and Open Space Element of the Comprehensive Plan is hereby amended as follows:

9.0 RECREATION AND OPEN SPACE

9.4 Goal, Objectives, and Policies

Policy 4.3: The Town shall update its land development regulations to require a certain amount of open space to be provided for the new development or redevelopment or properties within the Town. For those properties having a future land use designation of Federal Highway Mixed Use District (FHMUD) or Downtown, on the Future Land Use Map, the land development regulations may allow that that open space in the form of public plazas, green or open space areas, or pocket parks are provided rather than on a lot by lot basis. For those properties having a future land use designation of Twin Cities Mixed Use, the land development regulations shall provide for both on-site public space and contributions for shared open space.

Section 4. Repeal of Laws in Conflict. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5. Severability. Should any section or provision of this Ordinance or any portion thereof, any paragraph, sentence or word be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remainder of this

Ordinance.

Section 6. Effective Date. The amendments to the Comprehensive Plan contained within this Ordinance shall become effective in accordance with the provisions of § 163.3184(3)(c)4., Fla. Stat.

Upon First Reading this 2 day of June, 2021, the foregoing Ordinance was offered by Commissioner Linden, who moved its approval. The motion was seconded by Vice-Mayor Glas-Castro and being put to a vote, the result was as follows:

	AYE	NAY
MAYOR MICHAEL O'ROURKE	<u>/</u>	_____
VICE-MAYOR KIMBERLY GLAS-CASTRO	<u>/</u>	_____
COMMISSIONER ERIN FLAHERTY	<u>/</u>	_____
COMMISSIONER JOHN LINDEN	<u>/</u>	_____
COMMISSIONER ROGER MICHAUD	<u>Absent</u>	_____

PUBLISHED IN THE PALM BEACH POST THIS 25 DAY OF July, 2021

Upon Second Reading this 4 day of August, 2021, the foregoing Ordinance, was offered by Vice-Mayor Glas-Castro who moved its adoption. The motion was seconded by Commissioner Linden and being put to a vote, the result was as follows:

	AYE	NAY
MAYOR MICHAEL O'ROURKE	<u>/</u>	_____
VICE-MAYOR KIMBERLY GLAS-CASTRO	<u>/</u>	_____
COMMISSIONER ERIN FLAHERTY	<u>/</u>	_____
COMMISSIONER JOHN LINDEN	<u>/</u>	_____
COMMISSIONER ROGER MICHAUD	<u>/</u>	_____

The Mayor thereupon declared **Ordinance No.** 05-2021 duly passed and adopted this 4 day of August, 2021.

TOWN OF LAKE PARK, FLORIDA

BY: [Signature]
Mayor, Michael O'Rourke

ATTEST:

Approved as to form and legal sufficiency:

[Signature]
Town Clerk, Vivian Mendez
SEAL
(Town Seal)

[Signature]
Town Attorney, Thomas J. Baird

FLORIDA

TOWN OF LAKE PARK
NOTICE OF ADOPTION OF PROPOSED
AMENDMENTS TO THE COMPREHENSIVE PLAN:
TEXT AND LAND USE CHANGE

Notice is hereby given that the Town of Lake Park, in accordance with the requirements of Chapter 163, Part II, Florida Statutes and other authority, intends to adopt Ordinance # 05-2021 on second reading, amending the Town's adopted Comprehensive Plan to establish the new Land Use category of "Twin Cities Mixed Use" and associated objectives and policies, and to assign the "Twin Cities Mixed Use" land use to 22.3 acres generally bounded by Northlake Boulevard on the north and Palmetto Drive on the south, as shown in the map, and which currently have a land use of "Commercial".

ORDINANCE NO. 05-2021

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA, AMENDING ITS COMPREHENSIVE PLAN; PROVIDING FOR AMENDMENTS TO THE FUTURE LAND USE AND RECREATION AND OPEN SPACE ELEMENTS; PROVIDING FOR THE AMENDMENT OF THE FUTURE LAND USE CLASSIFICATION SYSTEM TO CREATE THE NEW LAND USE CATEGORY OF TWIN CITIES MIXED USE; PROVIDING FOR THE CREATION OF A NEW FUTURE LAND USE OBJECTIVE AND POLICIES; PROVIDING FOR THE AMENDMENT OF POLICY 4.3 WITHIN THE RECREATION AND OPEN SPACE ELEMENT; ASSIGNING THE NEW LAND USE CATEGORY OF TWIN CITIES MIXED USE TO 22.3 ACRES LEGALLY DESCRIBED AND SHOWN ON THE FUTURE LAND USE MAP; PROVIDING FOR THE TRANSMITTAL OF THE AMENDMENTS TO THE STATE DEPARTMENT OF ECONOMIC OPPORTUNITY; PROVIDING THE REPEAL OF LAWS IN CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE

LAKE PARK TOWN COMMISSION ADOPTION HEARING

Wednesday August 4, 2021, immediately following a public workshop commencing at 6:00pm, or as soon thereafter as can be heard.

Adoption Hearing will be held in the Town Hall Commission Chambers, located in Town Hall, 535 Park Avenue, Lake Park, FL, 33403.

LOCATION MAP



To receive a copy of the ordinance or request information on the Comprehensive Plan amendments please call the Community Development Department at 561-881-3320, ext. 325.

If a person decides to appeal any decision made by the Town Commission with respect to any hearing, they will need a record of the proceedings and for such purpose may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. For additional information, please contact Vivian Mendez, Town Clerk at 561-881-3311.

Vivian Mendez, Town Clerk

PUB: Sunday, July 25, 2021, Palm Beach Post

Twin City Mall Redevelopment Feasibility Study

Town of Lake Park & Village of North Palm Beach, FL

Phase 1 Report: Market Study



Prepared for:
Treasure Coast Regional Planning Council Stuart,
FL



On behalf of:
Town of Lake Park & Village of North Palm Beach



November 2021 **FINAL**

WTL +a
Real Estate & Economic Advisors
Washington, DC—Cape Cod, MA
301.502.4272 508.214.0915

General & Limiting Conditions

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

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

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

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1 Executive Summary

Introduction

WTL+a, a national real estate and economic development consulting firm in Massachusetts and Washington, DC, with significant project experience throughout Florida, was retained in March 2021 by the Treasure Coast Regional Planning Council (TCRPC) to prepare a redevelopment feasibility study of the Twin City Mall site, located in the Town of Lake Park and the Village of North Palm Beach, in Palm Beach County. Retail & Development Strategies LLC of Arlington, VA assisted WTL+a in this effort.

The study is intended to provide municipal officials with critical real estate market and financial data necessary to guide public decisions regarding redevelopment of the site and comprises the following phases and tasks:

- Phase 1
 - Profile and analyze **demographic/economic characteristics and real estate market conditions** across four land uses (housing, workplace/office, general retail and hotel/lodging)
 - Conduct **public outreach** across a broad spectrum of stakeholders
 - Evaluate **market/redevelopment potentials** by testing market support for each land use, and
 - Outline implementation strategies and approaches to ensure successful redevelopment.
- Phase 2
 - Prepare a **financial feasibility analysis** of up to three (3) redevelopment scenarios to measure the overall investment viability of specified land uses and understand whether these uses would be expected to attract private investment, and

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- Estimate potential "residual value" that could be utilized to offset land acquisition *and/or* costs of required infrastructure (such as structured parking), public realm improvements, etc., as identified and prioritized by both municipalities.

This document represents the deliverable for Phase 1. It is organized as follows:

- Section 1: Executive Summary & Key Findings
- Section 2: Site Characteristics & Conditions
- Section 3: Demographic Characteristics & Economic Profile
- Section 4: Real Estate Market Conditions
- Section 5: Development Potentials
- Section 6: Implementation Issues & Approaches

Impacts of the 2020—21 Pandemic (Updated)

This report presents the findings of demographic and real estate market conditions and development potentials on the Twin City Mall site for housing, "workplace" (professional and medical office), and supporting uses such as retail and lodging. It should be noted that **market conditions are based on data and conditions prior to COVID-19 impacts**. While the timing of future development may be delayed due to the pandemic, there are potentials for selected, well considered new growth and investment. Experience in other Florida markets has demonstrated the best way to fully optimize economic benefits generated by redevelopment of the site will result from a carefully structured and implemented plan that appropriately integrates different land uses and phases to provide development flexibility.

Office Market

The most important difference between year-end 2019 (the data-year used for this analysis) and current conditions is the impact of the global Coronavirus pandemic. COVID-19 has resulted in significant impacts 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 are profoundly different than pre-COVID conditions. **The office market, especially for technology and other computer-based industries, has been affected the most significantly and in ways that are not likely to encourage new office development.** At the broadest levels across the country, reactions to self-isolation and working-at-home have resulted in multiple companies advising employees to continue working from home for the near future. Many

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companies have integrated "work from home" as a permanent component of the work environment as well as staggered in-office work commitments that substantially reduce demand for office space. During summer 2021, an explosion of COVID cases driven by the emergence of the highly contagious and rapidly changing Delta variant, uneven and low (especially in the Southern U.S.) vaccination rates, and re-emergence of mask mandates has resulted in a growing number of office users to reconsider office reopening plans, whether delaying return to in-person office attendance or permanently reducing office occupancy on a day-to-day basis. With infection and hospitalization rates rising across the U.S.—and persistent vaccine hesitancy rendering herd immunity unlikely—many companies are reported to be rethinking previously announced deadlines for employees to start reporting to the office.

Firms in the tech sector—among the first to go remote at the start of the pandemic—are leading the retreat from office reopening. Google and Apple both announced in July 2021 they were pushing their office re-openings to October 2021. However, in August, Google, Apple, Amazon, and Facebook decided to delay reopening until January 2022. Twitter, which last year announced that employees could work from home indefinitely, has closed offices that it had recently reopened in New York and San Francisco.

Financial firms, including BlackRock, Wells Fargo, Credit Suisse, PIMCO, T. Rowe Price, and Liberty Mutual, have all pushed back plans to return to their offices until at least October 2021. Boston-based asset manager State Street announced in August that it would abandon and sublease its two Manhattan office buildings entirely in a more permanent embrace of hybrid remote and in-person work. While JP Morgan and Goldman Sachs have targeted a late September reopening, the list of major firms postponing office re-opening dates continues to increase across a range of economic sectors—from Viacom/CBS and Sony Pictures to Ford Motor Company and Coca-Cola. These uncertainties are prolonging anticipated recovery in the commercial office sector.

To identify trends in how Americans are returning to the office, Kastle Systems has been evaluating anonymous aggregated occupancy data (from keycard, fob and "KastlePresence" app) for 2,600 buildings and 41,000 businesses the company secures in 138 cities across 47 states. Through its "Back-to-Work Barometer," Kastle Systems' data reflect unique authorized user entries in multiple markets relative to a pre-COVID (March 5, 2020) baseline, averaged on a weekly basis. Across all office-using industries, national office occupancies for 10 major cities averaged 30.9% in September 2021. This reflected a decline in occupied office space from 33.1% in August 2021.

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suggesting continued business uncertainty regarding employees returning to the office. For specific cities, occupancies ranged from:

- 19% in San Francisco and New York
- 28% to 29% in Washington, DC, Philadelphia and Los Angeles, and
- 42% to 45% in Austin, Dallas and Houston.

Retail/Restaurants & Travel/Hospitality

The travel/hospitality and retail/food service industries, which were particularly hard-hit in 2020 (e.g., airline passenger volumes declined by 90% to 95%, major layoffs in the hotel and food & beverage industries, etc.), began to emerge from these declines in mid-2021. The tourism/travel/leisure markets were seriously impacted and may require several years to stabilize, much less fully recover.

In its bi-annual bankruptcy update of the retail industry at year-end 2020, BDO counted 18 retailers that headed to bankruptcy court in the first half of the year and another 11 in the last half. In fact, the industry's bankruptcy record so far put it on pace with 2010, following the Great Recession, when there were 48 bankruptcy filings by retailers. The COVID-19 pandemic has interfered with what is normally a cyclical pattern for retailers and set up the industry for yet more bankruptcies and store closings through 2021.

According to BDO researchers, 2020 set the record for the highest number of retail bankruptcies and store closings in a single year. By BDO's measure, bankrupt retailers announced nearly 6,000 store closings in 2020, on top of the 9,500 stores that closed in 2019 (most closings were in regional and super-regional malls). Another 15 retailers (including Macy's, Bed Bath & Beyond, and Gap) outside of bankruptcy court announced a total of 4,200 closures at year-end 2020. According to Coresight Data, retailers have announced 4,889 store closures in 2021 representing a decline of 37.9% from the number of store closures announced in 2020.

The number of retail bankruptcies has declined in 2021 due to the following factors:

- Government stimulus funding has provided both subsidies and more available capital to the retail sector;
- Online spending grew by over 21% in 2020 and is likely to increase again in 2021; this increase in sales does not correlate with bricks-and-mortar retail store sales, which remain challenged by COVID restrictions and cautious consumer behavior. As noted above, thousands of retail businesses have closed during the global pandemic; industry sources suggest the pace of

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closures has largely stabilized in late 2021, but online sales growth is expected to continue to affect new physical retail store opportunities;

- Due to the increasing amount of retail space vacancy, property owners have less leverage over tenants and have lowered rents to maintain occupancy, easing the cost of operations for specific retailers;
- Spending has shifted toward goods rather than services. The food service, hospitality, travel, and sporting and entertainment/events retail categories remain deeply affected by COVID, significantly reducing in-person attendance and on-site consumer spending. This has redirected the share of spending on consumer services, which traditionally accounted for about 70% of all consumer spending (National Retail Federation, 2021).

According to the National Restaurant Association, more than 110,000 eating and drinking establishments across the United States closed—temporarily or permanently—in 2020, with nearly 2.5 million jobs erased from pre-pandemic levels. Of restaurants that closed permanently in 2020, the majority were established businesses; these eateries had been in business for an average of 16 years, and 16% had been open for at least 30 years. Since the pandemic started, 62% of fine dining operators and 54% of family and casual dining operators reported staffing levels more than 20% below normal.

Moreover, restaurant and food service sales fell by \$240 billion in 2020 from an expected level of \$699 billion. The association's [2021 State of the Restaurant Industry](#) report also noted that sales and employment losses have disproportionately impacted full-service restaurants, which have had greater challenges in pivoting to off-premises service.

COVID-related impacts on the visitor market in this part of Palm Beach County are characterized as significant—at least as it pertains to impacts on the area's hotel market. As noted in the analysis of hotel market conditions, area occupancies declined sharply in 2020—from 83.7% in February 2020 to 17.6% in March 2020. Occupancies climbed steadily through the remainder of the year—to 50.2% by December 2020. During the first four months of 2021, area hotel occupancies jumped from 57.2% in January to 77.1% in March but fell slightly in April.

VisitFlorida data for Southeast Florida (including Broward, Palm Beach, Miami-Dade, and Monroe Counties) indicates that visitor volumes were down dramatically in 2020 over prior years. Survey data on visitors "planning to travel in the next six months" indicated the proportion of those planning

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to visit Florida decreased from 87% in March 2020 to 58% in November 2020. Commercial airline capacities declined significantly in 2020 but are rapidly improving in mid-2021.

For a visitor destination like Florida, where the \$111.7 billion annual tourism industry is the state's largest industry, the impacts are great. Government policies are attempting to balance social responsibility and safety with the need to re-open businesses and encourage visitors to return. While beaches and tourist destinations across the state reopened in late 2020 and early 2021, the emergence of virus variants such as Delta in mid-2021 are producing a significant increase in caseloads and hospitalizations, thus generating significant uncertainty about full economic recovery.

Unemployment & Impacts on Real Estate Development

In 2020, national unemployment levels were the highest since the Great Depression of the 1930s. From a record annual low of 3.5% in February, seasonally adjusted unemployment jumped to 14.7% in April. With uneven recovery generated by the pandemic, the *official* unemployment rate in 2020 steadily declined—from 13.3% in May to 6.7% in December. As vaccination rates soared in 2021, national unemployment levels decreased steadily—from 6.3% in January to 5.4% in July. In fact, 943,000 jobs were added across the U.S. in June 2021. Fully 40% (380,000) of the job increase occurred in Leisure & Hospitality, including Food Services & Drinking Places (+253,000 jobs) and Accommodations (+74,000) as restaurants and hotels across the U.S. reopened and the summer tourism season flourished. Another 243,000 jobs nationwide were created in July.

By comparison, according to the Department of Economic Opportunity (DEO), Florida's unemployment rate jumped from a low of 2.8% in February 2020 to a peak of 13.8% in April 2020. During the last half of 2020, the state's unemployment rate declined—from 11.4% in July to 6.4% in November. During the first-quarter 2021, the state's unemployment rate remained in the range of 4.7%; **the state's unemployment rate increased to 5.0% in June 2021 as the Delta variant of the virus and hospitalizations surged across the state.**

Other factors impacting real estate development and economic potentials include significant inflation in multiple sectors of the economy as well as inordinately high increases in construction material costs. In fact, inflation of 5% to 6% per month has been reported, and lumber set an all-time price record of \$1,515 per thousand board feet in May 2021. However, the "cash" market price dropped to \$472 per thousand board feet in the first week of August according to data from Fast-markets Random Lengths and reported by Fortune. The highest price that lumber fetched by the same metric in mid-2018 was \$582.

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Driving that decline is an inversion of the supply-and-demand equation. Just as lumber producers increased their capacity and were reducing backlogs, developers and construction firms had started planning for delays, pivoting to other materials or halting projects altogether. Lumber costs are felt most acutely by the homebuilding and low-rise multi-family sectors, where project starts had begun tailing off as prices hit record highs in May. According to Bloomberg, steel, which commercial developers turned to as a way of avoiding lumber, continued to rise in price well into the summer.

Ongoing supply-chain delays and disruptions in deliveries will affect the 2021 holiday season, which traditionally accounts for most retailers' annual profits.

Conclusion

Taken in total, these impacts caused a major slowdown in economic activity across Florida (especially in hospitality and tourism-dependent sectors) in 2020; the costs of lost consumer spending resulted in sizable increases in vacancy rates for retail and office uses and a massive slowdown in tourism and visitor spending. While recovery in multiple business sectors emerged in early 2021, full economic recovery is uncertain—if not temporarily stalled—due to the emergence of virus variants and remaining unknowns about the pandemic. For at least the remainder of 2021, economic prospects are likely to remain cautious.

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 multiple submarkets.
- **Time to Plan More Effectively**—the 2020 recession and uneven 2021 recovery 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 on-line sales spiked, higher vaccination rates have allowed consumers to feel more comfortable dining out, going out, and shopping; in fact, consumer demand for goods and services occurred at pent-up levels in early- and mid-2021 not seen since the 2007 recession.

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- **Creative Regulation & Behavior Management**—if reasonable standards are implemented and safety practices realized, Florida's beaches, communities and visitor destinations should rebound faster than other parts of the country (although the Delta variant has appeared to temporarily slow recovery).

It remains to be seen whether the mid-2021 spike in COVID cases in Florida and in other states across the country will stall ongoing economic recovery. As of mid-September 2021, Palm Beach County has confirmed 212,877 COVID-19 cases and 3,514 COVID-related deaths. The recent impacts of the Delta variant are striking; while Florida recorded 251 deaths in all of June and July, there were 6,603 new deaths in August.

That said, Florida has reportedly benefited from major residential relocation from the Northeast, adding new residents, spenders, and workers to the state's economic base. COVID remains a major factor affecting otherwise available, pent-up spending power by U.S. consumers. As the travel/tourism industry regains stability, Florida's largest industry should accelerate its recovery, potentially rippling through the state's other economic sectors.

Key Findings

The following summarizes key findings of the demographic and economic profile, real estate market conditions by land use, and development potentials:

Housing

As detailed in Section 5, the analysis to determine market support for new residential development illustrates how transformational the Twin City Mall site can be for both the Town of Lake Park and the Village of North Palm Beach. The limited number of vacant/undeveloped parcels in both communities has hindered population/household growth, particularly in Lake Park, over the past 20 years. While nominal population growth occurred in each municipality between 2010 and 2020, a historic trendline analysis as exhibited in Scenarios #1 and #2 will not justify market support for new housing.

As a result, WTL+a prepared an alternative analysis for Lake Park as depicted in Scenario #3 to identify the rate of population growth necessary over the next 10 years to ensure successful redevelopment. As noted, the analysis suggests that Lake Park will need to grow at a **sustained compound annual pace of 1.5% per year**—well above its recent 0.76% annual growth rate. This could expect to generate **sufficient demand to support up to 820 new housing units town-wide by 2030**, including:

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- Nautilus 220 (332 units under construction)
- 315 Federal Highway (100 units proposed)
- Woolbright Development's proposed "Lake Park Apartments" (250 units) on a portion of the Twin City site, and
- Another 130 to 140 "unallocated" units over the next 10 years.

Lake Park's required growth rate could be slightly lower if a portion of the 332 units at Nautilus sell to seasonal occupants.

Similarly, while slightly higher historic growth rates between 2010—2020 have generated modest population/household growth in North Palm Beach, the Village will also need to strengthen its future growth rate to support new housing on the Twin City Mall site. Specifically, as the portion of the site available to accommodate redevelopment in North Palm Beach is larger than it is in Lake Park, **land acquisition costs by any developer will be significantly higher. Higher land costs will necessitate additional density and building height to justify construction feasibility.** As densities along the corridor appear to be increasing, the Twin City Mall site is both a larger and pre-assembled redevelopment opportunity and therefore should anticipate higher densities (i.e., 800 to 1,000 units). As a result, WTL+a created an alternative scenario to illustrate the higher growth rate/market capture necessary to support approximately 800 to 1,000 units of new housing on the North Palm Beach portion of the Twin City Mall site.

Another factor bearing upon feasibility will be the costs associated with providing structured parking, which would be required to support a higher density redevelopment scenario.

As a result, WTL+a prepared an alternative analysis for North Palm Beach as depicted in Scenario #3 to identify the rate of population growth necessary over the next 10 years to ensure successful redevelopment. As noted, the analysis suggests that North Palm Beach will need to grow at a **sustained compound annual pace of 1.3% per year**—well above its recent 0.77% annual growth rate. This could expect to generate sufficient demand to support up to 1,000 new housing units village-wide by 2030, including:

- 200 Yacht Club (215 units proposed), and
- Another 800 "unallocated" units over the next 10 years.

This suggests that redevelopment opportunities for new housing on the North Palm Beach portion of the Twin City Mall site could support up to 800 units of new housing by 2030.

The analysis concludes that stronger population/household growth in the U.S. Highway 1 corridor in this part of Palm Beach County is feasible, in part due to the impacts that the COVID pandemic has introduced, including enhanced/accelerated forces such as population shifts from New York/the Northeast to South Florida as well as recent, ongoing interest in private investment as exhibited by such projects as Nautilus 220.

Since real estate market conditions data was collected and analyzed in May/June 2021, supplemental data from CoStar, Inc. reveals that "Emara Palm Beach", a 250-unit rental complex that replaced Beach Plaza on U.S. 1 (just north of the Village's municipal boundaries), and delivered in mid-2021, is approximately 34% leased. This suggests that monthly absorption has averaged approximately 17 units per month (assuming lease-up started in June 2021). Information on net absorption at "Solara City Centre," a 136-unit complex located at PGA Boulevard and U.S. 1, and delivered in mid-2021, was not reported.

The multi-family industry considers the reported pace of monthly absorption at Emara Palm Beach to be strong.

In total, these factors could expect to generated market potentials that support between 850 and 1,050 units of new housing across the entirety of the Twin City Mall site over the next 10 years (2030).

Twin City Mall: 850 to 1,050 Units of New Housing

Across Entire Site

Multi-tenant/Speculative Office

As detailed in Section 5, the analysis of supportable market demand for new office space is extremely limited in Lake Park and negligible in North Palm Beach. Moreover, the majority of existing office inventory in both jurisdictions is aging/outdated and may have a degree of functional and/or physical obsolescence—even with the presence of multiple owner-occupied office condominium buildings in North Palm Beach. This is best exemplified in negative net absorption, particularly in North Palm Beach, over the past 14 years.

While a small amount of office space may be attractive as part of a mixed-use project, any office space developed on the Twin City Mall site should be considered a tertiary use that serves as an

amenity to activate public space during the day. Any limited office space built should comprise no more than 5,000 to 10,000 sq. ft. of space oriented to professional services tenancies and located above street-level retail. The capacity to support any additional office space beyond this amount will be determined by growth in specific business markets and office-using sectors, transition of home-based businesses into leased space, rental/occupancy costs compared to competing nearby locations, etc.

**Twin City Mall: Office Potentials are Very Limited;
May Serve as Supporting Amenity**

Hotel/Lodging

To understand hotel market performance and opportunities for hotel development on the Twin City Mall site, WTL+a obtained hotel performance data from STR Global for 16 selected properties located primarily on nearby commercial corridors and I-95 Interchanges. It is critical to understand market conditions given the enormity of the impacts on the hotel and hospitality industries from the COVID pandemic as well as the time required for recovery.

The COVID pandemic which struck in early March 2020 has significantly impacted the hotel/hospitality industry. Monthly occupancies dropped precipitously—from 83.7% in February 2020 to 17.8% in April 2020. Overall occupancies among these 16 properties in 2020 averaged 44.8%. Occupancies climbed to 50.2% by year's end and returned to pre-COVID metrics in the range of 77% during the first quarter of 2021.

As detailed in Section 5, the analysis reveals negligible market support for new hotel development on the Twin City Mall site in what would be considered by the hotel industry as a secondary location. Even if peak growth in roomnight demand (which occurred between 2013 and 2017 among the competitive set) continues, it is insufficient to support more than 150 additional hotel rooms in the surrounding area over the next 10 years. This demand is likely to be captured in stronger, primary locations, such as the commercial node created by The Gardens Mall and Downtown at the Gardens or at interchanges along I-95. In fact, ShopCore is planning a 174-room hotel as part of expansion and repurposing of Downtown at the Gardens. This will capture competitive area roomnight demand in the near-term.

**Twin City Mall: Near-term Hotel Demand will be Focused
On More Marketable Sites in Surrounding Area**

Supporting Retail

The retail demand analysis in Section 5 details potential consumer markets and sales estimates from various sources that could expect to support new retail uses as part of the redevelopment of the Twin City Mall site. A critical assumption is that the redevelopment program will create a retail setting that is differentiated from other offerings in the area, that the configuration is pedestrian and on-site resident friendly, and that the mix of retail businesses can become a dining and limited shopping/services location. These assumptions are necessary to achieve capture rates applied in the analysis and to retain a portion of household sales leakage occurring in North Palm Beach. If these criteria are not met, then the retail program will not be achievable. Moreover, if the residential development program identified in the housing analysis is reduced below the supportable 800 to 1,050 units, the site's retail program will also be reduced.

Using potential sales increases from all consumer sources, the total retail development program for the Twin City Mall site should target a range of 22,000 to 24,000 sq. ft.

**Twin City Mall: Retail Potentials Limited as a
Secondary Use to Support On-site Residential Program**

2 Site Characteristics

The following highlights key site and location characteristics of the Twin City Mall site. It is intended to illustrate the complexities associated with redeveloping a large site that straddles two different municipalities with multiple parcels and fragmented/multiple private ownership. Property data was obtained from Palm Beach County Property Appraiser public records.

Figure 1: Palm Beach County Property Appraiser Twin City Mall Parcel Boundaries



Key findings from the County Property Appraiser indicate that:

- The subject site in its entirety contains 38.22 acres of land with 177,749 sq. ft. of commercial uses. This suggests an overall density (floor area ratio) of .106 FAR. While this is considered low density for commercial/retail uses, it reflects six vacant commercial parcels (with 12.58 acres, 33% of the total) and two parcels for stormwater management (with 2.51 acres);
- The entire site has a preliminary 2021 market value of \$26,396,200 and a preliminary 2021 taxable value of \$24,838,980 (\$139.74 per sq. ft. of building area). This is a slight increase over the site's 2019 taxable value of \$23,401,328, or \$131.65 per sq. ft.-GBA);
- **There are nine separate property owners/entities and 16 separate parcels.** These include:
 - Village Shops LLC (13.07 acres and five parcels) and Northlake Promenade Shops LLC (11.57 acres and four parcels);
 - Real Sub LLC/Publix Supermarket (one parcel comprising 7.41 acres);
 - OPV Northlake Promenade LLC (2.30 acres and two parcels); and
 - Multiple pad sites along Northlake Boulevard and U.S. 1 occupied by various retail tenants (e.g., BP Gas, CVS, Wendy's, TD Bank).
- There are seven parcels comprising 15.75 acres of land located in North Palm Beach (accounting for 41% of the total site). These seven parcels contain 103,285 sq. ft. of commercial uses with a 2021 taxable value of \$12,186,168 (\$118 per sq. ft.-GBA); and
- There are nine parcels comprising 22.47 acres of land located in Lake Park (accounting for 59% of the total site). These nine parcels contain 74,464 sq. ft. of commercial uses (including the Publix Supermarket) with a 2021 taxable value of \$12,652,812 (\$169 per sq. ft.-GBA). While there is less commercial space located on the Lake Park portion of the site, it generates higher taxable value (driven by Publix and the UPS retail store).

Table 1: Twin City Mall Parcel Information—Village of North Palm Beach, 2021

Parcel Address	Owner	Site Size (Acres)	Year Built	Property Use Code	Land Uses	Size (SF)	2019 Values			2021 Values & % Change From 2019		
							Market	Taxable	Per SF	Market	Taxable	Per SF
North Palm Beach												
Multiple Tenants 101 US Highway 1	Village Shops at US 1 LLC	7.99	1987	Shopping Center-Community	Office Lobby Warehouse	5,568	7,437,763	4,831,530	\$ 56.43	\$ 6,983,995	\$ 5,846,151	\$ 68.28
						1,813						
						7,120						
						71,117						
Total:	85,816											
BP Gas 185 US Highway 1	Northlake Petroleum, Inc	0.75	2000	Service Station	C-Mart Car Wash	2,275	\$ 1,235,824	\$ 1,235,824	\$ 422.79	\$ 1,278,332	\$ 1,278,332	\$ 437.34
						848						
						Total:						
CVS 312 Northlake Blvd.	OPVC Northlake Promenade LLC	1.45	1997	Supermarket/Drug Store	Drug store Freestanding	9,842	\$ 1,900,000	\$ 1,900,000	\$ 193.05	\$ 2,509,378	\$ 2,090,000	\$ 212.36
						Total:						
TD Bank 318 Northlake Blvd.	Palm Beach County Bank	0.95	2005	Financial	Neighborhood Bank	4,904	\$ 1,683,978	\$ 1,683,978	\$ 343.39	\$ 1,781,917	\$ 1,781,917	\$ 363.36
						Total:						
Stormwater Parcels	Northlake Promenade Shoppes LLC	0.37		River/Lakes			\$ 112	\$ 112	\$ -	\$ 112	\$ 112	\$ -
Vacant	Village Shops at US 1 LLC	3.81		Vacant Commercial			\$ 898,331	\$ 898,331	\$ -	\$ 943,164	\$ 943,164	\$ -
Vacant	Village Shops at US 1 LLC	0.43		Vacant Commercial			\$ 234,710	\$ 234,710	\$ -	\$ 248,492	\$ 248,492	\$ -
Subtotal - North Palm Beach:		16.76				103,285	\$ 13,380,718	\$ 10,784,483	\$ 104.41	\$ 13,743,388	\$ 12,166,188	\$ 117.89
		41%						81%		2.8%	13.0%	

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Table 2: Twin City Mall Parcel Information—Town of Lake Park, 2021

Parcel Address	Owner	Site Size (Acres)	Year Built	Property Use Code	Land Uses	Size (SF)	2019 Values			2021 Values & % Change From 2019		
							Market	Taxable	Per SF	Market	Taxable	Per SF
Lake Park												
Wendy's 320 Northlake Blvd.	Wendys Properties LLC	0.87	2002	Restaurant, Drive-in	Franchise Food	2,938	\$ 1,115,431	\$ 1,115,431	\$ 379.88	\$ 1,148,231	\$ 1,148,231	\$ 390.82
						Total:						
Bank 328 Northlake Blvd.	San Fin Inc.	1.39	2005	Financial	Neighborhood Bank	4,179	\$ 1,352,533	\$ 1,352,533	\$ 323.88	\$ 1,701,929	\$ 1,701,929	\$ 407.55
						Total:						
Publix Supermarket 370 Northlake Blvd.	Real Sub LLC	7.32	2000	Shopping Center-Community	Comm Retail Supermarket	4,036	\$ 6,232,749	\$ 6,232,749	\$ 109.72	\$ 5,891,872	\$ 5,891,872	\$ 103.72
						52,788						
UPS Store 378 Northlake Blvd.	Northlake Promenade Shoppes LLC	2.41	2000	Shopping Center-Community	Comm Retail Comm Retail	6,196	\$ 1,599,073	\$ 1,599,073	\$ 151.83	\$ 1,525,831	\$ 1,525,831	\$ 144.86
						4,350						
Total:						10,648						
Stormwater Parcels	Northlake Promenade Shoppes LLC	2.14		River/Lakes			\$ 842	\$ 842	\$ -	\$ 842	\$ 842	\$ -
Vacant	OPV Northlake Promenade LLC	0.85		Vacant Commercial			\$ 660,789	\$ 660,789	\$ -	\$ 693,736	\$ 693,736	\$ -
Vacant (MF Parcel)	Northlake Promenade Shoppes LLC	6.85		Vacant Commercial			\$ 1,841,058	\$ 1,841,058	\$ -	\$ 1,878,187	\$ 1,878,187	\$ -
Vacant	Village Shops at US 1 LLC	0.70		Vacant Commercial			\$ 228	\$ 228	\$ -	\$ 238	\$ 238	\$ -
Vacant	Village Shops at US 1 LLC	0.14		Vacant Commercial			\$ 14,342	\$ 14,342	\$ -	\$ 14,345	\$ 14,345	\$ -
Subtotal - Lake Park:		22.47				74,484	\$ 12,816,845	\$ 12,816,845	\$ 169.44	\$ 12,852,812	\$ 12,852,812	\$ 169.92
		69%						100%		0.3%	0.3%	
TOTAL:		39.22				177,749	\$ 26,007,641	\$ 23,401,328	\$ 131.65	\$ 28,388,200	\$ 24,638,880	\$ 139.74

Source: Palm Beach County Property Appraiser; WTL+a, updated August 2021.

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3 Demographic & Economic Profile

The following evaluates those indices that drive fundamental market demand for various land uses to help inform redevelopment potentials for the Twin City Mall site. Accordingly, the profile is focused on population and household growth; employment trends and forecasts; household incomes and annual retail spending power; current business mix; and other economic indicators for Lake Park, North Palm Beach, and the northern part of Palm Beach County based on available data that form the basis of potential market support for redevelopment.

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; Town of Lake Park; Village of North Palm Beach; Palm Beach County; ESRI Business Analyst; Claritas, Inc.; Dun & Bradstreet, Inc.; and other sources.

Demographic Trends & Forecasts



WTL+^a evaluated historic population growth patterns and forecasts for the Town of Lake Park, the Village of North Palm Beach, and a selected portion of northern Palm Beach County using the sources noted above. Key findings are summarized below, with data illustrated in Table 3 through Table 18.

Domestic Relocations to Florida

A portion of Florida's annual population growth can be attributed to domestic relocations from other cities and states across the U.S. As illustrated in Table 3, U.S. Census data from the American

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Table 3: State-by-State Relocations to Florida—Top 10 States, 2010—2019

Rank by Share	State	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-2019	
												Total Relocations	% Share of Total
1	New York	55,011	59,288	53,009	55,419	58,753	69,289	60,472	63,722	63,033	57,488	596,484	10.7%
	Annual % Change	-	7.8%	-10.6%	4.5%	6.0%	17.9%	-12.7%	5.4%	-1.1%	-8.8%		
2	Georgia	35,615	38,658	42,754	35,386	42,020	38,654	39,578	38,800	35,350	49,681	396,496	7.2%
3	New Jersey	22,344	25,206	27,606	30,914	24,425	29,390	33,966	27,892	30,105	28,222	280,070	5.1%
4	Pennsylvania	19,935	20,821	25,659	28,771	28,841	28,826	30,258	28,507	31,712	34,965	278,295	5.0%
5	Texas	24,039	25,532	28,564	24,228	25,175	29,706	31,153	31,625	24,197	26,174	270,391	4.9%
6	North Carolina	19,108	23,983	23,133	29,017	25,333	24,003	28,726	23,270	26,708	28,207	251,488	4.6%
7	California	22,130	22,420	20,386	26,690	23,239	21,217	28,420	30,919	26,888	28,628	250,937	4.5%
8	Ohio	21,047	18,191	22,927	22,697	27,438	27,403	29,655	22,946	22,452	30,335	244,991	4.4%
9	Virginia	20,080	16,614	25,697	18,132	25,342	23,377	29,485	28,232	31,798	26,031	244,788	4.4%
10	Illinois	17,432	19,152	22,565	19,973	25,095	26,406	23,319	28,631	27,622	24,425	234,620	4.2%
TOTAL BY YEAR:		482,889	498,597	537,148	529,406	546,501	584,938	605,018	586,476	587,261	601,611	6,539,845	
Annual % Change:		-	3.3%	7.7%	-1.4%	3.2%	7.0%	3.4%	-6.4%	3.7%	2.4%		

[State-to-State Migration Flows \(census.gov\)](https://www.census.gov/migration/state-to-state/)

Source: U.S. Census Bureau; American Community Survey, 2010-2019; WTL+^a, November 2021.

Community Survey for 2010–2019, resident relocations from the top 10 states accounted for 55% of all domestic relocations to Florida. In particular, the Northeast (New York, New Jersey, Pennsylvania and Virginia) accounted for 25% of all relocations from these top 10 states, with residents relocating from New York State comprising the largest share (10.7%) of the 5.5 million total statewide relocations over the past 10 years. Notably, the number of New York State residents relocating to Florida declined in 2018 and 2019—by 1.1% between 2017–2018 and almost 9% between 2018–2019. Georgia accounted for the second largest share of relocations to Florida—with 7.2% of the total between 2010 and 2019.

While relocation data for 2020 and 2021 are not yet available, change-of-address filings from the United States Postal Service (USPS) provide insights into patterns expected upon release of U.S. Census data. However, permanent residential change-of-address filings (combining both individuals and families) are not a perfect measure of resident relocations. While individuals filing represent one mover, the number of people associated with one family filing cannot be determined. Moreover, duplicate filings can occur (such as a family with different last names at the same address), or a mover may not even submit a USPS filing.

According to the USPS, migration patterns for most of the U.S. were remarkably similar in 2020 to resident relocations in 2018 and 2019. Notably, several densely populated cities experienced a dramatic change of filings compared to prior years. According to USPS permanent filings, the number of individuals and families leaving New York City for a new state jumped 47% from 2019 to 2020. It is not known how many of these moves were attributable to the COVID pandemic.

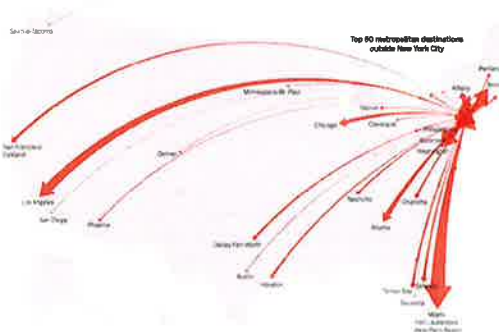
While the number of permanent change-of-address filings by New York City residents leaving for other states increased in 2020, there was little change in which destination states they chose. The share of movers from New York City to Florida over the past three years is illustrated below:

Year	% of Movers	% Change
2018	12.4%	N/A
2019	12.7%	2.4%
2020	12.2%	(3.9%)

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Figure 2: Top 50 Metropolitan Destinations from New York City, 2020



USPS data on permanent address changes from New York City to selected counties in Florida is illustrated in Table 4. According to USPS, the four South Florida counties (Broward, Miami-Dade, Monroe and Palm Beach) accounted for 5,793 address changes from New York City in 2020, a jump of 89% from 2019 (2,735 filings). South Florida accounted for 62% of all permanent address changes from New York City between 2019 and 2020.

There were 2,048 address changes from New York City to Palm Beach County in 2020, an increase of 1,059 filings over 2019 (107%). Notably, Palm Beach County accounted for 22% of all New York City filings to the State of Florida between 2019 and 2020.

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Table 4: Permanent Address Changes—New York City to Florida Counties, 2019—2020

Destination County	2019	2020	Change		2020 As % of State
			No	%	
Miami Dade	1,411	2,839	1,228	87%	
Palm Beach	909	2,049	1,089	107%	22%
Broward	646	1,069	423	65%	
Monroe	12	37	25	308%	
Subtotal-South Florida:	3,088	6,793	2,756	89%	62%
Hillsborough	289	427	138	48%	
Manatee	59	156	98	166%	
Pinellas	33	69	36	109%	
Polk	206	330	124	60%	
Sarasota	123	243	120	101%	
Subtotal-Tampa Bay:	728	1,227	499	69%	13%
Orange	289	468	190	74%	
Osceola	78	122	44	56%	
Polk	75	100	25	33%	
Seminole	59	91	32	54%	
Lake	30	46	16	53%	
Subtotal-Central Florida:	611	827	318	52%	8%
Collier	132	312	180	105%	
Lee	113	199	86	76%	
Charlotte	15	17	2	13%	
Subtotal-SW Florida:	260	528	248	95%	6%
Duval	114	189	75	69%	
St. Johns	41	115	74	180%	
Alachua	39	70	31	79%	
Leon	24	38	14	58%	
Flagler	16	36	20	125%	
Clay	21	29	8	38%	
Subtotal-NE Florida:	266	473	218	82%	5%
Brevard	51	106	55	108%	
Volusia	50	87	37	74%	
Indian River	35	77	42	120%	
Martin	34	74	40	118%	
St. Lucie	39	51	12	31%	
Subtotal-Treasure Coast:	202	386	193	96%	4%
Manatee	14	33	19	136%	
Sumter	13	27	14	108%	
Ocala	16	25	9	56%	
Hernando	18	20	2	11%	
Subtotal-Other:	61	105	44	72%	1%
TOTAL-Florida:	5,086	9,348	4,263	83%	

[New York City to Florida Migrations: Flight or Move? - Sarasota Luxury Real Estate \(webpage.auction.com\)](#)

Source: U.S. Postal Service; Florida Realtors; WTL+a, November 2021.

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Palm Beach County

- As illustrated in Table 5, Palm Beach County's population increased—from 1,131,200 residents in 2000 to 1,466,500 residents as of the April 1, 2020 State census, reflecting strong population growth exceeding 335,300 new residents over the past 20 years. This represents *sustained* annual growth of 1.31% per year since 2000; growth slowed to a more reasonable but still solid compound annual rate of 1.06% per year between 2010 and 2020;

Since 2000, Palm Beach County Added
335,300 New Residents

- The University of Florida-Bureau of Business & Economic Research (BEER) prepares the official population forecasts for all 67 counties across the state. Its Medium Growth Scenario suggests that Palm Beach County's population will increase to 1,868,600 by 2035, reflecting an increase of **more than 202,100 new residents over the next 15 years** based on a compound annual growth rate of 0.86% per year;
- Lake Park, North Palm Beach, and five other selected municipalities contain a 2020 population of 323,340, accounting for 22% of the County's total population. These seven municipalities (which gained 40,400+ new residents between 2000 and 2010) added population at an annual growth rate of 1.54% per year during this 10-year period. This was on par with the County's overall growth rate of 1.56% per year between 2000 and 2010; and
- Over the past 10 years, however, redevelopment and infill growth accelerated in these seven municipalities, generating 38,340 new residents between 2010 and 2020. This resulted in a compound annual growth rate of 1.27% per year—exceeding the County's growth rate of 1.06% during this period.

More detailed demographic data for Lake Park, North Palm Beach, and the North County "trade area" is provided below.

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Table 5: Palm Beach County Population Trends & Forecasts, 2000—2040

	2000	% of County	2010	% of County	1-Apr 2020	% of County	Change: 2010-2020		Forecasts (2)			% of County	Change: 2020-2035		
							Amount	CAGR (2)	2025	2030	2035		Amount	CAGR (2)	
Population															
Palm Beach County	1,131,184		1,320,134		1,486,484		146,360	1.06%	1,544,900	1,612,200	1,668,600		202,108	0.86%	
Boynton Beach	60,389	5.3%	68,217	5.2%	78,495	5.4%	10,278	1.41%	84,201	90,322	96,887	5.8%	18,392		
Delray Beach	80,020	5.3%	60,522	4.6%	67,168	4.6%	6,846	1.05%	70,780	74,544	78,530	4.7%	11,362		
Jupiter	38,397	3.4%	55,156	4.2%	63,188	4.3%	8,032	1.37%	67,633	72,390	77,481	4.6%	14,293		
Lake Park	8,659	0.77%	8,155	0.82%	8,912	0.81%	757	0.89%	9,316	9,739	10,161	0.81%	1,289		
North Palm Beach	12,157	1.07%	12,021	0.91%	12,813	0.87%	792	0.64%	13,228	13,857	14,100	0.85%	1,287		
Palm Beach Gardens	35,058	3.1%	48,440	3.7%	56,709	3.9%	8,269	1.59%	61,359	66,390	71,833	4.3%	15,124		
Riviera Beach	29,864	2.6%	32,488	2.5%	36,057	2.5%	3,569	1.05%	37,986	40,018	42,159	2.5%	6,102		
Total:	244,564	21.6%	284,989	21.6%	323,342	22.0%	38,343	1.27%	344,483	387,059	391,172	23.4%	67,830	1.28%	

(1) Based on the 2025-2045 Low-Medium-High Population Forecasts prepared by BEBR (for the 2020-2035 period), using the Medium Growth Scenario for Palm Beach County.
 (2) CAGR=Compound Annual Growth Rate.
 (3) As municipal population forecasts are not prepared by the State of Florida, population projections for 2025-2035 for these municipalities assume that each continues the same rate of growth as occurred between 2010-2020.

Population Studies Program | www.bebrr.fl.edu *2020_pop_estimates-Revised.xlsx (state.fl.us)

Source: U.S. Census Bureau; Florida Legislature, Office of Economic & Demographic Research; ESRI Business Analyst; WTL+a, revised October 2021.

Town of Lake Park



Key demographic characteristics of the Town of Lake Park are illustrated in Table 6 and summarized below:

- In 2020, data from ESRI Business Analyst suggests that Lake Park contains **8,762 residents in 3,400 households**. This is slightly lower than the official April 1st state estimate of 8,912 residents;
- While Lake Park lost population between 2000—2010, the town **gained more than 600 new residents between 2010 and 2020**, equating to a solid average annual growth rate of 0.72% per year over the past 10 years;
- The Town's share of Palm Beach County's population has declined over the past 20 years—from 0.77% in 2000 to 0.60% in 2020. Over the next five years, ESRI forecasts suggest Lake Park's share of the County's population will remain stable in the range of 0.59% by 2025;
- Lake Park's population is 32% White, 60% Black, and 10% Hispanic (can be two or more races);
- Residents have a median age of 37.5 years, which is forecast to increase slightly to 38.0 years by 2025. By comparison, Palm Beach County's median age is older—45.9 with a nominal increase to 46.2 years over the next five years;
- Lake Park is a moderate-income community, with average household incomes of almost \$62,400 per year. **Approximately 15.5% of Lake Park's households have annual incomes greater than \$100,000 per year;**
- Average household incomes are forecast to increase by 1.2% per year over the next five years, rising to \$66,100 by 2025. The Town's average household incomes are forecast to remain well below its counterparts in Palm Beach County, where average household incomes are forecast to be \$106,700 by 2025. **Notably, the largest gains in household incomes are forecast to occur in the \$100,000-\$149,999 range, with declines in annual household incomes below \$50,000 over the next five years.** This would be expected to enhance disposable incomes and retail spending patterns in Lake Park over the next five years;

Table 6: Demographic Trends & Forecasts—Town of Lake Park, 2000—2025

	2000	2010	2020	% Dist.	E025	% Dist.	Change: 2020-2025	
							No.	OAGR %
Demographic Profile								
Population	8,659	8,155	8,782		9,101		339	0.76%
As % of County	0.77%	0.62%	0.69%		0.59%			
Households	3,328	3,144	3,400		3,534		134	0.76%
Avg. HH Size	2.57	2.57	2.55		2.55			
Median Age		35.9	37.5		38.0			
Race								
White		3,054	2,785	32%	2,651	28%	(114)	-0.8%
Black		4,485	5,242	60%	5,822	62%	380	1.4%
American Indian		15	15	0%	15	0%	-	0.0%
Asian, Pacific Islander		204	232	3%	252	3%	20	1.7%
Other		167	229	3%	267	3%	38	3.1%
Two or More Races		230	278	3%	284	3%	15	1.1%
Total:		8,156	8,782		9,101		338	
Hispanic (f)		853	898	10%	1,052	12%	158	3.3%
Age Distribution								
0-14		1,805	1,833	19%	1,895	19%	82	0.7%
15-24		1,289	1,100	13%	1,055	12%	(45)	-0.8%
25-34		1,081	1,381	16%	1,413	16%	32	0.5%
35-44		1,038	1,049	12%	1,185	13%	136	2.5%
45-54		1,305	1,083	12%	1,049	12%	(14)	-0.3%
55-64		886	1,257	14%	1,183	13%	(54)	-1.5%
65-74		491	742	8%	918	10%	178	4.3%
75-84		320	368	4%	454	5%	86	4.3%
85+		118	169	2%	189	2%	-	0.0%
Income Profile								
Households by Income								
<\$15,000			12.0%		10.9%			-1.0%
\$15,000 - \$24,999			10.5%		10.1%			-0.8%
\$25,000 - \$34,999			13.1%		12.8%			-0.5%
\$35,000 - \$49,999			13.7%		13.8%			-0.1%
\$50,000 - \$74,999			25.2%		25.8%			0.5%
\$75,000 - \$99,999			10.0%		10.2%			0.4%
\$100,000 - \$149,999			8.4%		8.3%			-0.1%
\$150,000 - \$199,999			5.4%		5.7%			1.1%
\$200,000+			1.7%		1.6%			-1.2%
Average HH Income		\$ 82,384		\$ 66,100				1.2%
Median HH Income		\$ 50,388		\$ 51,534				0.4%
Educational Profile								
Years of Education: 25 Years & Over (2019 American Community Survey/ACS)								
High School Graduate or Higher			84.0%					
Bachelor's Degree or Higher			30.1%					

(f) Persons of Hispanic origin are a subset of other race categories; therefore, totals do not add.
U.S. Census Bureau QuickFacts: Lake Park town, Florida

Source: U.S. Census Bureau; American Community Survey; ESRI Business Analyst; WTL + a, April 2021.

- ESRI's five-year forecasts through 2025 suggest that Lake Park's growth rate will increase slightly over previous trends, with a forecast population gain of 339 new residents in 134 new households. This forecast suggests an average annual growth rate of 0.76% per year over the next five years; and
- ESRI forecasts further suggest that population growth will be greatest in specific age cohorts over the next five years:
 - Two age cohorts - 65—74 and 75—84 - are expected to exhibit the greatest rate of growth—4.3% per year (consistent with an aging population throughout Florida and the U.S.)
 - The only other cohort where notable growth is forecast includes 35—44-year-olds (2.5% per year). In combination, this is likely to translate into opportunities for specific types of housing, such as move-up buyers in for-sale housing units as well as age-restricted and independent living/continuing care for those over the age of 65.

Lake Park Population Growth Next 5 Years:
339 New Residents in 134 New Households by 2025

Village of North Palm Beach



Key demographic characteristics of the Village of North Palm Beach are illustrated in Table 7 and summarized below:

- In 2020, data from ESRI Business Analyst suggests that North Palm Beach contains 12,975 residents in 6,570 households. This is slightly higher than the official April 1st state estimate of 12,813 residents;
- Like Lake Park, North Palm Beach lost population between 2000—2010, but gained over 950 new residents between 2010 and 2020, equating to a solid average annual growth rate of 0.77% per year over the past 10 years;

Table 7: Demographic Trends & Forecasts—Village of North Palm Beach, 2000–2025

	2000	2010	2020	% Dist.	2025	% Dist.	Change: 2025-2020	
							No.	CAGR %
Demographic Profile								
Population	12,157	12,021	12,975		13,490		515	0.78%
As % of County	1.1%	0.9%	0.9%		0.9%			
Households	8,237	8,097	8,570		8,819		249	0.76%
Avg. HH Size	1.47	1.47	1.47		1.47			
Median Age		51.8	57.4		60.0			
Race								
White		11,221	11,782	91%	12,039	89%	257	0.4%
Black		320	483	4%	568	4%	105	4.0%
American Indian		10	13	0%	13	0%	-	0.0%
Asian, Pacific Islander		205	281	2%	338	3%	58	3.8%
Other		108	181	1%	230	2%	49	4.9%
Two or More Races		157	236	2%	281	2%	45	3.8%
Total:		12,021	12,976		13,490		514	
Hispanic (1)		826	1,383	11%	1,761	13%	398	5.2%
Age Distribution								
0-14		1,360	1,248	10%	1,255	9%	0	0.1%
15-24		937	837	6%	804	6%	(33)	-0.8%
25-34		1,088	1,108	8%	1,072	8%	(36)	-0.7%
35-44		1,260	1,254	10%	1,339	10%	85	1.3%
45-54		1,975	1,514	12%	1,382	10%	(1,32)	-1.8%
55-64		1,858	2,258	17%	2,079	15%	(177)	-1.6%
65-74		1,580	2,342	18%	2,723	20%	381	3.1%
75-84		1,382	1,803	12%	1,981	15%	388	4.4%
85+		550	814	6%	844	6%	30	0.7%
Income Profile								
Households by Income								
<\$15,000			6.2%		5.4%			
\$15,000 - \$24,999			7.3%		6.5%			
\$25,000 - \$34,999			8.9%		8.0%			
\$35,000 - \$49,999			11.2%		10.3%			
\$50,000 - \$74,999			16.9%		16.2%			
\$75,000 - \$99,999			9.9%		9.9%			
\$100,000 - \$149,999			18.4%		18.9%			
\$150,000 - \$199,999			9.8%		11.0%			
\$200,000+			11.8%		12.7%			
Average HH Income			\$ 107,823		\$ 119,111			2.0%
Median HH Income			\$ 73,715		\$ 82,501			2.3%
Educational Profile								
Years of Education: 25 Years & Over (2018 American Community Survey/ACS)								
High School Graduate or Higher			96.0%					
Bachelor's Degree or Higher			45.2%					

(1) Persons of Hispanic origin are a subset of other race categories; therefore, totals do not add.
U.S. Census Bureau QuickFacts: North Palm Beach Village, Florida

Source: U.S. Census Bureau; American Community Survey; ESRI Business Analyst; WTL+a, April 2021.

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- The Village's share of Palm Beach County's population has declined slightly over the past 20 years—from 1.1% in 2000 to 0.90% in 2020. Over the next five years, ESRI forecasts suggest the Village's share of the County's population will remain stable in the range of 0.90% by 2025;
- North Palm Beach's population is far less diverse than Lake Park: 91% White, 4% Black, and 11% Hispanic (can be two or more races);
- Village residents are older than Lake Park residents, with a median age of 57.4 years. This is forecast to increase to 60.0 years by 2025. By comparison, Palm Beach County's median age is much younger—45.9 with a nominal increase to 46.2 years over the next five years;
- North Palm Beach is an affluent community, with average household incomes of over \$107,800 per year. Fully 40% of Village households have annual incomes greater than \$100,000 per year;
- Average household incomes are forecast to increase by 2.0% per year over the next five years, rising to \$119,100 by 2025. The Village's average household incomes are forecast to remain above Palm Beach County, where average household incomes are forecast to be \$106,700 by 2025. Notably, gains in household incomes are forecast to occur for all levels above \$100,000, with declines in all levels of annual household incomes below \$100,000 over the next five years. This could enhance disposable incomes and retail spending patterns in North Palm Beach over the next five years;
- ESRI's five-year forecasts through 2025 suggest that North Palm Beach's growth rate will parallel its growth over the past 10 years, with a forecast population gain of 515 new residents in 249 new households. This forecast suggests an average annual growth rate of 0.78% per year over the next five years; and
- ESRI forecasts further suggest that North Palm Beach's population will continue to age, with population growth greatest in the 65–74 and 75–84 age cohorts (3.1% and 4.4%, respectively). Nominal growth of 0.7% per year is also forecast for those over the age of 85. Notably, the proportion of Village residents in peak earning years (45–54 and 55-64) are forecast to decline.

North County Trade Area

At the request of the municipalities, WTL+a also examined demographic characteristics of the northern portion of Palm Beach County. This was conducted to understand growth trends in a larger regional context. As illustrated in Figure 3 below, the "North County" trade area comprises a 26.2 square mile area bounded by Donald Ross Road on the north, the Florida

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Turnpike on the west, Silver Beach Road on the south, and the Intracoastal Waterway on the east. The trade area includes portions of Palm Beach Gardens, Jupiter, and unincorporated Palm Beach County.

Figure 3: North County Trade Area



Key demographic characteristics of the North County trade area are illustrated in Table 8 and summarized below:

- In 2020, data from ESRI Business Analyst suggests that North County contains 73,538 residents in over 32,880 households. The share of both municipalities' population of North County declined between 2000 and 2020—from 15% to 12% in Lake Park and 21% to 18% in North Palm Beach—as the outlying portion of North County continue to grow;

Table 8: Demographic Trends & Forecasts—North County Trade Area, 2000—2025

Demographic Profile	2000	2010	2020	% Dist.	2025	% Dist.	Change: 2020-2025	
							No.	CAGR %
Population	57,781	65,358	73,538		77,525		3,987	1.06%
As % of County	5.1%	5.0%	5.0%		5.0%			
Households	25,002	28,268	32,882		34,804		1,722	1.03%
Avg. HH Size	2.22	2.22	2.23		2.23			
Median Age		45.0	47.8		48.1			
Race								
White		52,986	56,550	77%	57,868	75%	1,318	0.5%
Black		7,716	10,054	14%	11,352	15%	1,288	2.5%
American Indian		131	143	0%	147	0%	4	0.6%
Asian, Pacific Islander		2,033	2,821	4%	3,508	5%	587	3.7%
Other		1,268	2,016	3%	2,493	3%	477	4.3%
Two or More Races		1,220	1,854	3%	2,157	3%	303	3.1%
Total:		66,366	73,838		77,825		3,987	
Hispanic (1)		6,379	10,574	14%	13,399	17%	2,825	4.6%
Age Distribution								
0-14		8,880	10,208	14%	10,828	14%	418	0.8%
15-24		8,634	8,839	9%	8,897	9%	58	0.2%
25-34		7,883	8,490	12%	8,781	11%	271	0.6%
35-44		6,282	8,892	12%	9,608	12%	716	1.6%
45-54		10,371	9,456	13%	9,213	12%	(243)	-0.5%
55-64		9,077	11,373	15%	11,057	14%	(316)	-0.6%
65-74		6,876	9,760	13%	11,194	14%	1,434	2.8%
75-84		4,614	5,864	8%	7,300	9%	1,438	4.5%
85+		1,758	2,856	4%	2,889	4%	213	1.6%
Income Profile								
Households by Income								
<\$15,000			7.7%		6.9%			
\$15,000 - \$24,999			6.4%		5.8%			
\$25,000 - \$34,999			6.1%		7.6%			
\$35,000 - \$49,999			11.5%		10.9%			
\$50,000 - \$74,999			18.2%		17.8%			
\$75,000 - \$99,999			12.6%		12.8%			
\$100,000 - \$149,999			15.3%		16.2%			
\$150,000 - \$199,999			8.0%		8.9%			
\$200,000+			12.1%		13.3%			
Average HH Income		\$ 107,081			\$ 116,950			1.8%
Median HH Income		\$ 71,490			\$ 78,881			1.4%
Educational Profile								
Years of Education: 28 Years & Over (2018 American Community Survey/ACS)								
High School Graduate or Higher			N/A					
Bachelor's Degree or Higher			N/A					

(1) Persons of Hispanic origin are a subset of other race categories; therefore, totals do not add.

Source: U.S. Census Bureau; American Community Survey; ESRI Business Analyst; WTL+a, May 2021.

- In fact, North County gained almost 15,800 new residents between 2000—2020, equating to a positive average annual growth rate of 1.21% per year over the past 20 years. This growth is attributable to new residential development in portions of Palm Beach Gardens and Jupiter;
- North County's population is less diverse than Lake Park but more diverse than North Palm Beach: 77% White, 14% Black, and 14% Hispanic (can be two or more races);
- North County residents have a median age of 47.6 years. This is forecast to increase to 48.1 years by 2025. By comparison, Palm Beach County's median age is slightly younger—45.8 with a nominal increase to 46.2 years over the next five years;
- Like North Palm Beach, North County is affluent, with average household incomes of more than \$107,000 per year. Fully 35% of North County households have annual incomes greater than \$100,000 per year;
- Average household incomes are forecast to increase by 1.8% per year over the next five years, rising to \$116,950 by 2025. Average household incomes are forecast to remain above Palm Beach County, where average household incomes are forecast to be \$106,700 by 2025. Notably, gains in household incomes are forecast to occur for all levels above \$75,000, with declines in all levels of annual household incomes below \$75,000 over the next five years. This should ensure that disposable incomes and retail spending patterns in North County remain strong over the next five years;
- ESRI's five-year forecasts through 2025 suggest that North County's growth rate will parallel its growth over the past 20 years, with a forecast population gain of 3,980+ new residents in 1,720+ new households. This forecast suggests an average annual growth rate of 1.06% per year over the next five years; and
- ESRI forecasts further suggest that North County's population will continue to age, with population growth greatest in 65—74 and 75—84 cohorts (2.8% and 4.5%, respectively). Solid growth of 1.6% per year is also forecast for those over the age of 85 as well as those ages 35—44. Nominal declines are expected in peak earning cohorts: 45—54 and 55—64.

Household Incomes & Retail Spending

Household retail spending is the primary driver of demand for retail space, such as neighborhood commercial districts, community shopping centers, "Big Box" stores such as Wal-Mart or Target, food & beverage, and specialty or destination retail projects.

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Table 9: Annual Household Consumer Spending, 2019

	Palm Beach County	Boynton Beach	Delray Beach	Lake Park	North Palm Beach	North County	Palm Beach Gardens	Riviera Beach
Total Households (2020)	595,315	32,854	30,244	3,400	6,579	32,882	27,080	13,388
Apparel & Accessories								
Men's Wear	\$ 439	\$ 352	\$ 443	\$ 309	\$ 489	\$ 498	\$ 580	\$ 344
Women's Wear	781	838	812	838	918	908	1,069	814
Children's Wear	323	258	309	233	319	357	400	271
Footwear	512	427	508	382	544	568	648	418
Watches & Jewelry	154	89	125	80	139	137	182	123
Apparel Products & Services	74	48	64	43	74	71	87	55
Subtotal:	\$ 2,284	\$ 1,802	\$ 2,250	\$ 1,565	\$ 2,461	\$ 2,538	\$ 2,947	\$ 1,827
Computers								
Computers & Hardware	\$ 176	\$ 152	\$ 191	\$ 110	\$ 168	\$ 197	\$ 253	\$ 141
Software & Accessories	37	18	19	23	40	38	26	29
Subtotal:	\$ 218	\$ 168	\$ 211	\$ 139	\$ 237	\$ 235	\$ 279	\$ 170
Entertainment & Recreation								
Membership Fees for Clubs	\$ 258	\$ 195	\$ 258	\$ 183	\$ 299	\$ 294	\$ 353	\$ 185
Fees for Participant Sports	123	86	107	65	130	122	147	80
Tickets to Theater/Opera/Concerts	82	66	88	58	104	101	121	58
Tickets to Movies	81	50	81	42	68	69	80	48
Tickets to Parks/Museums	34	27	34	23	38	38	45	28
Admission to Sporting Events	88	49	65	42	75	74	89	51
Fees for Recreational Lessons	147	108	144	102	185	174	208	104
Dining Services	0.78	0.72	0.98	0.70	0.99	1.04	1.18	0.74
Subtotal:	\$ 769	\$ 581	\$ 755	\$ 499	\$ 879	\$ 873	\$ 1,045	\$ 582
TV/Video/Audio								
Cable & Satellite TV Services	\$ 944	\$ 888	\$ 874	\$ 574	\$ 892	\$ 952	\$ 1,112	\$ 795
Televisions	119	98	116	78	129	128	148	88
Satellite Dishes	2	1	1	0.77	2	1	2	1
VCRs, Video Cameras & DVD Players	7	5	6	4	6	6	7	5
Miscellaneous Video Equipment	27	21	26	17	28	29	33	23
Video Cassettes & DVDs	12	9	11	7	12	12	14	10
Video Game Hardware/Accessories	28	24	30	22	30	33	36	26
Video Game Software	18	14	17	13	18	19	21	14
Rental/Streaming/Downloaded Video	51	48	56	40	62	65	73	42
Installation of Televisions	1	1	1	0.64	2	2	2	1
Audio	104	90	113	74	128	127	148	83
Rental & Repair of TV/Radio/Audio/Sound	3	2	3	2	3	3	3	3
Subtotal:	\$ 1,315	\$ 1,000	\$ 1,259	\$ 631	\$ 1,408	\$ 1,376	\$ 1,601	\$ 1,102

(1) Consumer spending data are derived from the 2017 and 2018 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, April 2021.

Table 9 (Continued): Annual Household Consumer Spending, 2019

	Palm Beach County	Boynton Beach	Delray Beach	Lake Park	North Palm Beach	North County	Palm Beach Gardens	Riviera Beach
Other Entertainment								
Pets	\$ 680	\$ 540	\$ 700	\$ 440	\$ 700	\$ 790	\$ 631	\$ 546
Toys & Games	123	100	125	89	136	142	161	100
Recreational Vehicles & Fees	198	105	147	80	178	175	215	101
Sports/Recreation/Exercise Equipment	275	173	211	143	243	242	282	171
Photo Equipment & Supplies	56	42	54	37	59	61	70	43
Reading	118	93	120	75	145	134	180	89
Catered Affairs	37	24	32	24	36	36	42	19
Subtotal:	\$ 1,389	\$ 1,087	\$ 1,336	\$ 905	\$ 1,583	\$ 1,581	\$ 1,861	\$ 1,071
Food & Alcohol								
Food at Home	\$ 5,558	\$ 4,533	\$ 5,897	\$ 3,825	\$ 6,351	\$ 6,286	\$ 7,342	\$ 4,501
Food Away from Home	3,040	3,202	4,001	2,872	4,412	4,440	5,184	3,130
Alcoholic & Non-alcoholic Beverages	820	520	660	428	757	750	883	472
Subtotal:	\$ 10,125	\$ 8,254	\$ 10,558	\$ 6,955	\$ 11,520	\$ 11,476	\$ 13,430	\$ 8,103
Household Furnishings & Equipment								
Household Textiles	\$ 108	\$ 86	\$ 100	\$ 74	\$ 122	\$ 121	\$ 140	\$ 89
Furniture	907	540	874	454	700	704	898	530
Floor Coverings	32	27	28	24	44	43	40	24
Major Appliances	381	286	388	234	438	422	500	302
Housewares	115	84	105	65	121	118	136	88
Small Appliances	52	42	53	30	59	58	68	42
Luggage	15	13	18	11	18	18	21	12
Telephones & Accessories	82	75	95	64	113	100	128	62
Lawn & Garden	508	380	517	295	633	564	715	375
Housekeeping Supplies	820	680	841	545	881	821	1,063	680
Maintenance & Remodeling Materials	488	415	535	324	563	625	754	375
Subtotal:	\$ 3,277	\$ 2,658	\$ 3,394	\$ 2,125	\$ 3,910	\$ 3,780	\$ 4,484	\$ 2,539
Health & Personal Care								
Non- & Prescription Drugs	\$ 558	\$ 431	\$ 544	\$ 353	\$ 630	\$ 591	\$ 697	\$ 462
Optical	95	75	68	64	112	110	129	75
Personal Care Products	549	431	533	300	591	590	683	437
School Supplies	194	124	154	103	187	173	202	131
Grooming Overview	366	311	413	303	429	411	492	294
Subtotal:	\$ 1,762	\$ 1,392	\$ 1,732	\$ 1,162	\$ 1,938	\$ 1,914	\$ 2,211	\$ 1,491
TOTAL								
Total Annual Spending	\$ 12,881,391,960	\$ 9,306,148	\$ 10,685,810	\$ 48,199,810	\$ 187,438,577	\$ 182,102,316	\$ 254,081,164	\$ 226,011,891
As % of Palm Beach County		4.4%	5.1%	0.4%	1.3%	6.2%	8.0%	1.4%
Per Household	\$ 21,134	\$ 16,943	\$ 21,349	\$ 14,175	\$ 23,968	\$ 23,745	\$ 27,938	\$ 16,884
Average FHI Income	\$ 65,331	\$ 74,343	\$ 65,197	\$ 62,394	\$ 107,022	\$ 107,048	\$ 126,044	\$ 72,046
As % of Average FHI Income	22.6%	22.7%	22.4%	22.7%	22.2%	22.2%	22.2%	23.2%

(1) Consumer spending data are derived from the 2017 and 2018 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, April 2021.



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Household retail spending patterns among households in Palm Beach County, the two municipalities, the North County trade area and selected other nearby communities are illustrated in Table 9 and summarized below:

- Households in specific jurisdictions—including North Palm Beach and Palm Beach Gardens—have high household incomes and, therefore, higher amounts of discretionary spending potentials on retail and restaurants. This includes consumer retail goods (clothing, entertainment/recreation, electronics, household furnishings, personal care products, etc.) and food & beverage (restaurants, liquor, catering, etc.):
 - With 2020 average household incomes exceeding \$107,000 per year in both North Palm Beach and the North County trade area, households in these jurisdictions spend in the range of \$24,000 per year on consumer retail and restaurants (or 22% of annual household income). This is slightly below their more affluent counterparts in Palm Beach Gardens, which spend approximately \$27,900 annually on retail and restaurants;
 - By comparison, lower household incomes in Lake Park, Boynton Beach, and Riviera Beach translate into lower annual retail spending ranging from \$14,176 per year in Lake Park to roughly \$16,900 per year in Boynton and Riviera; and
 - Palm Beach County households, with average household incomes of \$93,300, spend approximately \$21,100 per year on retail and restaurants.
- In total, retail spending among North Palm Beach households exceeds \$157.4 million per year, accounting for 1.3% of the \$12.5 billion in annual household consumer retail spending in Palm Beach County. Lake Park households spend \$48.2 million per year (0.4% of the County) and North County trade area households spend \$782.1 million (6.2% of the County); and
- Notably, household spending totals are irrespective of location (i.e., spending can occur anywhere).

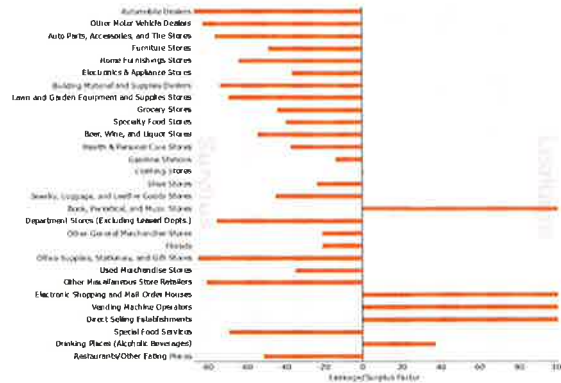
Retail “Recapture” Opportunities

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 the figures that follow, recapture opportunities among specific merchandise categories are illustrated on the right side of the graph while surplus sales (inflow) are illustrated on the left side of the graph. Numerical findings for each municipality are illustrated in Table 10 and Table 11.

Town of Lake Park

Figure 4: Retail Leakage & Surplus—Town of Lake Park, 2018



Another source for household retail spending includes the Bureau of Labor Statistics (BLS) and Claritas, Inc.

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Table 10: Retail "Recapture" Opportunities—Town of Lake Park, 2018

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
General Merchandise Stores			
Department Stores Excl Leased Depts.	\$ 9,289,814	\$ 65,100,821	\$ (55,811,207)
Other General Merchandise Stores	3,994,399	6,107,249	(2,112,850)
Subtotal:	\$ 13,284,213	\$ 71,208,070	\$ (57,924,057)
Clothing & Accessories Stores			
Clothing Stores	\$ 2,753,813	\$ 2,734,516	\$ 19,297
Shoe Stores	625,226	1,002,015	(376,789)
Jewelry, Luggage, Leather Goods	686,201	1,785,253	(1,099,052)
Subtotal:	\$ 4,065,240	\$ 5,521,784	\$ (1,456,544)
Furniture & Home Furnishings Stores			
Furniture Stores	\$ 1,606,598	\$ 4,803,071	(2,996,473)
Home Furnishing Stores	1,224,899	5,504,126	(4,279,227)
Subtotal:	\$ 2,831,497	\$ 10,307,197	\$ (7,475,700)
Electronics & Appliance Stores			
Appliances, TVs, Electronics Stores	\$ 2,288,138	\$ 4,876,218	(2,588,080)
Subtotal:	\$ 2,288,138	\$ 4,876,218	\$ (2,588,080)
Leisure & Entertainment			
Sporting Goods/Hobby/Musical Instruments	\$ 1,599,336	\$ 7,653,964	(6,054,628)
Books, Periodicals & Music Stores	351,965	-	351,965
Subtotal:	\$ 1,951,301	\$ 7,653,964	\$ (5,702,663)
Food Services & Drinking Places			
Special Food Services	\$ 144,291	\$ 785,470	(641,179)
Drinking Places - Alcoholic Beverages	669,532	303,276	366,256
Restaurants/Other Eating Places	7,722,066	23,678,623	(15,956,557)
Subtotal:	\$ 8,536,889	\$ 24,767,369	\$ (16,231,468)

Key findings for Lake Park indicate that:

- Lake Park households spend \$60.9 million per year. This estimate is **higher** than annual spending illustrated previously in Table 9 because it includes multiple additional merchandise categories such as Building Materials, Leisure & Entertainment and Miscellaneous Store sales. This compares to estimated town-wide store sales of \$230.3 million per year;

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Table 10 (Continued): Retail "Recapture" Opportunities—Town of Lake Park, 2018

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
Food & Beverage Stores			
Grocery Stores	\$ 13,182,752	\$ 33,474,553	\$ (20,291,801)
Specialty Food Stores	811,298	1,398,799	(787,511)
Beer, Wine & Liquor Stores	688,469	2,290,980	(1,602,511)
Subtotal:	\$ 14,482,478	\$ 37,164,302	\$ (22,681,823)
Health & Personal Care Stores			
Health & Personal Care Stores	\$ 5,292,528	11,418,790	(6,126,262)
Subtotal:	\$ 5,292,528	\$ 11,418,790	\$ (6,126,262)
Building Material, Garden Equipment Stores			
Building Materials & Supplies	\$ 4,632,512	30,250,098	(25,617,586)
Lawn & Garden Equipment & Supplies	370,047	2,018,913	(1,648,866)
Subtotal:	\$ 5,002,559	\$ 32,269,011	\$ (27,266,452)
Miscellaneous Store Retailers			
Florists	\$ 125,842	191,312	(65,470)
Office Supplies, Stationery, Gift Stores	690,596	6,542,747	(7,852,151)
Used Merchandise Stores	727,783	1,480,720	(752,937)
Other Miscellaneous Retail Stores	1,656,468	15,160,831	(13,504,363)
Subtotal:	\$ 3,200,689	\$ 25,375,410	\$ (22,174,721)
TOTAL:			
HH Demand vs. Retail Sales	\$ 80,934,333	\$ 230,362,105	\$ (149,427,772)
	(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 = sales inflow from sources other than resident households).
- (2) Total household retail spending excludes spending on Non-Store Retailers (Internal); Motor Vehicle Parts and Dealers; and Gas Stations.

Source: Bureau of Labor Statistics; Claritas, Inc.; ESRI Business Analyst; WTL +a, April 2021.

- The difference between spending and sales is known as inflow or leakage; in other words, there is more than \$169.4 million in annual household retail sales inflow into Lake Park due to the presence of Big Box stores as well as a significant retail cluster on commercial corridors such as Northlake Boulevard. It should be noted that resident household sales can occur anywhere (i.e., often outside of the Town), so sources of sales inflow include daytime employees (who do not live in Lake Park), visitors, and others such as pass-through traffic;
- Given the depth of retail sales inflow into Lake Park from sources other than existing households, the retail analysis reveals there are very few merchandise categories where apparent opportunities could be recaptured to support new retail uses as part of mixed-use redevelopment of the Twin City Mall site—at least as supported by existing households in Lake Park.

**More than \$169 Million in Annual
Household Retail Sales Inflow into Lake Park**

Village of North Palm Beach

- With higher household incomes, North Palm Beach households spend \$182.1 million per year. This estimate is higher than annual spending illustrated previously in Table 9 because it includes multiple additional merchandise categories such as Building Materials, Leisure & Entertainment, and Miscellaneous Store sales. This compares to estimated village-wide store sales of almost \$97.6 million per year;

Table 11: Retail "Recapture" Opportunities—Village of North Palm Beach, 2018

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
General Merchandise Stores			
Department Stores Excl Leased Depts.	\$ 30,878,563	\$ -	\$ 30,878,563
Other General Merchandise Stores	13,010,334	1,737,282	11,273,052
Subtotal:	\$ 43,888,897	\$ 1,737,282	\$ 41,849,835
Clothing & Accessories Stores			
Clothing Stores	\$ 8,999,395	\$ 2,796,891	\$ 6,242,504
Shoe Stores	1,980,057	421,568	1,558,489
Jewelry, Luggage, Leather Goods	2,471,955	3,207,485	(735,530)
Subtotal:	\$ 13,451,407	\$ 6,345,944	\$ 7,085,463
Furniture & Home Furnishings Stores			
Furniture Stores	\$ 5,427,813	\$ 7,248,601	\$ (1,818,988)
Home Furnishing Stores	4,548,249	6,207,445	(1,658,196)
Subtotal:	\$ 9,976,062	\$ 13,456,046	\$ (3,477,184)
Electronics & Appliance Stores			
Appliances, TVs, Electronics Stores	\$ 7,850,046	\$ 8,175,393	\$ (325,347)
Subtotal:	\$ 7,850,046	\$ 8,175,393	\$ (325,347)
Leisure & Entertainment			
Sporting Goods/Hobby/Musical Instruments	\$ 5,447,183	\$ 3,502,311	\$ 1,944,872
Books, Periodicals & Music Stores	1,114,800	630,883	483,917
Subtotal:	\$ 6,561,983	\$ 4,133,194	\$ 2,428,789
Food Services & Drinking Places			
Special Food Services	\$ 454,105	\$ 78,919	\$ 375,186
Drinking Places - Alcoholic Beverages	2,457,478	413,558	2,043,920
Restaurants/Other Eating Places	25,883,379	23,885,972	2,197,407
Subtotal:	\$ 28,794,962	\$ 24,178,448	\$ 4,616,513

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Table 11 (Continued): Retail "Recapture" Opportunities—Village of North Palm Beach, 2018

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
Food & Beverage Stores			
Grocery Stores	\$ 1,996,612	\$ 9,021,589	\$ (7,054,977)
Specialty Food Stores	2,403,006	1,270,000	1,133,006
Beer, Wine & Liquor Stores	18,740,434	9,169,811	9,570,623
Subtotal:	\$ 23,110,052	\$ 18,461,400	\$ 3,848,652
Health & Personal Care Stores			
Health & Personal Care Stores	\$ 18,740,434	\$ 9,169,811	\$ 9,570,623
Subtotal:	\$ 18,740,434	\$ 9,169,811	\$ 9,570,623
Building Material, Garden Equipment Stores			
Building Materials & Supplies	\$ 17,538,940	\$ 2,181,192	\$ 15,357,748
Lawn & Garden Equipment & Supplies	1,432,099	463,021	969,078
Subtotal:	\$ 18,971,039	\$ 2,644,213	\$ 16,326,826
Miscellaneous Store Retailers			
Florists	\$ 504,747	\$ 286,968	\$ 217,779
Office Supplies, Stationery, Gift Stores	2,398,789	2,626,312	(229,523)
Used Merchandise Stores	2,396,555	2,295,920	140,635
Other Miscellaneous Retail Stores	5,711,847	3,062,920	2,648,927
Subtotal:	\$ 11,009,938	\$ 8,232,120	\$ 2,777,818
TOTAL:			
HH Demand vs. Retail Sales	\$ 182,151,820	\$ 87,671,832	\$ 94,579,788
	(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 = sales inflow from sources other than resident households).

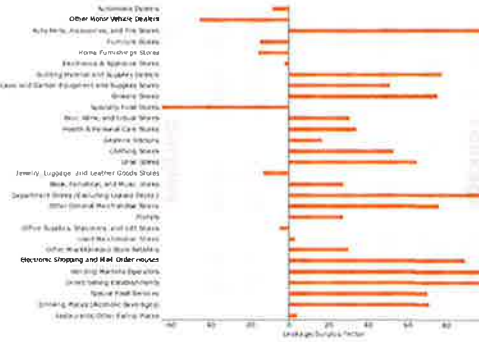
(2) Total household retail spending excludes spending on Non-Store Retailers (Internet); Motor Vehicle Parts and Dealers; and Gas Stations.

Source: Bureau of Labor Statistics; Claritas, Inc.; ESRI Business Analyst; WTL + a, April 2021.

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Figure 5: Retail Leakage & Surplus—Village of North Palm Beach, 2018



▪ Thus, the retail analysis reveals there are multiple merchandise categories where *apparent* opportunities could be recaptured to support new retail uses as part of mixed-use redevelopment of the Twin City Mall site—as generated solely by existing households in North Palm Beach. These include:

- o \$41.9 million in General Merchandise stores
- o \$9.5 million in Health/Personal Care stores
- o \$7.0 million in Clothing/Apparel stores
- o \$4.6 million in Food Services/Restaurants
- o \$3.6 million in Food & Beverage/Grocery stores

Opportunities to recapture the loss of existing sales leakage out of North Palm Beach are considered in the retail demand analysis provided in Section 4.

Economic Characteristics

Employment Trends—Palm Beach County

Job growth is a key barometer of demand for “workplace” uses such as multi-tenant office space, industrial parks, retail centers, and the like. WTL+a examined trends and forecasts in employment growth, utilizing data for Palm Beach County, as prepared by the state’s labor agency, the Department of Economic Opportunity (DEO), for the period between 1995 and 2020. This data is critical to understanding redevelopment potentials of the Twin City Mall site. Key findings are summarized below and illustrated in Table 12:

- **Palm Beach County added a remarkable 175,700 new jobs in the 11-year period between 1995 and 2006.** This growth, which translates into 17,500+ new jobs annually, was focused in specific sectors, including:
 - o Construction (22,000)
 - o Professional/Business Services (56,200), fueling demand for office space
 - o Education/Healthcare (20,900)
 - o Retail Trade (16,700), and
 - o Government (16,100);
- **By contrast, the economic downturn of 2007—2009 resulted in the loss of 66,200 jobs;**

Table 12: Employment Trends—Palm Beach County, 1995—2018

Industry Sector	1995	2000	2008	Change: 1995-2008		2007	2009	2011	2013	2015	2017	2018	Pandemic	Change: 2007-2020		
				2020	Amount								CAGR %			
In 000s																
Construction	27.7	38.4	49.7	22.0	5.5%	42.0	25.8	24.1	27.8	32.8	38.8	38.3	37.8	(4.1)	-0.8%	
Manufacturing	28.0	28.5	20.1	(7.9)	-3.0%	19.2	18.0	15.4	16.2	18.8	20.5	20.4	19.8	0.8	0.2%	
Transp/Warehousing/Utilities	7.6	8.2	9.8	2.2	2.3%	10.3	9.3	9.3	10.1	12.5	13.6	14.7	14.5	4.2	2.7%	
Trade																
Wholesale	14.8	18.1	24.3	9.5	4.6%	23.8	21.7	21.6	22.8	24.2	24.1	24.1	22.8	(1.0)	-0.3%	
Retail	81.3	74.1	78.0	16.7	2.2%	76.7	88.4	71.9	76.6	82.5	83.8	83.1	78.1	1.4	0.1%	
Information	9.5	13.3	11.0	1.5	1.3%	11.0	9.0	9.1	10.4	10.8	11.8	11.0	9.5	(1.5)	-1.1%	
Financial Activities																
Financial Activities	29.1	37.8	42.1	13.0	3.4%	40.2	35.1	36.5	38.8	41.0	41.1	44.4	44.4	4.2	0.8%	
Services																
Prof/Business Services	41.7	82.1	97.9	56.2	8.1%	96.0	84.2	90.5	98.7	107.6	115.0	117.5	118.3	22.3	1.8%	
Education/Health Services	58.1	85.3	79.0	20.9	2.8%	80.3	81.9	83.7	87.8	95.9	100.8	108.3	101.8	21.5	1.8%	
Leisure & Hospitality	53.5	62.5	74.2	20.7	3.0%	74.9	88.9	73.8	79.1	85.6	89.8	94.4	79.8	4.7	0.5%	
Other Services	23.1	25.6	27.9	4.8	1.7%	29.1	27.4	28.2	30.2	32.5	33.6	33.4	30.1	1.0	0.3%	
Government																
Government	51.1	57.8	67.2	16.1	2.5%	68.5	66.4	63.8	62.8	63.3	64.4	66.8	61.8	(6.9)	-0.8%	
Total (In 000s):	405.5	509.7	581.2	175.7	3.3%	572.0	515.1	528.0	581.1	607.5	636.1	656.4	618.4	46.4	0.6%	
Change During Period:		104.2	71.5			(9.2)	(57.0)	12.9	33.1	46.4	27.6	21.3	(38.0)			

(1) As of year-end for each reported year.
CES Current Employment Statistics - FloridaJobs.org

Source: US Department of Labor, Bureau of Labor Market Statistics; Florida Department of Economic Opportunity, Bureau of Labor Market Statistics; WTL +a, April 2021.

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- There was significant job growth in the nine-year economic boom between 2011 and 2019. In fact, more than 141,400 new jobs were created by 2019, far surpassing the job losses during the 2007—2009 recession;
- In 2020, the recession generated by the COVID 19 pandemic resulted in the **loss of 38,000 jobs** across Palm Beach County. The Retail Trade, Education, and Leisure/Hospitality sectors suffered the greatest job losses; and
- Even accounting for the 2007—2009 recession and 2020 pandemic, the economy of Palm Beach County has exhibited remarkable resiliency—with a **net gain of 46,400 new jobs since 2007**. 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, with 49,400 new jobs during this period. Conversely, job losses were greatest in Government (-6,900), Construction (-4,100), and Information (-1,500).

Palm Beach County Gained
141,400 New Jobs between 2011 & 2019

- As illustrated in Table 13, Dun & Bradstreet, Inc. estimates that **Palm Beach County contained almost 714,000 full- and part-time jobs** in 79,241 registered businesses in January 2020, which reflects a jobs-to-population ratio of 0.49. That is, there are 49 jobs for every 100 residents in the County, which reflects the concentration of multiple employment centers such as downtown West Palm Beach, Boca Raton, Delray Beach, and others;
- Notably, the County's jobs-to-population ratio is higher than both neighboring Martin County (0.46) and Broward County (0.47); and
- Employment is concentrated in particular sectors, including Services (46%), Wholesale/Retail Trade (25%), and Finance/Insurance/Real Estate (10%).

Table 13: Business Mix—Palm Beach County, 2020

NAICS Category	Businesses		Employees	
	No.	% of Total	No.	% of Total
Agriculture & Mining	1,471	1.9%	11,268	1.6%
Construction	5,036	6.4%	29,726	4.2%
Manufacturing	1,827	1.9%	36,183	4.9%
Transportation & Warehousing	1,806	2.3%	12,424	1.7%
Communications	810	0.9%	6,731	0.8%
Utilities	141	0.2%	4,083	0.5%
Wholesale & Retail Trade				
Wholesale	2,031		24,472	
Retail	13,487		154,832	
- Home Improvement	802		7,814	
- General Merchandise	580		14,895	
- Food Stores	1,304		21,276	
- Auto Dealers/Gas Stations	1,386		18,680	
- Apparel & Accessory Stores	1,133		7,418	
- Furniture/Home Furnishings	1,102		8,813	
- Eating & Drinking Places	3,523		53,545	
- Miscellaneous & Non-store Retail	3,977		25,193	
Subtotal - All Retail:	18,518	19.8%	178,104	25.1%
Finance/Insurance/Real Estate	8,273	11.7%	70,882	9.8%
Services				
- Hotel/Lodging	325		13,481	
- Automotive Services	1,558		7,816	
- Motion Pictures & Amusement	2,034		25,003	
- Health Services	5,342		78,789	
- Legal Services	1,988		14,275	
- Educational Institutions	937		72,932	
- Other Services	17,817		119,846	
Subtotal - Services:	30,001	37.9%	330,044	46.2%
Government	920	1.2%	34,187	4.8%
Unclassified Establishments	12,939	16.3%	2,141	0.3%
TOTAL:	79,241	100.0%	713,843	100.0%

ANALYSIS:	
2020 Employment	713,843
2020 Population (Blate Estimate)	1,468,484
Jobs/Population Ratio	0.49

Source: ESRI Business Analyst; InfoGroup, Inc.; Dun & Bradstreet, Inc.; WTL +a, April 2021.

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Employment Forecasts—Palm Beach County

Employment forecasts for Florida's 67 counties are prepared in eight-year forecast periods by the Department of Economic Opportunity. As illustrated in Table 14, these forecasts suggest that:

- Palm Beach County is forecast to add more than 87,750 new jobs between 2020 and 2028, reflecting a sustained pace of 11,000 new jobs annually over this eight-year period.
- The Services sector is expected to comprise fully 50% of all new jobs in the region—adding almost 80,500 new jobs—with the largest gains expected in Health Care and Accommodation & Food Services (hospitality, and food and beverage) sectors. The Wholesale & Retail Trade sector is forecast to add more than 5,600 new jobs. This growth can be expected to fuel demand for medical office space, restaurants, and lodging.

Employment Trends—Town of Lake Park

WTL+a utilized 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 Lake Park. As illustrated in Table 15, data indicate the following:

- In 2018 (latest Census data available), Lake Park contained a total of 4,865 jobs. This would suggest that, in 2018, the Town accounted for 0.79% of total jobs in Palm Beach County, a slightly higher proportionate share versus its population representing only 0.80% of the county. Notably, the Town's share of countywide jobs has remained flat—from 0.80% in 2007 to 0.85% in 2012 to 0.79% in 2018;
- The 2007—2012 recession and recovery resulted in the loss of 1,051 jobs. Since 2013, however, Lake Park has added more than 1,500 new jobs and experienced a net gain of 552 new jobs during this 12-year period;
- Between 2007 and 2018, notable job losses occurred in 10 of 19 industry sectors, including:
 - Professional/Business Services (-140 jobs) (reducing demand for office space)
 - Construction (-80 jobs)
- Conversely, gains occurred in the following sectors:
 - Administration/Waste Management (+343 jobs)
 - Accommodation & Food Services (+229 jobs), and
 - Retail (+169 jobs)

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Table 14: State Employment Forecasts—Palm Beach County, 2020—2028

Employment Category	2020	% Dist.	2028	Change: 2020-2028		
				% Dist.	Total	CAGR
Agriculture & Forestry						
Crop & Animal Production	4,214		3,958		(256)	-0.8%
Agriculture & Forestry Support Activity	2,084		1,882		(102)	-0.6%
Subtotal:	6,298	0.8%	5,840	0.8%	(358)	-0.7%
Construction						
Building/Heavy & Civil Construction	13,229		14,660		1,431	1.3%
Specialty Trade Contractors	25,832		28,050		2,218	1.0%
Subtotal:	39,061	5.8%	42,710	5.7%	3,648	1.1%
Manufacturing						
Durable Goods Manufacturing	15,332		16,468		1,136	0.8%
Non-Durable Goods Manufacturing	5,297		5,643		346	0.8%
Subtotal:	20,629	3.1%	22,111	2.8%	1,482	0.8%
Transportation/Communications/Public Utilities						
Public Utilities	2,268		1,738		(530)	-3.4%
Transportation & Warehousing	12,040		13,783		1,743	1.7%
Subtotal:	14,308	2.2%	15,521	2.1%	1,213	1.0%
Wholesale & Retail Trade						
Wholesale Trade	22,635		24,455		1,820	1.0%
Retail Trade	77,781		83,385		5,605	0.9%
Subtotal:	100,416	16.1%	107,841	14.3%	7,425	0.8%
Finance/Insurance/Real Estate						
Information	10,807		11,087		280	0.2%
Finance & Insurance	25,205		26,181		976	0.4%
Real Estate, Rental & Leasing	17,604		19,348		1,744	1.2%
Subtotal:	53,616	8.1%	56,616	7.6%	3,000	0.7%
Services						
Professional, Scientific & Technical Services	48,850		55,514		6,664	1.6%
Management of Companies & Enterprises	11,484		13,020		1,535	1.6%
Administrative & Waste Management	52,132		61,171		9,039	2.0%
Educational Services	13,437		18,193		4,756	2.4%
Health Care & Social Assistance	61,215		104,670		43,455	1.7%
Arts, Entertainment & Recreation	16,528		21,093		4,565	3.1%
Accommodation & Food Services	59,283		78,482		19,199	3.0%
Other Services (Except Government)	26,467		30,010		3,543	1.6%
Subtotal:	320,604	48.2%	380,862	60.6%	60,258	2.2%
Government	64,358	8.7%	68,810	8.3%	4,452	1.0%
Self-Employed & Unpaid Family Workers	45,188	6.9%	50,862	6.8%	5,674	1.5%
TOTAL:	684,487		762,242		77,755	1.8%
Annual Increase (Rounded):						11,000

http://www.floridapda.org/workforce-statistics/data-center/statistical-program/employment-projections

Source: Florida Department of Economic Opportunity, Bureau of Labor Statistics; WTL +a, April 2021.

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Table 15: Employment Trends—Town of Lake Park, 2007—2018

Industry Sector	2007	2008	National Recession					2014	2015	2016	2017	2018	% Dist.	Change: 2007-2018	
			2009	2010	2011	2012	2013							Amount	CAGR %
Agriculture & Mining	-	1	2	11	-	-	1	2	-	-	-	0.0%	-	0.0%	
Construction	824	837	635	470	349	390	444	646	603	504	577	744	15.3%	(60)	-0.9%
Manufacturing	488	365	335	330	228	190	218	285	308	403	481	540	11.1%	52	0.9%
Transp & Warehousing	6	7	15	24	37	20	43	73	29	44	47	30	0.6%	24	15.6%
Utilities	40	38	32	25	28	33	31	35	67	52	54	44	0.9%	4	0.9%
Trade															
Wholesale	248	211	181	189	207	175	179	195	178	232	253	245	5.0%	(3)	-0.1%
Retail	932	955	949	968	835	744	781	841	1,013	1,018	973	1,101	22.6%	169	1.5%
Information	13	18	23	15	4	5	4	8	8	4	4	4	0.1%	(9)	-10.2%
Finance & Insurance	104	139	140	103	84	53	54	62	56	43	54	44	0.9%	(60)	-7.5%
Real Estate/Rental & Leasing	35	32	19	24	37	29	42	46	62	43	20	20	0.4%	(15)	-5.0%
Services															
Profit/Business Services	269	226	224	102	87	113	125	105	139	111	101	129	2.7%	(140)	-6.5%
Management of Companies	7	6	4	5	2	6	5	6	8	1	4	2	0.0%	(5)	-10.8%
Administration/Waste Mgmt.	313	388	368	414	439	344	490	456	511	588	685	856	13.5%	343	7.0%
Educational Services	48	51	39	38	28	24	21	7	12	8	6	19	0.4%	(29)	-8.1%
Health Care & Social Assistance	335	380	425	418	459	476	462	588	552	404	411	403	8.3%	68	1.7%
Arts/Entertainment/Recreation	10	11	61	5	56	72	49	56	100	91	90	71	1.5%	61	19.5%
Accommodation & Food Services	337	433	340	344	309	413	397	419	480	515	593	588	11.6%	229	4.8%
Other Services	214	203	210	190	161	187	194	188	175	178	201	193	4.0%	(21)	-0.9%
Public Administration/Gov't	80	73	82	75	79	87	77	87	77	51	59	54	1.1%	(30)	-4.5%
Total:	4,313	4,372	3,983	3,788	3,387	3,321	3,695	4,043	4,357	4,288	4,613	4,885		552	1.1%
Annual Change	-	59	(389)	(215)	(391)	(66)	274	448	314	(69)	325	252			
Annual % Change	-	1%	-9%	-5%	-10%	-2%	8%	12%	8%	-2%	8%	5%			As % of County
Lake Park As % of County:	0.80%	0.83%	0.82%	0.78%	0.85%	0.68%	0.68%	0.74%	0.78%	0.71%	0.76%	0.78%		12 Years	0.75%
														5 Years	0.75%

Source: U.S. Census Bureau, On-the-Map; WTL +a, April 2021.

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- As illustrated in Table 16, Dun & Bradstreet, Inc. estimated there are 6,604 jobs in 1,040 registered businesses in Lake Park in 2020. According to Dun & Bradstreet, the Town accounts for approximately 0.9% of the nearly 714,000 jobs in Palm Beach County;
- The two largest sectors generating demand for workplace real estate in Lake Park include: Wholesale/Retail Trade (2,824 jobs, or 43% of all jobs) and Services (1,854 jobs, or 28% of all jobs). Within the Retail Trade sector, Auto Dealers/Gas Stations and Eating & Drinking Places account for 23% and 22% of all jobs, respectively. Within the Services sector, "Other Services" accounts for 56% all Services employment (1,037 jobs); this includes auto repair and associated businesses. Together, Wholesale/Retail Trade and Services account for fully 75% of total employment in Lake Park;
- Another sector, Finance/Insurance/Real Estate, accounts for less than 4% of Lake Park's employment base, with 248 jobs. This sector generates limited demand for office space;
- As noted above, Lake Park contains 0.9% of all at-place jobs in Palm Beach County. This is known as fair share, and is considered in the analysis of development potentials for workplace/office uses; and

Lake Park's Jobs-to-Population Ratio of 0.75 is
Significantly Above Surrounding Communities

- The data also suggest Lake Park's current jobs-to-population ratio is 0.75 (i.e., there are 75 jobs for every 100 residents living in the Town). Notably, this is much higher than the overall ratio of Palm Beach County (0.49). Lake Park's jobs-to-population ratio is significantly higher than Boynton Beach (0.46), Delray Beach (0.59) and Riviera Beach (0.63), on par with Palm Beach Gardens (0.72), and lower than West Palm Beach (0.86) and Boca Raton (1.24).

Table 16: Business Mix—Town of Lake Park, 2020

NAICS Category	Businesses		Employees	
	No.	% of Total	No.	% of Total
Agriculture & Mining	12	1.2%	50	0.8%
Construction	90	8.7%	634	9.6%
Manufacturing	32	3.1%	214	4.8%
Transportation & Warehousing	19	1.8%	82	0.9%
Communications	8	0.8%	24	0.4%
Utilities	3	0.3%	8	0.1%
Wholesale & Retail Trade				
Wholesale	38		257	
Retail	265		2,824	
- Home Improvement	28		288	
- General Merchandise	12		554	
- Food Stores	28		280	
- Auto Dealers/Gas Stations	59		858	
- Apparel & Accessory Stores	7		37	
- Furniture/Home Furnishings	21		82	
- Eating & Drinking Places	48		814	
- Miscellaneous & Non-store Retail	82		315	
Subtotal - All Retail:	301	28.9%	3,081	46.7%
Finance/Insurance/Real Estate	70	6.7%	248	3.8%
Services				
- Hotel/Lodging	3		18	
- Automotive Services	62		295	
- Motion Pictures & Amusements	30		146	
- Health Services	26		144	
- Legal Services	7		27	
- Educational Institutions	7		189	
- Other Services	214		1,037	
Subtotal - Services:	351	33.8%	1,854	28.1%
Government	13	1.3%	305	4.6%
Unclassified Establishments	141	13.6%	24	0.4%
TOTAL:	1,040	100.0%	6,604	100.0%

ANALYSIS:	
2020 Employment	6,604
% Share of Palm Beach County	0.9%
2020 Population	8,782
Jobs/Population Ratio	0.75

Source: ESRI Business Analyst; InfoGroup, Inc.; Dun & Bradstreet, Inc.; WTL+a, April 2021

- As illustrated in Figure 6, the U.S. Census Bureau estimates the highest employment densities are concentrated in the western half of Lake Park, including the industrial uses along Old Dixie Highway, 10th Street, Walertower Road, and Killian Drive corridors as well as the retail/Big Box stores located on N. Congress Avenue. Secondary and tertiary employment clusters include the Northlake Boulevard corridor and the Twin City Mall site (Publix), respectively; and

Figure 6: Employment Densities—Town of Lake Park, 2018



- As illustrated in Figure 7, according to 2018 U.S. Census Bureau data, Lake Park exhibited daily inflow of 4,701 employees who live elsewhere but work in the Town, as compared to 4,333 residents who leave Lake Park daily for jobs elsewhere. The difference—*inflow* of 368 employees daily—reflects an 80% increase since 2008.

**The Number of Employees Working in Lake Park
But Living Elsewhere Increased by 11% Since 2008**

Figure 7: Employment Inflow/Outflow—Town of Lake Park, 2018



In summary, despite 1,051 recession-based job losses, Lake Park had a net gain of 552 new jobs between 2007 and 2018 (reflecting an average annual growth rate of 1.1% per year). Differences between the U.S. Census Bureau On-the-Map data (Table 15) and Dun & Bradstreet (Table 16) are attributed to part-time jobs, self-employment, two different reporting years (in part, 2018 and 2020), and those jobs not contributing to the Unemployment Insurance Fund.

Employment Trends—Village of North Palm Beach

Using the same data from the Census Bureau’s “On-the-Map” database, employment trends in North Palm Beach are illustrated in Table 17. This indicates the following:

- In 2018 (latest Census data available), North Palm Beach contained a total of 4,619 jobs. This would suggest that, in 2018, the Village accounted for 0.75% of total jobs in Palm Beach County. Notably, the Village’s share of countywide jobs has fluctuated—from 0.82% in 2007, 0.69% in 2012, 0.86% in 2016 and 0.82% in 2018;

Table 17: Employment Trends—Village of North Palm Beach, 2007—2018

Industry Sector	2007	2008	National Recession					2012	2013	2014	2015	2016	2017	2018	% Dist.	Change: 2007-2018	
			2009	2010	2011	2018	Amount									CAGR %	
Agriculture & Mining	3	9	2	-	1	4	2	1	-	-	-	-	-	0.0%	(3)	-100.0%	
Construction	212	191	245	304	172	178	222	179	255	302	231	201	201	4.4%	(11)	-0.5%	
Manufacturing	55	46	34	24	94	26	26	25	21	33	26	25	25	0.5%	(30)	-6.9%	
Transp & Warehousing	21	23	30	15	15	18	25	15	15	15	27	22	22	0.5%	1	0.4%	
Utilities	-	-	1	10	12	7	6	8	2	2	-	-	-	0.0%	-	0.0%	
Trade																	
Wholesale	99	67	67	91	149	147	111	114	110	67	49	48	48	1.0%	(51)	-6.4%	
Retail	220	241	142	174	235	239	257	204	245	294	344	358	358	7.7%	136	4.5%	
Information	49	52	27	19	21	25	18	15	10	4	5	3	3	0.1%	(46)	-22.4%	
Finance & Insurance	578	384	197	243	248	208	137	149	181	139	189	229	229	5.0%	(349)	-8.1%	
Real Estate/Rental & Leasing Services	121	108	89	107	91	71	88	65	100	102	106	115	115	2.5%	(6)	-0.5%	
Profit/Business Services	931	455	413	535	808	587	586	584	707	724	716	680	680	14.7%	(251)	-2.8%	
Management of Companies	5	9	8	12	12	21	35	24	24	22	20	18	18	0.3%	11	11.2%	
Administration/Waste Mgmt	266	148	108	334	629	158	509	500	627	693	621	376	376	8.2%	112	3.2%	
Educational Services	358	358	366	351	341	348	263	287	284	313	306	294	294	6.4%	(62)	-1.7%	
Health Care & Social Assistance	528	480	443	573	627	651	606	695	898	1,096	892	1,116	1,116	24.2%	590	7.1%	
Arts/Entertainment/Recreation	136	116	51	61	49	86	74	78	81	56	73	83	83	1.8%	(53)	-4.4%	
Accommodation & Food Services	457	460	450	383	438	385	532	457	632	643	697	635	635	13.7%	178	3.0%	
Other Services	258	232	202	239	204	188	216	265	410	412	292	209	209	4.5%	(47)	-1.8%	
Public Administration/Gov't	144	133	223	234	220	212	220	241	218	223	192	207	207	4.5%	63	3.4%	
Total:	4,437	3,510	3,088	3,718	4,186	3,531	3,911	3,908	4,800	5,140	4,988	4,819	4,819		182	0.4%	
Annual Change	-	(927)	(412)	620	448	(635)	380	(5)	894	340	(154)	(367)					
Annual % Change	-	-21%	-13%	17%	11%	-16%	10%	-0.1%	23%	7%	-3%	-7%					
North Palm Beach As % of County:	0.82%	0.67%	0.64%	0.77%	0.80%	0.68%	0.74%	0.71%	0.83%	0.86%	0.82%	0.75%			12 Years	0.76%	
															5 Years	0.79%	

Source: U.S. Census Bureau, On-the-Map; WTL+a, April 2021.



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- The 2007—2012 recession and recovery resulted in the **loss of 906 jobs**. Between 2013 and 2018, the Village added almost 1,100 new jobs. However, when combined with recession-based job losses, there was a limited **net gain of 182 new jobs** in North Palm Beach during this 12-year period;
- Between 2007 and 2018, notable job losses occurred in 11 of 19 industry sectors, including:
 - Finance & Insurance (-349 jobs) and Professional/Business Services (-251 jobs) and Information (-46 jobs), significantly reducing demand for office space
- Conversely, gains occurred in the following sectors:
 - Health Care & Social Assistance (+590 jobs)
 - Accommodation & Food Services (+178 jobs), and
 - Retail Trade (+136 jobs)
- As illustrated in Table 18, Dun & Bradstreet, Inc. estimated there are **6,165 jobs in 1,132 registered businesses in North Palm Beach in 2020**. According to Dun & Bradstreet, the Village accounts for approximately 0.9% of the nearly 714,000 jobs in Palm Beach County;
- The two largest sectors generating demand for workplace real estate in the Village include: Services (2,974 jobs, or 48% of all jobs) and Finance/Insurance/Real Estate (1,310 jobs, or 21% of all jobs). Retail Trade, with 1,042 jobs, accounts for 17% of total employment;
- Like Lake Park, North Palm Beach also **contains 0.9% of all at-place jobs in Palm Beach County**. This is known as *fair share*, and is considered in the analysis of development potentials for workplace/office uses; and

North Palm Beach's Jobs-to-Population Ratio of 0.48 is Lower than Surrounding Communities

- The data also suggest the Village's current jobs-to-population ratio is 0.48 (i.e., there are 48 jobs for every 100 residents). Notably, this is on par with the overall ratio of Palm Beach County (0.49) as well as Boynton Beach (0.46). **The Village's jobs-to-population ratio is significantly lower than Riviera Beach (0.63), Palm Beach Gardens (0.72), Lake Park (0.75), West Palm Beach (0.86), and Boca Raton (1.24).**

Table 18: Business Mix—Village of North Palm Beach, 2020

NAICS Category	Businesses		Employees	
	No.	% of Total	No.	% of Total
Agriculture & Mining	18	1.4%	89	1.1%
Construction	84	5.7%	274	4.4%
Manufacturing	17	1.5%	143	2.3%
Transportation & Warehousing	30	2.7%	144	2.3%
Communications	-	0.0%	-	0.0%
Utilities	1	0.1%	4	0.1%
Wholesale & Retail Trade				
Wholesale	13		71	
Retail	145		1,042	
- Home Improvement	8		24	
- General Merchandise	2		4	
- Food Stores	10		39	
- Auto Dealers/Gas Stations	30		248	
- Apparel & Accessory Stores	8		35	
- Furniture/Home Furnishings	19		83	
- Eating & Drinking Places	39		464	
- Miscellaneous & Non-store Retail	33		147	
Subtotal - All Retail:	188	14.0%	1,113	18.0%
Finance/Insurance/Real Estate	188	14.8%	1,310	21.2%
Services				
- Hotel/Lodging	4		24	
- Automotive Services	14		148	
- Motion Pictures & Amusements	31		163	
- Health Services	66		399	
- Legal Services	50		487	
- Educational Institutions	14		437	
- Other Services	278		1,318	
Subtotal - Services:	457	40.4%	2,874	48.1%
Government	8	0.8%	137	2.2%
Unclassified Establishments	212	18.7%	20	0.3%
TOTAL:	1,132	100.0%	8,185	100.0%

ANALYSIS:	
2020 Employment	8,185
% Share of Palm Beach County	0.5%
2020 Population	12,976
Jobs/Population Ratio	0.48

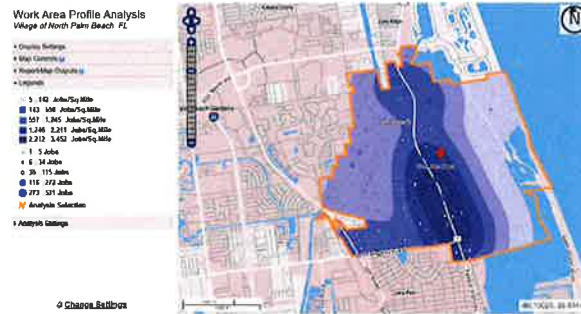
Source: ESRI Business Analyst; InfoGroup, Inc.; Dun & Bradstreet, Inc.; WTL +a, April 2021.

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- As illustrated in Figure 8, the U.S. Census Bureau estimates the highest employment densities in North Palm Beach are concentrated along U.S. 1, which has a concentration of low-rise suburban office buildings as well as retail businesses located on the north side of Northlake Boulevard; and

Figure 8: Employment Densities—Village of North Palm Beach, 2018



- As illustrated in Figure 9, according to 2018 U.S. Census Bureau data, North Palm Beach exhibited daily inflow of 4,313 employees who live elsewhere but work in the Village, as compared to 5,038 residents who leave the Village daily for jobs elsewhere. The difference—outflow of 725 employees daily—has decreased by 47% since 2008, when outflow totaled 1,370 employees.

**The Number of Employees Working in North Palm Beach
But Living Elsewhere Increased by 32% Since 2008**

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Figure 9: Employment Inflow/Outflow—Village of North Palm Beach, 2018



In summary, recession-based job losses between 2007 and recovery in 2013 has limited the number of new jobs created in North Palm Beach between 2007 and 2018. In fact, the Village had a net gain of only 182 new jobs over this 12-year period (reflecting a limited average annual growth rate of 0.4% per year). Differences between the U.S. Census Bureau On-the-Map data (Table 17) and Dun & Bradstreet (Table 18) are attributed to part-time jobs, self-employment, two different reporting years (in part, 2018 and 2020), and those jobs not contributing to the Unemployment Insurance Fund.

Employment Trends—North County Trade Area

Using the same data from the Census Bureau's "On-the-Map" database, employment trends in North County are illustrated in Table 19. This indicates the following:

- In 2018 (latest Census data available), North County contained a total of 44,755 jobs, suggesting that, in 2018, the trade area accounted for 7.4% of total jobs in Palm Beach County. Notably, North County's share of countywide jobs has remained stable—in the range of 7% to 8% over the past 12 years;

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Table 19: Employment Trends—North County Trade Area, 2007—2018

Industry Sector	2007	2008	National Recession					2017	2018	2018 % Dis.	Change: 2007-2018				
			2009	2010	2011	2012	2013				Amount	CAGR %			
Agriculture & Mining	23	41	11	16	11	23	72	64	6	33	31	0.1%	8	2.8%	
Construction	4,043	2,575	1,910	1,853	1,561	1,358	1,587	2,050	2,318	2,619	2,793	5.9%	(1,414)	-3.8%	
Manufacturing	2,627	2,519	2,643	2,598	2,629	1,406	1,410	1,516	1,843	1,731	1,998	4.6%	(564)	-2.2%	
Transp & Warehousing	162	154	156	194	127	121	129	183	113	142	158	0.3%	(47)	-2.7%	
Utilities	194	188	188	169	164	162	158	167	209	192	188	0.4%	(16)	0.0%	
Trade															
Wholesale	1,615	1,400	1,278	1,372	1,321	1,272	1,188	1,313	1,200	1,421	1,468	1.63%	23	0.1%	
Retail	7,254	7,230	6,587	6,701	8,217	6,852	7,178	7,397	7,890	7,975	7,930	17.2%	457	0.6%	
Information	495	471	406	372	445	464	541	471	497	476	574	4.2%	(73)	-1.4%	
Finance & Insurance	2,697	2,013	1,795	1,923	2,362	2,164	2,120	2,061	2,013	2,128	2,219	2.25%	(462)	-1.7%	
Real Estate/Rental & Leasing	965	965	850	776	899	853	916	819	801	882	886	943	2.1%	(22)	-0.2%
Services															
Prof/Business Services	3,312	3,157	2,985	2,567	2,726	2,767	2,991	3,230	3,418	3,619	3,917	3,792	8.5%	480	1.2%
Management of Companies	447	378	327	363	485	514	523	346	446	463	443	1.0%	(3)	-0.1%	
Administration/Waste Mgmt.	4,390	4,673	2,906	3,440	4,864	3,320	3,671	4,934	3,082	5,929	5,302	11.1%	585	1.1%	
Educational Services	374	316	310	342	247	342	477	516	510	508	435	1.0%	92	2.0%	
Health Care & Social Assistance	5,258	5,330	5,735	5,378	5,456	5,754	6,118	5,922	6,058	6,428	6,730	15.0%	1,462	2.3%	
Arts/Entertainment/Recreation	920	823	654	630	888	918	854	885	995	1,054	1,150	2.5%	196	1.8%	
Accommodation & Food Services	4,016	4,974	4,011	4,139	4,614	4,792	4,787	4,923	5,698	5,576	5,856	13.3%	1,919	3.6%	
Other Services	1,406	1,351	1,314	1,268	1,418	1,721	1,567	1,452	1,662	1,676	1,669	2.42%	1,019	5.1%	
Public Administration/Gov't	777	758	934	923	929	894	935	933	909	869	876	897	2.0%	120	1.3%
Total:	40,895	39,316	34,880	35,024	39,363	35,697	37,222	39,182	39,728	43,884	44,825	44,755		3,760	0.8%
Annual Change	-	(1,579)	(4,336)	44	4,339	(3,666)	1,525	1,960	544	3,988	931	130			
Annual % Change	-	-4%	-11%	0.1%	12%	-9%	4%	5%	1%	10%	2%	0%			
North Trade Area As % of County:	7.7%	7.3%	6.7%	7.2%	8.1%	6.8%	7.3%	7.4%	7.2%	7.6%	7.5%	7.4%		12 Years	7.35%
As % of North County Trade Area:														5 Years	7.41%
Lake Park	10.5%	11.1%	11.4%	10.8%	8.6%	9.3%	9.7%	10.3%	11.0%	9.8%	10.3%	10.9%			
North Palm Beach	10.8%	8.9%	8.9%	10.6%	10.6%	9.9%	10.5%	10.0%	12.1%	11.8%	11.2%	10.3%			

Source: U.S. Census Bureau, On-the-Map; WTL + a, May 2021.

- The 2007—2009 recession resulted in the **loss of more than 6,000 jobs**. Despite the loss of almost 3,700 jobs in 2012 (in Manufacturing, Retail Trade and Administration/Waste Management), the trade area added 9,775 new jobs over multiple economic cycles between 2010 and 2018. When combined with the previous recession-based job losses, there was an overall **net gain of 3,760 new jobs** in North County over this 12-year period;
- Between 2007 and 2018, job losses occurred in eight of 19 industry sectors, including:
 - Construction (-1,414 jobs)
 - Manufacturing (-564 jobs), and
 - Finance & Insurance (-462 jobs)
- Conversely, gains occurred in the following sectors:
 - Accommodation & Food Services (+1,919 jobs)
 - Health Care & Social Assistance (+1,462 jobs), and
 - Other Services (+1,019 jobs)
- As illustrated in Table 20, Dun & Bradstreet, Inc. estimated there are **49,371 jobs in 6,055 registered businesses in North County in 2020**. According to Dun & Bradstreet, North County accounts for roughly 7% of the nearly 714,000 jobs in Palm Beach County;
- The two largest sectors generating demand for workplace real estate in North County include: Services (20,293 jobs, or 41% of all jobs) and Wholesale/Retail Trade, with 15,474 jobs, accounts for 31% of total employment;
- North County also contains 7% of all at-place jobs in Palm Beach County. This is known as *fair share*, and is considered in the analysis of development potentials for workplace/office uses; and

North County's Jobs-to-Population Ratio of 0.67
Reflects a Blend of Low & High Job Concentrations

Table 20: Business Mix—North County Trade Area, 2020

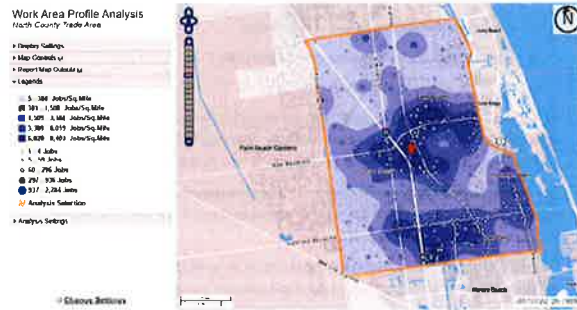
NAICS Category	Businesses		Employees	
	No.	% of Total	No.	% of Total
Agriculture & Mining	88	1.4%	470	1.0%
Construction	357	5.9%	2,817	5.1%
Manufacturing	121	2.0%	2,183	4.4%
Transportation & Warehousing	113	1.9%	468	0.9%
Communications	35	0.6%	297	0.6%
Utilities	15	0.2%	70	0.1%
Wholesale & Retail Trade				
Wholesale	133		895	
Retail	1,081		14,579	
- Home Improvement	63		779	
- General Merchandise	40		1,608	
- Food Stores	80		1,536	
- Auto Dealers/Gas Stations	138		1,852	
- Apparel & Accessory Stores	111		950	
- Furniture/Home Furnishings	88		864	
- Eating & Drinking Places	279		4,996	
- Miscellaneous & Non-store Retail	268		1,798	
Subtotal - All Retail:	1,184	19.7%	15,474	31.3%
Finance/Insurance/Real Estate	731	12.1%	5,468	13.1%
Services				
- Hotel/Lodging	28		767	
- Automotive Services	108		836	
- Motion Pictures & Amusements	160		1,343	
- Health Services	466		5,055	
- Legal Services	181		1,235	
- Educational Institutions	70		2,390	
- Other Services	1,368		6,887	
Subtotal - Services:	2,376	39.2%	20,293	41.1%
Government	59	1.0%	1,048	2.1%
Unclassified Establishments	869	14.4%	110	0.2%
TOTAL:	6,056	100.0%	49,371	100.0%

ANALYSIS:	
2020 Employment	49,371
% Share of Palm Beach County	8.9%
2020 Population	73,538
Jobs/Population Ratio	0.67

Source: ESRI Business Analyst; InfoGroup, Inc.; Dun & Bradstreet, Inc.; WTL +a, May 2021.

- The data also suggest North County's current jobs-to-population ratio is 0.67 (i.e., there are 67 jobs for every 100 residents). Notably, this is higher than North Palm Beach (0.32) as well as the overall ratio of Palm Beach County (0.40) but lower than Palm Beach Gardens (0.72) and Lake Park (0.75). It reflects a blend of low and high job concentrations such as the PGA Boulevard corridor.
- As illustrated in Figure 10, the U.S. Census Bureau estimates the highest employment densities in North County are concentrated in the area encompassing the PGA Boulevard and Military Trail corridors, surrounding the Gardens Mall, and the west side of Lake Park, including the Northlake Boulevard corridor; and

Figure 10: Employment Densities—North County Trade Area, 2020



- As illustrated in Figure 11, according to 2018 U.S. Census Bureau data, North County exhibited daily inflow of almost 38,500 employees who live elsewhere but work in the trade area as compared to 25,700 residents who leave North County daily for jobs elsewhere. The difference—*inflow* of more than 12,700 employees daily—has increased by 23% since 2008.

The Number of Employees Working in North County
But Living Elsewhere Increased by 23% Since 2008

Figure 11: Employment Inflow/Outflow—North County Trade Area, 2020



In summary, the North County trade area encompasses a diverse, 26.2 square mile region that includes employment concentrations in Lake Park (west), the PGA Boulevard and Military Trail corridors, and the area surrounding the Gardens Mall. Strong job growth between 2010 and 2018 was offset by recession-based job losses between 2007 and 2009, resulting in a net gain of 3,760 new jobs, an average annual growth rate of 0.8% per year.

Over this 12-year period, both Lake Park and North Palm Beach have maintained a consistent share of North County jobs—with each falling in the range of 9% to 12% between 2007 and 2018.

4 Real Estate Market Conditions

WTL +a evaluated real estate market conditions in Lake Park, North Palm Beach, and other selected locations in Palm Beach County to understand how recent market trends, current economic conditions, and future growth may affect opportunities for redevelopment of the Twin City Mall site. This section of the report analyzes historic and current building inventory, occupancy and vacancy levels, annual absorption (leasing) activity, historic development trends, and other appropriate market indices for housing, workplace/office, and supporting commercial (retail and hotel/motoring) uses based on available data. Data is illustrated in Table 21 through Table 36.

Due to variations in supply, demographic characteristics, seasonal residences and other factors, there is no single adopted standard for a level of 'True Vacancy' among Florida's cities. Real estate industry standards hold that a 5% vacancy rate in commercial office, retail, industrial, and (rental) residential reflects 'stabilized' market conditions.

Housing

Town of Lake Park

Lake Park's housing stock is characteristic of a fully built-out suburb in South Florida with a mix of housing types. Market metrics of the Town's housing stock are illustrated in Table 21 and detailed below:

- Based on data from ESRI Business Analyst, the U.S. Census and the American Community Survey (ACS), Lake Park contains 3,940 total housing units;
- The number of owner-occupied units in Lake Park has remained stable over the past 10 years—in the range of 40%—while the number of renter-occupied units increased slightly—from 44% in 2010 to 46% by 2020. While the number of "unoccupied" units decreased between 2010 and 2020, approximately 14% of the Town's housing stock is empty (estimated at 540 units). Distinctions between "unoccupied" and "truly vacant" are explained below;

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Table 21: Housing Profile—Town of Lake Park, 2010—2025

	2010	2020	% Dist.	2025	% Dist.	Change: 2020-2025	
						No.	CAOR %
Housing Types							
Owner-occupied	1,481	1,570	39.6%	1,633	40.0%	63	0.70%
% of Total	39.6%	39.8%		40.0%		71	0.76%
Renter-occupied	1,683	1,630	44.4%	1,901	46.9%	-53	-0.18%
% of Total	44.4%	40.4%		46.9%		5	0.18%
Unoccupied	508	340	18.0%	146	13.4%	-168	-0.70%
% of Total	18.0%	13.7%		13.4%		138	0.70%
Total Units:	3,742	3,640		4,078			
Change in Units:		198		538			
Owner-Occupied Value							
\$0 - \$99,999	44	3%	16	1%	(28)	-18.3%	
\$100,000 - \$199,999	587	44%	538	33%	(149)	-4.8%	
\$200,000 - \$299,999	603	36%	729	45%	128	3.9%	
\$300,000 - \$399,999	85	5%	148	9%	63	11.7%	
\$400,000 - \$499,999	133	8%	173	11%	40	5.4%	
\$500,000 - \$749,999	1	0%	3	0%	2	24.0%	
\$750,000 - \$999,999	4	0%	8	0%	4	14.9%	
\$1,000,000 - \$1,499,999	3	0%	5	0%	2	10.8%	
\$1,500,000 - \$1,999,999	10	1%	13	1%	3	5.4%	
\$2,000,000+	-	0%	-	0%	-	0.0%	
Median Value	\$ 205,556		\$ 223,167			1.7%	
Average Value	\$ 223,869		\$ 281,053			2.7%	
All Housing Units By Structure (2018 American Community Survey)							
1 Unit, Detached	1,381	71.7%					
1 Unit, Attached	87	5.4%					
2 Units	107	2.2%					
3 or 4 Units	173	5.0%					
5 to 9 Units	350	3.7%					
10 to 19 Units	429	2.3%					
20 to 49 Units	412	4.0%					
50 or more Units	333	0.9%					
Mobile Home	-	0.0%					
Boat/RV/Other	-	0.0%					
Total Units	3,742	100%					
Unoccupied Housing Units By Status							
Unoccupied-All Reasons	2010	2018 (ACS)					
Rentel (Not Occupied)	3	3					
For Sale Only	84						
Sold (Not Occupied)	11						
Seasonal Use	91	2%					
For Migrant Workers	-						
Subtotal:	188						
TRUE VACANCIES							
Other Vacant	118						
Vacant, For Rent	290						
Subtotal:	408	460					
True Vacancy Rate	10.9%	11.7%					
Total Unoccupied Units:	696	672		684			

Source: ESRI Business Analyst; American Community Survey; WTL +a, May 2021.

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- The average value of all owner-occupied housing units in Lake Park in 2020 is \$233,900. Over the next five years, ESRI Business Analyst forecasts suggest that average owner-occupied housing values will increase—at a compound annual rate of 1.7% per year—to \$261,000;
- Fully 85% of the Town's owner-occupied housing stock is valued at less than \$300,000. Another 14% is valued between \$300,000 and \$500,000, and only 1.1% is valued above \$500,000;



- More specific analysis of Lake Park'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 598 units, or 16% of inventory, 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 housing markets with an improving economy. In fact, the number of unoccupied units *decreased* between 2010 and 2020—from 598 units in 2010 to 540 units in 2020;
- The number of unoccupied units includes only 91 units (2%) that are seasonally owned (i.e., occupied for only a portion of the year, such as units owned by snowbirds who vacation in Florida). When such units (as well as others, such as units sold but not yet occupied) are removed from the unoccupied category, Lake Park's *true vacancy* in 2010 was lower—10.9%, or 409 units;

- If the proportion of truly vacant units to total unoccupied units remains the same as it did in 2010 (2%), data from the 2019 American Community Survey (ACS) suggests that the number of **truly vacant units in Lake Park has increased** slightly since 2010—to 460 units—which would reflect a vacancy rate of 11.7%. That is well-above the standard 5% vacancy levels that the housing industry considers to be "stabilized"; and
- ACS data reveal Lake Park's housing stock consists of an array of housing characteristic of a well-established, built-out suburban community, including: 1,381 single-family detached units (72%), 67 single-family attached units (9%), and 1,804 multi-family units (19%).

Village of North Palm Beach

Like Lake Park, the housing stock in North Palm Beach is also characteristic of well-developed suburb in South Florida. However, the Village has significantly higher price points as well as a much higher proportion of multi-unit and high-rise buildings. Market metrics of the Village's housing stock are illustrated in Table 22 and detailed below:

- Based on data from ESRI Business Analyst, the U.S. Census and the American Community Survey (ACS), North Palm Beach contains 8,092 total housing units;
- The number of owner-occupied units in North Palm Beach has increased over the past 10 years—from 58% in 2010 to 60% in 2020—while the number of renter-occupied units remained stable—in the range of 21%. The number of "unoccupied" units decreased between 2010 and 2020—from 21% to 19%, it is due primarily to the higher number of seasonal units (estimated at 1,014 units). Distinctions between "unoccupied" and "truly vacant" are explained below;
- The average value of all owner-occupied housing units in North Palm Beach in 2020 is significantly higher than in Lake Park: \$505,700. Over the next five years, ESRI Business Analyst forecasts suggest that average owner-occupied housing values will increase—at a compound annual rate of 2.2% per year—to \$552,200;
- Approximately 37% of the Village's owner-occupied housing stock is valued at less than \$300,000. Another 32% is valued between \$300,000 and \$500,000, 25% is valued between \$500,000 and \$1.0 million, and 7% is valued above \$1.0 million

Table 22: Housing Profile—Village of North Palm Beach, 2010—2025

	2010	2020	% Dist.	2025	% Dist.	Change: 2010-2025	
						Units	Change %
Housing Types							
Owner-occupied	4,501	4,872		5,088		217	0.88%
% of Total	56.3%	60.2%		60.8%			
Renter-occupied	1,506	1,658		1,730		32	0.31%
% of Total	20.7%	21.0%		20.7%			
Unoccupied	1,617	1,522		1,553		31	0.40%
% of Total	21.0%	18.8%		18.5%			
Total Units:	7,714	8,052		8,372		280	0.69%
Change in Units:		378		280			
Owner-Occupied Value							
\$0 - \$99,999	48	1%		12	0%	(36)	-24.2%
\$100,000 - \$199,999	588	12%		248	5%	(340)	-15.0%
\$200,000 - \$299,999	1,184	24%		1,104	22%	(80)	-1.4%
\$300,000 - \$399,999	906	18%		1,104	22%	198	4.0%
\$400,000 - \$499,999	815	13%		745	15%	(70)	-3.9%
\$500,000 - \$749,999	757	16%		637	18%	(120)	-4.4%
\$750,000 - \$999,999	425	8%		548	11%	123	5.2%
\$1,000,000 - \$1,499,999	129	3%		144	3%	15	2.2%
\$1,500,000 - \$1,999,999	57	1%		73	1%	16	5.1%
\$2,000,000+	185	3%		177	3%	(8)	-0.0%
Median Value	\$ 268,213			\$ 410,694			2.2%
Average Value	\$ 505,718			\$ 802,178			1.8%
All Housing Units by Structure (2019 American Community Survey)							
1 Unit, Detached	2,699	34.9%					
1 Unit, Attached	347	4.2%					
2 Units	84	1.1%					
3 or 4 Units	248	3.0%					
5 to 9 Units	378	4.5%					
10 to 19 Units	802	9.7%					
20 to 49 Units	1,504	18.1%					
50 or more Units	2,027	24.4%					
Mobile Home	5	0.1%					
Boat/RV/Other	-	0.0%					
Total Units	8,368	100%					
Unoccupied Housing Units by Status							
Unoccupied-All Reasons	2010	2019 (ACS)					
Rented (Not Occupied)	16						
For Sale Only	193						
Sold (Not Occupied)	28						
Seasonal Use	1,014	13%					
For Migrant Workers	-						
Subtotal:	1,261						
TRUE VACANCIES							
Other Vacant	152						
Vacant, For Rent	214						
Subtotal:	366	489					
True Vacancy Rate	4.7%	6.7%					
Total Unoccupied Units:	1,817	2,054		22.6%			

Source: ESRI Business Analyst; American Community Survey; WTL + a, May 2021.

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- As compared to Lake Park (where only 5% of the Town's stock is in buildings with 20 or more units), fully 42.5% of the Village's housing inventory is in buildings with 20 or more units. This includes a number of high-density condominium buildings such as Water Club, Marina Pointe, Gemini Club, Ports O' Call, Old Port Cove, and others;



- More specific analysis of the Village'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 1,617 units, or 21% of inventory, 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 housing markets with an improving economy. The number of unoccupied units decreased slightly between 2010 and 2020—from 1,617 units in 2010 to 1,522 units in 2020;
- The number of unoccupied units includes 1,014 units (13%) that are seasonally owned (i.e., occupied for only a portion of the year). When such units (as well as others, such as those units sold but not yet occupied) are removed from the unoccupied category, the Village's true vacancy in 2010 was significantly lower—4.7%, or 366 units;
- If the proportion of truly vacant units to total unoccupied units remains the same as it did in 2010 (13%), data from the 2019 American Community Survey (ACS) suggests that the number of

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truly vacant units in North Palm Beach has *increased* since 2010—to 465 units—which would reflect a vacancy rate of 5.7%. This is on par with the standard 5% vacancy levels that the housing industry considers to be “stabilized”; and

- ACS data reveal North Palm Beach’s housing stock is characteristic of a well-established, built-out suburban community, including: 3,246 single-family detached or attached units (36%), 1,523 units in buildings of 2–19 units (18%), and 3,531 multi-family units in buildings of 20 units or more (42.5%).

North County Trade Area

- As illustrated in Table 23, based on data from ESRI Business Analyst, the U.S. Census and the American Community Survey (ACS), the North County trade area contains almost 37,500 total housing units;
- The number of owner-occupied units has increased slightly over the past 10 years—from 58.6% in 2010 to 59.4% in 2020. The number of renter-occupied units has also increased—from 26.6% to 28.4%. The result in a decrease in the number of “unoccupied” units—from 14.8% to 12.2%;
- The average value of all owner-occupied housing units in North County in 2020 is lower than North Palm Beach and higher than Lake Park: \$481,315. Over the next five years, ESRI Business Analyst forecasts suggest that average owner-occupied housing values will increase—at a compound annual rate of 1.6% per year—to \$522,700;
- Approximately 40% of the trade area’s owner-occupied housing stock is valued at less than \$300,000. Another 32% is valued between \$300,000 and \$500,000, 20% is valued between \$500,000 and \$1.0 million, and 8% is valued above \$1.0 million
- As compared to Lake Park (where only 4.9% of its stock is in buildings with 20 or more units) and North Palm Beach (where 42.5% of its stock is in buildings with 20 or more units), only 12% of North County’s housing inventory is in buildings with 20 or more units. This reflects the predominantly single-family detached areas of Palm Beach Gardens and Jupiter;
- U.S. Census data indicate that 5,072 units, or almost 15% of inventory, were unoccupied as of the 2010 Census. The number of unoccupied units in North County *decreased* slightly between 2010 and 2020—to 4,580 units (12.8%) in 2020;

Table 23: Housing Profile—North County Trade Area, 2010–2025

Housing Feature	2010	2020	% Dist.	2025	% Dist.	Change: 2020-2025	
						Net	CAAGR %
Owner-occupied	20,120	22,253		23,029		1,376	1.21%
% of Total	58.6%	59.4%		60.3%			
Renter-occupied	6,149	10,029		10,975		348	0.64%
% of Total	20.6%	28.4%		28.0%			
Unoccupied	5,072	4,580		4,589		9	0.04%
% of Total	14.8%	12.2%		11.7%			
Total Units:	34,340	37,482		38,593		1,721	0.81%
Change in Units:		3,132		1,731			
Owner-Occupied Value							
\$0 - \$99,999		572	3%	340	1%	(232)	-9.9%
\$100,000 - \$199,999		3,018	14%	1,710	7%	(1,245)	-10.1%
\$200,000 - \$299,999		5,322	24%	5,389	23%	47	0.2%
\$300,000 - \$399,999		4,319	18%	5,298	22%	979	4.2%
\$400,000 - \$499,999		2,584	13%	3,471	15%	807	3.0%
\$500,000 - \$749,999		3,239	15%	3,897	16%	658	3.0%
\$750,000 - \$999,999		1,132	5%	1,358	6%	226	3.7%
\$1,000,000 - \$1,499,999		781	3%	895	4%	134	3.3%
\$1,500,000 - \$1,999,999		355	2%	410	2%	55	2.0%
\$2,000,000+		870	3%	621	3%	(151)	0.0%
Median Value		\$ 331,250		\$ 361,433			1.88%
Average Value		\$ 481,315		\$ 522,888			1.88%
All Housing Units By Structure (2019 American Community Survey)							
1 Unit, Detached		16,925	48.7%				
1 Unit, Attached		4,732	13.4%				
2 Units		1,658	4.8%				
3 or 4 Units		2,713	7.6%				
5 to 9 Units		1,768	4.8%				
10 to 19 Units		2,847	8.0%				
20 to 49 Units		2,272	6.4%				
50 or more Units		2,135	6.0%				
Mobile Home		868	2.4%				
Road/Offroad		8	0.02%				
Total Units		35,767	100%				
Unoccupied Housing Units By Status							
Unoccupied-All Reasons 2010 2019 (ACS)							
Rented (Not Occupied)		75					
For Sale Only		721					
Sold (Not Occupied)		121					
Seasonal Use		2,443	6%				
For Migrant Workers		-					
Subtotal:		3,060					
TRUE VACANCIES							
Other Vacant		797					
Vacant, For Rent		1,222					
Subtotal:		2,019		2,316			
True Vacancy Rate		5.9%		6.2%			
Total Unoccupied Units:	5,078	5,876				38.9%	

Source: ESRI Business Analyst; American Community Survey; WTL+a, May 2021.

- The number of unoccupied units includes 2,143 units that are seasonally owned. When such units (as well as others, such as units sold but not yet occupied) are removed from the unoccupied category, North County's true vacancy in 2010 was significantly lower—5.9%, or 2,019 units;
- If the proportion of truly vacant units to total unoccupied units remains the same as it did in 2010 (6%), data from the 2019 American Community Survey (ACS) suggests that the number of truly vacant units in North County has increased slightly since 2010—to 2,336 units—which would reflect a vacancy rate of 6.2%. This is on par with the standard 5% vacancy levels that the housing industry considers to be "stabilized"; and
- ACS data reveal North County's housing stock includes almost 21,500 single-family detached or attached units (60%), 8,980 units in buildings of 2—19 units (25%), and 4,400 multi-family units in buildings of 20 units or more (12%).

Housing Starts

To document how population and household growth affects market potentials for new housing at the Twin City Mall site, WTL+a reviewed information on annual housing starts. Housing starts are defined as the start of actual construction (after permits are issued). This analysis also compares housing starts to household growth to understand whether the pace of one metric is consistent with (or exceeds) the other. Municipalities across the U.S. provide housing starts data to the U.S. Department of Housing & Urban Development (HUD). Starts for the 13-year period between 2007 and 2019 (latest date available) are illustrated in Table 24. Key findings indicate that:

- Between 2007 and 2019, housing starts across Palm Beach County resulted in delivery of more than 49,750 new housing units, producing a sustained annual pace of 3,827 units per year over this 13-year period. In terms of unit distribution, this includes 28,823 single-family units (58% of the total) and 20,934 multi-family units (42% of the total). Unincorporated parts of the County accounted for 40% of all starts;

Table 24: Housing Starts—Palm Beach County & Selected Municipalities, 2007—2019

Municipality	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Change: 2007-2019		
														Total Starts	Annual Average	% of County
Single-family Detached																
Boynton Beach	61	98	38	9	214	50	115	29	39	20	15	15	22	721	55	3%
Delray Beach	113	38	27	21	57	99	153	111	129	85	69	54	107	1,063	82	4%
Lake Park	-	-	1	-	-	1	-	-	-	-	1	-	-	3	0	0.0%
North Palm Beach	1	-	-	5	3	6	-	-	-	6	6	6	6	45	3	0.2%
Palm Beach Gardens	200	111	76	99	111	194	196	188	154	187	205	219	220	2,165	167	8%
Riviera Beach	48	45	4	1	-	2	5	3	8	10	9	75	100	310	24	1%
West Palm Beach	35	17	10	8	15	29	27	107	169	193	46	40	69	765	59	3%
Selected Jurisdictions:	484	307	154	142	400	381	486	438	606	601	351	409	624	5,072	390	18%
<i>As % of County</i>	22%	24%	14%	11%	21%	18%	19%	17%	19%	22%	13%	14%	16%	16%		
Unincorporated County	1,146	485	605	687	783	1,021	1,241	1,301	1,718	1,211	1,733	1,784	1,843	16,487	1,191	64%
<i>As % of County</i>	54%	36%	55%	55%	40%	47%	46%	51%	65%	53%	66%	59%	56%			
TOTAL COUNTY-SFD:	2,101	1,277	1,102	1,288	1,886	2,172	2,678	2,652	2,826	2,287	2,822	2,993	3,263	28,823	2,217	68%
Multi-family																
Boynton Beach	388	400	-	2	20	288	538	-	525	700	22	266	747	3,886	299	19%
Delray Beach	93	55	217	144	27	687	6	172	234	349	115	20	15	2,134	164	10%
Lake Park	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
North Palm Beach	-	-	-	-	-	-	-	148	28	10	-	-	-	182	14	0.9%
Palm Beach Gardens	128	121	-	-	-	42	180	49	87	68	57	66	71	669	67	4%
Riviera Beach	4	77	-	-	-	-	-	-	-	18	5	234	24			
West Palm Beach	4	-	11	-	-	-	-	797	99	321	278	323	460	2,293	176	11%
Selected Jurisdictions:	697	653	228	146	47	1,027	724	1,164	871	1,468	477	809	1,317	8,728	748	46%
<i>As % of County</i>	58%	72%	69%	57%	8%	45%	31%	46%	44%	47%	32%	60%	39%			
Unincorporated County	232	88	47	88	468	252	487	652	284	633	221	100	888	3,450	266	12%
<i>As % of County</i>	23%	11%	14%	26%	75%	11%	21%	22%	13%	20%	15%	7%	39%			
TOTAL COUNTY-MF:	1,028	805	329	255	614	2,297	2,338	2,619	2,208	3,119	1,613	1,625	2,287	20,934	1,610	42%

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

Source: U.S. Census Bureau; U.S. Dept. of Housing & Urban Development; WTL+a, May 2021.

Table 24 (Continued): Housing Starts—Palm Beach County & Selected Municipalities, 2007—2019

Municipality	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Change: 2007-2019			
														Total Starts	Annual Average	% of Total	
Total Starts																	
Boynton Beach	429	496	36	11	234	348	653	29	564	720	37	281	769	4,607	354	9%	
Delray Beach	206	93	244	165	84	786	159	283	363	434	184	74	122	3,197	246	6%	
Lake Park	-	-	1	-	-	1	-	-	-	-	1	-	-	3	0.2	0.0%	
North Palm Beach	1	-	-	6	3	6	-	146	32	16	6	6	6	227	17	0.5%	
Palm Beach Gardens	334	232	76	98	111	236	376	237	241	255	262	285	291	3,034	233	6%	
Riviera Beach	52	122	4	1	-	2	5	3	8	28	14	309	124	672	52	1%	
West Palm Beach	39	17	21	8	15	29	27	904	268	514	324	363	529	3,058	235	6%	
Total-Selected Jurisdictions:	1,951	960	382	288	447	1,408	1,220	1,602	1,476	1,967	828	1,318	1,841	14,798	1,138	30%	
As % of County	34%	44%	27%	19%	18%	32%	24%	32%	31%	36%	20%	29%	33%				
Total-Unincorporated:	1,377	663	662	763	1,221	1,273	1,738	1,863	2,012	1,844	1,854	1,854	2,731	19,826	1,626	40%	
As % of County	44%	26%	46%	50%	49%	26%	35%	37%	42%	34%	47%	41%	49%				
TOTAL - County:	3,130	2,182	1,431	1,611	2,499	4,469	6,014	6,071	4,831	6,416	4,136	4,618	6,660	49,767	3,827	100%	

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

Source: U.S. Census Bureau; U.S. Dept. of Housing & Urban Development; WTL+a, May 2021.



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- In Lake Park, HUD data indicate no multi-family units and only three (3) single-family detached units were built over the 13 years between 2007 and 2019; and
- In North Palm Beach, a total of 227 housing starts were recorded, including 45 single-family and 182 multi-family starts, between 2007 and 2019. The Village accounted for only 0.5% of all housing starts in Palm Beach County during this period. Notably, multi-family starts jumped in 2014, when Water Club was approved.

Multi-family Rental

WTL+a examined market trends in the area’s multi-family rental market based on data for those properties that are tracked by CoStar, Inc. Overall market conditions are key to understanding market potentials for development of new housing, particularly for multi-family rental, on the Twin City Mall site. WTL+a notes the Town of Lake Park has received a proposal from Woolbright Development to construct 250 market-rate rental units on a 6.85-acre portion of the site. Market performance characteristics for each jurisdiction’s multi-family rental market are illustrated in Table 25 and Table 26 and summarized below:

- As tracked by CoStar, Inc., Lake Park contains an inventory of 183 rental units in 11 properties with an average unit size of 823 sq. ft., and North Palm Beach contains 393 units in 37 properties with an average unit size of 906 sq. ft.;
- In 2020, the overall apartment vacancy rate in both municipalities achieved stabilized levels—Lake Park at 4.4% and North Palm Beach at 3.8%. Vacancies peaked at 11.6% in Lake Park and 7.6% in North Palm Beach during the national recession in 2009. Vacancies have declined steadily since then and are now below industry-standard “stabilized” levels of 5%;
- As a result of the lack of new multi-family construction and stabilized vacancies, net absorption in both municipalities has been extremely limited over the past 13 years. In fact, only 12 units were absorbed in the Village, and 13 units were absorbed in Lake Park; and
- As a result, average monthly rents in Lake Park increased at a solid compound annual rate of 2.4% per year since 2007, with an average rent of \$1,115 per month (\$1.36 per sq. ft.) in 2020. Monthly rents in North Palm Beach increased at a lower rate of 1.4% per during this period but remain higher than Lake Park, with an average rent of \$1,982 per month (\$1.96 per sq. ft.) in 2020.

A detailed profile of selected multi family properties in the two municipalities is illustrated in Table 26.



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Table 25: Multi-family Rental Characteristics—Town of Lake Park, 2007—2020

	2007	2008	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	2020	Change: 2007-2020		
			2009	2010	2011	2012	Total									Ann'l Avg.	% CAGR	
Inventory (Units)	181	181	181	181	181	181	181	181	181	181	181	183	183	183	2			
No. of Buildings	11	11	11	11	11	11	11	11	11	11	11	11	11	11	-			
Vacant Stock (Units)	20	20	21	19	18	17	16	12	7	6	11	10	9	8	(12)			
Vacancy Rate	11.0%	11.0%	11.6%	10.5%	9.9%	9.4%	8.8%	6.6%	3.9%	4.4%	6.1%	5.5%	4.9%	4.4%			-8%	
Total Net Absorption (Units)	(3)	-	-	3	-	1	1	4	4	-	(3)	3	2	1	13	0.9		
Past 5 Years															3	0.6		
Construction Deliveries	-	-	-	-	-	-	-	-	-	-	-	5	-	-	6			
Average Unit Size (SF)	823	823	823	823	823	823	823	823	823	823	823	823	823	823			0.0%	
Average Monthly Rent	\$ 817	\$ 797	\$ 789	\$ 787	\$ 794	\$ 800	\$ 818	\$ 859	\$ 955	\$ 993	\$ 1,083	\$ 1,071	\$ 1,100	\$ 1,115			2.4%	
Per SF Rent	\$ 0.99	\$ 0.96	\$ 0.91	\$ 0.94	\$ 0.94	\$ 0.95	\$ 0.97	\$ 1.03	\$ 1.10	\$ 1.20	\$ 1.30	\$ 1.31	\$ 1.35	\$ 1.36			2.8%	
Average Annual % Change		-3.0%	-5.2%	3.3%	0.0%	1.1%	2.1%	6.2%	12.6%	3.4%	8.3%	0.8%	3.1%	0.7%				

Source: CoStar, Inc.; WTL+a, May 2021.

Table 26: Multi-family Rental Characteristics—Village of North Palm Beach, 2007—2020

	2007	2008	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	2020	Change: 2007-2020		
			2009	2010	2011	2012	Total									Ann'l Avg.	% CAGR	
Inventory (Units)	393	393	393	393	393	393	393	393	393	393	393	393	393	393	-			
No. of Buildings	37	37	37	37	37	37	37	37	37	37	37	37	37	37	-			
Vacant Stock (Units)	28	30	30	25	24	20	18	18	18	17	20	16	16	15	(13)			
Vacancy Rate	7.1%	7.6%	7.6%	6.4%	6.1%	5.1%	4.6%	4.6%	4.6%	4.3%	5.1%	4.6%	4.1%	3.8%			-4.7%	
Total Net Absorption (Units)	(2)	(1)	-	6	-	6	2	-	-	2	(4)	2	1	2	12	0.8		
Past 5 Years															3	0.6		
Construction Deliveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Average Unit Size (SF)	906	906	906	906	906	906	906	906	906	906	906	906	906	906			0.0%	
Average Monthly Rent	\$ 1,858	\$ 1,803	\$ 1,527	\$ 1,573	\$ 1,592	\$ 1,817	\$ 1,855	\$ 1,891	\$ 1,770	\$ 1,831	\$ 1,888	\$ 1,908	\$ 1,845	\$ 1,882			1.4%	
Per SF Rent	\$ 1.65	\$ 1.59	\$ 1.52	\$ 1.56	\$ 1.58	\$ 1.80	\$ 1.84	\$ 1.68	\$ 1.74	\$ 1.80	\$ 1.84	\$ 1.88	\$ 1.82	\$ 1.96			1.3%	
Average Annual % Change		-3.6%	-4.4%	2.6%	1.3%	1.3%	2.5%	2.4%	3.6%	3.4%	2.2%	2.2%	2.1%	2.1%				

Source: CoStar, Inc.; WTL+a, May 2021.

Profile of Selected Multi-family Projects

As illustrated in Table 27, WTL+a prepared a profile of selected multi-family rental projects to understand market conditions to inform the feasibility of multi-family residential on the Twin City Mall site. This profile categorizes 12 comparable projects into primary, secondary, and tertiary categories, defined by specific metrics such as location/proximity, age/year built, rent levels, net absorption, and the like. Key findings indicate that:

Primary Comparable Set

- There are four primary rental projects—Marina Key (Lake Park), Village at Mangonia Lake (West Palm Beach), Emara (delivered in 2021 in North Palm Beach), and Solara at City Centre (North Palm Beach). These four projects contain 833 units and average densities of 25 units per acre. Building heights range from three to six floors;
- Two projects are under construction. Emara, located at 12155 U.S. 1 in North Palm Beach, is scheduled for delivery in 2021. It will contain 250 units on an 11.1-acre site (22 units per acre). The other, Solara City Centre, located at 2100 PGA Boulevard in Palm Beach Gardens, is scheduled for delivery in 2021. Solara will contain 136 units on a 3.21-acre site (42 units per acre). It is not known if either project is in pre-leasing;
- These four projects contain a mix of one-, two- and three-bedroom units with a weighted average size of 967 sq. ft., a weighted average monthly asking rent of \$2,108 per month (\$2.18 per sq. ft.). Asking rents for the two newest projects are expected to range from \$2.20 to \$2.44 per sq. ft.;
- With two projects under construction and a third (Village at Mangonia Lake) in lease-up, information on net absorption is limited. Average annual unit absorption at Mangonia Lake, which was delivered in 2019, totaled 77 units per year (6.4 units per month). Lease-up continues, as Mangonia Lake remains 29.6% vacant; and
- Marina Key, located at 913 Lake Shore Drive in Lake Park, was built in 1965 and renovated in 2009. Its 207 units have a weighted average asking rent of \$2,219 per month (\$2.15 per sq. ft.)

Average asking rents for both secondary and tertiary comparables are significantly lower—\$1.65 per sq. ft. for the three secondary comparables and \$1.25 per sq. ft. for five tertiary comparables.

Table 27: Profile of Selected Multi-family Properties

Project/Location	Year Built	Class & Height	Site Size Densities & Bldg. Area	Unit Type	No. of Units	% Dist.	Size (in SF)	Per Month				Current 2021	5-Year Vacancy & Absorption Analysis												
								Asking Rent	Rent Per SF	Effective Rent	Rent Per SF		2020	2019	2018	2017	2016								
Primary Comparables																									
Marina Key	1965/2009	Class B	10.83 acres	1 BR	35	17%	754	\$ 1,894	\$ 2.51	\$ 1,894	\$ 2.51	29%													
Lowrise Garden		Class B		2 BR	170	82%	1,082	2,281	2.11	2,281	2.11	0													
913 Lake Shore Drive		3 floors	246,578	3 BR	2	1%	1,810	2,546	1.80	2,574	1.58														
Total:														207	1,027	\$ 2,219	\$ 2.15	\$ 2,218	\$ 2.15	1.8%	2.3%	6.9%	6.4%	7.5%	
Asking Rent Concessions:																									
5-Year Absorption:																									
Annual Average:																									
True Owner: Carroll Organization																									
Recorded Owner: Marina Key Owner LLC																									
Village at Mangonia Lake																									
Midrise Elevator	2019	Class A	7.56 acres	1 BR	72	30%	815	\$ 1,367	\$ 2.22	\$ 1,353	\$ 2.20	29.6%													
2201 N. Australian Avenue		6 floors		2 BR	168	70%	850	1,673	1.96	1,657	1.84	71													
West Palm Beach			227,891	3 BR	-	0%	-	-	-	-	-														
Total:														240	783	\$ 1,561	\$ 2.02	\$ 1,556	\$ 2.00	35.9%	74.2%	100.0%	-	-	
Asking Rent Concessions:																									
5-Year Absorption:																									
Annual Average:																									
True Owner: AHS Development Group																									
Recorded Owner: Village at Mangonia Lake LLC																									
Emara Palm Beach																									
Lowrise Garden	2021	Delivery	11.12 acres	Studio	9	4%	835	\$ 1,877	\$ 2.64	\$ 1,877	\$ 2.64	100.0%													
12155 US Highway 1		Class A		1 BR	82	33%	848	1,844	2.29	1,844	2.20	250													
North Palm Beach		3 floors	286,295	2 BR	131	52%	1,258	2,846	2.11	2,848	2.11														
				3 BR	26	11%	1,661	3,924	2.36	3,924	2.36														
Total:														250	1,143	\$ 2,524	\$ 2.20	\$ 2,524	\$ 2.20	100.0%					
Asking Rent Concessions:																									
5-Year Absorption:																									
Annual Average:																									
True Owner: Fairway Investments																									
Recorded Owner: GHFP North Palm LLC																									
Solara at City Centre																									
Midrise Elevator	2021	Delivery	3.21 acres	1 BR	78	56%	708	\$ 1,864	\$ 2.83	\$ 1,864	\$ 2.83	100.0%													
2100 PGA Boulevard		Class A		2 BR	52	36%	1,034	2,380	2.30	2,380	2.30	136													
Palm Beach Gardens		5 floors	117,400	3 BR	8	6%	1,226	2,540	2.07	2,540	2.07														
Total:														136	863	\$ 2,102	\$ 2.44	\$ 2,102	\$ 2.44	100.0%					
Asking Rent Concessions:																									
5-Year Absorption:																									
Annual Average:																									
True Owner: AW Real Estate Mgmt. LLC																									
Recorded Owner: City Centre Housing LLC																									
COMPARABLES ANALYSIS (Primary):																									
Total Weighted Average														833	967	\$ 2,108	\$ 2.18			55.6%	58.4%	38.2%	51.9%	3.2%	3.8%
Total Unit Absorption (2016-2020):																									
Annual Average																									

Table 27 (Continued): Profile of Selected Multi-family Properties

Project/Location	Year Built	Site Size Densities & Bldg. Area	Unit Type	No. of Units	% Dist.	Size (In SF)	Per Month				Current 2021	5-Year Vacancy & Absorption Analysis						
							Asking Rent	Rent Per SF	Effective Rent	Rent Per SF		2020	2019	2018	2017	2016		
Secondary Comparables																		
The Abbey at Northlake <i>Low-rise Garden</i>	1987/2015	40.26 acres	1 BR	168	32%	850	\$ 1,235	\$ 1.80	\$ 1,235	\$ 1.90	0.6%							
2304 W. Congress Avenue West Palm Beach		0.25	3 BR	162	31%	850	1,589	1.88	1,589	1.88								
True Owner: Joe Ciccarello Recorded Owner: OXM-Northlake LLC																		
Total:												2.5%	4.5%	3.1%	4.4%	4.4%		
Asking Rent Concessions:												12	(9)	8	-	33		
												5-Year Absorption:						
												Annual Average:				44		
																8		
Woodbine Apt. Homes <i>Low-rise Garden</i>	2000	19.24 acres	1 BR	132	32%	751	\$ 1,571	\$ 2.09	\$ 1,598	\$ 2.09	0.6%							
6000 Woodbine Trail Riviera Beach		0.50	3 BR	72	18%	1,311	2,100	1.80	2,093	1.90								
True Owner: Morguard N. American Residential REIT Recorded Owner: Morguard Woodbine LLC																		
Total:												4.0%	4.8%	4.1%	5.0%	3.6%		
Asking Rent Concessions:												3	(3)	4	(10)	4		
												5-Year Absorption:						
												Annual Average:				(7)		
																(13)		
Sanctuary Cove <i>Low-rise Garden</i>	1998/2017	32.80 acres	1 BR	113	27%	868	\$ 1,480	\$ 1.72	\$ 1,484	\$ 1.71	2.3%							
700 Sanctuary Cove Drive North Palm Beach		0.33	3 BR	117	28%	1,335	1,885	1.41	1,878	1.41								
True Owner: Olan Properties Recorded Owner: Sanctuary Bay Trust Corp.																		
Total:												3.4%	10.2%	10.5%	11.5%	23.2%		
Asking Rent Concessions:												28	1	4	49	(13)		
												5-Year Absorption:						
												Annual Average:				70		
																14		
COMPARABLES ANALYSIS (Secondary):																		
Total/Weighted Average												1.3%	6.6%	5.8%	7.0%	10.1%		
Total Unit Absorption (2016-2020):												44	(11)	16	38	23		
Annual Average																22		

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Table 27 (Continued): Profile of Selected Multi-family Properties

Project/Location	Year Built	Site Size Densities & Bldg. Area	Unit Type	No. of Units	% Dist.	Size (In SF)	Per Month				Current 2021	5-Year Vacancy & Absorption Analysis						
							Asking Rent	Rent Per SF	Effective Rent	Rent Per SF		2020	2019	2018	2017	2016		
Tertiary Comparables																		
Humant Court 808 8th Street Lake Park	1975	3.56 acres	1 BR	10	17%	650	\$ 1,077	\$ 1.68	\$ 1,007	\$ 1.64	2.9%							
True Owner: Anthony Gironta Recorded Owner: Humant Courts LLC																		
Total:												3.1%	3.4%	3.0%	3.1%	3.6%		
Asking Rent Concessions:												0.2	1.8	0.1	(3.8)	-		
												5-Year Absorption:				0.8		
												Annual Average:				N/A		
Lake Park Manora 105 2nd Street Lake Park	2016	0.39 acres	1 BR	3	0%	-	-	-	-	-	0.3%							
True Owner: Anastasia Vlayukh Recorded Owner: Lake Park Manora LLC																		
Total:												4.7%	9.3%	92.0%	100.0%	N/A		
Asking Rent Concessions:												0	2	2	-	-		
												5-Year Absorption:				4.0		
												Annual Average:				1.8		
Cedar Crest 12 E. Sax Drive Lake Park	1982	0.20 acres	1 BR	49	100%	736	-	-	-	-	4.3%							
True Owner: Sami Baghdady Recorded Owner: Sami J. Baghdady																		
Total:												4.7%	5.3%	5.3%	6.7%	5.1%		
Asking Rent Concessions:												(0.2)	-	1	(1)	-		
												5-Year Absorption:				0.2		
												Annual Average:				N/A		
Bevergreen Manor 921 Evington Drive Lake Park	1971	0.97 acres	1 BR	1	0%	700	\$ 887	\$ 1.22	\$ 855	\$ 1.22	4.1%							
True Owner: Bay Hero Pay Hero RE LLC Recorded Owner: 750 Whitmore LLC																		
Total:												4.5%	5.0%	5.0%	6.3%	4.9%		
Asking Rent Concessions:												0.1	-	0.2	(0.3)	-		
												5-Year Absorption:				0.1		
												Annual Average:				N/A		
Opabole Square 823 Magnolia Drive Lake Park	1982	1.00 acres	1 BR	32	0%	-	-	-	-	-	0.0%							
True Owner: Equinox Realty Inc. Recorded Owner: Amic Holdings LLC																		
Total:												6.0%	1.3%	3.7%	4.3%	5.1%		
Asking Rent Concessions:												0.7	0.8	0.8	0.5	-		
												5-Year Absorption:				3		
												Annual Average:				N/A		
COMPARABLES ANALYSIS (Tertiary):																		
Total/Weighted Average												6.1%	3.1%	3.8%	12.0%	5.3%		
Total Unit Absorption (2016-2020):												2	14	3	1	2		
Annual Average																4		

Source: CoStar, Inc.; WTL+a, May 2021.

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In conclusion, the area's housing market reflects stabilized market conditions—with solid occupancies among rental properties; increasing values among owner-occupied properties; limited new residential development over the past five years; and, ongoing lease-up (absorption) activity in recently-delivered multi-family properties.



Marina Key, Lake Park



Village at Mangonia Park, West Palm Beach



Emara Palm Beach, North Palm Beach



Solara City Centre, Palm Beach Gardens

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Workplace—Office

WTL+a evaluated development potentials for "workplace" uses including multi-tenant/speculative office for professional/business services and medical office uses. (In such an analysis, it is not possible to evaluate development potentials for specific end-users—also known as "build-to-suits"—as such deals are based on specific recruitment strategies and terms, including the amount of space to be occupied, and are negotiated on a case-by-case basis). A profile of market conditions in each municipality's office sector was prepared to:

- Understand the overall competitive market position for speculative/multi-tenant office uses on the Twin City Mall site, 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/office development potentials based on the findings in this profile; and
- Guide the TCRPC planning team's evaluation of development scenarios to ensure that uses such as office physically fit and are sufficiently marketable.

Key findings in each municipality's office market are summarized below:

Town of Lake Park



▪ As illustrated in Table 28, Lake Park has an extremely limited office inventory. There are only 57,566 sq. ft. of speculative office space in 13 buildings as tracked by CoStar, Inc. The Town accounts for only 0.10% of Palm Beach County's 57.9 million sq. ft. of office space and is a tertiary office submarket. Lake Park's share of the County's supply has remained flat since 2007;

- Between 2007 and 2012, office vacancies ranged between 8% and 12%. However, since 2013 the Town's office vacancy rate has increased—to 17% in 2013, 19.5% in 2017, and 20% in 2019. Notably, with positive net absorption of 8,860 sq. ft. in 2020 (during the COVID pandemic no less), the office vacancy rate dropped to stabilized levels of 4.6%;
- No new office space was built in Lake Park between 2007 and 2019 as new office construction was built elsewhere in Palm Beach County;

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Table 28: Office Market Profile—Town of Lake Park, 2007—2020

Office	2007	2008	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	2020	Change: 2007-2020			
			2009	2010	2011	2012	Total									Ann'l Avg.	% CAGR		
Inventory	57,566	57,566	57,566	57,566	57,566	57,566	57,566	57,566	57,566	57,566	57,566	57,566	57,566	57,566	57,566	57,566	*		
As % of County	0.11%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%			
No. of Buildings/Centers	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	*		
Vacant Stock	5,670	6,684	6,499	3,989	3,439	5,439	9,816	5,839	8,339	10,192	11,217	10,192	11,492	2,632	(3,038)				
Vacancy Rate	9.8%	11.6%	11.3%	6.9%	6.0%	9.4%	17.1%	10.1%	11.0%	17.7%	19.5%	17.7%	20.0%	4.6%					-5.7%
Net Absorption:	8,100	(1,014)	185	2,610	650	(2,000)	(4,377)	3,977	(500)	(3,863)	(1,026)	1,026	(1,300)	8,860	12,138	867			
Past 5 Years																			
Construction Deliveries																			
Gross Rent/SF	\$ 21.50	\$ 16.18	\$ 14.96	\$ 10.89	\$ 11.08	\$ 11.63	\$ 15.13	\$ 13.55	\$ 17.43	\$ 17.80	\$ 21.26	\$ 22.20	\$ 18.79	\$					-1.0%
Average Annual % Change		-24.7%	-7.5%	-27.2%	1.7%	5.0%	30.1%	-10.4%	28.6%	2.1%	19.4%	4.4%	-15.4%	N/A					
Base Rent/SF (NNN)	\$ 11.73	\$ 11.70	\$ 11.86	\$ 10.73	\$ 10.81	\$ 11.63	\$ 13.18	\$ 13.18	\$ 12.44	\$ 11.48	\$ 13.47	\$ 20.74	\$ 12.60	\$ 25.00					0.8%

Source: CoStar, Inc.; WTL+a, May 2021.

- As a result of increasing vacancy rates, *net office absorption was extremely limited* over the past 14 years—totaling only 12,130 sq. ft. and averaging less than 900 sq. ft. per year. Over the past five years, *net absorption weakened to 740 sq. ft. per year* between 2016 and 2020 (3,700 sq. ft. total); and
- Illustrative of other impacts attributable to limited absorption, gross office rents *decreased* between 2007 and 2011—from \$21.50 per sq. ft. to \$11.08 per sq. ft. Office rents in Lake Park fluctuated between \$11 and \$15 per sq. ft. between 2012 and 2014. Since 2015, however, office rents have rebounded—between \$17 and \$22 per sq. ft. through 2019.



**Lake Park is a Tertiary Office Market with Limited
Inventory & Annual Net Absorption of 740 SF/Year Past 5 Years**

Village of North Palm Beach



- As illustrated in Table 29, North Palm Beach contains almost 1,081,300 sq. ft. of speculative office space in 68 buildings as tracked by CoStar, Inc. The Village accounts for 1.9% of Palm Beach County's 57.9 million sq. ft. of office space and is a *tertiary* office submarket. The Village's share of the County's supply has remained flat since 2007;

Table 29: Office Market Profile—Village of North Palm Beach, 2007—2020

	2007	2008	National Recession & Recovery								Change: 2007-2020						
			2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	Ann'l Avg.	% CAGR
Office																	
Inventory	1,093,972	1,080,972	1,093,972	1,093,972	1,069,972	1,081,296	1,081,296	1,081,296	1,081,296	1,081,296	1,081,296	1,081,296	1,081,296	1,081,296	1,081,296	1,081,296	(12,874)
As % of County	2.0%	2.0%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	0%
No. of Buildings/Centers	68	68	68	68	67	68	68	68	68	68	68	68	68	68	68	68	-
Vacant Stock	120,952	159,698	207,598	237,991	216,396	205,188	214,995	198,369	103,741	74,598	77,610	103,822	123,497	122,772	1,820		0.2%
Vacancy Rate	11.1%	14.6%	19.0%	21.8%	20.2%	19.0%	19.8%	14.6%	9.6%	6.9%	7.2%	9.6%	11.4%	11.4%			
Net Absorption:	(62,639)	(39,746)	(47,900)	(30,393)	(2,406)	22,632	(9,607)	66,628	54,828	28,143	(3,012)	(26,212)	(19,676)	726	(77,036)	(6,503)	
Past 5 Years															(19,031)	(3,806)	
Construction Deliveries	-	-	-	-	-	11,324	-	-	-	-	-	-	-	-	-	11,324	
Gross Rent/SF	\$ 24.87	\$ 23.42	\$ 20.16	\$ 19.14	\$ 18.65	\$ 18.31	\$ 19.34	\$ 21.17	\$ 21.22	\$ 21.69	\$ 26.35	\$ 24.02	\$ 22.81	\$ 24.89			-0.7%
Average Annual % Change	-	-5.8%	-13.9%	-5.1%	-2.6%	-1.8%	5.8%	9.9%	0.2%	2.2%	21.9%	-8.8%	-5.0%	9.1%			
Base Rent/SF (NNN)	\$ 18.52	\$ 17.34	\$ 16.16	\$ 14.66	\$ 15.33	\$ 15.17	\$ 15.49	\$ 17.13	\$ 17.31	\$ 18.21	\$ 21.04	\$ 18.39	\$ 18.83	\$ 20.50			0.1%

Source: CoStar, Inc.; WTL+a, May 2021.

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- Office vacancies in North Palm Beach peaked at 21.8% in 2010 as the economy emerged from the 2007—2009 recession. Over the next six years, vacancies declined to 7% in 2017. However, over the past three years, office vacancy rates increased—to 9.6% in 2018 and 11.4% in both 2019 and 2020;
- Only 11,324 sq. ft. of new office space was built in North Palm Beach between 2007 and 2019, as new office construction was built elsewhere in Palm Beach County;
- Net office absorption has been uneven over the past 14 years, as there were nine years of negative absorption and only five years of positive absorption village-wide. In fact, North Palm Beach lost over 77,000 sq. ft. of occupied office space between 2007—2020; and
- Coinciding with negative net absorption between 2007 and 2012, gross rents declined—from \$24.87 per sq. ft. in 2007 to \$18.31 per sq. ft. in 2012. Conversely, during three years of positive net absorption, gross rents increased—from \$19.34 per sq. ft. in 2013 to \$26.35 per sq. ft. in 2017. Over the past three years office rents have been in the range of \$23 to \$25 per sq. ft. on a gross basis.



The Village's Office Market is clustered on U.S. 1;

Overall Net Absorption over Past 14 Years is Negative: -77,000 SF

In conclusion, the extent to which office occupancies and rents in the Town and Village can be strengthened will depend on multiple factors over the near-term, including growth in specific business and office-using sectors, transition of home-based businesses into leased space, rental/occupancy costs compared to competing nearby locations, etc. Opportunities and strategies to increase commercial office as a viable use as part of redevelopment of the Twin City Mall site are explored in Sections 5 and 6 of this report.

General Retail

WTL+a and RDS LLC most frequently utilize CoStar, Inc., a national commercial real estate database, as the most reliable data source to evaluate market characteristics and metrics associated with specific land uses (residential, commercial office/workplace, industrial, and retail). CoStar data is aggregated from information provided through its network of realtors/brokers and other real estate industry sources. It is considered the most accurate resource to evaluate real estate industry performance.

However, WTL+a and RDS LLC have determined that CoStar's retail database, in multiple markets, is insufficiently reported, as retail brokers focus on established shopping centers, mixed-use projects completed by major property owners/investors and projects with national "credit" tenants, usually defined as chain-affiliated retail stores. In "non-mall" areas, particularly those with fragmented ownership, a mix of national retailers and locally owned businesses and older/smaller commercial buildings, CoStar data can be seriously underreported. These environments are not as lucrative or easily leased as malls and larger community shopping centers, so CoStar data is not readily available or reported.

In other Florida locations, reporting by commercial brokers is more complete, and CoStar information can be considered accurate. In other locations, however, particularly older commercial districts and corridors, as much as one-third of existing retail space is unaccounted in CoStar's data. We note that Florida's County Property Appraiser records are among the best and most accessible in the U.S., but Appraiser records for multi-tenant retail properties are reported only for total size (in square feet); records on individual business spaces, such as retail category, vacant space, and annual net absorption over time—all elements to better understand overall retail mix, store counts and available space—are excluded.

To address this data issue, WTL+a and RDS LLC have developed a methodology to conduct back-up inventories of existing retail space that documents the following:

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- Retail businesses by name
- Each business is sorted into a specific retail category, and
- Estimated size (in square feet) for each business

Total estimated square footage of all retail space and sub-totals by retail category are useful indicators to identify potential new space and the types of businesses that best reflect potential spending and capture rates of household spending on soft goods, consumer services, food & beverage, groceries, etc. This information is also useful in providing perspective on whether specific areas are over-supplied with particular types of retail categories. For purposes of this analysis, the following categories are totaled:

Retail Mix Analysis Categories

- **Retail**—specialty retail stores, apparel, shoes, accessories, gifts, furniture and household goods, anchor/freestanding department stores, 'big box' stores, pawn shops, etc.
- **Food & Beverage/Grocery**—full-service and casual dining restaurants, fast food and carry-out food service, liquor and juice bars, produce and meat stores, grocery stores, convenience stores, liquor stores, etc.
- **Consumer Services**—hair and nail salons, beauty supplies, dry cleaners, repair services, travel services, etc.
- **Finance, Insurance & Real Estate (FIRE)**—banks, walk-in insurance agency offices, real estate sales and management offices, financial advisors, credit companies, etc.
- **Professional Offices**—medical offices, chiropractic and acupuncture offices, dentists, storefront law offices, other storefront professional services, etc. occupying street-level/storefront commercial space
- **Automotive**—automotive sales dealerships and services, used car sales, auto repair, tire stores, auto parts, gas stations (enclosed structures only), etc., and
- **Vacant**—existing commercial space unoccupied or available for lease at the time of the inventory.

Although not considered a traditional "retailer," automotive sales and services generate sales taxes, occupy large parcels that frequently are sold and converted to other commercial uses when land values warrant the investment returns and create customer traffic. Similarly, FIRE and other storefront-using professional services activate the street and generate traffic to retail districts, so these two categories are included as part of the inventory. Overall sizes for each category are field estimates and reflect total space within a 5% to 10% degree of accuracy; actual square

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footages by building or "improvement" were documented through the Palm Beach County Property Appraiser.

As general comment, Florida has traditionally granted entitlements to developers, investors, and owner/occupants for retail as a land use without comparing the amount of existing physical space with what is measured as market supportable. Too often, this practice has resulted in retail entitlements that far exceed what is market supportable and sustainable over time.

As a result, this has produced retail space entitlements without any net increase in the amount of supply operating as successful retail space. More often, over-entitlements cause a shift of stronger, market-supportable retail tenants from one commercial project/area to another, thereby increasing vacancy rates in aging retail properties or conversion of space formerly occupied by retail businesses to non-retail uses such as medical facilities, law firms and other professional office, or social service uses. In summary, the continuing over-supply of retail space in multiple Florida locations is well outside what is market sustainable.

The national average of retail space per capita (before the COVID 19 pandemic) in the U.S. ranges from approximately 25 sq. ft. per person, potentially up to 50 sq. ft. per capita if all spaces (i.e., mall and non-mall locations) are included. This total includes retail of all types, such as anchor department stores and in-line stores within major malls like Gardens Mall; fast food restaurants on pad sites and along major roadways; "Big Box" stores; consumer service businesses such as hair and nail salons, dry cleaners, and banks; and locally owned specialty retail stores in mixed-use buildings, downtown areas, and automobile-oriented strip shopping centers. WTL+a and RDS note that all these store types exist in large quantities in and around the Twin City Mall site. This is due, in part, to the presence of major malls, including Gardens Mall, and surrounding properties (e.g., Downtown at the Gardens, Legacy Place, the former Loehmann's Plaza, etc.). These centers comprise approximately 43% of the existing retail supply within three miles of the Twin City Mall site.

Town of Lake Park

Performance Metrics from CoStar Retail Data

As the primary commercial component, particularly in Lake Park, retail land uses play a disproportionate role in generating real estate tax revenues in this part of Palm Beach County. According to CoStar, Inc., Palm Beach County contains 79,631,853 sq. ft. of retail space (as of 2Q/2021). CoStar retail performance data for Lake Park is summarized below.

CoStar information is followed by the more detailed RDS retail inventory. While the RDS inventory illustrated below is more exhaustive, it does not analyze key metrics over time—such as annual net absorption, new construction deliveries, or changes in retail rents, as CoStar is the only commercial real estate database that tracks such metrics over time.

- As tracked by CoStar, Inc. and illustrated in Table 30, Lake Park contains a reported **908,700 sq. ft. of retail space in 59 retail centers/buildings**, comprising approximately 1.1% of the County's total retail supply in four primary locations:
 - Downtown Lake Park/Park Avenue
 - Congress Avenue corridor
 - Northlake Boulevard corridor
 - U.S. Highway 1 corridor
-
- CoStar estimates that there was only **30,700 sq. ft. of vacant retail space** (including direct vacancies and sublet space) in 2020, reflecting a vacancy rate of 3.4%. Retail vacancies in Lake Park have fluctuated over the past 14 years. Surprisingly, recession-based vacancies remained at stabilized levels of 4% to 5% between 2008 and 2012. Vacancies peaked in the range of 13% to 14% in 2015 and 2016, and they have been stabilized in the range of 3% to 4% since 2018;
 - While vacancies are low, net annual retail absorption totaled 114,640 sq. ft., averaging less than 8,200 sq. ft. per year over the past 14 years. However, net absorption strengthened over the past five years to almost 102,900 sq. ft., averaging almost 20,600 sq. ft. per year;
 - CoStar data suggest that approximately 101,900 sq. ft. of new retail space was built in Lake Park between 2007 and 2020, including:
 - 260 N. Congress Avenue (Culver's, 4,765 sq. ft., 2019)
 - 400 N. Congress Avenue (Kohl's, 97,109 sq. ft., 2009)
 - Three Big Box stores were built on the Congress Avenue corridor between 2003 and 2006, including Lowe's (134,727 sq. ft., 2003), Target (112,284 sq. ft., 2005) and Walmart (214,688 sq. ft., 2006); and

- Base (triple net) retail rents in Lake Park declined in the national recession and subsequent recovery years—dropping from \$12.66 per sq. ft. in 2008 to \$11.06 per sq. ft. in 2011. Retail rents increased thereafter—steadily increasing to \$19.73 per sq. ft. by year-end 2019. Notably, rents dropped by 21.5% in 2020 (as a direct result of the COVID pandemic) to \$15.49 per sq. ft. Declines in retail rents could also be attributed to reduced sales/rents, fewer available retail tenants because of national retail industry trends/bankruptcies, and/or other factors.



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Table 30: Retail Market Profile—Town of Lake Park, 2007—2020

	2007	2008	National Recession & Recovery								Change: 2007-2020							
			2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	Ann1 Avg.	% CAGR	
Inventory	806,885	903,974	903,974	903,974	903,974	903,974	903,974	903,974	903,974	903,974	903,974	903,974	906,739	906,739	101,874			
As % of County	1.1%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%			
No. of Buildings/Centers	57	58	58	58	58	58	58	58	58	58	58	58	59	59	59			
Vacant Stock	93,225	43,855	40,861	35,688	34,564	30,897	40,900	40,410	128,745	121,555	79,224	34,147	39,361	30,654	(62,672)			
Vacancy Rate	11.6%	4.9%	4.5%	3.9%	3.8%	3.4%	4.5%	4.5%	14.2%	13.4%	8.6%	3.6%	4.3%	3.4%				-8.0%
Net Absorption:																		
<i>Past 5 Years</i>	(49,800)	146,480	2,994	5,172	1,126	3,667	(10,003)	480	(99,336)	7,190	42,331	45,077	(449)	8,707	114,848	8,169		
															102,656	20,671		
Construction Deliveries	-	97,109	-	-	-	-	-	-	-	-	-	-	-	4,765	-	101,874		
Gross Rent/SF	\$ 12.96	\$ 14.05	\$ 13.30	\$ 11.45	\$ 10.80	\$ 11.63	\$ 12.27	\$ 13.37	\$ 13.63	\$ 14.09	\$ 17.81	\$ 16.26	\$ 18.65	\$ 17.96				2.6%
Average Annual % Change		8.4%	-5.3%	-13.9%	-5.7%	7.7%	5.5%	9.0%	1.9%	3.4%	26.4%	-8.7%	14.7%	-3.7%				
Base Rent/SF (NNN)	\$ 12.06	\$ 12.66	\$ 13.47	\$ 10.59	\$ 9.00	\$ 11.31	\$ 12.55	\$ 12.48	\$ 12.94	\$ 15.72	\$ 31.66	\$ 21.31	\$ 19.73	\$ 15.49				1.9%

Source: CoStar, Inc.; WTL+a, May 2021.

RDS Retail Inventory

To better understand the actual store mix and amount of existing space, a more comprehensive field inventory was prepared within three miles of the Twin City Mall site. The I-95 corridor marks the western edge of primary retail competition for the site; the boundary of Riviera Beach forms the southern limit; Oakbrook Center in Palm Beach Gardens forms the northern edge; and the concentration of major retail developments in Palm Beach Gardens (east of I-95) forms the western boundary.

The results of this field inventory suggest a vastly different supply of total retail space than CoStar data. At the time of the field data inventory (May 2021), there was almost 6.7 million sq. ft. of total retail space within a three-mile radius; approximately 11.4% of the retail inventory was vacant (over 760,000 sq. ft.).

RDS LLC identified 10 separate retail sub-districts comprising the existing retail supply, with four located in Lake Park; three located in North Palm Beach; and three zones encompassing selected nearby retail concentrations outside these municipal boundaries that will remain strong competition for any incremental retail space considered as part of Twin City Mall's redevelopment planning.

For purposes of geographic definition, retail concentrations are defined by facing roadways. In specific cases, retail is totaled for both sides of the street/boulevard while others are separated by the municipality in which the retail area is located (e.g., Northlake Boulevard's inventory is separated into north (in the Village of North Palm Beach) and south (in the Town of Lake Park).

Table 31 illustrates the more detailed inventory by geographic sub-zone. Key findings indicate that:

- There is a total of 6.67 million sq. ft. of retail space located within a three-mile radius of the Twin City Mall site;
- 1,959 million sq. ft. are in Lake Park (28%);
- 1,813 million sq. ft. are in North Palm Beach (27%), and
- 2,893 million sq. ft. include and surround the Gardens Mall (43%). This includes selected retail centers immediately adjacent to the boundaries of North Palm Beach and selected Lake Park-adjacent spaces).

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Table 31: Summary of Area Retail Inventory—by Sub-district, 2020

No.	Subarea	Approximate Length (in Miles)	Total Retail Space		Vacant Space			
			In SF	% of Total	In SF	% Vacant	No. of Vacant Spaces	
Town of Lake Park (Municipal Boundaries Only)								
1	Downtown Lake Park	0.62	139,432	7%	53	37,080	27%	9
2	Congress Avenue Corridor	0.68	514,185	26%	11	396	3%	-
3	Northlake Boulevard (South Side Only) (1)	1.64	942,717	45%	284	93,129	10%	25
4	U.S. Route 1	0.62	381,639	19%	368	166,306	31%	34
Subtotal:			1,959,983	29%	736	316,915	16.1%	68
North Palm Beach								
5	Northlake Boulevard (North Side Only) (2)	1.31	565,855	31%	128	18,458	3%	8
6	Old Dixie Highway/SR 811 (East/West Sides) (3)	0.58	285,658	16%	62	40,045	14%	9
7	U.S. Route 1 (North of Nonlake) (4)	2.58	882,495	53%	194	216,353	22%	34
Subtotal:			1,813,866	27%	384	272,866	15.0%	49
Selected Nearby Retail Concentrations								
8	PGA Blvd (Main Entrance East to U.S. 1)	1.51	419,987	15%	63	25,335	3%	4
9	Malls & Surrounding Areas (5)	-	2,193,980	70%	210	532,712	73%	TBD
10	U.S. Route 1 (NPB Boundary to PGABnd)	0.30	278,415	15%	36	171,328	24%	15
Subtotal:			2,893,388	43%	309	729,375	25.2%	19
TOTAL:			6,667,137	100%	1,439	1,318,948	19.8%	134

Field estimates may not exactly match properties & jurisdictions, but reflect total square footage of existing retail

- (1) Includes the south side of Northlake Boulevard located in Lake Park
- (2) Includes the north side of Northlake Boulevard, from I-95 to U.S. 1, in North Palm Beach
- (3) Includes Prosperity Farms Road
- (4) Includes north of Northlake Boulevard to Juno Road in Juno Beach, includes retail properties located within North Palm Beach and selected adjacent retail in neighboring jurisdictions
- (5) All malls and retail locations from I-95 on the west to Kiva Gardens Avenue on the east, PGA Boulevard on the south and Gardens Parkway on the north. Vacant spaces not verified

Source: RDS LLC; Palm Beach County Property Appraiser; WTL + a, revised September 2021

As noted above, within Lake Park, there are four retail subareas:

- **Downtown Lake Park**—Approximately 0.62 miles in length and containing approximately 140,000 sq. ft. of retail space (7% of the Town's total) along Park Avenue—from 5th Street to 10th Street—and northwest of the traditional downtown
- **Congress Avenue**—Northwest of downtown Lake Park, between Silver Beach Road on the south and N. Killian Drive on the north (approximately 0.66 miles in length), and containing multiple Big-Box stores (Target, Walmart, Kohl's, and Lowe's), with almost 514,000 sq. ft. of retail (26% of the Town's total)

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- **Northlake Boulevard (south side only within Lake Park)**—Approximately 1.64 miles in length, and comprising an auto-related corridor and major east-west arterial; the south side of Northlake Boulevard contains 942,700 sq. ft. of retail space (48% of the total), and
- **Federal Highway/U.S. Route 1 (from the municipal boundary to Silver Beach Road)**—With approximately 0.82 miles in length and containing 383,600 sq. ft. of retail space (19% of the total).

At the time of the inventory, Lake Park had 738 retail spaces in these four sub-districts. **There are 68 retail vacancies with 316,515 sq. ft. of vacant space, reflecting an overall vacancy of 16.1%.** Fully half of these vacant spaces are located along Park Avenue in downtown Lake Park. The Town's retail vacancy rate is well-above the acceptable industry standard "stabilized" vacancy rate of 5%.

We note that **Lake Park's regional market retail drawing power is significantly greater than what resident households could support.** In fact, as noted in Section 3, annual retail spending inflow into Lake Park totals more than \$189.4 million per year. The larger stores on Congress Avenue (Walmart, Lowe's Target, Kohl's) attract regional as well as local spending, drawing customers from well beyond the boundaries of Lake Park. From the standpoint of consumer behaviors and preferences, Congress Avenue's retail cluster is considered equivalent extensions of the regional identity/drawing power of the Gardens Mall and its neighboring major retail developments.

Village of North Palm Beach

Performance Metrics from CoStar Retail Data



CoStar retail performance data for North Palm Beach is summarized below. CoStar information precedes the more detailed RDS retail inventory. While the RDS inventory illustrated below is more exhaustive, it does not analyze key metrics over time—such as annual net absorption, new construction deliveries or changes in retail rents, as CoStar is the only commercial real estate database that tracks such metrics over time.

- As tracked by CoStar, Inc. and illustrated in Table 32, North Palm Beach contains a reported **1,285,500 sq. ft. of retail space in 106 retail centers/buildings**, comprising approximately

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1.6% of the County's total retail supply. Like Lake Park, CoStar data likely under-reports the amount of retail space in the Village, particularly in locally owned, small retail centers and pad sites.

- o Northlake Boulevard corridor
- o U.S. Highway 1 corridor, including above the intersection of PGA Boulevard (properties have a North Palm Beach address but are in unincorporated Palm Beach County)
- o Prosperity Farms Road corridor
- While the inventory illustrated below is more exhaustive, it does not analyze key metrics over time—such as annual net absorption, new construction deliveries or changes in retail rents. As CoStar is the only commercial real estate database that tracks such metrics over time. Accordingly, CoStar estimates that there was **81,700 sq. ft. of vacant retail space** (including direct vacancies and sublet space) in 2020, reflecting a vacancy rate of 6.4%. Retail vacancies in North Palm Beach have fluctuated over the past 14 years, peaking at 14.3% in 2010. Vacancies declined to 2.2% in 2017, but they have since increased to 9.1% in 2019;
- Even as vacancies declined overall net absorption was negative over the past 14 years. However, since 2016 net annual retail absorption totaled only **3,990 sq. ft., averaging only 800 sq. ft. per year** between 2016 and 2020;
- CoStar data suggest that only 15,400 sq. ft. of new retail space was built in North Palm Beach between 2007 and 2020, including:
 - o 555 Northlake Boulevard (Flagler Bank, 10,000 sq. ft., 2008)
 - o 124 U.S. 1 (Dairy Queen, 3,100 sq. ft., 2016)
 - o 900 U.S. 1 (Sunoco, 2,337 sq. ft., 2007), and



▪ Base (triple net) retail rents in North Palm Beach declined in the national recession and subsequent recovery years—dropping from \$19.73 per sq. ft. in 2009 to \$11.48 per sq. ft. in 2012. Retail rents increased thereafter, rising to \$22.52 per sq. ft. by 2020.

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Table 32: Retail Market Profile—Village of North Palm Beach, 2007—2020

	2007	2008	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	2020	Change: 2007-2020		
			2008	2010	2011	2012	Total									Ann1 Avg.	% CAGR	
Inventory	1,342,047	1,325,872	1,325,872	1,325,872	1,325,872	1,325,872	1,316,492	1,316,492	1,308,842	1,285,492	1,285,492	1,285,492	1,285,492	1,285,492	1,285,492	(56,666)		
As % of County	1.8%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%			
No. of Buildings/Centers	111	108	108	108	108	108	107	107	106	106	106	106	106	106	106			
Vacant Stock	157,297	93,031	107,967	189,202	158,418	123,233	126,810	127,862	109,886	46,418	28,137	75,265	117,074	81,746	81,746	(75,661)		
Vacancy Rate	11.7%	7.0%	8.1%	14.3%	11.9%	9.3%	9.6%	9.7%	8.4%	3.6%	2.2%	5.9%	9.1%	6.4%	6.4%			-4.8%
Net Absorption:	(36,280)	48,091	(14,936)	(81,236)	30,784	35,185	(12,967)	(862)	10,928	39,318	18,281	(47,128)	(41,809)	36,328	(17,284)	(1,236)		
Past 5 Years																3,990	798	
Construction Deliveries	2,337	10,000	-	-	-	-	-	-	-	3,100	-	-	-	-	-	15,437		
Gross Rent/SF	\$ 18.05	\$ 18.72	\$ 18.95	\$ 15.57	\$ 14.17	\$ 11.85	\$ 11.72	\$ 11.71	\$ 13.04	\$ 14.10	\$ 28.02	\$ 22.49	\$ 21.99	\$ 22.45				1.89%
Average Annual % Change	-	3.7%	1.2%	-17.8%	-9.0%	-17.8%	0.6%	-0.1%	11.4%	8.1%	84.5%	-13.6%	-2.2%	2.1%				
Base Rent/SF (NNN)	\$ 18.05	\$ 19.28	\$ 19.73	\$ 15.92	\$ 14.17	\$ 11.46	\$ 11.64	\$ 11.54	\$ 12.46	\$ 12.50	\$ 26.39	\$ 22.55	\$ 21.96	\$ 22.52				1.72%

Source: CoStar, Inc.; WTL+a, May 2021.

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RDS Retail Inventory

As illustrated previously in Table 31 above, North Palm Beach's retail inventory clusters in three areas:

- **Northlake Boulevard**—The north side of Northlake Boulevard is located within the municipal boundaries of North Palm Beach and includes 565,655 sq. ft. of space between I-95 and U.S. Route 1/Federal Highway (31% of the Village total), primarily in smaller strip centers and pad sites along the 1.31-mile corridor. RDS notes this total includes retail space not technically within the Village's boundaries, but tied to the overall character of Northlake Boulevard
- **Old Dixie Highway/State Road 811 (from Northlake Boulevard to north of Hinda Road)**—This 0.58-mile segment includes almost 285,700 sq. ft. of retail businesses located along the east and west sides of US 1 in the southwest corner of North Palm Beach (18% of the Village total). Specific businesses in unincorporated Palm Beach County adjacent to the Village boundary (in selected locations north to Hinda Road) are included in this total, and
- **U.S. Route 1 (from municipal boundary north to PGA Boulevard)**—This 2.58-mile corridor contains 962,495 sq. ft. of retail space on both sides of the arterial (53% of the Village total). This commercial corridor is more fragmented with intermittent retail clusters, but it still presents potential competition for the Twin City Mall site as it is the approach to the site from the north.



In sum, North Palm Beach's three retail clusters include 1.83 million sq. ft. in 384 spaces. **There are 49 vacancies with 272,858 sq. ft. of vacant space, reflecting an overall vacancy rate of 15%.** The Village's retail inventory is characterized as typical of commercial corridors. Notably, the Village lacks a concentrated, pedestrian-oriented retail "center." While Lake Park's Park Avenue sub-district

qualifies as pedestrian-friendly in its layout and scale, it still lacks sufficient retail uses/critical mass to be a regional destination.

Nearby/Adjacent Retail Concentrations

While not within the municipal boundaries of Lake Park or North Palm Beach, these adjacent retail concentrations represent powerful regional destinations and contain with fully 43% of the total 6.6 million sq. ft. of competitive supply affecting retail potentials at the Twin City Mall site. Dominated by The Gardens Mall (1.4 million sq. ft.), the mall and its neighboring properties in Palm Beach Gardens comprise the majority of the 2,893,300+ sq. ft. of retail space in this sub-district. We



note that the former Loehmann's Plaza (included as vacant in the inventory) is planned for redevelopment. While Legacy Place and Downtown at the Gardens have different retail concepts, both account for significant concentrations of "mall-oriented" retail space. The Gardens Mall is an upscale enclosed super-regional mall with four major anchors and multiple higher-end in-line stores. Even with the fallout in the regional mall

industry, The Gardens Mall has maintained its ability to generate and sustain customer traffic and reportedly high sales productivities (before COVID 19). In fact, The Gardens Mall is in the upper tier of super-regional malls nationally, both in its tenant mix and its sustained annual sales (per square foot). The mall also has 10 large surface parking fields (containing 7,700 spaces) that could potentially be redeveloped with residential, office, and mixed-use. This would likely require structured parking to meet parking requirements, but the economic generation provided by The Gardens Mall over the decades since its construction suggest that its site is primed for phased and infill redevelopment and the introduction of new, complementary uses.

As other regional malls are closing across the U.S. due to underperformance, the failure of traditional anchor department stores, and shifts in shopping patterns caused by rapid growth of online shopping and exacerbated by the pandemic, The Gardens Mall appears to have emerged as a "survivor mall," a major destination that will "outlive" retrenchment occurring in the shopping mall industry.



A second concentration, Legacy Place, delivered in 2003, was built as a mixed-use, well-landscaped center anchored by "Big-Box" tenants and strong pad/parcel businesses with abundant surface parking. There are also 384 residential units integrated into the project. If Legacy Place's anchor tenants remain viable, the center is a strong complement to the Gardens Mall across

PGA Boulevard and serves as a destination. Legacy Place has been the subject of various proposals in recent years, and its proximity to neighboring retail centers and high visibility make it a likely redevelopment candidate.

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Third, **Downtown at the Gardens** represents the newest retail concept on PGA Boulevard—that of a walkable/pedestrian-friendly, open air, two-story center featuring a "lifestyle" mix of stores, restaurants, and entertainment uses on a 49.4-acre site. In 2021, the center's owners announced a significant redevelopment and expansion plan that will include a 174-room hotel, 280 apartments, and an eight-floor parking garage. While there have been multiple changes in management and



store mix since its opening, and amidst ongoing efforts to withstand COVID impacts on businesses, its dining/entertainment uses, proximity to high-income households in Palm Beach Gardens, expansion plan, and adjacency to I-95 should allow Downtown to continue its repositioning and long-term viability.

In combination, these three projects create a powerful competitive context for any new retail in the three-mile trade area. This suggests that additional retail included as part of redevelopment of the Twin City Mall site requires consideration of the following:

- Total retail inventory in a three-mile area, and
- Range and depth of offerings, store mix and quality of existing retail.

The presence of almost 6.7 million sq. ft. of existing retail space strongly suggests that any new retail programmed for a redeveloped Twin City Mall site must be carefully planned to provide elements that are not easily found in the area's existing supply. Moreover, any retail should be created as part of a new concept, not a replica of what already exists nearby. Just as residential potentials for the site (and selected others in the surrounding area) must be transformative to catalyze incremental growth beyond the traditional pace of absorption, so should any new retail provide a consumer experience that is not currently present in the surrounding trade area.

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Hotel/Lodging

Palm Beach County

WTL+a reviewed data on market conditions for hotel and lodging uses in the communities surrounding Lake Park and North Palm Beach based on performance data provided by STR Global, the industry leader in hotel market data. Performance metrics from this analysis served as the basis to determine hotel/lodging market potentials as part of redevelopment of the Twin City Mall site.

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 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 33, Palm Beach County contains 17,740 hotel rooms, with the County's two largest submarkets, West Palm Beach containing 4,944 rooms (28% of supply) and Boca Raton containing 4,061 rooms (23% of supply).

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 other smaller, non-chain affiliated properties across the County. This category comprises 14% 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 only 6% 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 18% of the County's hotel market

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- **Upscale**—properties in this class typically include Marriott Courtyard, Hilton Garden Inn, Hyatt Place, and Residence Inn. This category comprises 21% of the County's hotel market
- **Upper Upscale**—properties in this class typically include Hyatt Regency, Marriott, Sheraton, and Wyndham. This category comprises fully 26% of the County's hotel market
- **Luxury**—properties in this class typically include international chains such as the Ritz Carlton and W Hotel. There are multiple luxury properties in Palm Beach County—mostly in beach/resort locations—that comprise 15% of the County's room inventory

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 assess 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.

North County Area Hotel Inventory

To understand hotel market performance and opportunities for additional new hotel development in the study area, WTL+a obtained hotel performance data from STR Global for 16 selected properties in or surrounding Lake Park/North Palm Beach. There are no hotels in Lake Park, and only one competitive property in North Palm Beach reporting to STR (Super 8 with 102 rooms) (Camelot Lodge does not report). To ensure a thorough competitive context, WTL identified multiple other properties in this area of northern Palm Beach County.

It is critical to understand market conditions given the enormity of the impacts on the hotel and hospitality industries from the COVID pandemic as well as the time required for recovery.

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Table 33: Palm Beach County Hotel Inventory, 2020

Location (By Rooms)	No. of Rooms by Property Class						Total Rooms	As % of Palm Beach County
	Economy (1)	Mid-scale (2)	Upper Mid-scale (3)	Upscale (4)	Upper Upscale (5)	Luxury (6)		
West Palm Beach	600	584	621	1,356	1,503	-	4,944	27.0%
Boca Raton	183	144	690	848	1,049	1,047	4,061	22.0%
Palm Beach Gardens	-	85	189	556	778	-	1,629	9.2%
Deerfield Beach	17	69	124	566	304	154	1,227	6.6%
Palm Beach	-	-	88	-	-	1,101	1,189	6.6%
Jupiter	-	52	317	128	347	-	844	4.8%
Boynton Beach	185	100	373	170	-	-	828	4.7%
Riviera Beach/Singer Inl	271	-	-	31	412	-	714	4.0%
Lake Worth	309	20	104	-	-	-	433	2.4%
Lantana	303	-	122	-	-	-	425	2.4%
Manalapan	-	-	-	-	-	308	308	1.7%
Weslington	-	-	229	-	-	-	229	1.3%
Juno Beach	-	-	197	-	-	-	197	1.1%
North Palm Beach	154	-	-	-	-	-	154	0.8%
South Bay	122	-	-	-	-	-	122	0.7%
Highland Beach	-	-	-	-	114	-	114	0.6%
Royal Palm Beach	111	-	-	-	-	-	111	0.6%
Boca Grande	105	-	-	-	-	-	105	0.6%
Palm Beach Shores	50	-	-	-	-	-	50	0.3%
Greenacres	48	-	-	-	-	-	48	0.3%
Lake Park	-	-	-	-	-	-	-	0.0%
TOTAL:	2,458	1,064	3,274	3,748	4,587	2,811	17,740	100%
% Dist. by Class	14%	6%	18%	21%	26%	15%		

(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, LeQuinta Inn, Quality Inn, Sleep Inn & Suites and Wingate By Wyndham
 (3) Examples of upper mid-scale properties include Comfort Inn, Fairfield Inn, Hampton Inn, and Holiday Inn Express & Suites
 (4) Examples of upscale properties include Marriott Courtyard, Crowne Plaza, Doubletree, Hilton Garden Inn, Hyatt Place, and Residence Inn
 (5) Examples of upper upscale properties include Hyatt Regency, Marriott, Sheraton and Wyndham
 (6) Examples of luxury properties include Boca Raton Resort, Seagate Hotel & Spa, Jupiter Beach Resort, The Breakers, Brazilian Court and others

Source: STR Global, WTL+a, May 2021.

Table 34: North County Area Hotel Inventory, 2020

Facility	Location	Opening Date	No. of Rooms	% of Supply	Product Class
Property Reports to STR					
Super 8 North Palm Beach	North Palm Beach	Jun 1972	102	5%	Economy
Super 8 Riviera Beach	Riviera Beach	Jun 1982	100	5%	Economy
Travelodge Riviera Beach	Riviera Beach	Jul 1988	116	5%	Economy
Red Roof Inn/Best Palm Beach	West Palm Beach	Jun 1906	129	6%	Economy
Extended Stay America Northpoint	West Palm Beach	Nov 1998	73	3%	Economy
Subtotal:			620	24%	
Property Does Not Report to STR					
Hampton Inn	Palm Beach Gardens	Jul 1999	116	5%	Upper Midscale
Best Western Plus Hotel & Suites	Palm Beach Gardens	Feb 1990	83	4%	Upper Midscale
Holiday Inn Express & Suites Metrocenter	West Palm Beach	Jul 2008	70	3%	Upper Midscale
Subtotal:			269	12%	
Property Does Not Report to STR					
Doubletree Hotel Executive Mtg Center	Palm Beach Gardens	Nov 1970	280	13%	Upscale
Hilton Garden Inn Palm Beach Gardens	Palm Beach Gardens	Dec 2008	160	8%	Upscale
Homewood Suites by Hilton	West Palm Beach	Oct 2009	114	5%	Upscale
Residence Inn	West Palm Beach	Jan 1998	78	4%	Upscale
Spring Hill Suites I-95	West Palm Beach	Aug 2009	130	6%	Upscale
Marriott Courtyard	West Palm Beach	Jan 1989	169	7%	Upscale
Subtotal:			831	43%	
Property Does Not Report to STR					
Marriott Palm Beach Gardens	Palm Beach Gardens	Feb 1990	279	13%	Upper Upscale
Embassy Suites PGA Boulevard	Palm Beach Gardens	Feb 1990	160	7%	Upper Upscale
Subtotal:			439	20%	
TOTAL ROOMS:			2,159	100%	
As % of Palm Beach County Inventory				12.2%	
Property Does Not Report to STR					
Caravel Motor Lodge	North Palm Beach	Mar 1973	52		Economy
Top Of America	Palm Beach Gardens	Aug 1989	65		Economy
Travel Inn	Riviera Beach	May 1957	24		Economy
Subtotal:			171		

Source: STR Global, WTL+a, May 2021.

Table 35 and Table 36 illustrate key performance metrics among the selected competitive hotel properties. These properties include a range of limited-, select-, and full-service categories located on commercial corridors or at I-95 interchanges. Key findings from STR Global data on these competitive properties indicate that:

- The 16 properties selected for this analysis that report to STR include 2,159 rooms (another three properties, with 171 rooms, do not report to STR). These rooms represent more than 12% of Palm Beach County's hotel supply. WTL+a notes that STR criteria prohibit the use of properties if any single "corporate" flag exceeds 50% of supply. Notably, the newest property, a

Hilton Homewood Suites on I-95 in West Palm Beach, with 114 rooms, opened over 11 years ago in 2009. (A newer property, a Hampton Inn located at 4001 RCA Boulevard in Palm Beach Gardens is not contained in the STR dataset);

- Average annual occupancies strengthened between 2013 and 2017, increasing from 73.2% to a peak of 77.8%; the seven-year average occupancy was 70.7%. Occupancies declined slightly to 74% in 2018 and 70.8% in 2019;
- As illustrated in Table 36, indicative of peak seasonality in south Florida, occupancies averaged 76.5 in January, 83.9% in February, and 83.2% in March over the past seven years. In fact, occupancies exceeded 80% for fully 23% of the 100 months profiled in this analysis;
- Other indicators of solid market performance include Average Daily Rates (ADRs), which increased at a sustained annual pace of 4.91% per year, and Revenue per Available Room (REVPAR), which increased at a solid annual rate of 4.30% per year between 2013 and 2019. As illustrated, there were specific year-over-year fluctuations in these metrics; and
- **The COVID pandemic which struck in early March 2020 has caused considerable damage to the hotel/hospitality industry. Monthly occupancies dropped precipitously—from 83.7% in February 2020 to 17.6% in April 2020.** Overall occupancies among these 16 properties in 2020 averaged 44.8%. Occupancies climbed to 50.2% by year-end and returned to pre-COVID metrics in the range of 77% during the first quarter of 2021.

In conclusion, based on pre-COVID occupancy and revenue performance, this analysis suggests there appears to be sufficient demand/investment-level performance necessary to support new hotel rooms in this area of northern Palm Beach County. It is likely that this near-term demand will be captured by the proposed 174-room hotel planned as part of the expansion of Downtown at the Gardens in Palm Beach Gardens. Impacts of the pandemic on the hotel industry are well-known (as exhibited by significant declines in occupancy between March and October 2020); and the industry's recovery in the near-term is highly uncertain. Additional time is required to gauge its longer-term impacts on market performance and the capacity to support additional new hotel rooms in the market area.

Pre-COVID Area Hotel Market Performance is Strong:

Occupancies Exceeded 70% in 6 of the Past 7 Years

Table 35: Annual Market Performance of Selected Competitive Hotels, 2012—2019

Performance Characteristics	2013	2014	2015	2016	2017	2018	2019	Pandemic 2020	Thru April 2021	CHANGE: 2013-2019	
										Average	CAGR
Number of Rooms	2,158	2,155	2,158	2,156	2,158	2,158	2,159	2,162	2,162		(1)
Available Room Nights (Supply)	787,783	786,575	786,759	786,940	787,552	787,731	788,128	789,130	259,440	787,575	0.01%
Occupied Room Nights (Demand)	576,381	600,760	592,667	581,791	611,338	582,912	556,770	353,231	179,617	556,981	-0.58%
Annual Occupancy (%)	73.2%	76.4%	75.3%	73.9%	77.6%	74.0%	70.6%	44.8%	69.2%	70.7%	-0.59%
Average Daily Rate	\$ 95.45	\$ 104.19	\$ 112.20	\$ 114.79	\$ 120.57	\$ 126.62	\$ 127.25	\$ 117.93	\$ 122.61	\$ 114.66	4.91%
(2) Revenue Per Available Room	\$ 69.83	\$ 79.58	\$ 84.52	\$ 84.87	\$ 93.59	\$ 93.69	\$ 89.90	\$ 52.79	\$ 84.88	\$ 81.09	4.30%
Year-to-Year % Growth											
Annual Occupancy	-	4.4%	(1.4%)	(1.9%)	5.0%	(4.7%)	(4.5%)	(36.6%)	54.7%		
Average Daily Rate	-	9.2%	7.7%	2.3%	5.0%	5.0%	0.5%	(7.3%)	4.0%		
Revenue/Available Room	-	14.0%	6.2%	0.4%	10.3%	0.1%	(4.1%)	(41.3%)	60.8%		
Selected Property											
	Location	Rooms	% Dist.	Year Open							
Super 8 Riviera Beach	W Palm Beach	100	5%	Jun 1982							
Travelodge Riviera Beach	Riviera Beach	116	5%	Jul 1988							
Marriott Courtyard	W Palm Beach	149	7%	Jan 1989							
Red Roof Inn	W Palm Beach	129	6%	Jun 1996							
Residence Inn	W Palm Beach	78	4%	Jan 1998							
Extended Stay America Northpoint	W Palm Beach	73	3%	Nov 1998							
Holiday Inn Express & Suites Metrocentre	W Palm Beach	70	3%	Jul 2008							
SpringHill Suites I-95	W Palm Beach	130	6%	Aug 2009							
Homewood Suites by Hilton	W Palm Beach	114	5%	Oct 2009							
Super 8 North Palm Beach	N Palm Beach	102	5%	Jun 1972							
Best Western Plus Hotel & Suites/Conf Ctr	PB Gardens	83	4%	Feb 1990							
DoubleTree by Hilton Hotel Executive Mtg Ctr	PB Gardens	280	13%	Nov 1970							
Marriott Palm Beach Gardens	PB Gardens	282	13%	Feb 1990							
Embassy Suites by Hilton PGA Boulevard	PB Gardens	160	7%	Feb 1990							
Hampton Inn Palm Beach Gardens	PB Gardens	116	5%	Jul 1999							
Hilton Garden Inn Palm Beach Gardens	PB Gardens	180	8%	Dec 2006							
Total:		2,162	100%								

(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 as it considers simultaneous changes in room rate and annual occupancies.

Table 36: Monthly Market Performance of Selected Competitive Hotels, 2013—2019

	2013	2014	2015	2016	2017	2018	2019	Pandemic 2020	Thru April 2021	2013 Thru April 2021	
										Annual Average	Annual % Change
Occupancies By Month											
January	77.2%	81.5%	83.7%	81.2%	78.7%	79.0%	73.5%	76.9%	57.2%	76.6%	-
February	83.3%	90.9%	91.2%	87.4%	90.0%	84.6%	78.4%	83.7%	65.7%	83.9%	10%
March	84.5%	89.4%	92.4%	88.8%	91.4%	90.3%	87.6%	47.1%	77.1%	83.2%	-1%
April	76.4%	76.3%	80.8%	80.0%	80.1%	81.1%	76.5%	17.6%	78.9%	71.7%	-14%
May	70.1%	71.4%	67.0%	67.9%	74.8%	72.5%	69.8%	26.1%		64.9%	-10%
June	70.4%	69.8%	69.9%	70.7%	78.0%	75.5%	68.8%	36.0%		66.9%	3%
July	68.4%	75.4%	70.8%	71.0%	70.0%	65.8%	68.2%	39.9%		66.2%	-1%
August	66.1%	68.2%	65.4%	62.8%	65.2%	65.5%	59.5%	40.8%		61.7%	-7%
September	60.0%	66.3%	62.4%	59.8%	68.8%	60.8%	56.7%	38.5%		59.2%	-4%
October	73.2%	73.9%	70.8%	68.5%	78.1%	68.2%	66.1%	39.9%		67.3%	14%
November	76.3%	74.0%	72.1%	75.0%	81.2%	71.0%	71.1%	42.9%		70.4%	5%
December	72.7%	80.1%	78.4%	75.0%	78.4%	74.5%	74.2%	50.2%		72.9%	4%
Annual Average:	73.2%	76.4%	75.3%	73.9%	77.6%	74.0%	70.6%	44.8%	69.2%	70.7%	

Indicates months where occupancies exceed 80%.

Indicates impacts of the Covid pandemic from March 2020 through early 2021.

Source: STR Global; WTL+a, June 2021.



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5 Real Estate Development Potentials

The following details the analysis of real estate market/redevelopment potentials for key land uses for the Twin City Mall site based on the demographic profile and real estate market conditions. The analysis focuses on the following land uses: market-rate housing, workplace/office, and supporting services such as retail and hotel/lodging.

Market-rate Housing

WTL+a prepared a demand analysis that measures development potentials for new, market-rate housing for a 10-year period between 2020 and 2030. As the site falls in two jurisdictions, separate demand analyses were prepared for both Lake Park and North Palm Beach. These analyses use various historic population growth rates as well as forecast growth to estimate demand and consider key real estate metrics such as approved or proposed new housing and other private investment identified at the time of the study.

Town of Lake Park

Scenario #1—Past 10-Year Trendline

This model assumes that Lake Park will continue to grow as it has over the last 10 years, using an **average annual growth rate of 0.72% per year** consistent with **historic actual population growth in Lake Park between 2010—2020**. Notably, population growth in Lake Park strengthened between 2010 and 2020 over the preceding 10 years. For purposes of this analysis, this average annual growth rate was extrapolated for the next 10 years (i.e., growth remains constant through 2030).

As Scenario #1 is based on past trends, **it does not consider the transformational nature of the Twin City Mall site on redevelopment opportunities in Lake Park.**

- As noted in the demographic profile in Section 3, the Town of Lake Park gained **607 new residents in 256 new households between 2010 and 2020**—for a 2020 population of 8,762 residents in 3,400 households. This resulted in a compound average annual growth rate of 0.72% over this 10-year period;



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Table 37: Housing Potentials Scenario #1—Town of Lake Park, 2030

Scenario	Forecasts			Average Household Size	2030 Housing Units
	2021	2030	Population Change		
Scenario #1 (Based on 2010-2020 Trendline) (1)					
Average Annual Growth Rate	0.72%				
Current & Future Population	6,762	9,414	652	2.55	256
Allocation to Known Residential Projects:				(2)	
Under Construction					
- N/A					
Approved					332
- Nautilus 220					
Proposed					100
- 310 Federal Highway					
- Lake Park Apartments (Woolbright)					250
Subtotal - Allocated Units:					682
Unallocated Units-Scenario #1:					(426)

(1) In Scenario #1, 10-year population forecasts assume that the Town of Lake Park continues to grow at the same pace it did between 2010 and 2020 (0.72% per year).
 (2) In order to convert 2030 population growth into housing units, the analysis assumes average household size of 2.55 people per household remains the same in the future as it was in 2020.
 (3) In Scenario #2, 10-year population forecasts utilize the 5-year (2020-2025) forecast of growth as prepared by ESRI, and extrapolated over the 10-year forecast period.
 (4) In Scenario #3, the Town's annual growth rate would have to double (to 1.5% per year) to support the 682 units in approved and proposed projects town wide. This would leave an additional 130 to 140 "unallocated" units that could be built at Twin City Mall or elsewhere in Lake Park.
 (5) As is characteristic of moderate-density, urban multi-family housing, average household size is typically smaller than it is in low-density, suburban housing. To reflect those characteristics, an average household size of 1.75 people per household was utilized.

Source: ESRI Business Analyst; Town of Lake Park; WTL+a, revised September 2021.

- As illustrated in Table 37, if the pace of growth continues at this historic 10-year average of 0.72% per year, it would yield 652 new residents in 256 new households (i.e., housing units) by 2030, assuming the Town's average household size of 2.55 remains unchanged. This would translate into average annual demand of approximately 25 units per year;
- The next step allocates future growth in population/households to known approved, proposed, or under construction residential projects totaling 682 units. According to data provided by the Town and stakeholders, these include Nautilus 220 (approved for 332 units, site demolition is underway); 310 Federal Highway (proposed 100 multi-family units), and Lake Park Apartments (proposed 250 multi-family units on that portion of the Twin City Mall site owned by Woolbright Development);
- The analysis assumes that all 682 units as identified are built. However, market potentials in Scenario #1 support only 256 new units, which leaves a shortfall of 425 "unallocated"

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units. In other words, if the historic trendline growth rate (2010—2020) continued, growth would be insufficient to support the total number of approved and proposed units in Lake Park; and

- While a portion of the proposed Nautilus 220 project will sell to seasonal residents, it is not known how many seasonal buyers there will be. As noted in the housing profile in Section 4, the 2019 American Community Survey (ACS) indicates seasonal units in Lake Park amounted to only 2% of the Town's housing stock. Since seasonal residents are excluded from population growth forecasts, multiple seasonal buyers at Nautilus could serve to reduce the "shortfall" in unallocated units.

Scenario #2—5-Year Forecast Extrapolated

This scenario utilizes Lake Park's five-year (2020—2025) forecast of population growth at a rate of 0.76% per year as prepared by ESRI Business Analyst. ESRI's forecast considers multiple factors in suggesting that redevelopment opportunities in Lake Park will be enhanced such as supportive policies as defined in the updated Comprehensive Plan, job growth, and physical and/or transportation improvements. For purposes of this analysis, this average annual growth rate was extrapolated for the next 10 years through 2030.

Table 38: Housing Potentials Scenario #2—Town of Lake Park, 2030

Scenario	Forecasts			Average Household Size	2030 Housing Units
	2021	2030	Population Change		
Scenario #2 (Based on ESRI 2020-2025 Forecast & Extrapolated 10 Years) (3)					
Average Annual Growth Rate	0.76%				
Current & Future Population	6,762	9,453	691	2.55	271
Allocation to Known Residential Projects:				(2)	
Under Construction					
- Approved					332
- Proposed					350
Subtotal - Allocated Units:					682
Unallocated Units-Scenario #2:					(411)

(1) In Scenario #1, 10-year population forecasts assume that the Town of Lake Park continues to grow at the same pace it did between 2010 and 2020 (0.72% per year).
 (2) In order to convert 2030 population growth into housing units, the analysis assumes average household size of 2.55 people per household remains the same in the future as it was in 2020.
 (3) In Scenario #2, 10-year population forecasts utilize the 5-year (2020-2025) forecast of growth as prepared by ESRI, and extrapolated over the 10-year forecast period.
 (4) In Scenario #3, the Town's annual growth rate would have to double (to 1.5% per year) to support the 682 units in approved and proposed projects town wide. This would leave an additional 130 to 140 "unallocated" units that could be built at Twin City Mall or elsewhere in Lake Park.
 (5) As is characteristic of moderate-density, urban multi-family housing, average household size is typically smaller than it is in low-density, suburban housing. To reflect those characteristics, an average household size of 1.75 people per household was utilized.

Source: ESRI Business Analyst; Town of Lake Park; WTL+a, revised September 2021.

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- As illustrated in Table 38, if this pace of growth is achieved, it would yield more than **691 new residents in 271 new households (i.e., housing units)** by 2030, assuming the Town's average household size of 2.55 during this 10-year period remains unchanged. This would translate into *annual* demand of 27 units per year;
- The next step allocates future growth in population/households to known approved, proposed or under construction residential projects and assumes that all 682 units as identified are built. However, market potentials in Scenario #2 support only 271 new units, which leaves a **shortfall of more than 400 "unallocated" units**. In other words, if ESRI's growth forecast for 2020–2025 continues through 2030, growth would be insufficient to support the total number of approved and proposed units in Lake Park.

Scenario #3—Required Capture to Support New Development

The first two scenarios suggest there is insufficient market demand necessary to support the 682 units in approved and proposed residential projects in Lake Park identified during the study (332 for-sale units at Nautilus 220, 100 rental units at 315 Federal Highway, and 250 rental units at Woolbright). As a result, an alternative scenario was prepared that illustrates the *minimum* required growth rate/market capture that would be necessary to support all approved/proposed units.

Table 39: Housing Potentials Scenario #3—Town of Lake Park, 2030

Scenario	Forecasts			Average Household Size	2030 Housing Units
	2021	2030	Population Change		
Scenario #3 (Required Growth to Support Proposed Projects) (4)					
Average Annual Growth Rate	1.52%				
Current & Future Population	8,762	10,193	1,431	1.75	818
Allocation to Known Residential Projects:				(5)	
Under Construction					332
Approved					350
Proposed					682
Subtotal - Allocated Units:					682
Unallocated Units-Scenario #3:					136

- In Scenario #1, 10-year population forecasts assume that the Town of Lake Park continues to grow at the same pace it did between 2010 and 2020 (0.72% per year)
- In order to convert 2030 population growth into housing units, the analysts assumes average household size of 2.55 people per household remains the same in the future as it was in 2020.
- In Scenario #2, 10-year population forecasts utilize the 5-year (2020-2025) forecast of growth as prepared by ESRI, and extrapolated over the 10-year forecast period.
- In Scenario #3, the Town's annual growth rate would have to double (to 3.0% per year) to support the 682 units in approved and proposed projects town-wide. This would mean an additional 130 to 140 "unallocated" units that could be built at Twin City Mall or elsewhere in Lake Park.
- As is characteristic of moderate-density, urban infill multi-family housing, average household size is typically smaller than it is in low-density, suburban housing. To reflect those characteristics, Scenario #3 utilizes an average household size of 1.75 people per household was utilized.

Source: ESRI Business Analyst; Town of Lake Park; WTL+a, revised September 2021.

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- As illustrated in Table 39, Lake Park's population would have to increase at a **sustained annual rate of approximately 1.3% to 1.5% per year** for each of the next 10 years to provide sufficient market support for the 682 approved and proposed units identified during this study;
- If this pace of growth is achieved it would yield more than **1,400 new residents in 818 new households (i.e., housing units)** by 2030. This would translate into *annual* demand of 80 units per year. As is characteristic of moderate-density, urban infill multi-family housing, average household size is typically smaller than it is in low-density suburban housing. To reflect those characteristics, Scenario #3 utilizes an average household size of 1.75 people per household; and
- If Lake Park can achieve a higher annual growth rate of 1.5% per year, it would also suggest market support for an additional 130 to 140 "unallocated" units town-wide. These could be located either at Twin City and/or other redevelopment sites within Lake Park.

Village of North Palm Beach

Scenario #1—Past 10-Year Trendline

This model assumes that North Palm Beach will continue to grow as it has over the last 10 years, using an **average annual growth rate of 0.77% per year** consistent with historic *actual* population growth in the Village between 2010–2020. For purposes of this analysis, this average annual growth rate was extrapolated for the next 10 years (i.e., growth remains constant through 2030).

As Scenario #1 is based on past trends, it **does not consider the transformational nature of the Twin City Mall site on redevelopment opportunities in North Palm Beach**.

- As noted in the demographic profile in Section 3, North Palm Beach gained **954 new residents in 473 new households between 2010 and 2020**—for a 2020 population of 12,975 residents in 6,570 households. This resulted in a compound average annual growth rate of 0.77% over this 10-year period;

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Table 40: Housing Potentials Scenario #1—Village of North Palm Beach, 2030

Scenario	Forecasts			Average Household Size	2030 Housing Units
	2021	2030	Population Change		
Scenario #1 (Based on 2010-2020 Trendline) (1)					
Average Annual Growth Rate	0.77%				
Current & Future Population	12,975	14,005	1,030	1.97	523
Allocation to Known Residential Projects:				(2)	
Under Construction					
- NA					
Approved					
- NA					
Proposed					215
- 200 Yacht Club/US 1 Site (West Caple)					215
Subtotal - Allocated Units:					215
Unallocated Units-Scenario #1:					308

- (1) In Scenario #1, 10-year population forecasts assume that the Village of North Palm Beach continues to grow at the same pace it did between 2010 and 2020 (0.77% per year).
- (2) In order to convert 2030 population growth into housing units, the analysis assumes average household size of 1.97 people per household remains the same in the future as it was in 2020.
- (3) In Scenario #2, 10-year population forecasts utilize the 5-year (2020-2025) forecast of growth as prepared by ESRI, and extrapolated over the 10-year forecast period.
- (4) In Scenario #3, the Village's annual growth rate would have to increase by approximately 65% (to 1.3% per year) to support up to 800 units, after accounting for the proposed 215 units in the 200 Yacht Club project.
- (5) As is characteristic of moderate-density, urban infill multi-family housing, average household size is typically smaller than it is in low-density, suburban housing. To reflect these characteristics, an average household size of 1.75 people per household was utilized.

Source: ESRI Business Analyst; Village of North Palm Beach; WTL+, revised September 2021.

- As illustrated in Table 40, if the pace of growth continues at this historic 10-year average of 0.77% per year, it would yield 1,030 new residents in 523 new households (i.e., housing units) by 2030, assuming the Village's average household size of 1.97 remains unchanged. This would translate into average annual demand of approximately 52 units per year;
- The next step allocates future growth in population/households to known approved, proposed or under construction residential projects. According to data provided by the Village and stakeholders, this includes 215 units proposed as part of a potential assemblage of parcels located on U.S. 1 known as 200 Yacht Club. The analysis assumes that all 215 units as identified are built;
- The analysis in Scenario #1 suggests supportable market potentials for both the 200 Yacht Club project as well as an additional 300+ "unallocated" units (i.e., not assigned to a proposed or approved project).

Scenario #2—5-Year Forecast Extrapolated

This scenario utilizes the Village's five-year (2020—2025) forecast of population growth at a rate of 0.78% per year as prepared by ESRI Business Analyst. ESRI's forecast considers multiple factors in suggesting that redevelopment opportunities in North Palm Beach will be enhanced such as zoning and land use policies that support additional density and height, continued job growth, and physical and/or transportation improvements. For purposes of this analysis, this average annual growth rate was extrapolated for the next 10 years through 2030.

- As illustrated in Table 41, if this pace of growth is achieved, it would yield 1,050 new residents in 533 new households (i.e., housing units) by 2030, assuming the Village's average household size of 1.97 remains unchanged during this 10-year period. This would translate into annual demand of 53 units per year;
- The next step allocates future growth in population/households to known approved, proposed or under construction projects and assumes that 215 units at 200 Yacht Club are built; and
- The analysis in Scenario #2 suggests supportable market potentials for both the 200 Yacht Club project as well as an additional 320 "unallocated" units (i.e., not assigned to a proposed or approved project).

Table 41: Housing Potentials Scenario #2—Village of North Palm Beach, 2030

Scenario	Forecasts			Average Household Size	2030 Housing Units
	2021	2030	Population Change		
Scenario #2 (Based on ESRI 2020-2025 Forecast & Extrapolated 10 Years) (2)					
Average Annual Growth Rate	0.78%				
Current & Future Population	12,975	14,025	1,050	1.97	533
Allocation to Known Residential Projects:				(2)	
Under Construction					
Approved					
Proposed					215
Subtotal - Allocated Units:					215
Unallocated Units-Scenario #2:					318

- (1) In Scenario #1, 10-year population forecasts assume that the Village of North Palm Beach continues to grow at the same pace it did between 2010 and 2020 (0.77% per year).
- (2) In order to convert 2030 population growth into housing units, the analysis assumes average household size of 1.97 people per household remains the same in the future as it was in 2020.
- (3) In Scenario #2, 10-year population forecasts utilize the 5-year (2020-2025) forecast of growth as prepared by ESRI, and extrapolated over the 10-year forecast period.
- (4) In Scenario #3, the Village's annual growth rate would have to increase by approximately 65% (to 1.3% per year) to support up to 800 units, after accounting for the proposed 215 units in the 200 Yacht Club project.
- (5) As is characteristic of moderate-density, urban infill multi-family housing, average household size is typically smaller than it is in low-density, suburban housing. To reflect these characteristics, an average household size of 1.75 people per household was utilized.

Source: ESRI Business Analyst; Village of North Palm Beach; WTL+, revised September 2021.

Scenario #3—Required Capture to Support New Development

The first two scenarios indicate there is sufficient market demand to support the construction of approximately 520—530 units of new housing in North Palm Beach by 2030. After construction of 215 units at the proposed 200 Yacht Club project, this leaves 300—320 “unallocated” units that could potentially be built on the Twin City Mall site.

However, WTL+a notes that the cost to acquire the Twin City Mall site by any developer will necessitate higher residential densities to justify feasibility. As densities along the corridor appear to be increasing, the Twin City Mall site is both a larger and pre-assembled redevelopment opportunity and therefore should anticipate higher densities (i.e., 800 to 1,000 units). As a result, WTL+a created an alternative scenario to illustrate the higher growth rate/market capture necessary to support approximately 800 units of new housing on the Twin City Mall site.

Table 42: Housing Potentials Scenario #3—Village of North Palm Beach, 2030

Scenario	Forecasts		Average Household Size	2030 Housing Units
	2021	2030		
Scenario #1: Required Growth to Support Proposed Projects (4)				
Average Annual Growth Rate	1.30%			
Current & Future Population	12,975	14,764	1,769	1,022
Allocation to Known Residential Projects:			(5)	
Under Construction	0			0
Approved	0			215
Proposed				215
Subtotal - Allocated Units:				215
Unallocated Units-Scenario #3:				807

(1) In Scenario #1, 10-year population forecasts assume that the Village of North Palm Beach continues to grow at the same pace it did between 2010 and 2020 (0.77% per year).
 (2) In order to convert 2030 population growth into housing units, the analysis assumes average household size of 1.97 people per household remains the same in the future as it was in 2020.
 (3) In Scenario #2, 10-year population forecasts utilize the 5-year (2020-2025) forecast of growth as prepared by ESRI, and extrapolated over the 10-year forecast period.
 (4) In Scenario #3, the Village's annual growth rate would have to increase by approximately 65% (to 1.3% per year) to support up to 800 units, after accounting for the proposed 215 units in the 200 Yacht Club project.
 (5) As is characteristic of moderate-density, urban infill multi-family housing, average household size is typically smaller than it is in low-density, suburban housing. To reflect those characteristics, an average household size of 1.75 people per household was utilized.

Source: ESRI Business Analyst; Village of North Palm Beach; WTL+a, revised September 2021.

- As illustrated in Table 42, the Village's population would have to increase at a **sustained annual rate of approximately 1.3% per year** for each of the next 10 years to provide sufficient market support for approximately 800 units on the Twin City Mall site;

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- If this pace of growth is achieved, it would yield almost **1,800 new residents in 1,020+ new households (i.e., housing units)** by 2030. This would translate into **annual demand of approximately 100 units per year**. As is characteristic of moderate-density, urban infill multi-family housing, average household size is typically smaller than it is in low-density suburban housing. To reflect those characteristics, Scenario #3 utilizes an average household size of 1.75 people per household; and
- After construction of the 215 units at the 200 Yacht Club project, market support would be sufficient for an additional 800 “unallocated” units across North Palm Beach. These could be located either at Twin City and/or other redevelopment sites within the Village.

Conclusion—Housing Potentials

The analysis to determine market support for new residential development illustrates how transformational the Twin City Mall site can be for both the Town of Lake Park and the Village of North Palm Beach. The limited number of vacant/undeveloped parcels in both communities has hindered population/household growth, particularly in Lake Park, over the past 20 years. As a result, **a historic trendline analysis as exhibited in Scenarios #1 and #2 does not indicate market support for new housing.**

As a result, WTL+a prepared an alternative analysis for Lake Park as depicted in Scenario #3 to identify the rate of population growth necessary over the next 10 years to ensure successful redevelopment. As noted, the analysis suggests that Lake Park would need to grow at a **sustained compound annual pace of 1.5% per year**—well above its recent 0.76% annual growth rate. This could expect to generate **sufficient demand to support up to 620 new housing units town-wide by 2030**, including:

- Nautilus 220 (332 units under construction)
- 315 Federal Highway (100 units proposed)
- Woolbright Development's proposed “Lake Park Apartments” (250 units) on a portion of the Twin City site, and
- Another 130 to 140 “unallocated” units over the next 10 years.

Lake Park's required growth rate could be slightly lower if a portion of the 332 units at Nautilus sell to seasonal occupants.

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Similarly, while slightly higher historic growth rates between 2010–2020 have generated modest population/household growth in North Palm Beach, the Village would also need to strengthen its future growth rate to support new housing on the Twin City Mall site. Specifically, as a portion of the site available to accommodate redevelopment in North Palm Beach is larger than it is in Lake Park, **land acquisition costs by any developer will be significantly higher. Higher land costs will necessitate additional density and building height to justify construction feasibility.** Another factor bearing upon feasibility will be the costs associated with providing structured parking.

As a result, WTL+a prepared an alternative analysis for North Palm Beach as depicted in Scenario #3 to identify the rate of population growth necessary over the next 10 years to ensure successful redevelopment. As noted, **the analysis suggests that North Palm Beach would need to grow at a sustained compound annual pace of 1.3% per year—well above its recent 0.77% annual growth rate.** This could be expected to generate sufficient demand to support up to 1,000 new housing units village-wide by 2030, including:

- 200 Yacht Club (215 units proposed), and
- Another 800 "unallocated" units over the next 10 years.

This suggests that redevelopment opportunities for new housing on the North Palm Beach portion of the Twin City Mall site could support up to 800 units of new housing by 2030.

Our analysis concludes that stronger population/household growth in the U.S. Highway 1 corridor in this part of Palm Beach County is feasible, in part due to the impacts that the COVID pandemic has introduced, including enhanced/accelerated forces such as population shifts from New York/the Northeast to South Florida as well as recent, ongoing interest in private investment as exhibited by such projects as Nautilus 220.

In total, these factors could expect to generate market potentials that support **between 850 and 1,050 units of new housing across the entirety of the Twin City Mall site over the next 10 years (2030).**

Twin City Mall: 850 to 1,050 Units of New Housing
Across Entire Site

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Workplace: Multi-tenant/Speculative Office

Prior to the COVID-19 pandemic's emergence in 2020, 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 typically housed their employees in commercial office buildings.

The first step in measuring support for new multi-tenant/speculative office space at the Twin City Mall site examines market potentials for office use in Palm Beach County and allocates demand to both Lake Park and North Palm Beach. The analysis translates employment forecasts (for 2019–2027) among specific industry sectors in Palm Beach County (as prepared by the Florida Department of Economic Opportunity/DEO) into demand for office space by applying an occupancy factor (of occupied space per employee) and estimates the proportion of employees in each sector who are office workers. We note that DEO employment forecasts are issued only in eight-year periods.

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

We note that assumptions pertaining to occupancy factors may be overstated. Since the 2007–2009 recession, office-using businesses have been reducing office occupancies, sometimes 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

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accommodate even more workers in a given amount of occupied space. The unprecedented shift to teleworking because of COVID-19 may, as previously noted, lead to permanent part-time and full-time teleworking for multiple workplace industries.

Another study by CoStar, Inc., an international commercial real estate database, indicates 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.

The following evaluates office market potentials for speculative (or multi-tenant) and medical office space. That is, the analysis excludes any estimates for individual end-users, also known as "build-to-suits." The analysis is illustrated in Table 43 through Table 45.

Palm Beach 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." Palm Beach County is its own Workforce Region (#21). DEO estimates that Palm Beach County will add more than 87,750 new jobs between 2020 and 2028;
- The analysis indicates potential gross demand for 6.94 million sq. ft. of office space across the County between 2020 and 2028. This estimate is based on an average occupancy factor of 194 sq. ft. per office employee, generated by growth in office-using jobs comprising roughly 34% of all jobs. This is inclusive of adjustments related to vacancy, cumulative (building) replacements, tenant churn, etc.;
- From a financing perspective, however, a portion of the County's existing 8.25 million sq. ft. of vacant office space would need to be leased before new office space could be financed. It is also not known how much of the remaining existing vacant inventory suffers from physical and/or functional obsolescence, will convert to other uses such as residential, or could be demolished; and
- For purposes of this analysis, WTL+a conservatively assumes that 35% of Palm Beach 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

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demand generated by job growth in office-using sectors to approximately 4.75 million sq. ft. of net new space by 2028.

Table 43: Office Potentials—Palm Beach County, 2020—2028

Industry Sector	New Jobs 2020-2028	% Office- Using	SF Occupancy Factor	2028 Demand (in SF)
Palm Beach County (Workforce Region #21)				
Agriculture/Mining & Construction	3,849	10%	175	83,900
Manufacturing	1,522	20%	200	60,900
Transp/Communications/Utilities	1,191	40%	200	85,300
Wholesale & Retail Trade	7,415	20%	175	259,500
Finance/Insurance/Real Estate Services	2,875	85%	275	872,000
Professional, Scientific & Technical Services	8,564	90%	250	1,476,900
Management of Companies & Enterprises	1,535	60%	275	253,300
Administrative & Waste Management	9,039	35%	175	553,600
Educational Services	2,756	20%	200	110,200
Health Care & Social Assistance	13,255	35%	200	927,800
Arts, Entertainment & Recreation	4,567	20%	175	159,800
Accommodation & Food Services	19,199	20%	175	672,000
Other Services (Except Government)	3,543	35%	225	279,000
Government	5,254	60%	150	472,900
Self-Employed	5,766	10%	200	115,700
Total/Weighted Average:	87,756	34%	194	6,172,900
+ Vacancy Adjustment @		5%	(1)	308,800
+ Cumulative Replacement Demand		7.5%	(2)	463,000
2028 Gross Demand - Palm Beach County: 6,944,600				
- Existing Vacant Office Space		8,257,221		
- Lease-up Required @	35%	(2,190,027)	(3)	(2,190,027)
Remaining Vacant Space:		4,067,194		
% Vacant		7.0%		
2028 NET DEMAND (Rounded, in SF):				4,754,600

(1) This allows for a 5% "frictional" vacancy rate in new office space delivered to the market (i.e., this accounts for tenant movement to new space).

(2) This represents new space required by existing businesses to replace obsolete or otherwise unusable office space. This is assumed to represent 7.5% of total demand.

(3) From a financing perspective, some portion of existing vacant office space in Palm Beach County will need to be leased before financing of new construction is viable. The analysis assumes that 35% of existing vacant office space is leased, thereby reducing the overall vacancy rate to approximately 7.0%.

Source: Florida Dept. of Economic Opportunity (DEO); CoStar, Inc.; WTL +a, September 2021.

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Town of Lake Park

Table 44 estimates market potentials for speculative/multi-tenant office space in Lake Park based on the Town's current share of countywide employment.

- With an estimated 6,604 employees working in Lake Park, the Town's share of all jobs in Palm Beach County has averaged 0.75% over the past five years;
- Under this "fair share" analysis, Lake Park would continue to capture 0.75% of future countywide job growth, or approximately 660 new jobs, of the 87,750+ new jobs across Palm Beach County by 2028. However, as illustrated in Section 4, Lake Park has an extremely limited amount of office space;
- Based on Lake Park's current occupied office inventory (54,934 sq. ft.) using an occupancy factor of 150 sq. ft. per office employee, there are an estimated 366 office employees comprising only 5.5% of all jobs in Lake Park. If future office-using employment remains at this 5.5% share, this translates into **gross demand for only 5,500 sq. ft. of office space in Lake Park over the next eight years;**
- For new office buildings to receive construction financing, a portion of Lake Park's existing 7,660 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 Town's remaining existing vacant office inventory suffers from physical and/or functional obsolescence, will convert to other uses such as residential, or could be demolished; and
- For purposes of this analysis, WTL+a conservatively assumes that 25% of Lake Park's vacant office inventory is leased before financing is provided for new office construction. This serves to reduce its office vacancy rate to 10% from current levels, and lowers demand generated by job growth in office-using sectors to only **3,600 sq. ft. of net new office space by 2028.** In effect, there is negligible demand for new office space on the Lake Park portion of the site.

Table 44: Office Potentials—Town of Lake Park, 2020—2028

Industry Sector	New Jobs 2020-2028	% Office- Using	SF Occupancy Factor	2028 Demand (In SF)
Professional/General Office				
Total Employment:				6,604
As % of Palm Beach County (5-Year Average)			(1)	0.75%
Fair Share Analysis				
2020-2028 Employment Growth (if Fair Share Maintained)				859
% Office-using Jobs			(2)	5.5%
SF Occupancy Factor				150
2028 Gross Demand (All Office):				
Existing Vacant Office Space (10-Year Average)		7,660	(3)	5,500
- Lease-up Required @	25%	(1,915)		(1,915)
Remaining Vacant Space:		5,745		
% Vacant		10.0%		
2028 NET DEMAND (Rounded, in SF):				3,600

(1) This reflects the 5-year average of Lake Park's share of all jobs in Palm Beach County. The analysis assumes that the Town maintains its "fair share" of the County's total employment in the future.
 (2) Based on Lake Park's 2020 occupied office inventory (54,934 sq. ft.), there are approximately 366 office employees at an average occupancy factor of 150 sq. ft. per employee. This suggests that office-using employees comprise approximately 5.5% of the 6,604 total employees in Lake Park.
 (3) Due to fluctuating office vacancy rates in Lake Park (ranging from a low of 4.6% in 2020 to a peak of 20% in 2019), a 10-year average of 13.3% was utilized in the analysis. To reflect financing conditions, a 25% lease-up factor (of existing vacant space) was assumed; this would reduce future vacancies to approximately 10%.

Source: Florida Dept of Economic Opportunity; CoStar, Inc.; WTL+a, September 2021.

Village of North Palm Beach

As illustrated in Table 45, market potentials for speculative/multi-tenant office space in North Palm Beach were also prepared based on the Village's current share of countywide employment.

- With an estimated 6,185 employees working in North Palm Beach, the Village's share of all jobs in Palm Beach County has averaged 0.79% over the past five years;
- Under this "fair share" analysis, the Village would continue to capture 0.79% of future countywide job growth, or approximately 697 new jobs, of the 87,750+ new jobs across Palm Beach County by 2028. As noted previously in Section 4, North Palm Beach contains 1,081,300 sq. ft. of office space;
- Based on the Village's current occupied office inventory (958,524 sq. ft.) using an occupancy factor of 350 sq. ft. per office employee, there are an estimated 2,739 office employees comprising fully 44.3% of all jobs in North Palm Beach. WTL+a notes the office occupancy factor (350 sq. ft.) in North Palm Beach is much higher than it is in Lake Park (150 sq. ft.) due to the presence of a large amount of owner-occupied office condominium buildings as well as boutique professional services tenancies. If future office-using employment remains at this 44% share, this translates into **gross demand for approximately 46,300 sq. ft. of office space in North Palm Beach over the next eight years**;
- For new office buildings to receive construction financing, a portion of the Village's existing 140,000 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 Village's remaining existing vacant office inventory suffers from physical and/or functional obsolescence, will convert to other uses such as residential, or could be demolished. As noted previously in Section 4, the Village's office vacancy rate has remained stubbornly high, ranging from a low of 7% to 22% between 2007 and 2020; and
- Due to consistently high office vacancies, WTL+a conservatively assumes that 35% of North Palm Beach's vacant office inventory would have to be leased before financing is provided for new office construction. This serves to reduce the Village's future office vacancy rate to 8.4% from current levels. Notably, it would negate any market potentials for new office development in North Palm Beach over the next eight years. In other words, **demand for office space generated by job growth in office-using sectors can be accommodated in existing vacant office space in North Palm Beach for the near future.**

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Table 45: Office Potentials—Village of North Palm Beach, 2000—2028

Industry Sector	New Jobs 2020-2028	% Office-Using	SF Occupancy Factor	2028 Demand (in SF)
Professional/General Office				
Total Employment:				6,185
As % of Palm Beach County (5-Year Average)			(1)	0.79%
Fair Share Analysis				
2020-2028 Employment Growth (if Fair Share Maintained)				697
% Office-using Jobs			(2)	44.3%
SF Occupancy Factor				150
2028 Gross Demand (All Office):				
Existing Vacant Office Space (10-Year Average)			(3)	46,300
Less: Lease-up Required @ 35%		140,099	(49,035)	(49,035)
Remaining Vacant Space:		81,064		
% Vacant		8.4%		
2028 NET DEMAND (Rounded, in SF):				(2,700)

(1) This reflects the 5-year average of North Palm Beach's share of all jobs in Palm Beach County. The analysis assumes the Village maintains its "fair share" of the County's total employment in the future.
 (2) Based on North Palm Beach's 2020 occupied office inventory (958,524 sq. ft.), there are approximately 2,739 office employees at an average occupancy factor of 325 sq. ft. per employee. This suggests that office-using employees comprise approximately 44% of the 6,185 total employees in North Palm Beach. A higher office occupancy factor (325 sq. ft. per employee) was utilized due to the presence of multiple office condominium buildings.
 (3) Due to fluctuating office vacancy rates in North Palm Beach (ranging from a low of 6.9% in 2016 to a peak of 20.2% in 2011) a 10-year average of 13.0% was utilized in the analysis. To reflect financing conditions, a 35% lease-up factor (of existing vacant space) was assumed; this would reduce future vacancies to approximately 9.7%.

Source: Florida Dept. of Economic Opportunity; CoStar, Inc.; WTL + a, September 2021.

Conclusion—Office Potentials

In conclusion, the analysis of supportable market demand for new office space is extremely limited in Lake Park and negligible in North Palm Beach. Moreover, existing office inventory in both jurisdictions is aging/outdated and may have a degree of functional and/or physical obsolescence—even with the presence of owner-occupied office condominium buildings in North Palm Beach. This is best exemplified in *negative* net absorption, particularly in North Palm Beach, over the past 14 years.

It should be noted that the only significant office investment in the portion of the North County trade area closest to the two municipalities includes "Divosta Towers" a two-building complex located at

3825-35 PGA Boulevard. According to CoStar, Inc., data, these twin 11-story buildings contain 217,208 sq. ft. of space and were delivered in 2019 and 2020. Specific metrics for each building are noted as follows:

- **North Tower**—contains 108,766 sq. ft. of leasable area. As of October 2021, the building was reportedly 30.9% occupied (69.1% vacant), suggesting annual net absorption of only 8,400 sq. ft. per year for the four years since construction started in October 2017 (i.e., including pre-leasing efforts). Six floors remain fully vacant. While several other floors are reportedly partially occupied, the CoStar tenant stacking plan identifies only one tenant occupying the 11th floor.
- **South Tower**—contains 108,422 sq. ft. of leasable area. As of October 2021, the building was reportedly 95.4% occupied (4.6% vacant), suggesting annual net absorption of approximately 51,700 sq. ft. per year for the two-year period between construction start (September 2017) and completion (late 2019). However, WTL+a notes that the CoStar tenant stacking plan has no information on tenant occupancies for five floors of the building.

According to the Palm Beach Post, DiVosta Towers were the first new office buildings built in Palm Beach Gardens in 10 years. The complex sold in September 2021 to Gelsby Enterprises of New York, for \$80 million (\$368 per sq. ft.). As illustrated in Table 62 in the Appendix, the North County office market contains 4.97 million sq. ft. of office inventory in 230 buildings (8.6% of the County). The office vacancy rate peaked at 19.7% in 2011, declined to 9.0% in 2016, and increased to 12.6% in 2020. Annual net absorption has been modest—averaging approximately 34,400 sq. ft. per year over the past 14 years (2007—2020) and increasing to 42,500 sq. ft. per year over the past five years (2016—2020).

While a small amount of office space may be attractive as part of a mixed-use project, any office space developed on the Twin City Mall site should be considered a tertiary use that serves as an amenity to activate public space during the day. Any limited office space built should comprise no more than 5,000 to 10,000 sq. ft. of space oriented to professional services tenancies and located above street-level retail. The capacity to support any additional office space will be determined by growth in specific business markets and office-using sectors, transition of home-based businesses into leased space, rental/occupancy costs compared to competing nearby locations, etc.

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

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venues or events. **The capital markets typically seek sustained annual occupancies between 65% and 72% before financing new hotel construction.**

To understand hotel market performance and opportunities for hotel development on the Twin City Mall site, WTL+a obtained hotel performance data from STR Global for multiple selected properties located primarily on nearby commercial corridors and I-95 interchanges. It is critical to understand market conditions given the enormity of the impacts on the hotel and hospitality industries from the COVID pandemic as well as the time required for recovery:

- Average annual occupancies strengthened between 2013 and 2017, increasing from 73.2% to a peak of 77.6%; **the seven-year average occupancy was 70.7%**. Occupancies declined slightly, to 74% in 2018 and 70.6% in 2019;
- **The COVID pandemic which struck in early March 2020 has significantly impacted the hotel/hospitality industry. Monthly occupancies dropped precipitously—from 83.7% in February 2020 to 17.6% in April 2020.** Overall occupancies among these 16 properties in 2020 averaged 44.8%. Occupancies climbed to 50.2% by year-end and returned to pre-COVID metrics in the range of 77% during the first quarter of 2021.

As illustrated in Table 46 and Table 47, WTL+a prepared two possible scenarios to evaluate hotel potentials at Twin City Mall.

Scenario #1: Past Trends

- Scenario #1 assumes that growth in available roomnights among the area's existing supply of hotel rooms remains flat (i.e., 0.01% annual growth), and growth in occupied roomnights (demand) continues at their historic 2013—2019 negative pace of -0.58% per year through 2030. This translates into **negative demand for (56) fewer hotel rooms over the next 10 years** (through 2030); and
- There are 174 new hotel rooms planned as part of an expansion of the Downtown at the District project in Palm Beach Gardens. If these rooms are built, this would represent a room count 312% greater than the market will support. In other words, there would be **an excess of supply of (230) rooms** over the next 10 years. Any new hotel, including this 174-room property as proposed at Downtown at the Gardens, would have to steal market share among existing hotel properties.

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Table 46: Hotel Potentials Scenario #1—Twin City Mall Site, 2020—2030

	2020	2030	Change: 2020-2030	Supportable Rooms
Scenario 1: Past Trends (2013-2019)				
Area Hotel Rooms	2,162			
Available Roomnights	789,130	789,706	576	
Annual Growth (2013-2019)	0.01%			
Occupied Roomnights	353,231	333,428	(19,803)	(58)
Annual Growth (2013-2019)	-0.58%			
Allocation to Known Hotel Rooms:				
Under Construction				
- N/A				-
Planned/Approved				
- Downtown at the Gardens (ShopCore)				174
Subtotal-Allocated Hotel Rooms:				174
As % of Area-wide Demand				-312%
Unallocated Hotel Rooms:				(230)

Source: STR Global; WTL+*a*, revised September 2021.

Scenario #2: Moderate Growth

- Scenario #2 utilizes peak market trends as occurred between 2013 and 2017. First, it assumes that growth in available roomnights among the area's existing supply of hotel rooms remains flat (i.e., -0.01% growth). This scenario also utilizes the actual 1.49% per year compound annual growth rate that occurred in occupied roomnights between 2013 and 2017. This is predicated on business expansion generated by commercial growth in this area of northern Palm Beach County, aided by focused economic development initiatives aimed at business retention and recruitment; and, dependent on unknown recovery in the tourism industry.
- Similar to Scenario #1, there are 174 new hotel rooms planned as part of an expansion of the Downtown at the District project in Palm Beach Gardens. If these rooms are built, this would represent a room count 112% greater than the market will support. In other words, there would be a nominal excess of supply of (18) rooms over the next 10 years. Market growth will

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accommodate a new 174-room property as proposed at Downtown at the Gardens without any significant loss of demand for rooms in the area's existing hotel supply.

Table 47: Hotel Potentials Scenario #2—Twin City Mall Site, 2020—2030

	2020	2030	Change: 2020-2030	Supportable Rooms
Scenario 2: Moderate Growth (2013-2017)				
Area Hotel Rooms	2,162			
Available Roomnights	789,130	788,552	(578)	
Annual Growth (2013-2017)	-0.01%			
Occupied Roomnights	353,231	409,550	56,319	158
Annual Growth (2013-2017)	1.48%			
Allocation to Known Hotel Rooms:				
Under Construction				
- N/A				-
Planned/Approved				
- N/A				174
Subtotal-Allocated Hotel Rooms:				174
As % of Area-wide Demand				112%
Unallocated Hotel Rooms:				(18)

Source: STR Global; WTL+*a*, revised September 2021.

Conclusion—Hotel Potentials

The analysis reveals negligible market support for new hotel development on the Twin City Mall site in what would be considered by the hotel industry as a secondary location. Even if peak growth in roomnight demand (which occurred between 2013 and 2017 among the competitive set) continues, it is insufficient to support more than 150 additional hotel rooms in the surrounding area over the next 10 years. This demand is likely to be captured in stronger, primary locations, such as the commercial node created by The Gardens Mall and Downtown at the Gardens, or at interchanges along I-95. In fact, ShopCore is planning a 174-room hotel as part of expansion and repurposing of Downtown at the Gardens. This will capture competitive area roomnight demand in the near-term.

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General Retail

The potential for retail uses as part of the redevelopment of the Twin City Mall site is less affected by past trends and development patterns than other commercial land uses. The major influences and economic forces affecting retail feasibility in 2021 are significantly different than when Twin City Mall opened in 1973 and closed in 1994. The effects of COVID-19 on consumer behavior, supply chain delays in securing merchandise and supplies, reduced in-store sales due to growth of online shopping (particularly for soft goods and gifts), job losses, and household income fluctuations caused by the pandemic have combined to reduce sales for retail, food and beverage, and consumer services. Those reduced sales have rippled through increased vacancies and unpaid rents in commercial retail space. For traditional shopping malls, the significant decline in the viability of department stores has reduced the number of store locations and has disrupted the balance of anchor stores and the inline businesses that connected them; in fact, **the entire retail industry has been in turmoil, particularly since 2020.**

In addition to these industry-wide challenges, the Twin City Mall site will be affected by other localized forces, both positive and negative. Those forces include:

- **The abundant supply of existing/competitive retail located within three miles totaling almost 6.7 million sq. ft. of retail space** (based on the findings of the RDS field inventory). The greater area is an established retail destination (particularly surrounding The Gardens Mall). While there is major drawing power across the region, the Twin City Mall site is not central to these other destination points and must compete with that critical mass of retail that forms multiple major destinations within that three-mile trade area;
- **The potential for new on-site residential densities, with as many as 850 to 1,050 new units**, plus other new housing nearby such as the Nautilus 220 and 315 Federal Highway projects **represent a new market segment of resident spending**, potentially enhanced by the presence of Publix and direct proximity for 1,500 to 1,800 new on-site residents. The local resident market will expand through development of new dwelling units; and
- There is an ongoing shift in total retail sales across adjacent markets in North Palm Beach and Lake Park. As noted in Section 3, there is **\$169 million in annual net inflow of retail spending from outside of Lake Park into the Town and annual sales outflow (i.e., 'leakage') of \$84 million out of North Palm Beach**; these existing spending patterns may create opportunities for on-site retail if the right type of new development and tenant mix is implemented.

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In dollar volume, consumer spending on retail goods and services is primarily attributable to resident-based activities. But those same residents can also spend (in different ways) as employees, purchasing food and beverage for lunch, making purchases of apparel and accessories, gifts, or consumer services during the workday. However, not all employees have the time or opportunity to go out for lunch, but other employees in specific industry sectors eat out and shop frequently as long as food and retail stores and services are proximate to allow efficient use of lunch times or other parts of the workday. Industry sectors that more regularly patronize retail areas principally correlate to the number of nearby office workers. While neither Lake Park nor North Palm Beach are major office clusters, **potential spending generated by nearby office and service employees remains a factor in determining how much retail might be supportable at the Twin City site.**

In Florida, tourism and visitor spending are the single largest economic activity in the state. While Palm Beach County contains many visitor destinations, limited visitation and business travel to both Lake Park and North Palm Beach do *not* suggest that a visitor-oriented market (and a hotel to accommodate it) will be present at the Twin City Mall site. **Visitor spending potentials are not significant contributors to retail viability at the site.**

These market factors can either continue to operate under current conditions (resulting in limited potential to add feasible new retail), *or* market conditions can be changed by *inducing* modifications in consumer spending. Perhaps most important, those traditional consumer behaviors and modifications can be altered by re-thinking the use mix, implementing proven planning concepts that result in a clear 'sense of place,' and a more walkable environment (which does not exist in this part of Palm Beach County). If the redevelopment of Twin City Mall is characterized as a transformative new mixed-use product and a differentiated setting, it may be possible to add selective retail uses into the project plan.

Retail Methodology

To recognize this potential (and assuming a transformative overall character is created), four potential sources of increased retail sales were analyzed; each is described below. The four consumer market segments are drawn from each of the municipalities as well as through the capture of a new share from overall regional spending. **These increased sales projections should be considered conservative and potentially achievable as long as a dramatically differentiated redevelopment project is implemented.** If redevelopment character is similar to what exists in the competitive trade area today, incremental supportable retail space would not be considered

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financially feasible or economically sustainable over time. Achieving an increase in demand for viable retail will be almost solely dependent on the quality and execution of a new identity and physical character for the Twin City Mall site. The four major consumer markets include:

Retail Demand—Existing Residents (“Baseline”)

The first consumer market that may be increased through retail spending comprises existing residents (the “baseline”) in Lake Park, North Palm Beach, and the North County trade area. Table 48 illustrates:

- Current (2020) and future (2025) population and households in each municipality and North County, and
- Total spending potentials and assumptions regarding potential increased sales by each.

The premise in the estimated increase in spending is that, if a compelling and differentiated new ‘place’ (providing a pedestrian-oriented ‘civic place’ that is programmed with strong retail operators, most likely focused on food & beverage), existing resident-based consumers should increase on-site spending.

Total retail spending was increased by very modest percentages (e.g., 0.50% for Lake Park, 0.35% for North Palm Beach, and 0.10% for North County residents). Next, additional sales were divided by an aggregated average sales productivity factor of \$372.82 per sq. ft. (i.e., total annual sales divided by total square footage).

Table 48: Retail Potentials—Existing Residents, 2025

Location	Population		Households		2025		Incremental Increase in Capture (1)	Add'l Annual On-site Spending Existing HHs	Avg. Sales Productivity Per SF (2)	2025 Supportable SF
	2020	2025	2020	2025	Avg HH Retail Spending	Total Retail Spending				
Town of Lake Park	8,762	9,101	3,400	3,534	\$ 16,837	\$ 59,501,319	0.50%	\$ 297,507	\$ 372.82	798
Village of North Palm Beach	12,975	13,490	6,570	6,819	\$ 28,465	\$ 194,100,274	0.35%	\$ 679,351	\$ 372.82	1,822
North County Trade Area	73,538	73,538	32,882	34,604	\$ 28,249	\$ 977,537,438	0.10%	\$ 977,537	\$ 372.82	2,622
Total:	95,275	96,129	42,852	44,957		\$ 1,231,138,031		\$ 1,954,395		5,242
% Change:		0.9%		4.9%						

(1) The increase in capture is an estimate that reflects the enhanced marketability of a redeveloped Twin City Mall in capturing additional household retail sales from area residents.

(2) This reflects 2025 aggregated average sales productivity (per sq. ft.) across selected retail categories. This is based on an average annual inflation rate of 3.5% per year (using an adjusted Federal Reserve rate from 2021, during which the Fed increased estimated inflation rates from 3.4% to 4.2%).

Source: Federal Reserve Bank, 2021; Bureau of Labor Statistics; Claritas, Inc.; ESRI Business Analyst; RDS LLC; WTL+a, September 2021

RDS notes different retailers generate different sales per square foot; as the final mix of retail uses is not known, an aggregated average of all sales productivities of \$372.82 per sq. ft. (a 2025 estimate across various retail sectors) was used to determine supportable new retail square footage attributable to the increase in sales. Using these analytical parameters, **increased sales generated by additional spending from existing (baseline) residents could justify approximately 5,250 sq. ft. of retail space at buildout.**

Retail Demand—New On-site Residents

The second resident-based consumer market to provide additional sales can be generated by new on-site residents in approved and/or proposed new residential development on the Twin City Mall site:

- A 250-unit, multi-family rental complex proposed by Woolbright Development on acreage the applicant currently owns on the Lake Park side of the site, and
- Any future residential that might be built by development of the 13.1 acres of land located on the North Palm Beach side of the site.

The Woolbright program was more fully understood at the time of the retail analysis. If approved by the Town of Lake Park, these 250 units would be built adjacent to the Publix grocery store. Required parking will be provided on surface lots with amenities located in the central courtyard of the new project. The project is not currently planned to include any retail space. The unit mix will comprise one-, two- and three-bedroom units. **Assuming an average of 1.75 residents per unit suggest over 430 new on-site residents at buildout** on the Lake Park portion of the site.

As noted, 13.1 acres located on the North Palm Beach side of the site were recently contracted by a resident of northern Palm Beach County. Due diligence is underway, and any future redevelopment remains conceptual and without exact unit counts. However, WTL+a has assumed the contract purchaser will pursue both greater building heights and densities (that will likely necessitate the provision of structured parking); a high level of resident amenities; and opportunities for enhanced values provided by views of the Intracoastal Waterway and/or the Atlantic Ocean.

The housing demand analysis measured market potentials for residential development totaling between 600 and 800 units for this portion of the site. **Assuming an average of 1.75 residents per units suggest the potential for 1,000 to 1,400 new, on-site residents at buildout** on the North Palm Beach portion of the site.

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We recognize that densities at this scale are greater than currently considered. The retail analysis also assumes that any future development program will be mixed-use, potentially incorporating new housing, a retail component, and possibly a limited amount of office space. Due to the size of the site and potential residential buildout, on-site parking requirements would be met in new, on-site structured parking.

As planning assumptions are more clearly defined (and ultimately, development entitlements), a **final unit count is likely to have a significant effect on retail market potentials.** The retail analysis assumed both "low" (i.e., 600 units) and "high" (i.e., 800 units) development scenarios. We also note these estimates may not reflect a final development program but were used to measure the impacts of these densities on how much retail could be supported by new on-site residents.

The methodology used to calculate incremental retail demand generated by new, on-site residents is similar to the approach used for existing (baseline) residents. Average annual household spending by new on-site residents is assumed to be similar to spending patterns among existing households in both Lake Park and North Palm Beach. Potential household spending for residents of the 250 units proposed by Woolbright may be considered conservative, as likely rents will require higher average household incomes than existing residents of Lake Park command.

Further, estimated spending capture rates for new, on-site residents are higher than for existing (baseline) residents due to the immediate adjacency of the retail (this includes spending at Publix) and the convenience and ready access to a potential retail concentration (which would be walkable from both sides of the site). To the extent the redevelopment plan emphasizes a coherent walkable plan and cohesive connections between the two jurisdictions, ease and convenience factors affecting spending will be sustainable over time.

As illustrated in Table 49, the analysis suggests that **new, on-site residents on both the Lake Park and North Palm Beach sides of the site will support between 9,200 sq. ft. and 11,700 sq. ft. of retail space at buildout, depending upon the approved/final unit mix.**

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Table 49: Retail Potentials—New On-Site Residents, 2025

Location	No. of Units (HHs)	Average Persons Per Unit	2025			Estimated Capture Rate (f)	Annual On-Site Spending New HHs	Avg. Sales Productivity Per SF (2)	2025 Supportable SF
			New Residents	Annl Retail Spending/HH	Ann'l Spending All New HHs				
Proposed Woolbright Project Lake Park	250	1.75	438	\$ 16,837	\$ 3,988,745	15.0%	\$ 589,812	\$ 372.82	1,609
Proposed Residential - Low North Palm Beach	600	1.75	1,050	\$ 28,465	\$ 16,224,836	17.5%	\$ 2,838,348	\$ 372.82	7,616
Proposed Residential - High North Palm Beach	800	1.75	1,400	\$ 28,249	\$ 21,469,439	17.5%	\$ 3,757,152	\$ 372.82	10,078
Total:									
Low Scenario	850		1,488		\$ 20,223,581		\$ 3,439,158		9,225
	to		to		to		to		to
High Scenario	1,050		1,838		\$ 25,468,183		\$ 4,356,963		11,686

(1) The capture rate is an estimate that considers that new on-site households are immediately proximate to on-site retail/food & beverage/consumer services.
 (2) This reflects 2025 aggregated average sales productivity (per sq. ft.) across selected retail categories. This is based on an average annual inflation rate of 3.5% per year (using an adjusted Federal Reserve rate from 2021, during which the Fed increased estimated inflation rates from 3.4% to 4.2%).

Source: Federal Reserve Bank, 2021; Bureau of Labor Statistics; Claritas, Inc.; ESRI Business Analyst; RDS LLC; WTL+a, September 2021

Retail Demand—Nearby Office & Service Employees

While smaller than both existing and future resident-based markets, area office and service workers could also provide spending support for new retail at the site. This assumes that there will be a range of food and beverage offerings in a distinctive setting (i.e., not similar to the existing strip commercial character of Northlake Boulevard or U.S. 1). Not all employees have the ability to dine out for lunch or to go shopping; as a result, the retail analysis selected those segments most likely to be lunchtime dining and shopping consumers—this is comprised primarily of office workers in professional and business services, among others. As presented in Section 3, 2020 employment data for both Lake Park and North Palm Beach served as the basis to estimate potential spending and capture rates, and office worker spending patterns were based on a 2012 employee spending survey (updated in 2019) completed by the International Council of Shopping Centers (ICSC), considered the most accurate source in the retail industry.

Average weekly spending on retail, food and beverage and consumer services was annualized over 50 weeks per year (as vacation spending would be counted as visitor-, not worker-, expenditures). We also note that spending patterns are prior to the pandemic's effects on workplace populations and reduced in-person visitation to stores and restaurants. Since the redevelopment of Twin City Mall will require multiple years of construction and lease-up, the analysis assumes stabilized (i.e., non-COVID) market and economic conditions.

As illustrated in Table 50, 2020 employee counts from both Lake Park and North Palm Beach were utilized to estimate total potential spending by office and service workers. North County was excluded from this analysis—to ensure a more conservative approach and because of the significant retail inventory that exists elsewhere in the surrounding trade area. As such, employees in the larger North County trade area are less likely to travel to the Twin City Mall redevelopment due to time constraints. Using very modest capture rates of spending potentials for selected workplace categories suggests that nearby office and service employees will support a limited amount up to 1,575 sq. ft. of retail space at buildout.

Table 50: Retail Potentials—Nearby Office & Service Employees, 2025

Location	2020		Annual Per Employee Spending (1)	Total Annual Employee Spending	Estimated Capture Rate (2)	Annual On-site Spending Area Employees	Avg. Sales Productivity Per SF (3)	2025 Supportable SF
	Total Employment	Office & Service Employees						
Lake Park	6,604	1,520	\$ 8,957.50	\$ 13,615,400	1.5%	\$ 204,231	\$ 372.82	548
North Palm Beach	6,185	1,712	\$ 8,957.50	\$ 15,335,240	2.5%	\$ 383,361	\$ 372.82	1,028
Total:	12,789	3,232	\$ 8,957.50	\$ 28,950,640		\$ 587,612		1,576

(1) ICSC Research Report on Office Worker Spending, 2012 (updated to 2019).

(2) The capture rate is an estimate that reflects the enhanced marketability of a redeveloped Twin City Mall in capturing a portion of area office/service employee spending.

(3) This reflects 2025 aggregated average sales productivity (per sq. ft.) across selected retail categories. This is based on an average annual inflation rate of 3.5% per year (using an adjusted Federal Reserve rate from 2021, during which the Fed increased estimated inflation rates from 3.4% to 4.2%).

Source: Federal Reserve Bank; International Council of Shopping Centers (ICSC); RDS LLC; WTL+a, September 2021

Retail Demand—Resident-based Leakage & Inflow

Using information on household retail sales (among residents of both municipalities) and actual store sales (as presented in Section 3), it is possible to understand the degree to which existing retail is capturing expenditures by residents and other consumers such as visitors. The origin of non-resident sales is not documented, but by comparing estimated volumes of resident spending potentials against total store sales, the difference between resident-serving locations and retail that attracts spending from outside the area can be determined. If store sales exceed what households spend, the difference is known as 'inflow,' meaning that a portion of total retail sales are attributable to outside/non-resident consumers.

As illustrated previously in Table 10, store sales in the Town of Lake Park generate annual sales inflow of approximately \$169 million per year. This is mostly attributable to large format ("Big Box") stores located on Congress Avenue, such as Walmart, Lowe's, Kohl's, and Target, which draw consumers from a much larger trade area. These types of stores are strong shopping destinations and offer product ranges and price values that encourage shoppers to travel farther than they might for smaller/local businesses. By contrast, households in North Palm Beach export sales (known as retail 'leakage') of \$84.6 million per year to stores and retail businesses located outside of North Palm Beach. It is likely that a portion of this spending transfers to both Lake Park retailers along Congress as well as The Gardens Mall area, where there are three major retail destinations. In North Palm Beach, these 'exported' or 'leaked' sales appear in green in Table 9, suggesting that some portion of this leakage can be "recaptured" if a better product mix is available nearby, such as the Twin City site.

The part of the site fronting U.S. 1 (north of Palmetto Drive in Lake Park) is within the municipal boundaries of North Palm Beach. Existing uses like the BP Gas Station, CVS, and other pad site uses are not likely to be removed in the near future, but the 13.1-acre parcel containing the auto museum is under contract, and redevelopment concepts are being prepared. One concept considers a mix of uses, predominantly residential, that may also include limited retail and a small amount of professional office space. If this mix of uses is approved/entitled and built on the site proximate to the rest of North Palm Beach, an opportunity exists to 'recapture' a share of existing retail sales 'leakage' out of the Village.

Table 51: Retail Potentials—Recapture of Existing Resident-based Sales Leakage

Location	Annual "Opportunity Gap"		Avg. Sales Productivity Per SF (3)	Potential Supportable SF	Estimated Capture Rate (4)	Recaptured On-site Spending	Avg. Sales Productivity Per SF (3)	2025 Supportable SF
	Inflow (1)	Leakage (2)						
Lake Park Sales	\$ 169,427,772		\$ 372.82	454,449	0.50%	\$ 847,139	\$ 372.82	2,272
North Palm Beach Sales		\$ (84,579,788)	\$ 372.82	(226,865)	1.5%	\$ 1,268,697	\$ 372.82	3,403
Total:	\$ 169,427,772	\$ (84,579,788)		227,584		\$ 2,115,836		5,675

- (1) Inflow is defined as retail store sales that occur within the jurisdiction in excess of annual household spending. This reflects sales drawn from outside Lake Park (primarily to Congress Avenue).
- (2) Leakage is defined as household retail sales that households transfer out of the jurisdiction to other jurisdictions. This reflects sales leaving North Palm Beach for other areas, and represents a potential "recapture" opportunity.
- (3) This reflects 2025 aggregated average sales productivity (per sq. ft.) across selected retail categories. This is based on an average annual inflation rate of 3.5% per year (using an adjusted Federal Reserve rate from 2021, during which the Fed increased estimated inflation rates from 3.4% to 4.2%).
- (4) The capture rate is an estimate that reflects the enhanced marketability of a redeveloped Twin City Mall in capturing existing household sales inflow and leakage.

Source: Federal Reserve Bank, 2021; Bureau of Labor Statistics; Claritas, Inc.; ESRI Business Analyst; RDS LLC; WTL+a, September 2021

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As illustrated in Table 51, if Lake Park is able to recapture 0.50% more of total annual inflow sales, that slight increase would support approximately 2,270 sq. ft. of retail space (either on the Lake Park portion of the site or shifted to a mixed-use concept with a retail concentration on the North Palm Beach side of the site). While Lake Park may not want to forego potential ad valorem and sales tax revenues generated by new retail space, shifting this space across the municipal boundary might also strengthen the convenience of retail as an amenity for residents of Woolbright's project, which will include no retail space.

Conversely, supporting a cohesive retail component on the North Palm Beach side of the site could potentially recapture a share of annual household retail spending leaving the Village for other jurisdictions. If 1.5% of the 'leaked' sales could be recaptured at the site, this would support an additional 3,400 sq. ft. of new retail. In summary, the recapture opportunity suggests support for up to 5,675 sq. ft. of retail space at buildout.

Retail Demand—Conclusion

Table 52 summarizes potential consumer markets and sales estimates from various sources that could expect to support new retail uses as part of the redevelopment of the Twin City Mall site. A critical assumption is that the redevelopment program will create a retail setting that is differentiated from other offerings in the area, that the configuration is pedestrian and on-site resident friendly, and that the mix of retail businesses can become a dining and limited shopping/services location. These assumptions are necessary to achieve capture rates applied in the analysis and to retain a portion of household sales leakage occurring in North Palm Beach. If these criteria are not met, then the retail program would not appear to be achievable. Moreover, if the residential development program identified in the housing analysis is reduced below the supportable 800 to 1,050 units, market demand for the site's retail program would also be reduced.

Using potential sales increases from all consumer sources, the total retail development program for the Twin City Mall site should target a range of 22,000 to 24,000 sq. ft.

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Table 52: Retail Demand—Summary of Market Support

Location	Consumer Segment/ Source	Supportable SF	
		Low	High
Lake Park	Existing Residents	798	798
	New On-site Residents	1,609	1,609
	Office & Service Employees	548	548
	Sales Inflow/Leakage	2,272	2,272
Subtotal - Lake Park:		5,227	5,227
North Palm Beach	Existing Residents	1,822	1,822
	New On-site Residents	7,818	10,078
	Office & Service Employees	1,028	1,028
	Sales Inflow/Leakage	3,403	3,403
Subtotal - North Palm Beach:		13,869	16,331
North County	Existing Residents	2,622	2,822
TOTAL SUPPORTABLE RETAIL:		21,718	24,180

Source: RDS, LLC; WTL+a, September 2021.

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6 Redevelopment & Marketing Issues

The possible redevelopment of the Twin City Mall site will be a significant improvement to a complicated parcel that has been underutilized for a significant period of time. That redevelopment opportunities will be enhanced due to a joint effort between the Village of North Palm Beach and the Town of Lake Park will create economic benefits for both communities. Notably, redevelopment planning will require a shared effort to market, administer, review, and approve future proposals. As background for discussion and coordination between the two jurisdictions in managing the redevelopment process, this section outlines several areas for consideration. Depending on how the developer solicitation process is defined, proposals reviewed and approved, and financial and/or regulatory incentives authorized, initial design of the process can avoid misunderstandings or mistaken expectations and unintended project delays, or final outcomes may vary from goals established at the outset of the process.

Similar to other redevelopment projects, there are likely to be multiple successive steps in this process. These steps are generally sequential, including the earliest to determine initial goals and objectives as defined by each municipality, structuring and solicitation of redevelopment proposals, to developer selection(s)/project approvals/entitlements and final implementation. Unlike other sites in which there is (at least) partial ownership by the public sector, neither municipality owns any of the multiple properties comprising the redevelopment site. The public sector's influence on the desired plan will be less direct and based on entitlements, adoption and incorporation of an overall master redevelopment plan, negotiations with developers between the two jurisdictions, and project implementation. Redevelopment will result from the exercise of zoning and public policies rather than direct participation as an owner. This policy-based method is used frequently and requires clarity in terms and goals, longer-term commitments to the adopted master plan, and flexibility over time to ensure that redevelopment is successful.

The redevelopment project can be grouped under three major areas:

- Definition of Redevelopment Program and Master Plan
- Marketing, Developer Solicitation, and Selection Process, and

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- Application and Implementation of Public Policy to Leverage Developer Commitments

Each of these elements is discussed in greater detail below.

The long-term redevelopment program for the Twin City Mall site will be shaped by the following components:

Property Ownership Patterns/Separate Jurisdictions

One of the biggest challenges to a cohesive, master-planned redevelopment of the site is fragmented ownership. As depicted in Figure 1, the Twin City Mall site is located in two adjoining municipalities—the Town of Lake Park and the Village of North Palm Beach. As noted in Section 2, there are at least 16 parcels within the site's boundaries with nine separate property owners.

Town of Lake Park Portion

As illustrated previously in Table 1 and according to Palm Beach County Property Appraiser records:

- Approximately 59% of the western portion of the site (comprising 22.47 acres) is located in the Town of Lake Park. This portion is bounded by Northlake Boulevard on the north; Palmetto Drive on the south; an internal road on the west; and the municipal limits with North Palm Beach on the east;
- Northlake Promenade Shoppes/Woolbright Development (based in Boca Raton) own four parcels comprising 11.57 acres across the site (in both jurisdictions). The other major property owner is a LLC partnership known as JS133 US One LLC and Village Shoppes at US1 LLC;
- The largest retail property, "Northlake Promenade Shoppes," is located in Lake Park and anchored by a ± 52,768 sq. ft. Publix supermarket; another 4,036 sq. ft. of adjacent in-line retail spaces for 10 businesses; 10,546 sq. ft. occupied by a UPS store; and 300+/- surface parking spaces. The grocery store and parking areas are owned/controlled by Publix, but the store is the anchor use of the Northlake Promenade Shoppes, owned by Woolbright Development;
- Pad sites along U.S. 1 and Northlake Boulevard located in Lake Park include Helix Urgent Care (a walk-in medical clinic) and Wendy's; and
- Three parcels used as storm water management ponds are recorded under one property number.

Woolbright Development is seeking approval to construct 250 rental apartments on a vacant 6.6-acre parcel west of Publix supermarket in Lake Park. The building would be constructed around a

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central "amenity" courtyard with approximately 260 surface parking spaces located to the west of the building. This significant infill project will be the first private investment in redevelopment of the site.

Village of North Palm Beach Portion

As illustrated previously in Table 1 and according to Palm Beach County Property Appraiser records:

- The remainder (41%) of the site is located in the Village of North Palm Beach (comprising 15.75 acres). The North Palm Beach portion of the site is bounded by Northlake Boulevard on the north; by U.S. Route 1 on the east; and, by the eastern extension of Palmetto Drive on the south. There are three curb-cut access roads into the mall site from Northlake Boulevard; another three from U.S. 1; and three from Palmetto Drive;
- The eastern portion of the northernmost water retention pond is located in North Palm Beach;
- Pad sites along U.S. 1 and Northlake Boulevard located in North Palm Beach include a CVS Pharmacy (at the intersection), a BP Gas Station, and TD Bank; and
- WTL+a understands that 13.1 acres were placed under contract in August 2021 by JS 133 US One LLC and Village Shoppes at US1 LLC. At the time of this report, the sale has not yet been recorded in the County's records. This property formerly housed the "Cars of Dreams" Museum, office and warehouse space, and a restaurant and has frontage on U.S. 1 (a small linear parcel on the back side/western edge of the auto museum is located in Lake Park).

The site totals 38.22 acres of land. Notably, the two largest parcels on the site are slated for redevelopment, one located in each municipality. These projects will be the primary focus of the redevelopment master plan and are expected to generate greater ad valorem tax revenues for both Lake Park and North Palm Beach after redevelopment.

From a regulatory and administrative perspective, both Lake Park and North Palm Beach have taken critical steps in creating an overall conceptual approach for the Twin City Mall site, and both jurisdictions have modified their planning documents and building codes to mutually promote an overall site plan concept:

- The Village of North Palm Beach's plan and development code amendments addressed broader zoning descriptions/designations and review and approval processes to update the 1972 Ordinance to a new 'Code', which removed the Certificates of Appropriateness submission/review and approvals system enacted in 1972;

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- The new code in North Palm Beach updates an older, more cumbersome system of submittal and review by proposers. The Village's amendments were approved and adopted on September 24, 2020;
- The revised building code for North Palm Beach assigns review and approval of development design issues to the Planning Board, which (since 1977) has served as the former 'Appropriateness Board' in reviewing development proposals by developers. References to the process and awarding of Certificates of Appropriateness have been struck from the new document; and
- The Lake Park amendments, reviewed in September 2020 also addressed changes in site layout and mix of uses and included an overall site plan that illustrated conceptual redevelopment concepts for the site in **both** jurisdictions.

We note that the concepts shown on the documents do *not* match the proposed site plan of the 250-unit residential project submitted by Woolbright Development for its property west of Publix. According to municipal staff, **there is no interlocal agreement between North Palm Beach and Lake Park that outlines how an approved/adopted redevelopment master plan might be reviewed, approved, and/or adopted through a design partnership between the two municipalities.**

As noted above, the building location of the former Cars of Dreams Museum was included in the sale of several parcels (comprising 7.99 acres, 0.43 acres and 0.72 acres) that were placed under contract for sale in August 2021. The redevelopment concept for this group of properties is planned to be a mix of uses with housing, retail, and possibly limited office space. The initial concept is anticipated to seek between 600 and 800 residential units, structured parking in two garages, open space for public gathering surrounded by activating retail uses (especially food and beverage), and possible office space on the second floor of mixed-use buildings.

Planning and design for this redevelopment concept are underway, but there is no schedule for submission, review, and approvals by the Village, nor is there a determined construction/completion schedule at the time of this analysis. **Notably, the number of units needed to recover the property's purchase price will necessitate that existing building heights and densities be reconsidered and/or revised.** The applicant recognizes that public support for these possible changes is critical.

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Potential Marketing & Implementation Issues

Potential marketing and implementation issues resulting from fragmented/multiple property ownership and two different jurisdictions include:

Design/Development Consistency & Central Planning Guidance Document

While both local governments have modified their development codes to accommodate redevelopment and outline broad height and density guidelines, Woolbright Development's proposal does not correspond to the conceptual plans developed by Lake Park in its Comprehensive Plan, or the conceptual diagrams developed for the Village of North Palm Beach Master Plan by TCRPC.

Based on documents provided, it appears that **there is no single guiding master plan document to be used by the two local governments in implementing redevelopment.** Modifications to respective local development codes and Comprehensive Plans will provide a level of consistency, but the two are not linked. We recognize this may not be an issue, as Woolbright's multi-family rental project is already designed, and redevelopment planning of the property formerly occupied by the Cars of Dreams Museum has just been initiated. For purposes of consistency and predictability for present and future developers on the Twin City Mall site, a mutually related legal description of materials, scale/height/density, and other design characteristics could enhance the final redevelopment image and identity.

To ensure a predictable planning process, **the two jurisdictions should collaborate on production of a shared planning guidance document** that illustrates 1) existing allowed heights and densities; 2) how the two portions of the site can be optimally connected for pedestrians and vehicles; and 3) a vision of how future redevelopment might occur for existing outparcels, project entries and (should it ever become an opportunity), consideration of a new location for a future (potentially expanded) Publix.

There does not appear to be a jointly developed plan for the site's redevelopment today; without this type of documented future vision (which could also comprise an evolved consolidation of past plans), redevelopment will occur in a more piecemeal manner. Excellent development results from excellent planning. **A central vision plan would establish both predictability for long-term redevelopment and allow for consistent outcomes across a site with multiple owners.**

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Public Goals & Objectives

Without a fully vetted master plan for the site across both municipalities (whether incentivized or legally adopted as a planning requirement), it is unclear where and how much public open space, accessible amenities, and other non-revenue generating features of redevelopment will be guaranteed in the project's implementation. In different ways, each conceptual plan identified in this report (Woolbright site in Lake Park and investor concept in North Palm Beach) recognizes the objectives of increasing the amount of public open space, providing 'urban' plazas/green space, landscaped roadways, and other benefits, but as there is no single plan, there is no single agreed location and/or development mechanism to achieve this important public goal. A joint planning effort may strengthen the ability of the two governments to meet open space goals by legislatively "shering" the available open space on one site to serve the requirements of another.

That is not to say that there are not significant other benefits that will accrue from redevelopment. In terms of direct and indirect economic benefits, there will be new housing, new residents (generating additional resident spending), increased ad valorem property taxes, new sales taxes generated, and opportunities for job creation, with categories depending on the final development program of uses. But it is noted that during public discussions about redevelopment, there were stated goals for more open space in a larger combination of redevelopment parcels. There were also comments about balancing increased density with walkable scale and a well-connected, pedestrian-friendly environment, something largely lacking in both communities today.

As the project evolves, to meet the goal of increased densities (and potentially goals of more affordable housing, mixed-use and more multi-family residential), there may be the need to plan for structured parking, whether for existing retail (like the Publix supermarket) or for mid-rise residential to free up land for increased density. Key issues surrounding structured parking include:

- At present, base land values and allowed redevelopment densities at the site are not likely to justify the capital investment costs of structured parking at a commercial level, so a mechanism for public funding may be necessary if this objective is pursued;
- The location, linkage to adjacent use(s), and timing of structured parking could conceivably be managed by either Lake Park, North Palm Beach, or a combination of the two; and
- The ability to use public financing sources (such as a public bond) may require consideration of an overlay 'authority district' or planning district (potentially including land in both jurisdictions) as a solution, should structured parking become a requirement.

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At present, redevelopment planning is specific to the municipality in which the new project is located. While the Wendy's site on Northlake Boulevard is relatively small, the property is split between the two local governments. As a legal issue, Wendy's is functioning well as currently divided. As a future redevelopment site, however, split parcels may complicate a single connected plan and vision.

Administration, Review & Approvals

With nine separate property owners, each having different priorities and timing for redevelopment or other investment, it is likely that longer-term redevelopment will result in property consolidation, higher-density projects (concurrent with increasing values in the underlying land) and changing development patterns along the major roadways framing the site. While the Town of Lake Park and Village of North Palm Beach have worked cooperatively to revise development codes and to share information about developer proposals, the municipalities do not appear to have a joint mechanism to administer, review, and approve development program review for components such as potentially shared infrastructure investment, differing property tax rates, or sales tax revenues.

If the primary objective is to redevelop the site and generate net new ad valorem taxes for each municipality, a more formalized structure may not be needed. But if there are economies-of-scale or joint financing benefits to be gained by considering cost-sharing of elements like storm water management, water and sewer, police and fire protection services, building inspections, or property tax assessment rates, a more structured approach (such as a joint- or shared-jurisdiction overlay district) may be considered.

A less structured approach may involve regular joint meetings between the two municipalities for planning and development workshops for review by both jurisdictions' specific committees. These regular meetings could help identify issues of inconsistency and allow representative advisory review committees/commissions/boards to discuss and resolve unanticipated project circumstances or requests for planning policy changes or financial incentives. This 'joint meetings' approach could also consider consistencies or differences in urban design and planning standards, material standards, and public space connectivity across both parts of the site.

Changing Market Forces & Characteristics

Both Lake Park and North Palm Beach have developed over time as low-scale, suburban communities characterized by a predominance of single-family detached housing, with selected higher-density development along the Intracoastal Waterway in each community. Because

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waterfront properties are highly desirable for residential development (and generally more highly valued in the marketplace), these parcels present a particular opportunity for long-term redevelopment, particularly in Lake Park. Existing development along the Lake Park waterfront is centered around Kelsey Park and the Town's marina, which preserve public views and access. These public amenities are now attracting potentially significant new investment, such as the Nautilus 220 project (which will contain 332 high-end condominium units) and are developing in response to a higher-density opportunity, both in scale and height and in the achieved values that are anticipated over time.

This raises the issue of future reconsideration of current building heights and densities and the new markets they can represent. Florida has long benefited from the relocation of residents from the Northeast and Midwest due to its tropical climate; more recently, population relocation has increased as a result of the pandemic and ability to work remotely. New 'relocated' residents are looking for new places to live and do not bring preconceived notions about community character. In response, developers are looking for lower-priced parcels to create higher values, and Lake Park's waterfront is viewed as an opportunity to create those higher-priced (and higher-density) values.

While the North Palm Beach part of the site is technically within the Village's boundaries, it is positioned to capitalize on this new resident opportunity, as the Village's remaining water-proximate properties are already developed, have highly fragmented ownership, and will be more costly to purchase. This suggests that a higher-density option should be considered for that portion of the site adjacent to U.S. 1, including the former Dreams of Cars Museum building. Higher elevations bring water views and value premiums in both sale prices and rental rates, and this will be appealing to new residents who may not want the lower-scale lifestyle that exists in the single-family neighborhoods in North Palm Beach.

Current development codes and height limits do not encourage or allow developments above mid-rise levels. The decision to consider increased heights on the North Palm Beach part of the site will also affect views and public space access from the Lake Park parcels. **WTL+a suggests, because of its location and context, that new uses on the North Palm Beach portion of the site consider greater densities and building heights to capture a share of this emerging market.** The Village is effectively competing for this market with multiple other communities along the waterfront in South Florida.

Another consideration is the value of land for surface parking. In real estate economics, there will be a point in time when the value per surface-foot will exceed the inherent value of surface parking.

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This will mean that structured parking can become more financially feasible than the opportunity-cost of retaining surface parking over the long-term. This issue is an immediate one for the mixed-use concept being considered by the prospective owners of 13.1 acres on the North Palm Beach side of the site. Over time, this may also become an issue for the Publix site in Lake Park. Grocery stores require parking and provide an amenity to nearby residents, but they are generally planned with suburban development and parking standards. It is unknown whether Publix' real estate department is considering long-term redevelopment of their existing Lake Park store (and particularly its large parking field). The planned Woolbright project is also meeting its parking requirements with surface parking, but that could also change as property values increase. It is also recognized that structured parking is much more costly per parking stall than surface parking (by a cost factor of two to four times per parking stall).

This is the reason that **public incentives may be required to close the 'cost gap' between land values that exceed those of surface parking but may not be high enough to be cross-subsidized by the value of internal project uses** (on a per square foot basis). WTL+a suggests that the Town of Lake Park should anticipate that long-term future redevelopment on parcels dependent on surface parking may evolve over time to require structured parking; the Town should seek to balance opportunities for additional density against the structured parking costs, whether incorporated into developer costs or incentivized by the Town or another public entity.

Appendix

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Table 53: Summary of Demographic Characteristics & Forecasts, 2010—2025

	2020	As % of County	2010-2020	Annual Growth Rate	2020-2025	Annual Growth Rate	
Population Trends & Forecasts							
	Current Estimates (2020)		Population Growth (Past 10 Years)		Population Forecast (Next 5 Years)		
Palm Beach County	1,460,733		140,699	1.02%	88,359	1.18%	
Lake Park	8,762	0.6%	607	0.72%	339	0.76%	
North Palm Beach	12,975	0.9%	954	0.77%	515	0.78%	
North County Trade Area	73,538	5.0%	8,182	1.19%	3,987	1.06%	
Age Cohorts							
	Current Estimates (2020)			5-Year Forecast (2025)		% Change: 2020-2025	
	Median Age	Age 25-64	Age 65+	Age 25-64	Age 65+	Age 25-64	Age 65+
Lake Park	37.5	54%	15%	53%	17%	-2.5%	16.0%
North Palm Beach	57.4	47%	37%	44%	41%	-7.9%	12.3%
North County Trade Area	47.6	52%	25%	50%	28%	-4.1%	10.9%
Annual Household Incomes							
	Current Estimates (2020)			5-Year Forecast (2025)		% Change: 2020-2025	
	Annual Average	< \$100,000	\$100,000+	< \$100,000	\$100,000+	< \$100,000	\$100,000+
Lake Park	\$ 62,384	85%	16%	83%	17%	-1.3%	7.1%
North Palm Beach	\$ 107,822	60%	40%	58%	44%	-6.8%	10.1%
North County Trade Area	\$ 107,081	65%	35%	62%	38%	-4.2%	8.5%

Source: U.S. Census Bureau; American Community Survey; ESRI Business Analyst; WTL +a, May 2021.

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Table 54: Summary of Economic Characteristics & Forecasts, 2007—2028

	Annual HH Retail Spending	Comparison to County	Retail Leakage or (Inflow)	Retail Space Per Capita			
Retail Spending & Inflow/Leakage							
Palm Beach County	\$ 21,134			54.3			
Lake Park	\$ 14,176	67.1%	\$ (169,427,772)	103.7			
North Palm Beach	\$ 23,966	113.4%	\$ 84,579,788	99.1			
North County Trade Area	\$ 23,785	112.5%		112.0			
Employment							
	2020 (Dun & Bradstreet)		2007-2018 (Census)		2028 (DEO)		
	Total Jobs	As % of County (Fair Share)	Jobs-to-Population Ratio	Job Gains or (Losses)	New Jobs As % of County Past 12 Years	New Jobs As % of County Past 5 Years	New Jobs // Fair Share Maintained
Palm Beach County	713,943		0.49	75,861			87,755
Lake Park	6,604	0.93%	0.75	552	0.747%	0.751%	812
North Palm Beach	6,185	0.87%	0.48	182	0.758%	0.794%	760
North County Trade Area	49,371	6.9%	0.67	3,760	5.0%	7.4%	6,068
Selected Industry Sectors (As % of Total Jobs)							
	2018 (Census)						
	Retail & Hospitality		Administration & Waste Management	Office Professional/ Scientific/Tech'l Services	Information Finance/Insur & Real Estate	Industrial Manufacturing Wholesale Trade Transp & Whsg	
	Retail Trade & Arts/Entertainmt & Recreation	Accommodation/ Food Services	Healthcare				
Palm Beach County	18%	11%	15%	11%	8%	8%	
Lake Park	24%	12%	8%	14%	3%	17%	
North Palm Beach	10%	14%	24%	9%	8%	2%	
North County Trade Area	20%	13%	15%	12%	8%	9%	

Source: U.S. Census Bureau; American Community Survey; ESRI Business Analyst; WTL +a, May 2021.

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Table 55: Summary of Real Estate Market Conditions, 2001—2020

	Palm Beach County	North County Trade Area	Lake Park	North Palm Beach
Workplace: Office				
2020 Inventory (SF)	57,613,955	4,970,337	57,586	1,081,288
As % of County or Trade Area		8.6%	1.2%	21.8%
Annual Net Absorption				
Past 20 Years (2001-2020)	10,222,609	1,365,726	7,822	(53,440)
Average Annual	511,130	68,286	391	(2,672)
As % of County or Trade Area		13%	0.6%	-
Past 5 Years (2016-2020)	854,515	212,422	3,707	(19,031)
Average Annual	170,903	42,484	741	(3,806)
As % of County or Trade Area		25%	1.7%	-
2020 Only (Pandemic)				
2020 (Jan-April)	(434,190)	69,890	8,880	725
2021 (Jan-April)	237,726	(62,234)	(1,345)	18,679
New Development				
Past 20 Years (2001-2020)	14,750,527	1,763,316	1,332	35,498
Average Annual	737,526	88,166	-	-
As % of County or Trade Area		12%	0.08%	2.0%
Past 5 Years (2016-2020)	1,277,936	300,158	-	-
Average Annual	255,587	60,032	-	-
As % of County or Trade Area		23%	0%	0%

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Table 55 (Continued): Summary of Real Estate Market Conditions, 2001—2020

	Palm Beach County	North County Trade Area	Lake Park	North Palm Beach
Retail & Hotel				
2020 Inventory (\$F)	79,577,880	8,239,538	908,739	1,285,492
As % of County or Trade Area		10%	11%	16%
Annual Net Absorption				
Past 15 Years (2006-2020)	5,330,722	1,292,961	109,050	77,437
Average Annual	355,381	86,197	7,270	5,162
As % of County or Trade Area		24%	8%	6%
Past 5 Years (2016-2020)	1,361,841	325,811	102,858	3,990
Average Annual	272,368	65,162	20,571	798
As % of County or Trade Area		24%	32%	1.2%
2020 Only (Pandemic)	(161,770)	(49,235)	8,707	38,328
2021 (Jan-April)	110,228	72,788	4,332	(36,503)
New Development				
Past 15 Years (2006-2020)	11,841,314	1,848,853	101,874	36,803
Average Annual	796,088	123,324	6,792	2,454
As % of County or Trade Area		15%	6%	2%
Past 5 Years (2016-2020)	2,481,384	259,332	4,785	3,100
Average Annual	496,277	51,866	-	-
As % of County or Trade Area		10%	1.8%	1.2%
Hotel Inventory (Rooms)	17,740	N/A	-	154
As % of County		N/A	0%	0.9%
Housing				
Housing Starts (2007-2019)				
Single-family Detached	28,823	N/A	3	45
Multi-family	20,834	N/A	-	182
Total:	49,657		3	227
Annual Net Absorption-Multi-family				
Past 20 Years (2001-2020)	N/A	1,537	(14)	10
Average Annual		77	-	-
As % of County or Trade Area				
Past 5 Years (2016-2020)	N/A	812	3	3
Average Annual		162	-	-
As % of County or Trade Area				

Source: CoStar, Inc.; ESRI Business Analyst; STR Global; WTL+, May 2021.

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Table 56: Employee Inflow/Outflow—Town of Lake Park, 2008—2018

	2008	2013	2018	Change: 2008-2018	
				Amount	%
Total Inflow/Outflow					
Employed in Lake Park	4,372	3,595	4,865	493	11%
Labor Force Living in Lake Park	4,167	2,815	4,497	330	8%
Net Job Inflow (+) or Outflow (-)	205	680	368	163	80%
Outflow Job Characteristics (1)					
Workers in "Goods Producing" Industries	371	184	361	(10)	-3%
Workers in "Trade, Transportation & Utilities" Industries	708	402	822	114	16%
Workers in "All Other Services" Industries	2,811	2,197	3,150	239	8%
Total:	3,890	2,783	4,333	343	9%
Inflow Job Characteristics (2)					
Workers in "Goods Producing" Industries	1,170	843	1,259	89	8%
Workers in "Trade, Transportation & Utilities" Industries	1,182	890	1,385	203	17%
Workers in "All Other Services" Industries	1,843	1,830	2,057	214	12%
Total:	4,195	3,563	4,701	606	12%

(1) Includes job characteristics of labor force residents of Lake Park who work elsewhere.
(2) Includes job characteristics of labor force residents living elsewhere who work in Lake Park.

Source: U.S. Census Bureau, On-the-Map; WTL+, April 2021.

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Table 57: Employee Inflow/Outflow—Village of North Palm Beach, 2008—2018

	2008	2013	2018	Change: 2008-2018	
				Amount	%
Total Inflow/Outflow					
Employed in North Palm Beach	3,810	3,811	4,619	1,109	29%
Labor Force Living in North Palm Beach	4,880	4,188	5,344	464	10%
Net Job Inflow (+) or Outflow (-)	(1,370)	(277)	(725)	645	-47%
Outflow Job Characteristics (1)					
Workers in "Goods Producing" Industries	557	347	533	(24)	-4%
Workers in "Trade, Transportation & Utilities" Industries	972	659	884	(12)	1%
Workers in "All Other Services" Industries	3,135	2,889	3,521	386	12%
Total:	4,664	3,895	4,938	374	8%
Inflow Job Characteristics (2)					
Workers in "Goods Producing" Industries	217	226	201	(16)	-7%
Workers in "Trade, Transportation & Utilities" Industries	320	375	403	83	26%
Workers in "All Other Services" Industries	2,767	3,017	3,709	942	34%
Total:	3,294	3,618	4,313	1,019	31%

(1) Includes job characteristics of labor force residents of North Palm Beach who work elsewhere.
 (2) Includes job characteristics of labor force residents living elsewhere who work in North Palm Beach.

Source: U.S. Census Bureau, On-the-Map; WTL+; April 2021.

Table 58: Employee Inflow/Outflow—North County Trade Area, 2008—2018

	2008	2013	2018	Change: 2008-2018	
				Amount	%
Total Inflow/Outflow					
Employed in North County Trade Area	39,316	37,222	44,756	5,439	14%
Labor Force Living in North County Trade Area	28,812	26,987	31,899	3,087	11%
Net Job Inflow (+) or Outflow (-)	10,404	10,235	12,766	2,352	23%
Outflow Job Characteristics (1)					
Workers in "Goods Producing" Industries	2,524	1,759	2,811	67	3%
Workers in "Trade, Transportation & Utilities" Industries	4,635	4,088	5,015	380	8%
Workers in "All Other Services" Industries	15,585	15,507	16,085	2,825	18%
Total:	22,718	21,354	23,911	2,992	13%
Inflow Job Characteristics (2)					
Workers in "Goods Producing" Industries	4,464	2,822	4,108	(356)	-8%
Workers in "Trade, Transportation & Utilities" Industries	7,808	7,704	8,506	508	7%
Workers in "All Other Services" Industries	35,811	21,283	25,733	5,102	14%
Total:	33,125	31,809	38,487	5,344	16%

(1) Includes job characteristics of labor force residents of North County Trade Area who work elsewhere.
 (2) Includes job characteristics of labor force residents living elsewhere who work in North County Trade Area.

Source: U.S. Census Bureau, On-the-Map; WTL+; May 2021.

Table 59: Demographic Trends & Forecasts—Palm Beach County, 2000—2024

	2000	2010	2018	% Dist.	2024	% Dist.	Change: 2018-2024	
							No.	CAGR %
Demographic Profile								
Population	1,131,184	1,320,134	1,460,733		1,549,082		89,358	1.18%
Households	474,175	544,227	595,315		628,257		33,942	1.12%
Avg. HH Size	2.34	2.39	2.42		2.43			
Median Age	43.5	43.9	43.9		44.2			
Race								
White	970,121	1,015,847	1,015,847	70%	1,043,274	87%	27,827	0.5%
Black	228,890	284,138	284,138	19%	318,417	21%	35,281	2.4%
American Indian	5,043	8,010	8,010	0%	5,897	0%	(13)	-0.1%
Asian, Pacific Islander	31,870	41,944	41,944	3%	49,228	3%	7,284	3.3%
Other	53,138	71,788	71,788	5%	84,150	5%	12,362	3.2%
Two or More Races	30,272	41,228	41,228	3%	47,056	3%	5,828	2.7%
Total:	1,320,134	1,460,733	1,460,733		1,549,082		89,358	
Hispanic (1)	250,823	343,611	343,611	24%	409,465	26%	65,854	3.6%
Age Distribution								
0-14	220,616	223,593	223,593	15%	233,870	15%	10,077	0.9%
15-24	153,875	155,395	155,395	11%	156,584	10%	1,189	0.2%
25-34	146,894	178,499	178,499	12%	185,962	12%	8,463	1.1%
35-44	165,576	169,321	169,321	11%	178,203	12%	8,882	2.3%
45-54	188,128	177,559	177,559	12%	169,763	11%	(17,796)	-0.9%
55-64	160,282	187,572	187,572	14%	187,733	13%	181	0.0%
65-74	130,427	181,184	181,184	12%	204,744	13%	23,560	2.5%
75+	154,728	189,810	189,810	13%	222,413	14%	32,603	3.2%
Income Profile								
Households by Income								
<\$15,000			9.3%		7.6%			
\$15,000 - \$24,999			9.2%		7.8%			
\$25,000 - \$34,999			9.0%		7.7%			
\$35,000 - \$49,999			12.7%		11.8%			
\$50,000 - \$74,999			17.8%		17.4%			
\$75,000 - \$99,999			12.5%		13.1%			
\$100,000 - \$149,999			14.0%		15.9%			
\$150,000 - \$199,999			6.4%		8.4%			
\$200,000+			9.1%		10.8%			
Average HH Income		\$ 83,331			\$ 106,684			2.7%
Median HH Income		\$ 81,388			\$ 70,955			2.9%
Education Profile								
Years of Education (2018 American Community Survey)(ACS)								
Less than 9th Grade			5.8%					
9th-12th Grade, No Diploma			8.0%					
High School Graduate (includes Equivalent)			24.8%					
Some College, No Degree			18.6%					
Associate Degree			8.8%					
Bachelor's Degree			21.8%					
Graduate/Professional Degree			13.0%					

(1) Persons of Hispanic origin are a subset of other race categories; therefore, totals do not add.
<https://factfinder.census.gov/faces/table/js/jsp/pages/index.xhtml>

Source: ESRI Business Analyst; American Community Survey; WTL +a, April 2021.

WTL +a

Real Estate & Economic Advisors
 Washington, DC—Cape Cod, MA
 301.502.4371 508.214.0915

Table 60: Industrial Market Profile—Town of Lake Park, 2007—2020

	2007	2008	National Recession & Recovery										Change: 2007-2020				
			2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	Ann'l Avg.	% CAGR
Industrial																	
Inventory	872,422	872,422	872,422	872,422	872,422	872,422	872,422	872,422	872,422	872,422	872,422	872,422	872,422	872,422	872,422	-	-
As % of County	1.8%	1.7%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	1.6%	-	-
No. of Buildings/Centers	86	86	86	86	86	86	86	86	86	86	86	86	86	86	86	-	-
Vacant Stock	101,960	122,231	110,497	73,207	33,571	40,491	31,016	36,838	32,369	8,725	5,214	2,800	13,300	3,800	(97,780)	-	-
Vacancy Rate	11.8%	14.0%	12.7%	8.4%	3.8%	4.6%	3.6%	4.2%	3.7%	1.0%	0.6%	0.3%	1.5%	0.4%	-22.3%	-	-
Net Absorption:	(47,047)	(20,641)	11,734	37,280	39,635	(6,920)	9,476	(6,922)	4,669	23,644	3,611	2,414	(10,500)	9,500	50,743	3,625	-
Past 5 Years															28,569	5,714	-
Construction Deliveries																	
Gross Rent/SF	\$ 9.16	\$ 10.48	\$ 8.84	\$ 9.30	\$ 8.90	\$ 9.76	\$ 9.33	\$ 9.12	\$ 10.00	\$ 11.60	\$ 11.90	\$ 11.73	\$ 13.32	\$ 13.40	38,043		3.0%
Average Annual % Change	-	14.4%	-14.7%	4.0%	-4.3%	9.7%	-4.4%	-2.3%	9.6%	16.0%	2.6%	-1.4%	13.6%	0.6%			
Flex																	
Inventory	181,575	181,575	181,575	181,575	181,575	181,575	181,575	181,575	181,575	181,575	181,575	181,575	181,575	181,575	181,575	-	-
As % of County	1.7%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.7%	1.7%	-	-
No. of Buildings/Centers	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	-	-
Vacant Stock	29,100	8,392	5,497	7,271	6,355	5,541	8,920	7,920	17,560	2,000	-	-	7,235	7,235	(21,865)	-	-
Vacancy Rate	15.2%	4.9%	2.9%	3.8%	3.3%	2.9%	5.2%	4.1%	9.2%	1.0%	0.0%	0.0%	3.8%	3.8%	-10.2%	-	-
Net Absorption:	(27,760)	19,708	3,896	(1,774)	916	814	(4,379)	2,000	(9,630)	15,660	2,000	-	(7,236)	-	(6,835)	(417)	-
Past 5 Years															10,316	2,063	-
Construction Deliveries																	
Gross Rent/SF	\$ 4.43	\$ 9.63	\$ 9.87	\$ 9.91	\$ 9.03	\$ 8.85	\$ 8.89	\$ 8.89	\$ 13.38	\$ 13.08	\$ 12.53	\$ 12.00	\$ 12.15	\$ 11.95			7.8%
Average Annual % Change	-	117.4%	2.5%	0.4%	-8.9%	-2.0%	1.6%	0.0%	48.6%	-2.0%	-4.3%	-4.2%	1.3%	-1.6%			

Source: CoStar, Inc.; WTL+; May 2021.

WTL +a

Real Estate & Economic Advisors
 Washington, DC—Cape Cod, MA
 301.502.4371 508.214.0915

Table 61: Multi-family Rental Characteristics—North County Trade Area, 2007—2020

	2007	2008	National Recession & Recovery								Change: 2007-2020						
			2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	Ann'l Avg.	% CAGR
Inventory (Units)	3,910	3,910	3,910	3,910	3,910	3,910	4,134	4,134	4,474	4,474	4,482	4,961	4,961	4,961	1,051		
No of Buildings	81	81	81	81	81	81	81	82	82	83	83	86	86	86	6		
Vacant Stock (Units)	260	322	326	239	273	208	251	170	527	282	266	403	249	205	(86)		
Vacancy Rate	7.4%	8.2%	8.3%	6.1%	7.0%	5.3%	6.1%	4.1%	11.8%	6.3%	5.9%	8.1%	5.0%	4.1%			-4.4%
Total Net Absorption (Units)		(32)	(32)	(2)	66	(35)	65	181	81	(18)	245	26	343	154	44	1,105	79
Past 5 Years																812	182
Construction Deliveries	-	-	-	-	-	-	224	-	340	-	8	482	-	-	1,054		
Average Unit Size (SF)	1,009	1,009	1,009	1,009	1,009	1,009	1,026	1,026	1,060	1,060	1,063	1,098	1,098	1,098			0.7%
Average Monthly Rent	\$ 1,376	\$ 1,350	\$ 1,272	\$ 1,335	\$ 1,343	\$ 1,373	\$ 1,413	\$ 1,454	\$ 1,527	\$ 1,579	\$ 1,641	\$ 1,691	\$ 1,738	\$ 1,758			1.8%
Per SF Rent	\$ 1.27	\$ 1.25	\$ 1.18	\$ 1.23	\$ 1.24	\$ 1.27	\$ 1.31	\$ 1.34	\$ 1.41	\$ 1.46	\$ 1.52	\$ 1.56	\$ 1.61	\$ 1.62			1.9%
Average Annual % Change		-1.6%	-5.6%	4.2%	0.8%	2.4%	3.1%	2.3%	5.2%	3.5%	4.1%	2.6%	3.2%	0.6%			

Source: CoStar, Inc.; WTL+a, May 2021.

Table 62: Office Market Profile—North County Trade Area, 2007—2020

	2007	2008	National Recession & Recovery								Change: 2007-2020						
			2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total	Ann'l Avg.	% CAGR
Office																	
Inventory	4,326,209	4,484,078	4,548,145	4,548,145	4,822,820	4,661,564	4,661,564	4,661,564	4,699,969	4,895,780	4,328,209	4,708,893	4,600,551	4,970,337	644,128		
As % of County	8.1%	8.0%	8.0%	8.0%	8.1%	8.2%	8.2%	8.1%	8.2%	8.2%	7.5%	8.2%	8.3%	8.6%			
No of Buildings/Centers	216	222	225	225	228	227	227	227	228	227	227	228	228	230	14		
Vacant Stock	457,063	637,767	733,927	811,442	912,734	820,332	846,288	664,125	567,552	420,915	424,202	543,847	515,602	625,498	168,436		
Vacancy Rate	10.6%	14.2%	16.1%	17.8%	19.7%	17.6%	18.2%	14.2%	12.1%	9.0%	9.8%	11.5%	10.7%	12.6%			1.4%
Net Absorption:		9,440	(12,835)	(41,093)	(77,616)	(27,817)	131,346	(26,966)	182,173	134,879	142,428	(3,297)	(108,412)	118,803	69,890	482,133	34,438
Past 5 Years																212,422	42,484
Construction Deliveries	218,877	167,869	55,067	-	73,475	38,944	-	-	38,405	-	-	18,400	111,872	168,786	892,795		
Gross Rent/SF	\$ 28.61	\$ 27.58	\$ 26.37	\$ 26.39	\$ 23.38	\$ 23.63	\$ 25.26	\$ 25.52	\$ 26.01	\$ 26.68	\$ 29.58	\$ 29.36	\$ 30.23	\$ 34.80			0.4%
Average Annual % Change		-3.6%	-4.4%	0.1%	-11.5%	1.2%	5.9%	1.0%	1.9%	2.6%	10.9%	0.6%	3.0%	15.1%			
Base Rent/SF (NNN)	\$ 20.85	\$ 20.42	\$ 19.64	\$ 19.95	\$ 18.78	\$ 18.54	\$ 20.04	\$ 19.69	\$ 20.89	\$ 21.56	\$ 22.44	\$ 22.62	\$ 23.28	\$ 26.78			0.9%

Source: CoStar, Inc.; WTL+a, May 2021.

Table 63: Retail Market Profile—North County Trade Area, 2007—2020

	2007	2008	National Recession & Recovery					2013	2014	2015	2016	2017	2018	2019	2020	Change: 2007-2020		
			2009	2010	2011	2012	Total									Ann'l Avg.	% CAGR	
Inventory	7,548,359	7,841,154	7,970,229	8,061,488	8,061,488	8,049,125	8,038,833	8,038,933	8,038,088	8,038,828	8,013,898	8,117,458	8,196,142	8,238,538	883,180			
As % of County	9.9%	10.1%	10.2%	10.4%	10.3%	10.3%	10.3%	10.2%	10.2%	10.1%	10.1%	10.2%	10.4%	10.4%				
No. of Buildings/Centers	383	394	384	398	398	387	395	395	382	395	399	407	409	26				
Vacant Stock	432,138	471,503	544,942	496,853	406,178	283,307	328,889	344,556	451,444	335,271	182,103	359,505	238,451	328,082	(108,054)			
Vacancy Rate	5.7%	6.0%	6.8%	6.2%	5.0%	3.5%	4.1%	4.3%	5.6%	4.2%	2.4%	4.4%	2.9%	4.0%			-2.8%	
Net Absorption:	(143,878)	258,428	55,836	138,540	90,475	110,607	(55,574)	(17,867)	(104,732)	115,913	118,036	(63,639)	204,737	(48,235)	659,666	47,118		
Per Sq. Foot															325,811	86,162		
Construction Deliveries	48,855	320,971	144,121	91,280	-	-	-	-	16,000	28,490	4,000	103,783	81,883	40,399	978,638			
Gross Rent/SF	\$ 22.45	\$ 23.22	\$ 22.15	\$ 18.17	\$ 18.58	\$ 15.34	\$ 16.38	\$ 18.05	\$ 16.75	\$ 20.38	\$ 27.80	\$ 28.82	\$ 24.71	\$ 22.87			0.14%	
Average Annual % Change	-	3.4%	-4.6%	-18.0%	-8.9%	-7.4%	6.8%	10.2%	3.9%	8.6%	38.5%	-4.2%	-7.2%	-7.4%				
Base Rent/SF (NNN)	\$ 22.04	\$ 24.90	\$ 23.41	\$ 17.89	\$ 18.20	\$ 14.85	\$ 15.77	\$ 17.28	\$ 16.40	\$ 20.44	\$ 31.82	\$ 27.21	\$ 24.80	\$ 23.15			0.38%	

Source: CoStar, Inc.; WTL+a, May 2021.

Draft Regulations as of 06.01.22

CHAPTER 78, ARTICLE III

DISTRICT REGULATIONS

Sec. 78-73. - C-3 Twin Cities Mixed Use District.

(a) *General description and intent.*

- 1.** The C-3 Twin Cities Mixed Use District (C-3 district) is being enacted to encourage the redevelopment of the site of a former Planned Unit Development (PUD) known as the Twin City Mall and Northlake Promenade Shoppes into a vibrant mixed-use place for businesses, visitors, and residents of the municipalities of Lake Park, North Palm Beach, and surrounding areas.
- 2.** The intent of this district is to provide for a destination with complementary uses consisting of a mixture of retail and other commercial uses such as offices and lodging; civic and educational uses; and residential multifamily uses.
- 3.** The area comprising the C-3 district is separated by the Town's municipal boundary with the Village of North Palm Beach. The two municipalities entered into an interlocal agreement in 1993 to provide for consistent planning and to provide for the coordinated redevelopment of the area. These regulations carry forward the spirit and intent of the interlocal agreement by requiring that both municipalities cooperate on site plan applications through joint staff reviews and joint planning board meetings, and insures that each municipality has a meaningful opportunity to review the zoning applications proposed within the C-3 district.
 - a. Redevelopment proposals within the North Palm Beach portion of the C-3 district will be reviewed in a timely manner by the Town, with the results of that review being forwarded to the Village of North Palm Beach within 10 days of the completion of the Town's review.
 - b. Redevelopment proposals within the Town of Lake Park's portion of the C-3 district will be reviewed by the Town in accordance with the Town's process, and forwarded to the Village of North Palm Beach for its comments following the same review time frame.
 - c. Once both the North Palm Beach and Lake Park staffs deem an application to be sufficient, a joint meeting of the North Palm Beach and Lake Park planning and zoning boards shall be scheduled for joint review and approval.
 - d. Following the joint meeting of the North Palm Beach and Lake Park planning and zoning boards, the Town of Lake Park will forward the application to the Lake Park Town Commission for their final approval for development proposed within Lake Park.

EXHIBIT C

4. Walls and fences in the C-3 district shall comply with the following standards:
 - a. Lots having only residential buildings on them shall be subject to the development standards for buildings in residential areas as provided for in section 78-111, except that on corner lots, side-yard walls and fences that abut a street shall comply with the standards for front-yard walls and fences.
 - b. Lots that have non-residential buildings or mixed-use buildings shall comply with the wall and fence standards for the MU zoning district, as provided for in section 78-83 (k).
- (b) **Permitted, Special Exception and Accessory Uses.** Table 1 indicates the uses in the C-3 district.
1. The permitted and special exception uses listed in Table 1 are grouped into four use groups: Residential, Lodging, Business and Commercial, and Civic. Terms in Table 1 are defined in Town Code Chapter 78, Section 78-2.
 2. Accessory Uses associated with any primary use listed in Table 1 shall be permitted as long as the accessory use does not occupy more than 30% of the gross floor area of the primary use and does not operate as the primary, income generating use.
 2. Table 1 indicates the type of use and approval category within the district:

TABLE 1

	PERMITTED USE	SPECIAL EXCEPTION USE
Residential Uses		
Community residential home	●	
Dwelling, all other dwelling types, may include assisted living component, includes live/work units	●	
Lodging Uses		
Bed-and-breakfast establishment	●	
Motel/hotel	●	
Business and Commercial Uses		
Art Gallery	●	
Animal day care	●	
Animal service establishment		●
Bakery	●	
Bank, or financial institution	●	

EXHIBIT C

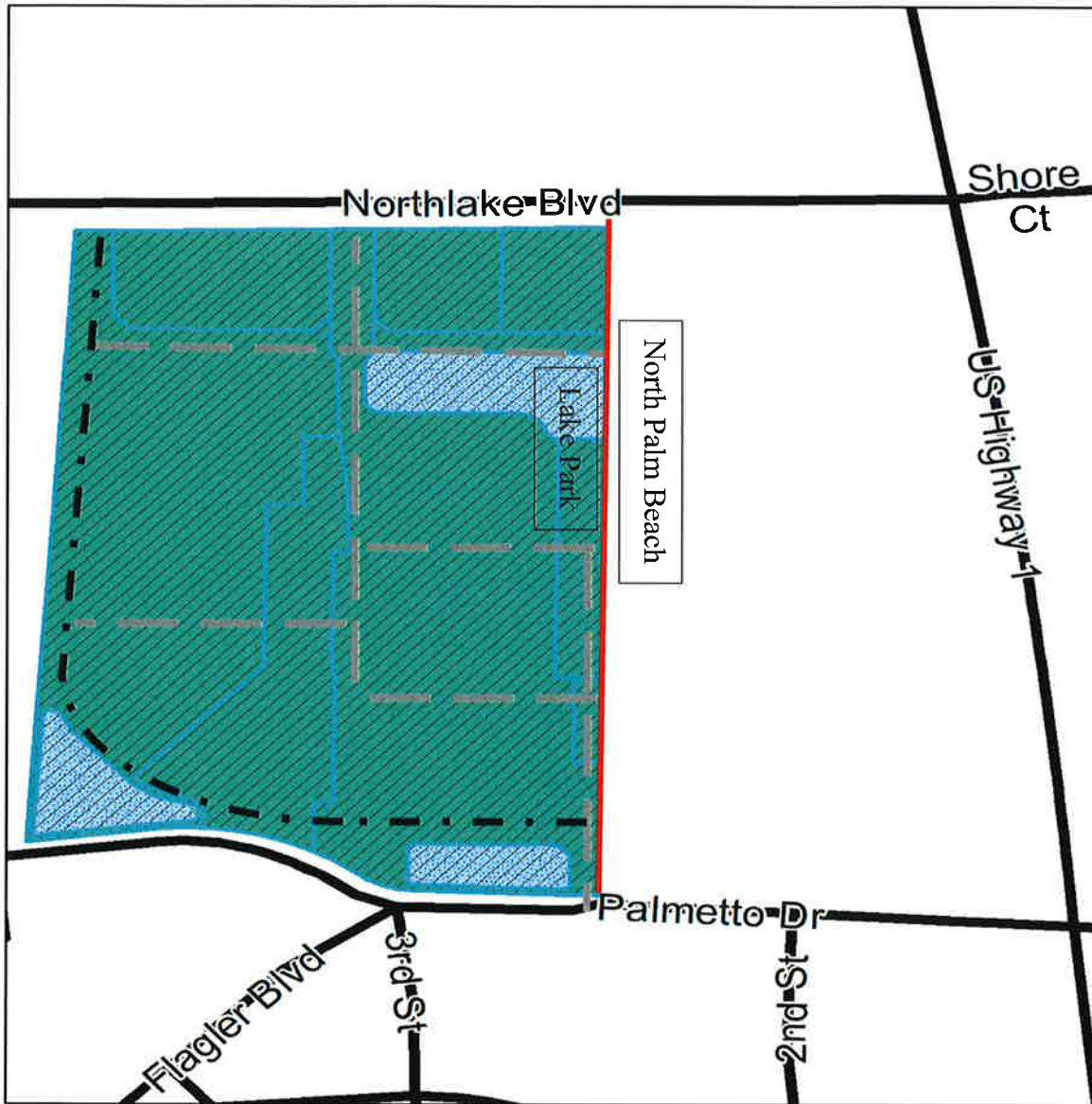
Brewpub		●
Coffee Shop	●	
Craft Distillery		●
Day-care center	●	
Deli	●	
Entertainment, Indoor		●
Garage, parking		
Grocery, general and specialty, including Fruit and Vegetable Market	●	
Ice Cream Parlor	●	
Mailing, shipping, packing store	●	
Offices, general	●	
Office or clinic, medical	●	
Personal Services	●	
Retail	●	
Restaurants, general and specialty	●	
Stores & services, large format		●
Theater, indoor	●	
Civic Uses		
Civic space		●
Public space		●

(c) District Regulating Plan.

1. The C-3 district includes a district plan as shown in Figure 1 that shows existing parcel boundaries, retention pond locations, the Lake Park/North Palm Beach jurisdictional boundary, and street and alley alignments.
2. The district plan identifies the approximate alignment of existing and future local streets and alleys. Applicants seeking to modify the Figure 1 street alignments must provide an alternative design providing equivalent access and functionality or must provide mitigation of an equivalent length to whatever street extent that is proposed to be eliminated through the process established under subsection (h), herein.
 - a. The east-west streetscape connections between the Village of North Palm Beach and the Town of Lake Park as depicted in the district plan may be relocated per the process described under subsection (h) 1., but connectivity must be maintained between the Town and the Village.

EXHIBIT C

Figure 1 - District Regulating Plan



Legend







-  12 Stories or 160 Feet
-  Retention Ponds
-  Twin Cities Mixed Use District
-  Jurisdictional Boundary
-  Alley
-  C-3 Internal Street



EXHIBIT C

(d) Building typologies.

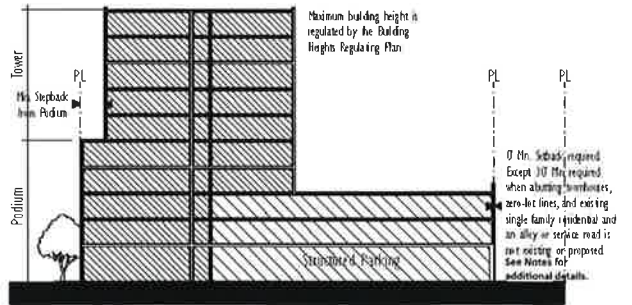
All new developments in the C-3 District shall conform to one of the following building typologies, which are further described below. The typologies generally provide a form and associated performance standards and shall be adhered to for all new developments. Building typologies may be combined as long as their individual standards are observed.

Table 2: TOWER BUILDING TYPE

Permitted Heights Range: 6-12 Stories or 160 feet			BUILDING MASSING
<p>DEFINITION: a multi-level building organized around a central core where a part of the building is higher in proportion.</p> <p> </p> <p> </p> <p> </p>			
PERFORMANCE STANDARDS	MIN.	MAX.	BUILDING CONFIGURATION
a. Lot Width	N/A	N/A	
b. Lot Depth	N/A	N/A	
c. Lot Area	30,000 SF	N/A	
d. Impervious Area	N/A	90%	

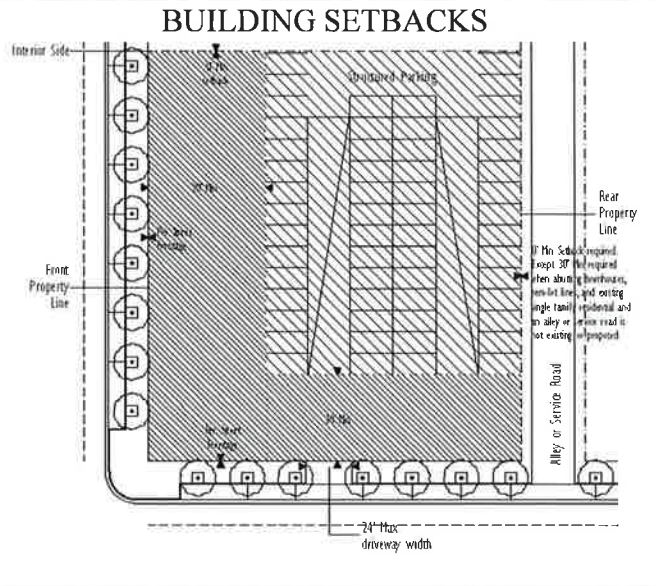
EXHIBIT C

e. Pervious Area	10%	N/A
f. Street Setbacks (front and side)	10'	15'
g. Interior Setbacks (side and rear)	0' (1)	N/A



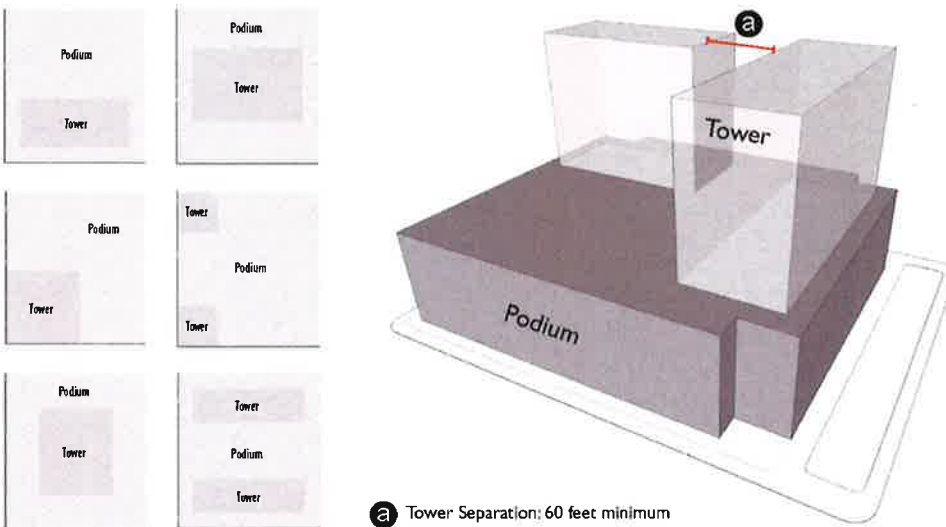
NOTES:

(1) Except 30' minimum when abutting an existing residential district.



EXAMPLES OF TOWER CONFIGURATION

EXHIBIT C



TOWER FLOORPLATE STANDARD:

Above the 5th floor, towers shall be limited to a maximum floorplate size as described below. The floorplate size for multiple towers shall be calculated as an average of the total cumulative tower floorplate area divided by the number of tower stories above the 5th floor. The maximum floorplate size is dependent upon the tower's primary use as follows:

1. Office or Non-Residential - average of 35,000 square feet for multiple towers and a 45,000 square feet maximum permitted floorplate size for any individual tower floorplate;
2. Residential, Mixed-Use or Hotel -an average of 20,000 square feet for multiple towers and a maximum of 32,500 square feet of a floorplate for any individual tower floorplate.

TOWER SEPARATION:

The minimum horizontal distance between two or more towers shall be 60 feet.

TOWER STEPBACK:

The minimum stepback of a tower from the podium shall be 10 feet along interior side and rear property lines only. Along the front and street side property lines the minimum stepback for the tower from the podium shall be 20 feet from the street or 40 feet if the tower is to be constructed adjacent to a residential zoning district. A tower's orientation shall be specified toward a terminating street vista where applicable. The placement of the tower shall be such that it is near, fronting, or adjacent to open space.

ILLUSTRATIVE EXAMPLES

EXHIBIT C



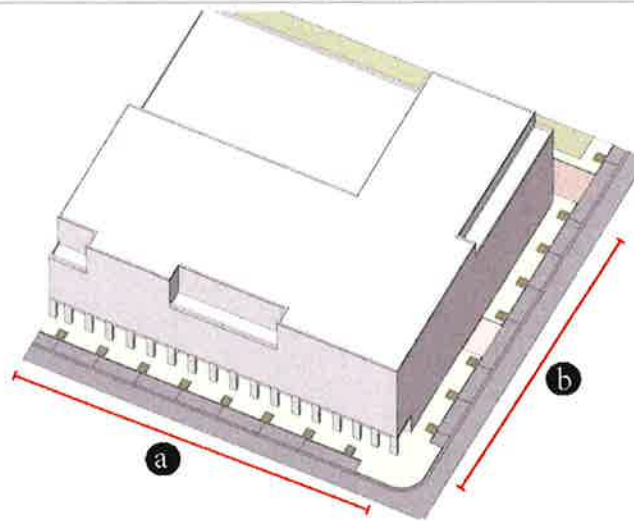
Table 3: LINER BUILDING TYPE

Permitted Heights Range: 6-8-stories or 112 feet

BUILDING MASSING

DEFINITION: A building that conceals a garage, or other faceless building, that is designed for occupancy.

- BUILDING LINE
- PROPERTY LINE
- COLONNADE
- ACTIVE USE
- PARKING AREA
- LOT WIDTH
- LOT DEPTH



LOT STANDARDS	MIN.	MAX.
a. Lot Width	N/A	N/A
b. Lot Depth	N/A	N/A
c. Lot Area	22,000 SF	N/A
d. Impervious Area	N/A	90%

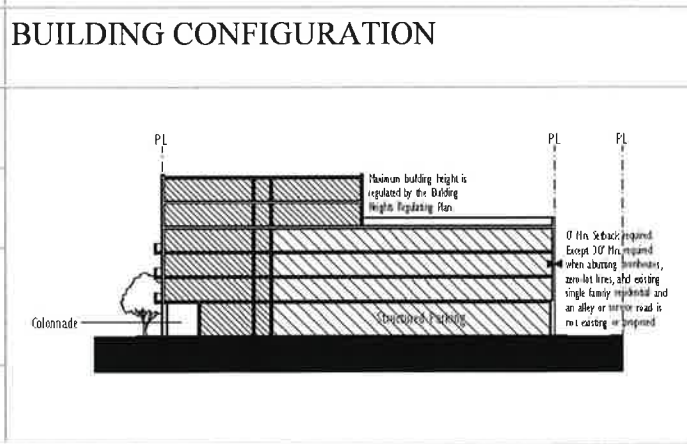


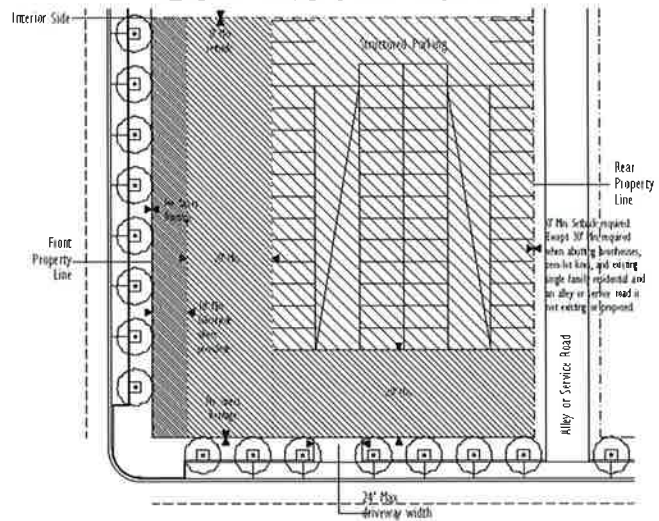
EXHIBIT C

e. Pervious Area	10%	N/A
f. Street Setbacks (front and side)	10'	N/A
g. Other Setbacks (Interior side and rear)	0'(1)	N/A

NOTES:

- (1) Except 30' minimum when abutting an existing residential district.
- (2) The minimum depth of the active use lining the garage or other faceless building shall be 20 feet.

BUILDING SETBACKS



EXAMPLES OF LINER CONFIGURATION

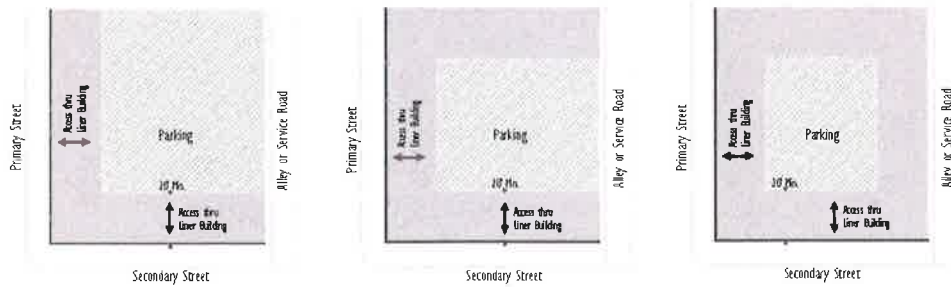


EXHIBIT C



Liner buildings along Main Street in City Place



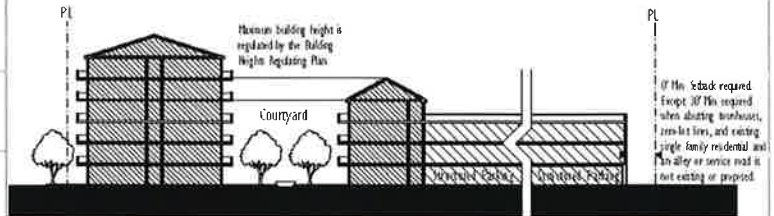
View from rear of lot showing parking garage structures lined along the street

Table 4: COURTYARD BUILDING TYPE A

Permitted Heights Range: 4-6 Stories or 88 feet			BUILDING MASSING
<p>DEFINITION a building characterized as having a central open space that is open to the sky and enclosed by habitable space on at least three sides with detached surface or garage parking.</p> <p> BUILDING LINE PROPERTY LINE ACTIVE USE PARKING AREA LOT WIDTH LOT DEPTH </p>			
LOT STANDARDS	MIN.	MAX.	BUILDING CONFIGURATION
a. Lot Width	N/A	N/A	
b. Lot Depth	N/A	N/A	

EXHIBIT C

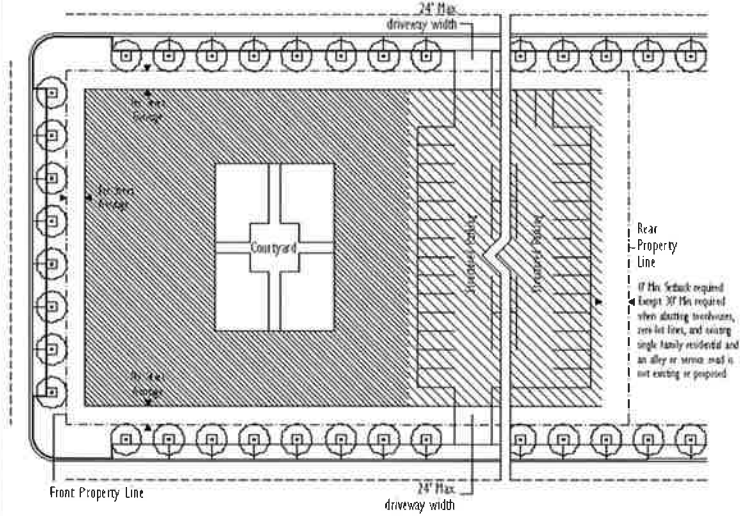
c. Lot Area	24,000 SF	N/A
d. Impervious Area	N/A	90%
e. Pervious Area	10%	N/A
f. Street Setbacks (front and side)	10'	N/A
g. Other Setbacks (Interior side and rear)	0'(1)	N/A



NOTES:

(1) Except 30' minimum when abutting an existing residential district.

BUILDING SETBACKS



EXAMPLES OF BUILDING CONFIGURATION

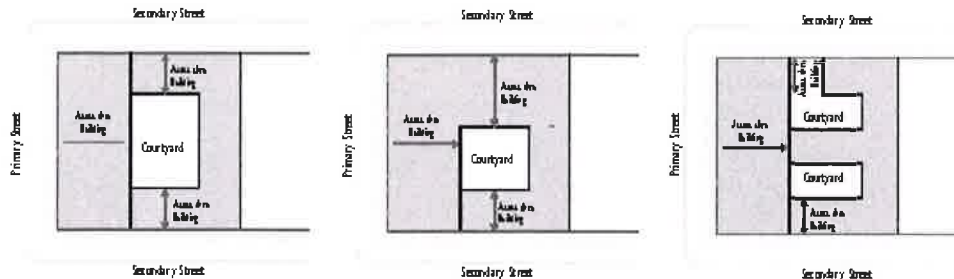


EXHIBIT C



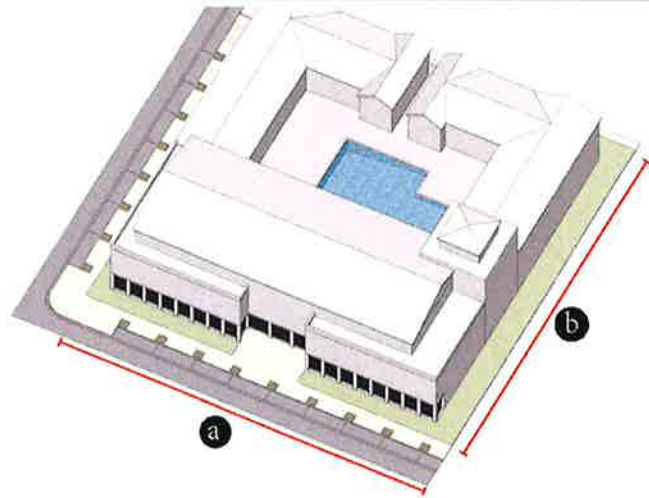
Table 5: COURTYARD BUILDING TYPE B

Permitted Heights Range: 4-6 Stories or 88 feet

BUILDING MASSING

DEFINITION: a building characterized as having a central open space that is open to the sky and enclosed by habitable space on at least three sides with attached parking.

- BUILDING LINE
- PROPERTY LINE
- ACTIVE USE
- PARKING AREA
- LOT WIDTH
- LOT DEPTH



LOT STANDARDS

MIN. MAX.

BUILDING CONFIGURATION

a. Lot Width

N/A N/A

b. Lot Depth

N/A N/A

c. Lot Area

24,000 SF N/A

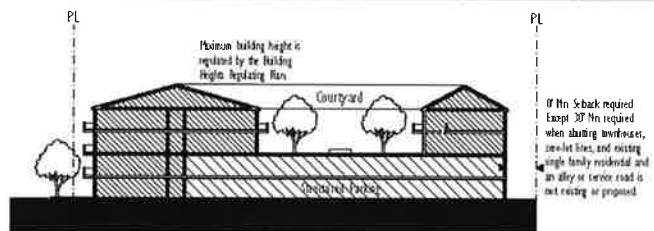


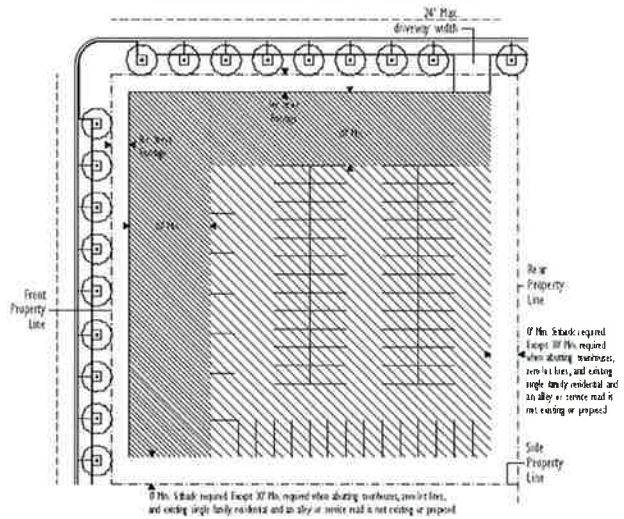
EXHIBIT C

d. Impervious Area	N/A	90%
e. Pervious Area	10%	N/A
f. Street Setbacks (front and side)	10'	N/A
g. Other Setbacks (Interior side and rear)	0'(1)	N/A

NOTES:

- (1) Except 30' minimum when abutting an existing residential district. .

BUILDING SETBACKS



EXAMPLES OF BUILDING CONFIGURATION

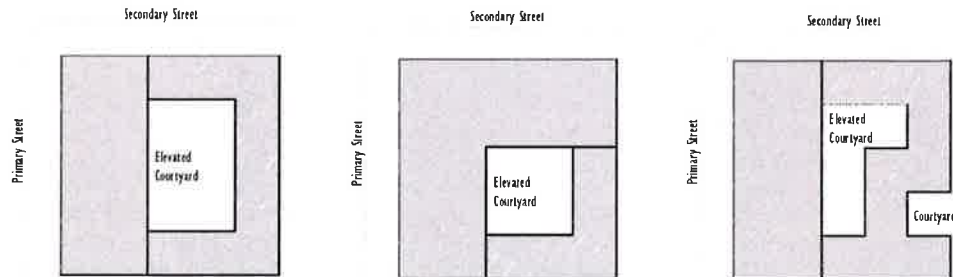


EXHIBIT C



EXAMPLES OF BUILDING CONFIGURATION

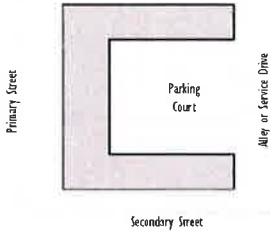
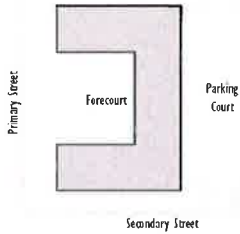
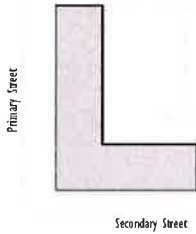


EXHIBIT C

Table 6: TOWNHOUSE BUILDING TYPE A

Permitted Heights Range: 3 Stories or 44 feet			BUILDING MASSING	
<p>DEFINITION: A single dwelling unit in a group of units that are attached horizontally in a linear arrangement to form a single building, with each single unit occupying space from the ground to the roof of the building, and located or capable of being located on a separate townhouse lot. Townhouse Building Type A dwelling units are considered a type of multifamily dwelling. A Townhouse Building Type A is distinguished by a detached garage/parking area thereby providing a private rear yard in the center of the lot.</p> <p> BUILDING LINE PROPERTY LINE ACTIVE USE PARKING AREA a LOT WIDTH b LOT DEPTH </p>				
LOT STANDARDS:	MIN.	MAX.	BUILDING CONFIGURATION	
a. Lot Width	25'	30'		
b. Lot Depth	80'	N/A		
c. Lot Area	1800 sf	N/A		
d. Impervious Area	N/A	90%		
e. Pervious Area	10%	N/A		

EXHIBIT C

f. Street Setbacks (front and side)	10'	N/A
g. Other Setbacks (Interior side and rear)	0'	N/A

NOTES:

1. Townhouse buildings shall provide a minimum of 15 feet between building groups. Building groups shall not be greater than 7 attached units in length.

PARKING STANDARDS:

The parking for Townhouse buildings shall be accessed from the rear of an alley or service road. Parking may be unenclosed, fully enclosed in a garage, or in a parking enclosure with a carport.

BUILDING SETBACKS

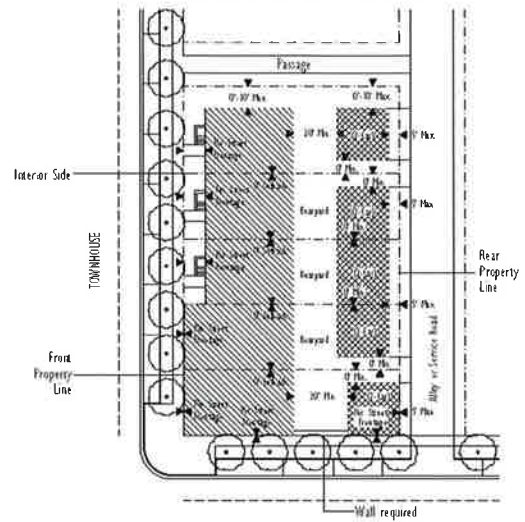


EXHIBIT C

Table 7: TOWNHOUSE BUILDING TYPE B

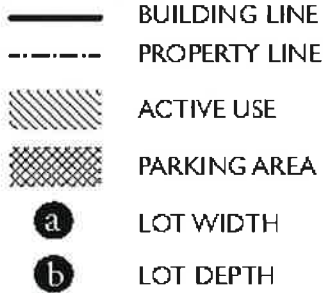
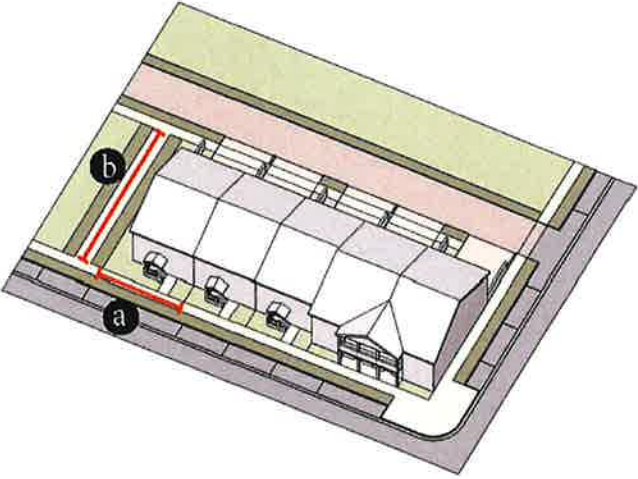
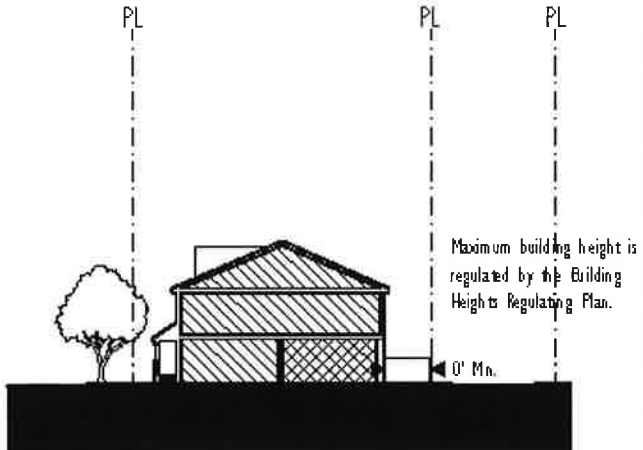
SUB-AREA: 3 Stories or 44 feet			BUILDING MASSING
<p>DEFINITION: A single dwelling unit in a group of units that are attached horizontally in a linear arrangement to form a single building, with each single unit occupying space from the ground to the roof of the building, and located or capable of being located on a separate townhouse lot. A Townhouse Building Type B units is considered a type of multifamily dwelling. Townhouse Type B Building Types are distinguished by an attached garage thereby not providing a private rear yard.</p> <p>  </p>			
LOT STANDARDS:	MIN.	MAX.	BUILDING CONFIGURATION
a. Lot Width	25'	30'	
b. Lot Depth	70'	N/A	
c. Lot Area	1800 sf	N/A	
d. Impervious Area	N/A	90%	
e. Pervious Area	10%	N/A	
f. Street Setbacks (front and side)	10'	N/A	

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g. Other Setbacks (Interior side and rear)	0'	N/A
<p style="text-align: center;">NOTES:</p> <p>1. Townhouses shall provide a minimum of 15 feet between building groups. Building groups shall not be greater than 7 attached units in length.</p> <p style="text-align: center;">PARKING STANDARDS:</p> <p>The parking shall be accessed from the rear off an alley or service road. Parking may be fully or partially enclosed in a garage under the principal building.</p>		<p style="text-align: center;">BUILDING SETBACKS</p>

ILLUSTRATIVE EXAMPLES TOWNHOUSE BUILDING TYPE



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(e) ***Performance standards.***

1. ***Building frontage standards***

Buildings may build to the setback line but are not required to do so. New buildings shall be designed to address the street and facilitate easy pedestrian access appropriate for an urban, mixed-use setting.

- a. A minimum of 80% of a building frontage shall abut the front street setback.
- b. A minimum of 60% of a building frontage shall abut any other street setback

2. ***Density.*** The land development regulations for the District shall provide for a density of up to 48 dwelling units per gross acre, which includes any density bonus, as calculated for the entire site. The Commission may grant bonus units that result in a density greater than 48 du/acre on an individual site so long as the average density for the entire district area does not exceed 48 du/acre. The regulations shall provide for a maximum FAR of 2.0 for non-residential uses. Development of sites within the District may exceed the maximum stated land use and density and FAR if appropriate and consistent with the policies contained herein and as provided in comprehensive plan.

3. ***Floor and ceiling height.***

- a. Building heights in stories and feet are established for each building typology specified under subsection (d) herein.
- b. Building height shall be calculated from the average elevation of the adjacent public sidewalk or the crown of the road if no sidewalk exists to the top of the highest story or, in the case of pitched roofs, to the average height between the bottom of the eave and the peak of the roof.
- c. No story shall exceed 12 feet except for a ground floor story or a top floor story, either are permitted to be no more than 20 feet.
- d. No building shall exceed the base height of 12 stories or 160 feet, unless adjusted per 4. a. below.

4. ***Building height additional provisions.***

- a. For the purpose of calculating the number of stories in a building, stories shall be defined as the space between finished floor and finished ceiling, adjusted as follows:
- b. Up to 3 levels of structured parking shall be exempted from the maximum height calculation provided that the parking levels are completely screened by a liner building at least 20 feet in depth.
- c. When parking levels are constructed on a slope or are connected by sloping or circular ramps, the number of stories shall be based on the non-

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sloped area. If there are no non-sloped areas, the number of stories shall be counted as the highest parking level plus each parking level below

- d. A mezzanine shall not count towards the number of stories provided that the total area of mezzanine level is less than 40 percent of the floor area of the main story below.

(f) ***Entrance and Façade Standards.*** Requirements are provided below for the location of a building's main entrance and the transparency of its façade.

1. ***Main entrance.***

- a. A building's main entrance is its principal point of access for pedestrians. All buildings shall locate their main entrance facing a street frontage, or a courtyard or forecourt that is entered from a street frontage. Additional building entrances are encouraged.
- b. Buildings fronting on two streets shall have a pedestrian entrance on both streets.

2. ***Façade transparency.***

- a. Transparency means the amount of transparent window glass or other openings in a building's facade along a street frontage, relative to the overall surface area of the façade. There shall be sufficient transparency provided such that natural surveillance of sidewalks and streets is possible and there is interior daylight, and to allow for clear views into a building.

(g) ***Architectural Consistency.*** All new buildings shall utilize an architectural vernacular that is consistent and harmonious with existing adjacent structures as well as those in the immediate vicinity per 78-330 (3) or Sec. 3-1. C., as applicable. To satisfy this provision, an applicant for new development or redevelopment may also enter into an agreement with adjacent property owners to upgrade the existing adjacent structures with new architectural features for the purposes of creating consistency with a new development. This agreement shall be presented to Town staff prior to scheduling for public hearing and include the following:

- a. Signed and sealed conceptual architectural elevation plans depicting the scope and extent of the proposed improvements.
- b. A signed letter from the adjacent property owners acknowledging their intent to either undertake or designate the project applicant to complete the proposed improvements pursuant to the development order timeline.
- c. A surety or bond, based on a certified cost estimate, for 110% of the improvement value in a form acceptable to the Town

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Attorney guaranteeing the proposed improvements will be initiated and completed by the dates specified per b. above.

(h) *Street, alley, and sidewalk easement standards.*

- ***Streets, blocks and connectivity.*** The district plan depicted in Figure 1 indicates the block structure to be created by existing and new streets within the C-3 district. Developers seeking site plan approvals shall develop structures on their properties that conform to the alignments depicted in Figure 1 and provide for streets and alleys that are accessible to the public. Developers may propose modifications to the Figure 1 alignments if the applicant can demonstrate to the satisfaction of the Community Development Department that the modifications would provide equivalent access and functionality. The east/west connections that provide connectivity between Lake Park and North Palm Beach shall not be altered and remain part of the publicly accessible connectivity grid, whether vehicular or pedestrian, of a development plan.

1.

- a. If a developer proposes a modification that is determined not to provide equivalent access and functionality, it may be presented to the Town Commission for their consideration if the developer:
 - i. Provides mitigation in the form of streetscape improvements on parcels under the developer's ownership, which shall be equivalent in length to the extent of whatever street or alley is being eliminated from the district plan or;
 - ii. Enters into an agreement with adjacent property owners to construct streetscape improvements of a length equivalent to the extent of whatever street or alley is being eliminated from the district plan as further described under b. below.
- b. If a developer proposes off-site mitigation on parcels not under their ownership, they shall enter into an agreement with the relevant property owners for the purposes of ensuring the completion of the work. This agreement shall be presented to Town staff prior to scheduling for public hearing and include the following:
 - i. Signed and sealed conceptual paving, grading, and drainage plans depicting the scope and extent of the proposed improvements.
 - ii. A signed letter from the adjacent property owners acknowledging their intent to either undertake or designate the

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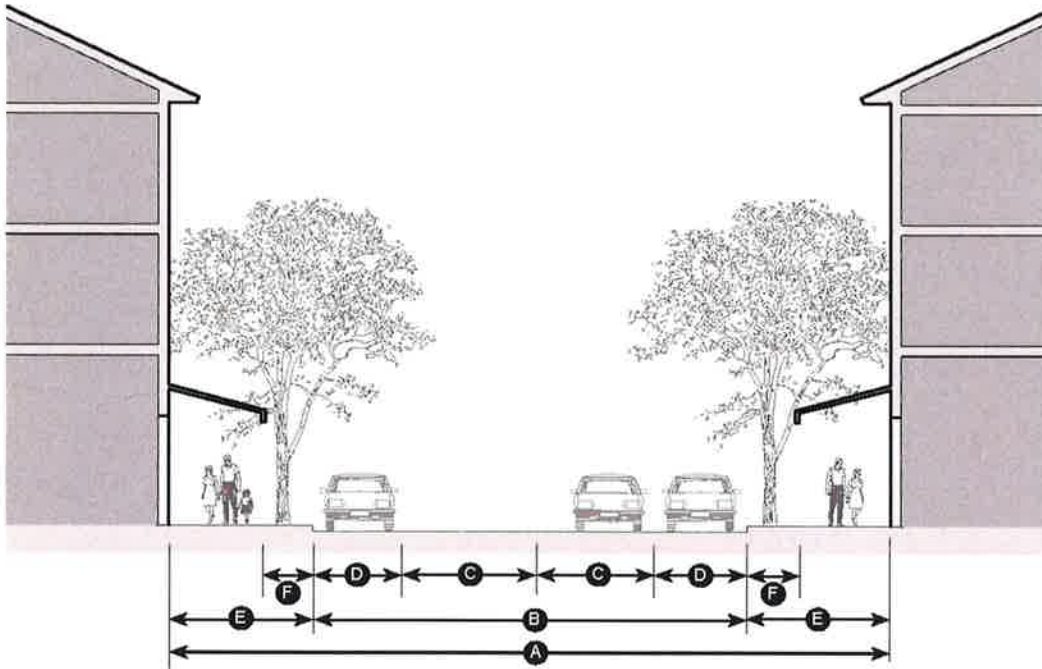
project applicant to complete the proposed improvements pursuant to the development order timeline.

- iii. A surety or bond, based on a certified cost estimate, for 110% of the improvement value in a form acceptable to the Town Attorney guaranteeing the proposed improvements will be initiated and completed by the dates specified per b. ii. above.

2. **Design standards for internal streets.** Streets shall be designed in accordance with Figure 2. Deviations may be permitted to address site specific conditions, existing infrastructure conflicts, and property ownership limitations, where it can be demonstrated that the design standards cannot be met. A deviation from the design standards shall be subject to the review of the Community Development Department, a recommendation from the Planning & zoning Board, and the approval of the Town Commission.
3. **Other design standards.** On subjects where Figure 2 does not provide design guidance, for instance driveway widths and curb radii at intersections, design shall be in accordance with NACTO's *Urban Street Design Guide*. Pavement, subgrade, drainage, and utilities shall meet construction specifications of the Town.
4. **Ownership and maintenance.** Property owners shall be responsible for the regular upkeep and maintenance of all streets and alleys immediately adjacent to their properties, unless otherwise provided for in a development order or other governing document.
5. **Alleys.** The alleys shown on the district plan in Figure 1 shall be provided for access to adjoining parcels. The Town may require property owners to provide additional alleys to accomplish the intent of the C-3 district.
6. **Sidewalk easements.** Property owners abutting any street depicted on the district plan, including Northlake Boulevard and US1 shall dedicate to the town, by deed or plat a 10-foot perpetual sidewalk easement along those street frontages in furtherance of the intent of the C-3 district. The property owner shall be responsible for paving the easement area to the same standards and elevation as the adjoining sidewalks at, or before the time of development.
7. **Utilities.** Utilities may be placed in the streets, easement corridors, and alleys in locations acceptable to the Seacoast Utility Authority and the Town.

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Figure 2



Description:	Details:	Key:
Width of Street	60'	A
Movement type	Slow	
Target speed	25 mph	
Width of pavement	36'	B
Travel lanes	10' travel lanes	C
Bicycle facilities	shared travel lanes	C
On-street parking	8' parallel parking	D
Pedestrian facilities	10' sidewalks	E
Furnishing strip:		F
Planter type	5' by 5' tree grates	
Tree spacing	30' average	

EXHIBIT C

(i) Landscaping standards.

Landscaping shall be required as provided in Article VIII of Chapter 78, except as modified by the following requirements that are specific to properties in the C-3 district:

1. *Buffers:*

- a. Hedges are required around the perimeter of parking areas and other vehicular use areas in accordance with the details in Sections 78-253 and 78-254.
- b. Screening is required around storage and service areas in accordance with the details in Section 78-253.
- c. Landscaped buffers are not required around the perimeter of properties, except where hedges are required around parking areas or other vehicular use areas or where screening is required.
- d. Along Northlake Boulevard, hedges and screening shall not be placed on or within a sidewalk easement.

2. *Parking area interior landscaping for unroofed parking areas:* At least ten percent of the total parking lot surface area shall be devoted to landscaped areas. At least one tree shall be planted for every 250 square feet of required internal planting area. Interior landscaping areas shall not count toward satisfying a property's pervious space requirement.

3. *Clear visibility triangles:* Clear visibility triangles are required in accordance with section 78-253. A clear visibility triangle shall be provided whenever driveways and streets meet Northlake Boulevard.

4. *Foundation landscaping:* Foundation landscaping is required within 15 feet of all buildings in accordance with section 78-253.

5. *Indigenous native vegetation:* To reduce maintenance and water consumption, landscaping shall include at least 75 percent indigenous native trees and 75 percent indigenous native shrubs. Trees and shrub species that qualify as indigenous native vegetation are those designated as "native" in "*Low-Maintenance Landscape Plants for South Florida*" (latest edition published by the University of Florida IFAS Extension office).

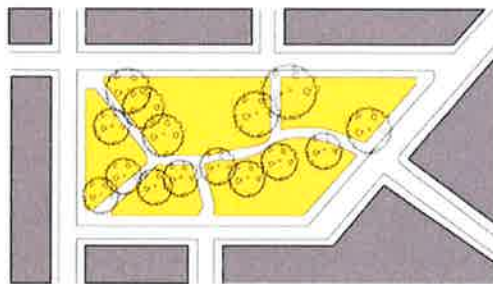
EXHIBIT C

6. **Installation:** All landscaping shall be installed using xeriscape principles, including water conservation through the appropriate use of drought-tolerant plants, mulching and the reduction of turf areas. Irrigation systems shall be designed to operate only when needed and only in those areas that require irrigation.

(j) Open Space Standards

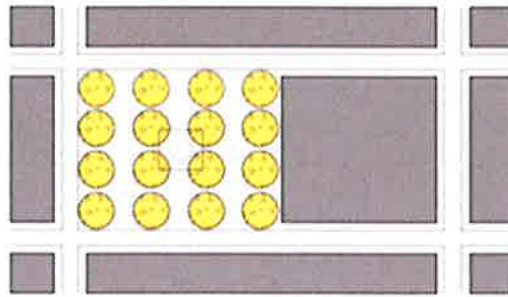
1. **Open space type configuration and design.** In order to improve the C-3 district's aesthetics, all property owners developing their properties shall provide high quality, pedestrian-oriented open space on their properties. This open space may be utilized to satisfy the minimum pervious area requirements outlined under subsection (d) for each building typology, in addition to other open spaces on the property. Only those pervious areas within the open spaces on the property shall be counted toward satisfying the pervious area requirements of subsection (d). The standards for each open space type are outlined below.

- a. **Greens.** Exclusive of dedicated rights-of-way, the maximum impervious area of a green is 20 percent. The pervious surface areas shall consist primarily of drought tolerant ground covering, trees, and garden structures, such as benches and tables without concrete pads for support, and permeable walkways. Any impervious surfaces shall consist of hard-surfaced areas such as concrete walkways, garden structures with concrete pads for support, shade structures, or other features deemed appropriate by the Community Development Department.

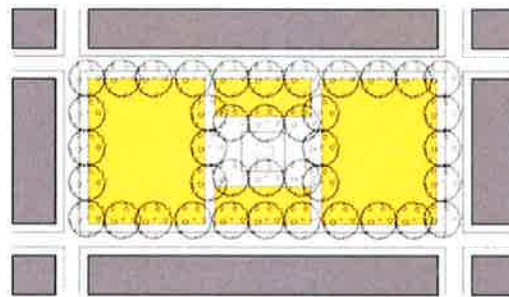


- b. **Plazas.** Exclusive of dedicated rights-of-way, the maximum impervious surface area of a plaza is 85 percent. The pervious surface areas shall consist primarily of drought tolerant ground covering, trees that are regularly spaced, permeable walkways, shade structures, and garden structures such as benches and tables. The impervious surfaces shall consist of paved areas, permanent architecture such as archways, statues, gazebos, fountains, pools, or other features deemed appropriate by the Community Development Department.

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- c. **Squares.** Exclusive of dedicated rights-of-way, the maximum impervious area of a square is 50 percent. The pervious surface areas shall consist primarily of drought tolerant ground covering, trees that are regularly spaced, shade structures, and permeable walkways. Any impervious surfaces shall consist of hard-surfaced public gathering spaces, gazebos, fountains, statues, and other features approved by the Community Development Department.



(k) Parking standards.

- (1) **Location of parking lots.** Surface parking lots and other vehicular use areas shall be screened from streets as required by section 78-253, except where the building provides the screening.
- (2) **Parking space ratios.** Table 8 provides parking space ratios for various uses on a site. These ratios establish the minimum number of on-site parking spaces subject to any adjustment granted by the Commission as provided in subsection 3. The resulting number of parking spaces replaces conflicting standards in section 78-142.

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Table 8 __ Parking Space Ratios

PROPOSED USE	PARKING SPACE RATIO
Residential Uses	
Community residential home	0.25 per resident
Dwelling, all other dwelling types, may include assisted living component, includes live/work units	1.45 per unit (plus 1 per 1,000 sq. feet for work component)
Lodging Uses	
Bed-and-breakfast establishment	1.15 per guest room
Motel/hotel	1.15 per guest room
Business and Commercial Uses	
Art Gallery	3 per 1,000 sq. feet
Animal day care	4 per 1,000 sq. feet
Animal service establishment	3 per 1,000 sq. feet
Bakery	4 per 1,000 sq. feet
Bank, or financial institution	4 per 1,000 sq. feet
Brewpub	10 per 1,000 sq. feet
Coffee Shop	5 per 1,000 sq. feet
Craft Distillery	5 per 1,000 sq. feet
Day-care center	4 per 1,000 sq. feet
Deli	4 per 1,000 sq. feet
Entertainment, Indoor	4 per 1,000 sq. feet
Grocery, general and specialty, including Fruit and Vegetable Market	4 per 1,000 sq. feet
Ice Cream Parlor	3 per 1,000 sq. feet
Mailing, shipping, packing store	3 per 1,000 sq. feet
Offices, general	3 per 1,000 sq. feet

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Office or clinic, medical	4 per 1,000 sq. feet
Personal Services	3 per 1,000 sq. feet
Retail	3 per 1,000 sq. feet
Restaurants, general and specialty	10 per 1,000 sq. feet
Stores & services, large format	3 per 1,000 sq. feet
Theater, indoor	5 per 1,000 sq. feet
Civic Uses	
Civic space	----
Public space	----

(3) ***Parking space adjustments.*** A reduction in the requirement can be applied if a Traffic Management Plan (TMP), which demonstrates that there will be adequate parking for the proposed uses. A TMP is required whenever a property owner or developer proposes parking which is less than that which is required by the town code. The TMP shall identify the strategies for reducing single-occupancy vehicle trips and present relevant data and analysis which is professionally reliable demonstrating that less parking than that which is required by the town's code is justified.

Alternatively a reduction in the requirement can be applied if a shared parking study, prepared by a professional engineer, based on the latest recommendations of the Urban Land Institute is submitted and demonstrates that there will be adequate parking.

(4) ***Loading standards.*** Refer to Sec. 78-143.

(1) ***Signs.*** Refer to Chapter 70.

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EXHIBIT D

TABLE 1

	PERMITTED USE	SPECIAL EXCEPTION USE
Residential Uses		
Community residential home	●	
Dwelling, all other dwelling types, may include assisted living component, includes live/work units	●	
Lodging Uses		
Bed-and-breakfast establishment	●	
Motel/hotel	●	
Business and Commercial Uses		
Art Gallery	●	
Animal day care	●	
Animal service establishment		●
Bakery	●	
Bank, or financial institution	●	
Brewpub		●
Coffee Shop	●	
Craft Distillery		●
Day-care center	●	
Deli	●	
Entertainment, Indoor		●
Grocery, general and specialty, including Fruit and Vegetable Market	●	
Ice Cream Parlor	●	
Mailing, shipping, packing store	●	
Offices, general	●	
Office or clinic, medical	●	
Personal Services	●	
Retail	●	
Restaurants, general and specialty	●	
Stores & services, large format		●
Theater, indoor	●	

Civic Uses	
Civic space	●
Public space	●

REFERENCE-ONLY

DEFINITIONS FROM THE TOWN CODE SECTION 78-2 (some are in the approval process)

Community residential home

Community residential home means, as defined in F.S. ch. 419, a dwelling unit licensed to serve clients of the state department of children and family services, which provides a living environment for seven to 14 unrelated residents who operate as the functional equivalent of a family, including such supervision and care by supportive staff as may be necessary to meet the physical, emotional and social needs of the residents, and which meet the notification requirements of F.S. ch. 419.

Dwelling, all other dwelling types, may include assisted living component

Dwelling unit means an interconnected group of rooms located within a structure that form a single, habitable unit with facilities for living, sleeping, cooking and eating.

Bed-and-breakfast establishment

Airbnb's / Bed and Breakfast Inn means a use catering primarily to short-term rental or boarding, with the operator residing on site. Airbnb's or Bed and Breakfast Inns shall be permitted inside existing single-family homes and mixed-use liner units in districts where they are a permitted use.

Motel/hotel

Motel/hotel means a commercial establishment used, maintained or advertised as a place where sleeping accommodations are supplied for short term rents to tenants. The establishment may be constructed in a building or a group of buildings and may include one or more accessory uses such as dining rooms/restaurant or convenience/retail stores

Art Gallery

Art Gallery means a use dedicated to the display of artwork, which may or may not be for sale.

Animal day care

Animal day care establishment means an indoor facility operated between the hours of 7:00 a.m.—10:00 p.m., for the purpose of providing care and protection of domesticated animals, no overnight boarding.

Animal service establishment

Animal service establishment means any establishment having an outdoor component and any establishment which may include any of the following uses as specified in the individual zoning district.

- (1) *Pet stores.* An indoor facility operated for the sale of domesticated animals, which includes overnight boarding;
- (2) *Boarding kennel.* An indoor facility, where domesticated animals are boarded during the daytime or kept overnight.

Noise nuisances which exceed permitted decibel levels as prescribed in the section 10-155 shall be mitigated by requiring extra insulation or any other improvements which is certified by a licensed noise professional and submitted to the town's community development department under a building permit application. Boarding shall be limited to domesticated animals. The town commission may require sound proofing or additional setbacks and landscaping to minimize noise and visual impacts on adjacent properties. Outdoor runs shall be paved or turfed, fenced, and connected to a town-approved wastewater treatment facility and shall not be located any closer than 40 feet from adjacent residentially-zoned properties.

Bakery

Bakery means an establishment engaged in the mixing, preparation, packaging, and sale of edible goods created on-premises at either retail or wholesale.

Bank, or financial institution

Bank, or financial institution means an entity primarily engaged in financial services including but not limited to receiving savings deposits, cashing checks, and the provision of credit.

Brewpub

Brewpub means an establishment that manufactures and sells beer products in conjunction with a restaurant that acts as the primary use.

Coffee Shop

Coffee Shop means a business engaged in the brewing and sale of coffee, tea, and customarily-associated confectionary goods. Coffee shops may have a lounge area and space for live entertainment.

Craft Distillery

Craft Distilleries shall be differentiated from a distillery by production limitations and an on-site sales component. A craft distillery shall mean a licensed distillery that produces 75,000 or fewer gallons per calendar year of distilled spirits on its premises that has notified the State in writing of its decision to qualify as a craft distillery.

Deli

Deli shall mean a business deriving part of its profits from quick-service sandwich sales and part of its profits from the retail sale of meats, cheeses, and condiments.

Entertainment, Indoor

Entertainment, indoor means a commercial establishment offering to the public entertainment or games of skill in an enclosed building. Adult arcades and internet cafes are not permitted.

Grocery, general and specialty, including Fruit and Vegetable Market

Proposed Definition: *Grocery, general* means an establishment offering a variety of fresh merchandise, including poultry, beef, vegetables, fruits, breads, dairy products, and household supplies and items.

Grocery, specialty means an establishment offering a variety of specialty fresh merchandise, including poultry, beef, vegetables, fruits, breads, dairy products, and similar items of a specialty or ethnic nature.

Ice Cream Parlor

Ice cream parlor means an establishment engaged in the sale of ice cream, gelato, frozen yogurt, or similar frozen refreshments and assorted confectionary products for consumption on or off-premises.

Mailing, shipping, packing store

Mailing, shipping, packing store means a business engaged in logistics operations, including shipment, packaging, and delivery for private and public parties.

Offices, general

Office, business and professional, means an establishment providing executive, management, administrative, or professional services to the public. Such offices include, but are not limited to, advertising offices; business offices of private companies; business offices of utility companies, public or nonprofit agencies, and trade associations; employment agencies, excluding day labor and labor pool services; professional or consulting offices for accounting, architecture, design, engineering, landscape architecture, law, planning, and similar professions; property and financial management, and real estate; secretarial and telecommunication services; and travel agencies.

Office or clinic, medical

Office or clinic, medical means an establishment with services including medical, dental, and other health-care activities by practitioners licensed by the state of Florida and by technicians and assistants acting under their supervision, but not including overnight stays.

Personal Services

Personal services means an establishment providing services of a personal nature that are necessary on frequent or recurring basis, but excluding those services specifically classified as an individual use. Personal services may include the accessory retail sale of items related to the service rendered. Personal services also

means an establishment that provides informational, instructional, personal improvement or services of a similar nature, especially those conducted in large groups and/or on a reoccurring basis. Such services include, but are not limited to, art and music schools, beauty shops and barbershops, licensed massage therapists, manicurists and services of a similar nature.

Retail

Retail sales means the sale, incidental repair and rental of goods, including bulky goods such as household appliances, that are sold on a retail basis excluding those uses specifically classified and regulated as a separate use in the use chart.

Restaurants, general and specialty

Restaurant means an establishment where food and beverages are prepared, served and consumed primarily on the premises.

Restaurant, specialty means an establishment where specialty or ethnic food and beverages are prepared, served and consumed primarily on the premises.

Stores & services, large format

Stores & services, large format means establishments that sell food or merchandise or provide personal or professional services containing over 50,000 square feet of enclosed floor area.

Theater, indoor

Theater, indoor, means an enclosed building which offers to the public live performances or motion pictures.

Civic space

Civic space is a small outdoor public space that serves as a focal point for civic and recreational uses.

Day-care center

Proposed definition: A daycare facility is an establishment for the care and supervision of unrelated children conforming with the standards set forth for such facilities by the Florida Department of Children and Families.

Public space

Proposed definition: Public space is a large outdoor gathering area that can be used for events, public gatherings, and recreational uses.