# TOWN OF DAVIE
# TOWN COUNCIL AGENDA REPORT

**TO:** Mayor and Councilmembers

**FROM/PHONE:** Mark A. Kutney, AICP, Development Services Director / (954) 797-1101

**PREPARED BY:** Marcie O. Nolan, Acting Planning and Zoning Manager and Contract Administrator.

**SUBJECT:** Resolution

**AFFECTED DISTRICT:** District 1 & 2

**ITEM REQUEST:** **Schedule for Council Meeting**

**TITLE OF AGENDA ITEM:** A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, APPROVING THE TOWN OF DAVIE REGIONAL ACTIVITY CENTER ERA MARKET ANALYSIS AND AUTHORIZING PAYMENT FOR SUCH ANALYSIS TO EDSA; AND TO ACKNOWLEDGE SUCH APPROVAL BY AFFIXING THEIR SIGNATURES TO SAID RESOLUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

**REPORT IN BRIEF:** The Town Council approved Resolution #2007-53 on February 21, 2007 to amend the professional services agreement with EDSA for the regional activity center (RAC) master plan. Article 2, subsection 2.1.1 of the amendment requires the consultant to provide an economic impact assessment of the project. Such service was to be provided by Economic Research Associates (ERA) as a sub consultant to EDSA. According to the amendment, the contract administrator shall review and accept the documents and submit them along with an invoice for services to the Town Council for approval. Approval of this resolution would formally accept the findings of the Market Analysis and authorize the release of funds consistent with the amendment.

A positive development environment for Davie with focus on residential and retail opportunities due to population growth while having a modest office development activity are the central findings of the analysis prepared by the sub consultant ERA Additionally, the study considers that the RAC could significantly benefit from a successful transit program.

As key points for the regional activity center (RAC) master plan, ERA presented the following:

1. There are opportunities to improve the market/economic/fiscal pattern with strong planning and architectural design that will make residential living within the RAC an attractive option by promoting the area as a place to live, work and play with minimal travel time or alternative transportation sources.

2. A modest office development is expected for the RAC, basically related with services in the Community Redevelopment Area (CRA) and with the academic areas, focused on research space between campuses, particularly near the proposed light rail station.

3. It is estimated that from a transit linkage standpoint, residential and office will be stronger drivers than retail. However, the RAC should have retail development as a desirable objective since it offers good opportunities due to preferred locations, connection and integration with innovative (urban) development concepts focused on mixed density and mixed uses with transit linkages and available incentives.

4.Quality retail expansion is viewed as desirable from quality of life, image and town revenue perspectives. The Davie RAC retail appears to be clustered around sub-areas like downtown with restaurants and small-shops, and the proposed Academical Village. Any large scale would most logically fit the northeast quadrant of the RAC for visibility.

5. Potential catalyst projects within the RAC are the Academical Village proposed on the west side of the RAC, as well as the Downtown Davie are with its mixed use development. The educational facilities are a unique asset to the RAC.

6. The Transit Oriented Development (TOD) with the proposed light rail line on the northern boundary of the RAC, as well as local transit opportunities within the RAC, present excellent opportunities to implement a strategy that capitalized on Davie's development opportunities, begin to resolve emerging traffic issues and link local existing and proposed urban assets. The transit concept, ERA concludes, could be the catalyst for coordinating local decision makers in a unified development strategy. This TOD could have as positive impact the ability to improve capture rates for residential and office uses, provide a place with a good quality of life, improve town revenues, increase redevelopment opportunities for Downtown Davie and positively impact the educational institutions in the area by reducing the need for increase parking areas that can be used for other educational goals., improve traffic circulation and connection between campuses.

Ultimately, the possibility of integrating a successful light rail transit option in an area with a significant educational institutional presence, a downtown with potential to become a vibrant destination for Davie residents and residents in adjacent communities, a site with other strong access via adjacent highways, and a growing population is a tremendous opportunity for the Town of Davie and RAC stakeholders.

**PREVIOUS ACTIONS:** R-2006-7 the Town Council approved the professional services agreement with EDSA to conduct the RAC master plan and implementation strategy. R-2007-53 authorizing the mayor and the town administrator to amend the professional services agreement with EDSA for the RAC master plan.

**CONCURRENCES:** N/A

**FISCAL IMPACT:** Yes

Has request been budgeted? Yes

If yes, expected cost: $ 28,401.90

Account Name: 001-0403-515.03-06

**RECOMMENDATION(S):** To approve resolution for payment in connection with the submittal of the Market Analysis presented by ERA.

**Attachment(s):** Resolution, Invoice, Final Report of Town of Davie Regional Activity Center ERA Market Analysis.

RESOLUTION _____

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, APPROVING THE TOWN OF DAVIE REGIONAL ACTIVITY CENTER ERA MARKET ANALYSIS AND AUTHORIZING PAYMENT FOR SUCH ANALYSIS TO EDSA; AND TO ACKNOWLEDGE SUCH APPROVAL BY AFFIXING THEIR SIGNATURES TO SAID RESOLUTION; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Town of Davie has designated a portion of the Town as a Regional Activity Center (RAC) land use category; and

WHEREAS, the Town wishes to implement the vision of the regional activity center land use category through the creation of a RAC master plan; and

WHEREAS, the Town by R-2006-7 approved the professional services agreement with EDSA to conduct the RAC master plan and implementation strategy; and

WHEREAS, the Town by R-2007-53 authorized the mayor and the town administrator to amend the professional services agreement with EDSA for the RAC master plan; and

WHEREAS, the Town requested in the amendment to the professional services agreement that the consultant provides an economic impact assessment of the project to be executed by Economic Research Associates (ERA) as a sub consultant to EDSA.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

SECTION 1. The Town Council of the Town of Davie accepts the findings of the Town of Davie Regional Activity Center ERA Market Analysis for the RAC master plan and authorizes payment consistent with the terms of the amendment to the agreement.

SECTION 2. This Resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2007

_____
MAYOR/COUNCILMEMBER

ATTEST:

_____
TOWN CLERK

APPROVED THIS _____DAY OF _____, 2007.

ERA

Economics Research Associates

Final Report

**Town of Davie Regional Activity Center**

**ERA Market Analysis**

Presented to:

**Town of Davie / RAC Master Plan Steering Committee**

Presented by:

**Economics Research Associates**

May 2007

ERA Project Number: 16945

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## Introduction

Economics Research Associates (ERA) was retained to EDSA's Town of Davie Regional Activity Center (RAC) Master Planning Team to review the RAC Master Plan concept in terms of market feasibility potential redevelopment activity on the 2,200 acre site (including implications for specified transit-oriented development strategies). ERA's work included the following:

1) Redevelopment Analysis Orientation,including:
    a. Review RAC Master Plan concept
    b. Review identified planning and economic data
    c. Interviewed identified appropriate local project participants
    d. Tour project and adjacent areas
    e. Review ERA's project priority objectives and agreed-to work program and determine ERA's primary report products

2) Development Market Analysis, including:
    a. Market projections, priority development opportunities, leading to estimated low-high forecast of potential market capture for identified proposed major land uses
    b. Work with team to review recommended transit opportunities and initially define how these options could impact site market demand and density
    c. Summarize development potential opportunities, including probable market priorities, potential implications of support transit, justification for funding via case studies

3) Development projections (preliminary matrix format), based on ERA's market analysis of potential development functions related to: scale, density, phasing, locational considerations, transit linkage, and considered development concepts

ERA's final product includes primary market conclusions and related development implications for the redeveloped and transit-oriented RAC project. The following matrix highlights considerations with regard to Town of Davie near term development market opportunities.

### Davie Development Market Summary

As described in the following report, ERA research reveals a generally positive development environment for Davie, including:

- S.E. Florida attributes and features
- Excellent and increasingly important highway access
- Adjacent major airport facility
- Adjacent urban (Ft. Lauderdale) and recreation amenities
- Academic concentration and potential spin-off economic development

With respect to the defined RAC Master Plan area, ERA generally projects continued population growth with approximately 50% of Davie's new residential activity in the Master Plan area. Additional market opportunities include:

**Office:** Modest development activity, primarily community services with some broader potential in the Community Redevelopment Area (CRA) and in the academic areas (i.e. especially with transit-oriented development)

**Retail**: Access and continued population growth have positive retail development implications for Davie. ERA's local assessment indicated that quality retail expansion is generally viewed as desirable from quality of life, image and town revenue perspectives.

With respect to the CRA priority transit considerations, ERA concludes that Davie, like other regional communities, could significantly benefit from a successful transit program. The obvious crucial planning (and market) consideration will be - how can the town maximize opportunity sites through higher density development with integrated transit components? In ERA's opinion, this will be a priority consideration for the Regional Activity Center (RAC) program.

| Regional Activity Center (RAC) Considerations | | | | | |
|---|---|---|---|---|---|
| **Category** | **Transit Implications** | **Residential Development** | **Retail Development** | **Office Development** | **Academic** |
| Development Opportunities | Transit - both light rail on the northern boundary of the site and within the RAC, will help to improve the quality of life for RAC residents and day-time population. Transit can have the greatest impact on residential and office demand. | There is little on-campus housing planned for most of the campuses within the RAC so there is an opportunity to support demand on adjacent land. There are also opportunities to infuse urban residential opportunities downtown and explore alternative housing options. Incorporated affordable housing can accommodate single person households, young households, students, and services employees. It could include rental and ownership options. A growing population from anticipated residential activity can also increase tax revenues that are currently distributed on a per capita basis. | Retail has the opportunity to attract residents from adjacent communities and day-time users within RAC in addition to Davie residents. Retail generation from developments like power centers can help increase retail pull within the greater Davie community so more retail dollars are being spent in Davie. Community and neighborhood level retail as well as power center development are most likely candidates given the current market. | Potential connections via university / college affiliations and collaborations is strongly encouraged. A mix of private, public, and academic office demand could occur, particularly near the proposed light rail station. | Most of the campuses are expected to have increased admissions, with additional campus development to support their student population. There is an opportunity to integrate certain kinds of development (e.g. parking and office / research space) as well as consider off-site development that could be used by multiple campuses. |
| Competition | There are numerous area cities that are anticipated to have a light rail station. It is imperative that Davie develop RAC to its full advantage in order to effectively compete with other proposed developments along the line. Now is certainly the time to pursue this concept. | There are numerous examples of regional communities that are building or planning mixed-use projects with higher density housing. Proximity to Davie RAC campuses will be an advantage to RAC proposed residential activity. | There is significant shopping center retail in adjacent communities. It is anticipated that these communities will continue to be regional destinations and ERA advises that the Davie retail strategy primarily focus on resident and RAC users. An exception would be any box development, which will also likely cater to residents in nearby communities. | There is significant office space in adjacent communities in business park areas. Again, potential connections to campuses within the RAC appear to be the greatest opportunity for Davie office development. | RAC campuses have the opportunity to be successfully integrated with existing and proposed development in the RAC – these connections can have a positive impact in serving and attracting students as well as faculty and other staff. The live / work / play lifestyle that accompanies thriving mixed use / transit oriented development with campus connections can create a unique urban environment. |

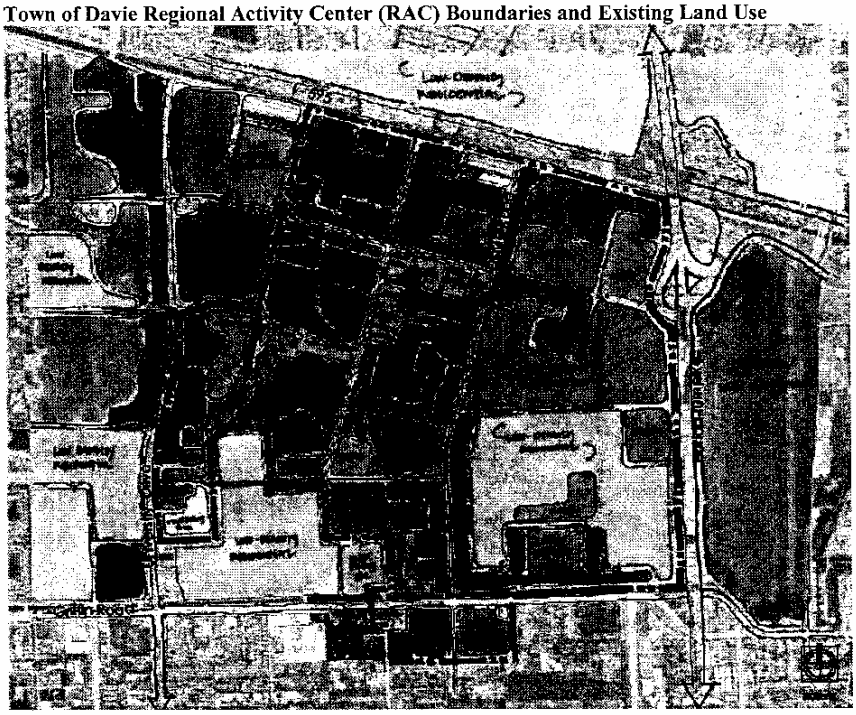
| Category | Transit Implications | Residential Development | Retail Development | Office Development | Academic |
|---|---|---|---|---|---|
| Locational Considerations | The northern part of the area has the greatest opportunity for new / revitalized development because of the proposed light rail station and related development conditions. Connections and transit improvement within the RAC will likely develop over time as development opportunities and campus needs evolve. | As proposed, higher density is crucial near the proposed transit light rail station. In ERA's opinion, density within the RAC should increase all around to support local transit options within the RAC and generate enough residents to support other proposed land uses as well as create a walkable, transit-oriented community | If any larger scale / big box development takes place, the most likely location would be in the north-east quadrant of the RAC. Community and neighborhood level retail is anticipated on the west side of the RAC (particularly in conjunction with the proposed academical village) and neighborhood level retail within the redevelopment of downtown in the south part of RAC. | Office activity will likely take place near campuses and near the proposed light rail station, as highlighted in the master plan. | Academic-focused space will likely be located on campus or directly adjacent to campuses, and potentially near the proposed light rail station. |
| Scale | Having the light rail transit station on the northern boundary of the RAC will permit higher densities in that section of the RAC. Greater density (primarily with regard to residential and office) is a key driver to generate more transit users and help to make the transit system more efficient from a financial standpoint. | Higher density (at least 15 to 20 DUs) within a quarter mile of proposed transit light rail station is considered necessary to maximize transit use and appeal of locating adjacent to such transit. Continuing south and east towards downtown density will decline, but should still approach 5 to 8 DUs per acre within these areas. This can be achieved with residential combined with commercial space along the downtown corridor while preserving the density of the neighborhood east of downtown. | Power center retail does not need to be near transit and there are some approximate locations in the northeast quadrant of the RAC for this type of retail. Other retail is anticipated to be at neighborhood or community level as mixed use development with the potential for a life-style type development. Downtown's niche is likely to include restaurants and small shops. | Near term scale for office / research space is dependent on demand most likely stemming from university / college affiliations. | Campuses within the RAC will benefit from future opportunities to consolidate and collaborate on campus uses and services in their land-locked environment. |

| Category | Transit Implications | Residential Development | Retail Development | Office Development | Academic |
|---|---|---|---|---|---|
| Phasing considerations | The sooner the light rail transit station comes online the better. In the meantime, shuttles can continue to provide access between campuses. As downtown becomes more developed (both with residential and commercial space) this shuttle system may extend to this area. Once the greater RAC density is more firmly established, the shuttle system can transition to a more attractive option like enhanced bus. | Innovative downtown and campus related housing opporutnities currently exist. Affordable housing opportunities could be an important consideration. Again, note that affordable housing offers rental and ownership housing opportunities to a variety of local markets. Phasing will occur with the transit station development, campus needs for student housing off-campus, and downtown revitalization. | Some power center development could occur in near-term. A lifestyle-type development is another potential consideration that could cater to existing campus / day-time RAC users and resident populations. | ERA encourages the universities / colleges to strategize partnerships in the near-term to serve common needs and to facilitate strong programs (potentially research related) in the future. | Phasing will be according to individual campus strategies and the RAC should anticipate potential new related commercial and office and residential activity stemming from the student population growth and academic focuses of these campuses. |
| Transit linkage | Linkages between campuses, core residential areas of the RAC, and Downtown Davie create potential for a unique transit-oriented community. | Higher density residential within one quarter mile of the light rail station and other mid-high density residential clusters around the rest of the RAC near proposed alternate transit stops will mesh with market opportunities and maximize usage of the transit opportunities. | From a linkage standpoint, residential and office will be stronger drivers for transit use than retail. | From a linkage standpoint, residential and office will be stronger drivers for transit use than retail. | Current transit options can expand and improve to accommodate campus growth and needs as well as connect campuses with the community within the RAC. |
| Innovative development concepts to maximize the development program | It is obvious that proposed transit methods will not function without subsidy. It could be important to work with developers in coordinating and identifying resources for financing packages in RAC TOD and TAD development. As case studies suggest, this can be a complicated process but when executed well makes forward-thinking development happen. Other local entities (including programs to meet local housing needs) could be beneficial branches to this coordinating effort. | ERA case studies show that communities have supported TOD residential development using a variety of financing, public support and incentives. Similar packages are anticipated in Davie. | The RAC and its various planned areas offer an opportunity to introduce various types of retail development. Downtown retail in particular will likely require a greater focus on development and tenant facilitation resources to attract tenants downtown. | Creative collaborations for commercial office / research space between campuses is possible within the RAC. | The conglomeration of campuses within the RAC provides potential further connectivity between campuses as well as with the Town and other local activities. |

## Town of Davie RAC Current Inventory

The Town of RAC boundaries are as follows:

**Town of Davie Regional Activity Center (RAC) Boundaries and Existing Land Use**

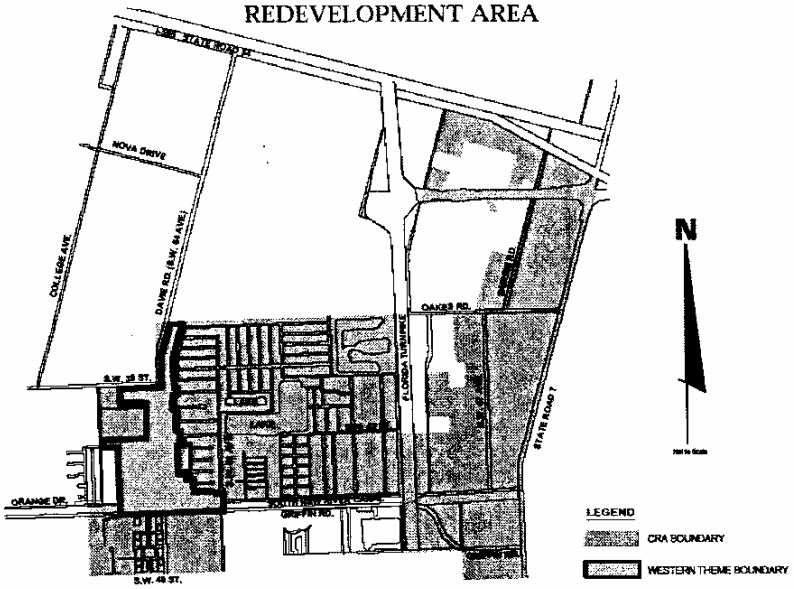


Source: EDSA

The following map delineates the boundaries of the Town of Davie Community Redevelopment Agency (CRA) area. A significant portion of the CRA is located within the RCA boundaries, primarily in the south-east quadrant of the RAC.

**Town of Davie Community Redevelopment Area (CRA)**

DAVIE COMMUNITY REDEVELOPMENT AGENCY
REDEVELOPMENT AREA




Source: Town of Davie CRA

Current inventory for the RAC by use is as follows (community facility square footage includes education institutional buildings). Note that total commercial / industrial / community square footage is 15.2 million SF:

**Table 1. Town of Davie RAC - Existing Development**

| Use | Existing |
|---|---|
| Residential - Dwelling Units | 7,882 |
| Commercial (Sq Ft) | 3,508,516 |
| Industrial (Sq Ft) | 5,144,410 |
| Community Facility (Sq Ft) | 6,553,026 |
| (Dormitory Rooms) | 2,000 |

Source: Town of Davie Regional Activity Center Inventory

The identified land use to support proposed transit opportunities in the Davie RAC is as follows:

**Table 2. Estimated Intensity to Support Transit System**

| Transit Option | Residential (Units) | Commercial / Industrial / Community (SF) |
|---|---|---|
| Enhanced Bus | 8,800 to 13,200 | 8,800,000 |
| Combined Electric Streetcar and Bus | 11,000 to 15,400 | 19,800,000 |
| Hybrid Streetcar (Diesel-Electric) | 15,400 to 22,000 | 33,000,000 |
| Electric Streetcar | 24,200 to 35,200 | 33,000,000 |

Source: EDSA Team

Under a hybrid streetcar scenario, an additional estimated 6,600 to 7,500 units would be recommended and an additional 17.8 million SF of commercial / industrial / community square footage.

## Town of Davie Revenue and Costs Considerations

The 2007 Town of Davie Budget is estimated at $98.926 million.[1] With an estimated population of 90,942, this equates to roughly $1,088 per resident. Revenues from Licenses & Permits as well as Inter-Governmental arrangements are detailed as follows. Note that particular revenue sources may increase with higher density arising from anticipated increased retail sales tax reveneus and ad valorem tax revenues to name a few.

**Table 3. Town of Dave - Revenue Category Subtotals**

| Account Title | Two Years Ago Actual | Last Years Actual | Adjusted Budget | Y-T-D Actual | Proposed Budget |
|---|---|---|---|---|---|
| Ad Valorem Taxes | $22,438,160 | 25,366,893 | 30,061,403 | 29,422,941 | 35,789,402 |
| Development Oriented Licenses & Permits | | | | | |
| Building Permits | $1,965,994 | $1,261,082 | $1,200,000 | $1,184,959 | $1,200,000 |
| Building Permits | $4,992,867 | $4,437,747 | $4,487,338 | $4,144,982 | $4,778,526 |
| Subtotal Licenses & Permits | $6,958,861 | $5,698,829 | $5,687,338 | $5,329,941 | $5,978,526 |
| Inter-Governmental | | | | | |
| State Revenue Sharing | $1,810,091 | $2,301,877 | $2,493,266 | $1,797,749 | $2,612,317 |
| Mobile Home Licenses | $77,045 | $76,908 | $77,000 | $81,867 | $77,000 |
| Beverage Licenses | $41,526 | $41,414 | $40,000 | $38,053 | $41,000 |
| Half Cent Sales Taxes | $4,620,982 | $4,790,885 | $4,981,826 | $4,812,921 | $5,362,093 |
| Firefighters Supp.Comp. | $21,100 | $27,259 | $33,500 | $33,770 | $27,500 |
| 4 Cent Local Opt.Gas Tax | $1,397,461 | $1,450,699 | $1,419,000 | $1,318,620 | $1,583,886 |
| Communications Svc Tax | $3,882,375 | $3,954,467 | $4,019,000 | $3,826,195 | $4,132,176 |
| Subtotal Intergovernmental | $11,850,580 | $12,643,509 | $13,063,592 | $11,909,175 | $13,835,972 |

Source: Town of Davie Fiscal Year 2006-2007 Budget

[1] Note: ERA does not have current information regarding the proposed state tax revenue changes.

**Table 4. Town of Davie - CRA Revenues**

| Account Title | Two Years Ago Actual | Last Years Actual | Adjusted Budget | Y-T-D Actual | Proposed Budget |
|---|---|---|---|---|---|
| Advalorem Taxes | 1,853,263 | 2,162,612 | 2,644,139 | 2,644,139 | 3,321,342 |
| Misc Fees - Charges for Service | 4,570 | 11,176 | 12,600 | 12,154 | 441,760 |
| Interest On Investments | 0 | 0 | 0 | 0 | 60,000 |
| Reserves/Cra Fund Balance | 0 | 0 | 3,505,458 | 0 | 0 |
| Subtotal Department | 1,857,833 | 2,173,788 | 6,162,197 | 2,656,293 | 3,823,102 |

Source: Town of Davie 2007 Budget

The following table provides examples of estimated general fund per resident as well as estimated population density. Though Sunrise and Plantation, for example, have a similar population size to Davie, the estimated general fund (or cost) per resident is higher in Davie. It is anticipated that the cost per resident can decrease with intensified density, particularly considering that the type of residential activity likely to take place in the RAC will accommodate a variety of households with varying degrees of public service needs. If this intensified density takes place within a smaller radius (for example, within the RAC) rather than distributed across Davie, there is an opportunity for have lower capital costs per resident related to costs like infrastructure.

**Table 5. General Fund Appropriations, Population, and Population Density**

| Community | 2006 Population | 06-07 Estimated General Fund | Per Resident | Square Miles | Population Density |
|---|---|---|---|---|---|
| Davie | 90,942 | $98,925,758 | $1,088 | 33.4 | 2,723 |
| Plantation | 87632 | $76,090,500 | $868 | 21.7 | 4,038 |
| Fort Lauderdale | 184,363 | 308916150 | $1,676 | 31.7 | 5,816 |
| Sunrise | 91,247 | $86,869,582 | $952 | 18.2 | 5,014 |

Source: Broward County Population Projections, City Budgets, city-data.com, ERA

## Population Trends – Master Plan Team Information Review

ERA reviewed Master Plan team information compiled to-date on population characteristics. Notable trends presented in this information include:

**Income and Home Values**

- The median value of owner-occupied housing in the Regional Activity Center (RAC) area is between $80,000 and $97,500 (Census Tract 701 .01 on the eastern side and Tract 702.04 on the western portion), which compares to $151,900 among the Town of Davie's 14,314 single-family homes, $286,000 in Broward County, and $119,600 in the United States, based on the 2000 U.S. Census.
- In the RAC, the percentage of families whose income is below the poverty level ranges from 7.4 percent of the 957 families in the western census tract to the 12.4 percent of the 2,132 families in the eastern tract.

**Labor Force**

- The labor force, that is, the population over 16 years of age, in all of Davie totals 40,176 persons. In the RAC, the population age 18 to 64 totals 12,817 persons. Consequently, nearly one-third of the working age population lives within the RAC.

**Education**

- Considering college degrees there is a dramatic difference between the eastern region and the western census tract, which is in close proximity to the higher education resources located within the RAC. In the eastern tract of the RAC, 69.4 percent of persons 25 years of age and older have a high school diploma. In the western tract, where the educational institutions are situated, this is 85.9 percent while in the south this is 83.8 percent. Overall in Davie, 42,058 of the 49,801 persons over age 25 have completed high school, or 84.5 percent. In Broward County this is 82 percent while in the U.S.A. it is 80.4 percent.

**Diversity**

- In all of Davie, 25.4 percent of the population speaks a language other than English at home while in Broward County it is 28.8 percent and in all of the U.S. it is 17.9 percent.

**Age**

- The percentage of the population that is of retirement age in the RAC is greater (over 10% in eastern and southern RAC census tracts) than elsewhere in Davie (6.7%), Broward County (6.3%), and in the United States (6.8%).

**Housing Stock and Households**

- The average household size in Davie is 2.64 persons while in Broward County it is 2.45 and in the U.S. it is 2.59. In the RAC, household size varies from 2.48 in the eastern tract to 2.1 in the western tract and 2.41 in the southern tract. This could be attributed to significant retirement age population, where it is less likely for these residents to live in large households.

- Of the 147 mobile home parks in Broward County, 134 mobile home parks provide rental lots to residents while 13 are comprised of individually-owned lots. Seven of these 13 parks are located in Davie. As of 2000, there were 7,370 mobile home units in Davie, of which some of these parks are within the RAC. This currently equates to about one-quarter of Davie's total housing stock.
- Regarding the mix of home ownership versus rental stock, the eastern tract is comprised of 58.6 percent in owner-occupied housing and 41.4 percent in renter-occupied units. It is 5.9 percent owner-occupied and 64.1 percent renter-occupied in the west. And 61 .2 percent owner-occupied and 8.8 percent renter-occupied in the southern tract.
- Household density in all of the RAC is 2.26 households per acre at this time, i.e., 4,977 households within the 2,200 acres of the RAC. The number of working age population, i.e. between age 8 to 64, within the RAC totals 2,817, or potentially 5.83 workers per acre. This is significantly higher that the Town of Davie as a whole, which is 1.84 employees per acre.
- The threshold for number of employees per acre to support transit is already surpassed in the Davie RAC. The threshold for density of households per acre is close to the support standard.

The population within the RAC has characteristics that are unique to the rest of Davie and the County. Housing market values are considerably lower in the RAC than in the rest of Davie, suggesting that there is upside potential in creating new residential development that will approach market values in the rest of the Town of Davie and Broward County. This impact could increase the property tax revenue collections for the Town. There is a high percentage of college educated population directly attributed to the presence of the educational institutions within the RAC. Future developments within the RAC will apply smart land planning strategies with a focus on transit-oriented development. Improving the quality of life for residents via new amenities (including retail development) could help keep this growing (as these campuses attract more and more students) educated population in the Town of Davie after they complete their education. A higher educated population can help attract companies looking for high quality employees to the area, potentially increasing demand for office space within the RAC. In addition, both residential and office development are key catalysts for improved mass transit feasibility.

A strategy of linking existing educational programs with related business activity is in ERA's opinion a very desirable economic opportunity for Davie. The region's excellent urban and recreational amenities, adjacent airport and road net work create a competitive business / research opportunity. An initial consideration will be the essential response of key representatives at the educational facilities (i.e. administrative, program planners, recruitment, housing, finance, etc.)

## Historic Population Growth

### *MSA*

Between 1990 and 2000, the Southeast Florida MSA (tri-county) population grew by over 950,000 between 1990 and 2000. Of the three counties in the MSA, Broward County had the

greatest growth (367,000) followed by Miami-Dade (316,000) and Palm Beach (268,000). Total county growth rates during this decade were 29%, 16%, and 31%, respectively.[2]

### *County*

The growth rate of Broward County has been declining over the decades. The County is close to build-out of developable land, which has contributed to this slower, but still relatively dynamic growth rate.

**Table 6. Broward County - Historic Population Growth**

| Date | Population | Population Growth (10 years) | % Population Growth (10 Years) | % Population Growth CAGR 1/ |
|---|---|---|---|---|
| 1970 | 620,100 | 286,154 | 86% | 6.4% |
| 1980 | 1,018,257 | 398,157 | 64% | 5.1% |
| 1990 | 1,255,488 | 237,231 | 23% | 2.1% |
| 2000 | 1,623,018 | 367,530 | 29% | 2.6% |

Source: U.S. Census, Broward County Urban Planning and Redevelopment Department Planning Services Division. The First Census of Broward County

1/ Compounded Annual Growth Rate

That said, according to the 2005 American Community Survey (ACS), Broward County's population has grown by 135,000 between 2000 and 2005 (from 1.62 million in 2000 to 1.76 million in 2005). This is an equivalent Compounded Annual Growth Rate (CAGR) of about 1.6%.

### *Davie*

According to the 2005 American Community Survey (ACS), Davie's population has grown by almost 13,000 between 2000 and 2005 (from 76,000 in 2000 to 89,000 in 2005). This is an equivalent Compounded Annual Growth Rate (CAGR) of over 3%.

[2] Source: Broward County Urban Planning and Redevelopment Department Planning Services Division. The Southeast Florida MSA, March 2004

*Summary*

The following table summarizes population trends within the Town of Davie, Broward County, and the Southeast Florida MSA.

**Table 7. Population Change Summary**

| *Population* | | | |
|---|---|---|---|
| **Year** | **Town of Davie** | **Broward County** | **Southeast Florida MSA 1/** |
| 1980 | 20,515 | 1,018,257 | 3,220,796 |
| 1990 | 47,143 | 1,255,488 | 4,056,100 |
| 2000 | 75,720 | 1,623,018 | 5,007,564 |
| 2005 | 88,683 | 1,757,590 | 5,334,685 |
| ***Total Population Growth*** | | | |
| **Year** | **Town of Davie** | **Broward County** | **Southeast Florida MSA** |
| 1980 | N/A | N/A | N/A |
| 1990 | 26,628 | 237,231 | 835,304 |
| 2000 | 28,577 | 367,530 | 951,464 |
| 2005 | 12,963 | 134,572 | 327,121 |
| ***Compounded Annual Growth Rate (CAGR)*** | | | |
| **Year** | **Town of Davie** | **Broward County** | **Southeast Florida MSA** |
| 1980 | N/A | N/A | N/A |
| 1990 | 8.7% | 2.1% | 2.3% |
| 2000 | 4.9% | 2.6% | 2.1% |
| 2005 | 3.2% | 1.6% | 1.3% |

Source: U.S. Census, 2005 American Community Survey
1/ Includes Broward, Miami-Dade, and Palm Beach Counties

## Population Forecasts

Broward County's population is anticipated to increase by another 530,000 between 2006 and 2030 (or about 22,000 annually)[3]. The Southeast Florida MSA (tri-county area) is projected to grow to 7.4 million by 2030.[4]

The following table shows anticipated household increases for the ten largest cities in Broward County (which includes the Town of Davie).[5] With current land use planning considered (for example, higher density as proposed within the RAC is not yet incorporated into these figures), Davie is anticipated to have a net increase of 24,000 people through 2030. This equates to an average annual increase of about 1,000 people. Applying current household sizes, this equates to an estimated 395 households annually.

**Table 8. Population Forecast 1/**

| City | 2006 | 2030 | CAGR | Net Increase | Est. Ave. Annual Increase | Estimated HHs 2/ |
|---|---|---|---|---|---|---|
| Fort Lauderdale | 178,642 | 241,876 | 1.3% | 63,234 | 2,635 | 1,041 |
| Pembroke Pines | 152,517 | 176,998 | 0.6% | 24,481 | 1,020 | 403 |
| Hollywood | 144,431 | 191,481 | 1.2% | 47,050 | 1,960 | 775 |
| Coral Springs | 131,185 | 155,741 | 0.7% | 24,556 | 1,023 | 404 |
| Miramar | 108,002 | 140,694 | 1.1% | 32,692 | 1,362 | 538 |
| Pompano Beach | 102,731 | 141,921 | 1.4% | 39,190 | 1,633 | 645 |
| **Davie** | **90,842** | **114,783** | **1.0%** | **23,941** | **998** | 394 |
| Sunrise | 90,153 | 118,599 | 1.1% | 28,446 | 1,185 | 468 |
| Plantation | 87,144 | 110,810 | 1.0% | 23,666 | 986 | 390 |
| Deerfield Beach | 75,945 | 94,218 | 0.9% | 18,273 | 761 | 301 |

Source: Broward County Urban Planning and Redevelopment Department Planning Services Division. Municipal Population Forecasts, 2006-2030

1 / Includes population in group quarters

2 / Using current average HH Size of 2.53

[3] Source: Broward County Urban Planning and Redevelopment Department Planning Services Division. Population and Housing Trends 2000-2004

[4] Source: Broward County Urban Planning and Redevelopment Department Planning Services Division. The Southeast Florida MSA. March 2004

[5] These estimates are based on initial Broward County-wide population projections to the year 2030. That population was allocated to Traffic Analysis Zones (TAZs) with the assistance of municipal planning staff and finally was assigned to Broward's cities.

In general, population growth is anticipated to increase at a higher rate than dwelling unit growth, indicating increasing pressure on residential markets. The Broward County Planning Division anticipates that factors like increasing household size and fewer vacant / seasonal homes – in addition to new construction – will accommodate the County's anticipated population growth.

**Table 9. Population and Dwelling Unit Growth Rates**

| Population Rank in 2030 | City | Ann. Ave. Growth Rate | |
|---|---|---|---|
| | | Population | Units |
| 1 | Fort Lauderdale | 1.5% | 0.8% |
| 2 | Hollywood | 1.4% | 0.8% |
| 3 | Pembroke Pines | 0.7% | 0.4% |
| 4 | Coral Springs | 0.8% | 0.5% |
| 5 | Pompano Beach | 1.6% | 0.7% |
| 6 | Miramar | 1.3% | 0.8% |
| 7 | Sunrise | 1.3% | 0.8% |
| **8** | **Davie** | **1.1%** | **0.7%** |
| 9 | Plantation | 1.1% | 0.8% |
| 10 | Deerfield Beach | 1.0% | 0.3% |

Source: Broward County Urban Planning and Redevelopment Department Planning Services Division. Municipal Population Forecasts, 2006-2030

Of the dwelling unit growth that is anticipated to occur, not quite 50% of total Broward County growth is anticipated to be attributed to redevelopment. Within Davie, this is currently anticipated at about 35%, for a total of 2,200 of 6,000+ additional dwelling units for the Town. This is an average of 250 units annually, or about 90 redevelopment units for Davie. Across the County, a total of 5,500 units annually are anticipated, of which there are an estimated 2,500 redevelopment units. At this rate, Davie's total annual capture of county demand is estimated at a little less than 5 percent.

**Table 10. Redevelopment Impact on Broward's Largest Cities**

| | 2006 to 2030 Total | | | Average Annual | |
|---|---|---|---|---|---|
| City | Dwelling Unit Growth | Redevelopment Units | % Redevelopment of Total Dwelling Unit Growth | Dwelling Unit Growth | Redevelopment Units |
| Fort Lauderdale | 17,233 | 9,782 | 56.8% | 718 | 408 |
| Pembroke Pines | 5,178 | 2,280 | 44.0% | 216 | 95 |
| Hollywood | 13,043 | 8,503 | 65.2% | 543 | 354 |
| Coral Springs | 5,815 | 1,897 | 32.6% | 242 | 79 |
| Miramar | 7,510 | 2,279 | 30.3% | 313 | 95 |
| Pompano Beach | 9,451 | 5,074 | 53.7% | 394 | 211 |
| **Davie** | **6,056** | **2,176** | **35.9%** | **252** | **91** |
| Sunrise | 7,072 | 1,788 | 25.3% | 295 | 75 |
| Plantation | 6,769 | 3,843 | 56.8% | 282 | 160 |
| Deerfield Beach | 3,277 | 1,584 | 48.3% | 137 | 66 |
| Total – 10 Cities | 81,404 | 39,206 | 48.2% | 3,392 | 1,634 |
| County | 131,958 | 58,789 | 44.6% | 5,498 | 2,450 |

Source: Broward County Urban Planning and Redevelopment Department Planning Services Division. Municipal Population Forecasts, 2006-2030

## Building Permits

Population growth combined with building permits provides context for understanding residential development potential. The following table identifies building permits issued for the Town of Davie as well as Broward, Miami-Dade, and Palm Beach Counties (Southeast Florida MSA). Total annual building permits in Davie have fluctuated over the years. Permits in Broward County have been on the decline, perhaps reflecting the upcoming build-out of available land in the County (the County anticipates full build-out of available land by 2010).

**Table 11. Historic Building Permit Trends, By County – Southeast Florida MSA**

| Area | | 1990 | 1995 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---|---|---|---|---|---|---|---|---|---|---|
| Town of Davie | | | | | | | | | | |
| | Single-family | 561 | 418 | 347 | 592 | 211 | 293 | 527 | 554 | 585 |
| | Multifamily | 148 | 347 | 0 | 127 | 94 | 10 | 382 | 24 | 82 |
| | Total | 709 | 765 | 347 | 719 | 305 | 303 | 909 | 578 | 667 |
| Broward County | | | | | | | | | | |
| | Single-family | 5,457 | 8,188 | 9,160 | 8,275 | 5,705 | 3,879 | 4,784 | 3,609 | 3,338 |
| | Multifamily | 5,292 | 4,682 | 2,810 | 2,486 | 6,323 | 4,338 | 3,925 | 3,342 | 3,232 |
| | Total | 10,749 | 12,870 | 11,970 | 10,761 | 12,028 | 8,217 | 8,709 | 6,951 | 6,570 |
| Miami-Dade County | | | | | | | | | | |
| | Single-family | 5,073 | 7,348 | 5,998 | 6,828 | 6,374 | 8,740 | 9,603 | 9,922 | 6,760 |
| | Multifamily | 5,782 | 7,370 | 6,477 | 7,168 | 8,232 | 6,793 | 13,253 | 16,198 | 12,700 |
| | Total | 10,855 | 14,718 | 12,475 | 13,996 | 14,606 | 15,533 | 22,856 | 26,120 | 19,460 |
| Palm Beach County | | | | | | | | | | |
| | Single-family | 4,767 | 6,840 | 6,769 | 6,314 | 7,895 | 9,986 | 8,932 | 8,321 | 4,652 |
| | Multifamily | 4,150 | 3,625 | 3,735 | 3,777 | 3,939 | 4,751 | 4,291 | 4,039 | 3,740 |
| | Total | 8,917 | 10,465 | 10,504 | 10,091 | 11,834 | 14,737 | 13,223 | 12,360 | 8,392 |

Source: U.S. Bureau of Census, SOCDS Building Permit Database

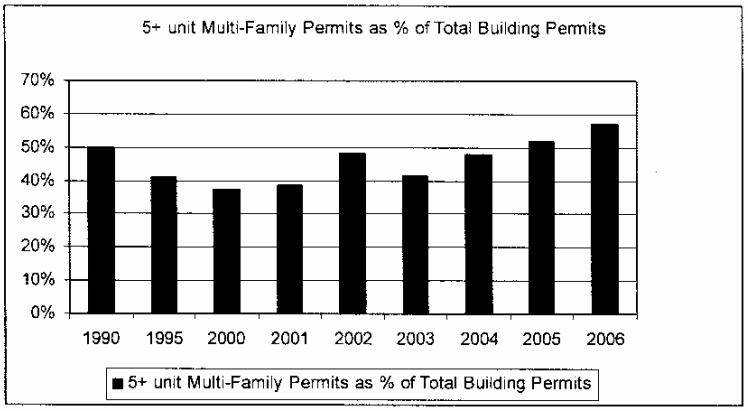
The following table identified multifamily permits specifically for the area. Again, the number of permits in Davie has fluctuated over the years. Miami-Dade County has experienced a significant increase in these types of permits.

**Table 12. Historic Building Permit Trends, Multi-Family Permits**

| Area | 1990 | 1995 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|---|---|---|---|---|---|---|---|---|
| Town of Davie | 140 | 332 | 0 | 94 | 0 | 274 | 24 | 66 |
| Broward County | 4,967 | 4,474 | 2,546 | 2,149 | 6,119 | 4,045 | 3,734 | 3,045 |
| Miami-Dade County | 5,413 | 6,922 | 5,651 | 6,424 | 7,896 | 6,049 | 12,831 | 15,568 |
| Palm Beach County | 3,961 | 2,580 | 3,559 | 3,126 | 3,310 | 4,793 | 3,962 | 3,600 |

Source: U.S. Bureau of Census, SOCDS Building Permit Database

Higher-density (5+ units) multifamily permits as a percentage of total building permits has been on the incline, suggesting a trend of higher density development taking place in an area with less developable land available every year.




Source: U.S. Bureau of Census, SOCDS Building Permit Database

In order to better understand relative construction activity for Davie compared to Broward County and also the Southeast Florida MSA, ERA calculated the percent of Broward County building permits in Davie over available years of analysis as well as Broward County's capture of the Southeast Florida MSA building permits. Davie's percent of Broward County building permits has been increasing over the years, reaching a high of 9% in 2005.

**Table 13. % Historic Building Permit Trends**

| Comparison | 1990 | 1995 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2005 |
|---|---|---|---|---|---|---|---|---|---|
| % Davie of Broward Cty | 5% | 3% | 3% | 6% | 2% | 4% | 6% | 8% | 9% |
| % Broward Cty of SE FL MSA | 35% | 34% | 34% | 31% | 31% | 21% | 19% | 15% | 19% |

Source: U.S. Bureau of Census, SOCDS Building Permit Database, Economics Research Associates

## Demographic Conclusions

Under a status quo scenario (where the predicted future residential unit growth follows current development trends in relation to population growth), ERA estimated the units per net new person given current Davie and Broward County population projections and considering recent population and permit trends.

**Table . Status Quo - Residential Development - Permits Issued - Units**

| Area | Historic | | | | | | Projected (Total) | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Davie** | **1990-2000 (Average Annual)** | **2000-2001** | **2001-2002** | **2002-2003** | **2003-2004** | **2004-2005** | **2006-2010** | **2011-2015** | **2016-2020** | **2021-2025** | **2026-2030** |
| Building Permits Issued | 678 | 719 | 305 | 303 | 909 | 578 | **2,682** | **3,088** | **3,139** | **2,512** | **1,835** |
| Population Change | 2,858 | 2,186 | 1,034 | 558 | 2,440 | 1,719 | 5,363 | 6,863 | 5,708 | 3,589 | 2,447 |
| Units Per Net New Person | 0.2 | 0.3 | 0.3 | 0.5 | 0.4 | 0.3 | 0.5 | 0.45 | 0.55 | 0.7 | 0.75 |
| **Unit Ratios** | | | | | | | | | | | |
| Broward Cty Units | 12,069 | 10,761 | 12,028 | 8,217 | 8,709 | 6,951 | 26,815 | 30,884 | 31,394 | 25,123 | 18,353 |
| Davie Units of Broward Cty | 6% | 7% | 3% | 4% | 10% | 8% | 10% | 10% | 10% | 10% | 10% |
| Comparison to Anticipated Net New Dus in Broward County | | | | | | | 26,003 | 32,103 | 30,543 | 25,104 | 18,205 |
| % of Net New Dus from Redevelopment Growth | | 100% | | | | | | | | | |

Incorporating an estimated capture rate for the RAC gives an estimated number of units going forward over a 25-year period.

**Table. Estimates**

| Category | 2006-2010 | 2011-2015 | 2016-2020 | 2021-2025 | 2026-2030 | Total - 2006 to 2030 |
|---|---|---|---|---|---|---|
| Total Units - Davie | 2,682 | 3,088 | 3,139 | 2,512 | 1,835 | 13,257 |
| Average Annual Units | 536 | 618 | 628 | 502 | 367 | |
| % Capture RAC | 30% | 40% | 50% | 60% | 60% | |
| Average Annual Units - RAC | 161 | 247 | 314 | 301 | 220 | |
| Total Units - RAC | 804 | 1235 | 1570 | 1507 | 1101 | 6,218 |

Considering estimated optimal population density by the EDSA team to support a Hybrid Streetcar transit operation (with 22,000 residential units within the RAC as estimated by the EDSA Team) and applying capture rates beyond the 25-year period, estimated build-out under the status quo is anticipated to be 60 years.

| | |
|---|---|
| Buildout - Total Units | 22,000 |
| Existing Units | 7,882 |
| Difference | 14,118 |
| Less Units 2006 to 2029 | 7,900 |
| Remaining Years to Buildout | 36 |
| Buildout Year | 2065 |
| **Total Buildout Years** | **59** |

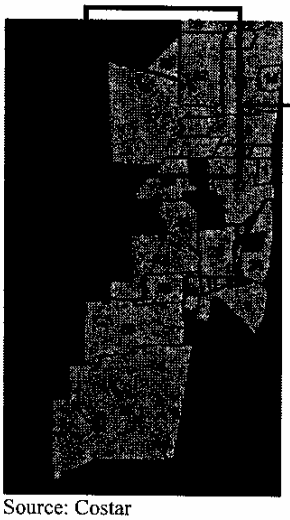
This is the base-line analysis for residential development considerations. There are opportunities to improve the market / economic / fiscal patterns with strong planning and architectural design that will make residential living within the RAC an attractive option.

As Florida communities continue to pursue opportunities to respond to changing market priorities (i.e. more urban environments), maximize revenues and reduce costs, respond to increasing traffic problems, utilize prime sites, incorporate transit programs, etc., higher density development patterns will need to be examined. Desirable residential markets are increasingly interested in urban environments - places to live work and play with minimal travel time or alternative transportation sources.

## Office Market

### Office Inventory and Absorption

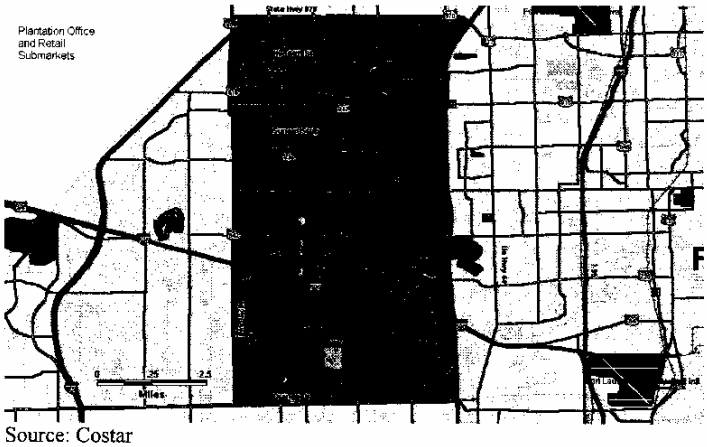
ERA reviewed recent office market activity within the area in order to determine appropriate market opportunities for the RAC in the future, focusing on the performance of local and adjacent submarkets as well as the three counties within the greater Southern Florida market (Palm Beach County, Broward County, and Miami-Dade County), and considering unique advantages within the RAC (i.e. multiple academic campuses). The following maps show relevant submarkets to this analysis.



Office Submarkets:

28: NW Broward/Coral Springs
32: Plantation (Includes Project Site)
35: Sawgrass Park
37: Southwest Broward

Source: Costar



Source: Costar

The Town of Davie Regional Activity Center (RAC) is within the Plantation submarket boundaries (see a previous map for details). The Plantation submarket represents about 12 % of Rentable Building Area (RBA) in Broward County. There is an estimated 6.8% vacancy rate for office space in this submarket (lower than other identified area submarkets), with average rental rates below other local submarket averages. The Town of Davie represents a little less than 2% of total Broward County office supply. Note that institutional building inventory is not included in the following office inventory estimates.

**Table 14.**
**Summary Profile of Office MArket**
**Davie Area Florida Office Market**
**2007**

| City / County | Number of Buildings | Total RBA 1/ | Share of RBA in Broward | Share of RBA in South FL | Vacancy Rate 2/ | Average Rental Rate |
|---|---|---|---|---|---|---|
| Davie Subset | 71 | 930,642 | 1.6% | 0.5% | 6.5% | $24.97/fs |
| Plantation (Including Davie RAC) | 243 | 6,921,444 | 11.9% | 3.7% | 6.8% | $22.08/fs |
| SW Broward County | 226 | 5,994,286 | 10.3% | 3.2% | 6.2% | $28.17/fs |
| NW Broward County | 220 | 4,451,461 | 7.6% | 2.4% | 8.2% | $23.09/fs |
| Sawgrass | 54 | 3,079,969 | 5.3% | 1.7% | 9.5% | $26.42/fs |
| **Total Submarket 3/** | **743** | **20,447,160** | **35.0%** | **11.0%** | **7.3%** | **$25.02/fs** |
| Palm Beach County | 1,841 | 44,278,367 | n/a | 23.8% | 9.1% | $26.59/fs |
| Broward County | 2,671 | 58,393,677 | 100.0% | 31.4% | 8.4% | $24.60/fs |
| Miami-Dade County | 3,171 | 83,302,827 | n/a | 44.8% | 7.1% | $27.84/fs |
| **Total South Florida 4/** | **7,683** | **185,974,871** | **n/a** | **100.0%** | **8.0%** | **$26.46/fs** |

1/ Rentable Building Area
2/ Does not include sublet vacancy
3/ Davie is not included in Submarket total because it is a subset of the Plantation Submarket
4/ Includes Palm Beach, Broward, and Miami-Dade County

Source: CoStar Property; Economics Research Associates, March 2007

Within the identified four submarkets, there is about 20 million RBA SF of office space. About 50% is Class B space, with about a quarter each in Class A and Class C.

**Table 15.**
**Profile of Office Market, By Building Class**
**Davie Area Florida Office Market /1**
**2007**

| Building Class | Number of Buildings | Total RBA 1/ | Share of Submarket RBA | Vacancy Rate 2/ | Average Rental Rate |
|---|---|---|---|---|---|
| A | 51 | 5,452,156 | 27.1% | 8.6% | $29.41/fs |
| B | 354 | 9,924,837 | 49.3% | 7.5% | $23.32/fs |
| C | 299 | 4,746,724 | 23.6% | 5.9% | $20.26/fs |
| Submarket Total /2 | 704 | 20,123,717 | 100.0% | 7.3% | $25.02/fs |

/1 Submarket Area includes NW Broward County, Plantation, Sawgrass Mills Area, Sunrise, & SW Broward County

/2 All buildings are not classified and therefore may exclude some office buildings in the submarket

Source: CoStar Property; Economics Research Associates, March 2007

Within the Plantation submarket (where the Davie RAC is located), there is about 6.9 million RBA SF of office space. There is a slightly higher percentage of Class C space in the market compared to the four-submarket area as a whole and slightly lower percentage of Class A space.

**Table 16. Profile of Office Market By Building Class**
**Plantation, FL**

| Building Class | Number of Buildings | Total RBA 1/ | Share of Submarket RBA | Vacancy Rate 2/ | Average Rental Rate |
|---|---|---|---|---|---|
| A | 11 | 1,370,234 | 19.8% | 2.7% | $26.85/fs |
| B | 103 | 3,653,662 | 52.8% | 9.3% | $22.09/fs |
| C | 129 | 1,897,548 | 27.4% | 4.8% | $19.35/fs |
| Submarket Total | 243 | 6,921,444 | 100.0% | 9.1% | $26.59/fs |

Source: CoStar Property; Economics Research Associates, March 2007

Over the last six years the Plantation submarket has experienced a positive direct net absorption of 1.16 million SF of office space – about one-third of direct net absorption in Broward County. This represents an annual average absorption of 190,000 SF over the last six years. The Town of Davie has experienced positive absorption of 240,000 SF over the same time period, or an average of 40,000+ SF annually.

**Table 17.**
**Direct Net Absorption**
**Davie Area Florida Office Market**
**2001 - 2006**

| Jurisdiction / Submarket / Area | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | Total | Avg. Annual |
|---|---|---|---|---|---|---|---|---|
| Davie Subset | 44,819 | 62,110 | 73,163 | -5,754 | 64,194 | 5,416 | 243,948 | 40,658 |
| Plantation (Including Davie RAC) | 422,435 | 232,644 | 99,517 | 82,631 | 317,317 | 8,486 | 1,163,030 | 193,838 |
| SW Broward County | 759,537 | 320,589 | 545,004 | 323,862 | 325,716 | 352,767 | 2,627,475 | 437,913 |
| NW Broward County | -9,732 | 25,238 | 163,547 | 147,598 | 49,657 | -76,070 | 300,238 | 50,040 |
| Sawgrass | 18,157 | 6,902 | 143,869 | 271,564 | -21,274 | 176,974 | 596,192 | 99,365 |
| Total Submarket | 1,190,397 | 585,373 | 951,937 | 825,655 | 671,416 | 462,157 | 4,686,935 | 781,156 |
| Palm Beach County | 189,168 | 465,756 | 546,502 | 1,521,992 | 774,022 | 130,559 | 3,627,999 | 604,667 |
| Broward County | 1,695,763 | 1,057,294 | 1,133,471 | 1,437,606 | 1,730,909 | 1,022,860 | 8,077,903 | 1,346,317 |
| Miami-Dade County | 55,490 | 948,399 | 708,951 | 1,931,690 | 2,223,241 | 478,725 | 6,346,496 | 1,057,749 |
| Total South Florida 1/ | 1,940,421 | 2,471,449 | 2,388,924 | 4,891,288 | 4,728,172 | 1,632,144 | 18,052,398 | 3,008,733 |

1/ Includes Palm Beach, Broward, and Miami-Dade County

Source: CoStar Property; Economics Research Associates, March 2007

Office year-end vacancy rates are slightly lower in the Plantation submarket compared to the other identified submarkets and lower to Broward County overall.

**Table**
**End of Year Vacancy Rate**
**Davie Area Florida Office Market**
**2001 - 2006**

| Jurisdiction / Submarket / Area | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | Avg. Annual |
|---|---|---|---|---|---|---|---|
| Davie Subset | 7.5% | 8.5% | 2.5% | 4.6% | 4.7% | 6.6% | 5.7% |
| Plantation (Including Davie RAC) | 12.4% | 9.3% | 8.6% | 7.9% | 4.9% | 5.4% | 8.1% |
| SW Broward County | 15.2% | 12.9% | 7.3% | 7.2% | 6.0% | 5.7% | 9.1% |
| NW Broward County | 6.8% | 7.2% | 5.5% | 4.6% | 4.4% | 7.7% | 6.0% |
| Sawgrass | 19.7% | 19.5% | 18.2% | 8.9% | 9.6% | 9.0% | 14.1% |
| Avg. Submarket | 13.0% | 11.3% | 9.0% | 7.1% | 5.8% | 6.5% | 8.8% |
| Palm Beach County | 11.1% | 11.0% | 11.1% | 8.6% | 7.6% | 8.7% | 9.7% |
| Broward County | 11.6% | 11.4% | 10.9% | 9.8% | 7.9% | 7.3% | 9.8% |
| Miami-Dade County | 10.2% | 10.7% | 10.9% | 9.9% | 8.0% | 7.2% | 9.5% |
| Total South Florida 1/ | 10.8% | 11.0% | 10.9% | 9.6% | 7.9% | 7.6% | 9.6% |

1/ Includes Palm Beach, Broward, and Miami-Dade County

Source: CoStar Property; Economics Research Associates, March 2007

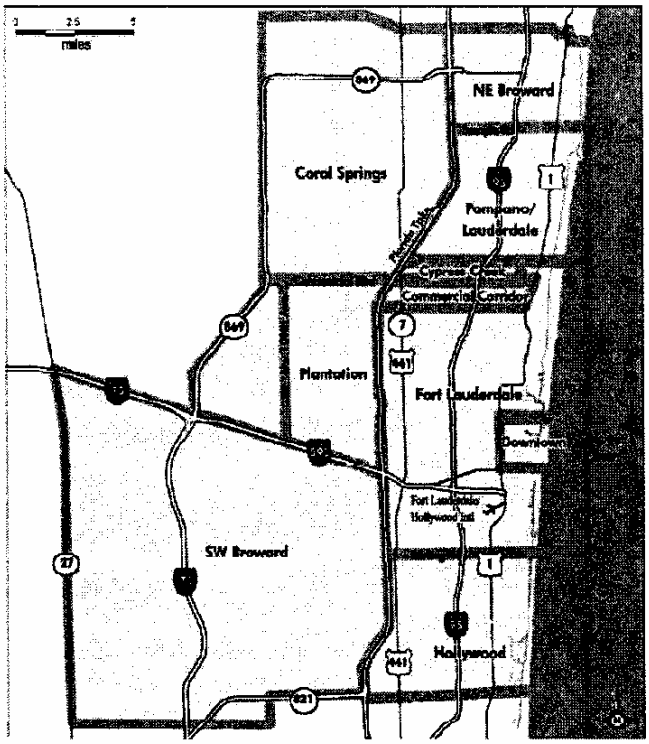
## Office – Submarket Activity

According to the CBRE 2007 Q1 Market Report for Broward County, Downtown Fort Lauderdale comprises 21% of County office supply, followed by Cypress Creek with 15% and Plantation with 11%.

**Table 18. Current Office SF Inventory by Broward County Submarket**

| Submarket | SF | % of Total |
|---|---|---|
| Commercial | 1,923,696 | 8% |
| Cypress Creek | 3,549,450 | 15% |
| Deerfield Beach | 949,351 | 4% |
| Downtown (CBD) | 4,915,372 | 21% |
| Ft. Lauderdale | 1,809,000 | 8% |
| Hollywood | 2,098,647 | 9% |
| NW Broward | 1,184,474 | 5% |
| Plantation | 2,591,319 | 11% |
| Pompano Beach | 832,257 | 3% |
| Sawgrass | 1,800,456 | 8% |
| SW Broward | 2,160,844 | 9% |
| Total | 23,814,866 | 100% |

Source: CBRE MarketView, Q1 2007 Office - Broward County



CBRE MarketView – Broward Submarkets

## Office – Under Construction

According to the CBRE 2007 Q1 Market Report for Broward County, there is about 1.0 million square feet of construction activity, of which about 220,000 SF is in Plantation and no major office construction activity in SW Broward (where the RAC is located).

**Table 19. Office SF Under Construction by Broward County Submarket**

| Submarket | Name of Development | SF | Class |
|---|---|---|---|
| Commercial | | 0 | |
| Cypress Creek | Cypress Creek Concourse II | 100,000 | A |
| Deerfield Beach | | 0 | |
| Downtown (CBD) | 205,700 SF – 200 Las Olas Circle; 62,300 SF – Courthouse Plaza | 268,000 | 268,000 Class A, 62,300 Class B |
| Ft. Lauderdale | RiverBend Corporate Park | 66,917 | A |
| Hollywood | | 0 | |
| NW Broward | One Charter Place | 210,000 | A |
| Plantation | Royal Palm @ Southpointe II | 220,000 | A |
| Pompano Beach | | 0 | |
| Sawgrass | Lakeshore Plaza II | 128,122 | A |
| SW Broward | | 0 | |
| Total | | 993,039 | 930,739 Class A, 62,300 Class B |

Source: CBRE MarketView, Q1 2007 Office - Broward County

## Office – Conclusions

Modest office development activity is anticipated for the RAC, primarily services with some potential in the Community Redevelopment Area (CRA) and in the academic areas (i.e. especially with transit-oriented development). There has been discussion of possible desirable research activity linked to academic programs at institutions located within the RAC. ERA recommends pursuing these linkages as these could be catalysts for greater office demand within the RAC.

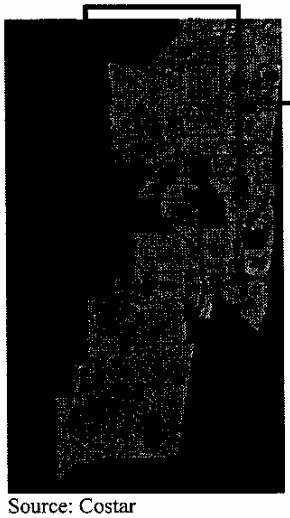
## Retail Market

For a variety of reasons (taxes, employment, visitor attraction, quality of life, spin-off development, image, etc.) retail development is a desirable RAC objective. The area's regional environment, road access and available sites create obvious development opportunities. ERA's property owners and developer interviews support this general conclusion regarding future retail potential. Key considerations for RAC policy makers are:

- Preferred locations (i.e. downtown, interchanges, corridors, planned rail, etc.)
- Preferred activity (i.e. big box, specially, food and beverage, etc.)
- Connection and integration with innovative (urban) development concepts focusing on mixed density and mixed uses with transit linkages
- Available incentives

### Retail Inventory and Absorption

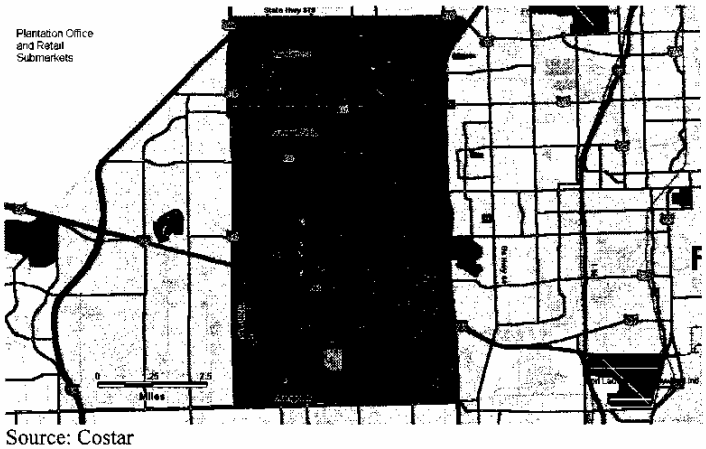
ERA reviewed recent retail market activity within the area, focusing on shopping center and free-standing retail in local submarkets as well as the three counties within the greater Southern Florida market (Palm Beach County, Broward County, and Miami-Dade County). The following maps show relevant submarkets to this analysis.



Retail Submarkets:

28: NW Broward/Coral Springs
32: Plantation (Includes Project Site)
35: Sawgrass Park
37: Southwest Broward

Source: Costar



Source: Costar

The Town of Davie Regional Activity Center (RAC) is within the Plantation submarket boundaries. The Plantation submarket represents about 15 % of Rentable Building Area (RBA) for shopping centers in Broward County (8.9 million Rentable Building Area SF, or RBA). There is an estimated 5% vacancy rate for shopping center space in this submarket (slightly than other identified area submarkets), with average rental rates comparable to submarket averages. The Town of Davie represents about 5% of total Broward County shopping center supply.

**Table 20.**
**Summary Profile of Shopping Centers**
**Davie Florida Retail Market**
**2007**

| City / County | Number of Buildings | Total RBA 1/ | Share of RBA in Broward | Share of RBA in South FL | Vacancy Rate 2/ | Average Rental Rate |
|---|---|---|---|---|---|---|
| Davie | 36 | 3,035,634 | 5.0% | 1.9% | 6.5% | $19.29/nnn |
| Plantation (Includes Davie RAC) | 117 | 8,931,313 | 14.8% | 5.7% | 4.9% | $19.44/nnn |
| NW Broward | 147 | 8,493,128 | 14.1% | 5.4% | 3.5% | $14.73/nnn |
| Sawgrass | 13 | 4,453,498 | 7.4% | 2.8% | 0.8% | $32.48/nnn |
| SW Broward | 93 | 7,528,269 | 12.5% | 4.8% | 2.2% | $26.16/nnn |
| Total Submarket 3/ | 370 | 29,406,208 | 48.8% | 18.7% | 3.2% | $19.29/nnn |
| Palm Beach County | 552 | 44,273,092 | n/a | 28.2% | 4.6% | $18.10/nnn |
| Broward County | 1,016 | 60,234,446 | 100.0% | 38.4% | 3.8% | $18.54/nnn |
| Miami-Dade County | 1,061 | 52,380,527 | n/a | 33.4% | 3.3% | $26.32/nnn |
| Total South Florida 4/ | 2,629 | 156,888,065 | n/a | 100.0% | 3.9% | $20.43/nnn |

1/ Rentable Building Area
2/ Does not include sublet vacancy
3/ The Davie line is not included in Submarket total because it is a subset of the local submarkets
4/ Includes Palm Beach, Broward, and Miami-Dade County

Source: CoStar Property; Economics Research Associates, March 2007

There is an estimated 2.56 million RBA SF in the Plantation submarket, representing about 10% of Broward County free-standing retail supply. There is an estimated 1% vacancy rate for shopping center space in this submarket (comparable to other identified area submarkets), with average rental rates slightly lower to submarket averages. The Town of Davie represents about 4% of total Broward County shopping center supply.

**Table 21.**
**Summary Profile of Free Standing Retail Properties**
**Davie Florida Retail Market**
**2007**

| City / County | Number of Buildings | Total RBA 1/ | Share of RBA in Broward | Share of RBA in South FL | Vacancy Rate 2/ | Average Rental Rate |
|---|---|---|---|---|---|---|
| Davie | 61 | 1,005,705 | 4.0% | 1.5% | 0.7% | - |
| Plantation (Includes Davie RAC) | 154 | 2,562,432 | 10.2% | 3.8% | 1.2% | $18.90/nnn |
| NW Broward | 237 | 2,735,533 | 10.9% | 4.1% | 1.5% | $25.56/nnn |
| Sawgrass | 14 | 536,427 | 2.1% | 0.8% | 0.0% | - |
| SW Broward | 150 | 2,953,958 | 11.8% | 4.4% | 0.6% | $17.71/nnn |
| **Total Submarket 3/** | **555** | **8,788,350** | **35.1%** | **13.1%** | **1.0%** | **$21.96/nnn** |
| Palm Beach County | 1,484 | 17,777,448 | n/a | 26.4% | 3.3% | $18.88/nnn |
| Broward County | 2,402 | 25,063,827 | 100.0% | 37.2% | 2.2% | $19.61/nnn |
| Miami-Dade County | 3,101 | 24,455,964 | n/a | 36.3% | 3.9% | $32.28/nnn |
| **Total South Florida 4/** | **6,987** | **67,297,239** | **n/a** | **100.0%** | **3.1%** | **$24.61/nnn** |

1/ Rentable Building Area
2/ Does not include sublet vacancy
3/ The Davie line is not included in Submarket total because it is a subset of the local submarkets
4/ Includes Palm Beach, Broward, and Miami-Dade County

Source: CoStar Property; Economics Research Associates, March 2007

Within the identified four submarkets, there is 29.4 million RBA SF of shopping center space. About one third is convenience / neighborhood retail, 40% community / power / lifestyle retail, and the remainder as regional / super regional shopping center space.

**Table 22.**
**Profile of Shopping Centers by Shopping Center Type**
**Davie Florida Retail Market /1**
**2007**

| Shopping Center Type | Number of Buildings | Total RBA 1/ | Share of Submarket RBA | Vacancy Rate 2/ | Average Rental Rate |
|---|---|---|---|---|---|
| Convenience / Neighborhood | 292 | 10,219,166 | 34.8% | 4.8% | $19.50/nnn |
| Community / Power / Lifestyle | 72 | 11,743,608 | 39.9% | 3.7% | $19.09/nnn |
| Regional / Super Regional | 6 | 7,443,434 | 25.3% | 0.2% | $28.71/nnn |
| Area Total | 370 | 29,406,208 | 100.0% | 3.2% | $19.29/nnn |

/1 Submarket Area includes NW Broward County, Plantation, Sawgrass Mills Area, & SW Broward County

Within the Plantation submarket (where the Davie RAC is located), there is about 8.9 million RBA SF of shopping center space. There is a higher distribution of convenience / neighborhood and community / power / lifestyle centers than regional / super regional compared to the 4-submarket area.

**Table Profile of Shopping Centers by Shopping Center Type**
**Plantation, FL**

| Shopping Center Type | Number of Buildings | Total RBA 1/ | Share of Submarket RBA | Vacancy Rate 2/ | Average Rental Rate |
|---|---|---|---|---|---|
| Convenience / Neighborhood | 92 | 3,387,695 | 37.9% | 7.8% | $19.30/nnn |
| Community / Power / Lifestyle | 23 | 3,981,918 | 44.6% | 4.3% | $19.41/nnn |
| Regional / Super Regional | 2 | 1,561,700 | 17.5% | 0.1% | $28.71/nnn |
| Area Total | 117 | 8,931,313 | 100.0% | 4.9% | $19.44/nnn |

Source: CoStar Property; Economics Research Associates, March 2007

Overall, the Plantation submarket has experienced overall negative direct net absorption for shopping centers over the last six years, with positive absorption over most recent years. Broward County overall had positive direct net absorption of over 3.6 million SF for shopping centers.

**Table 23.**
**Shopping Centers Direct Net Absorption**
**Davie Florida Retail Market**
**2001 - 2006**

| Jurisdiction / Submarket / Area | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | Total | Avg. Annual |
|---|---|---|---|---|---|---|---|---|
| Davie | 22,750 | 15,400 | 61,679 | 41,142 | 323,390 | -66,522 | 397,839 | 66,307 |
| Plantation (Includes Davie RAC) | 6,650 | 65,685 | -339,124 | -19,652 | 29,248 | 79,129 | -178,064 | -29,677 |
| NW Broward | 45,011 | 17,468 | -244,930 | -40,889 | -29,841 | 255,672 | 2,491 | 415 |
| Sawgrass | 0 | -2,330 | -27,074 | -38,386 | 34,566 | 68,817 | 35,593 | 5,932 |
| SW Broward | 83,657 | 324,543 | -108,577 | 165,359 | 580,222 | 317,745 | 1,362,949 | 227,158 |
| Total Submarket 1/ | 135,318 | 405,366 | -719,705 | 66,432 | 614,195 | 721,363 | 1,222,969 | 203,828 |
| Palm Beach County | 851,468 | 495,432 | 62,517 | 2,069,325 | 1,040,160 | -80,454 | 4,438,448 | 739,741 |
| Broward County | 279,224 | 702,802 | 368,062 | -939,941 | 2,279,169 | 910,933 | 3,600,249 | 600,042 |
| Miami-Dade County | 1,420,561 | 1,081,383 | -380,815 | 362,314 | 938,670 | -112,008 | 3,310,105 | 551,684 |
| Total South Florida 2/ | 2,815,239 | 3,024,664 | -1,050,522 | 1,644,214 | 5,457,141 | 2,082,068 | 13,972,804 | 2,328,801 |

1/ The Davie line is not included in Submarket total because it is a subset of the local submarkets
2/ Includes Palm Beach, Broward, and Miami-Dade County

Source: CoStar Property; Economics Research Associates, March 2007

Overall, the Plantation submarket has experienced overall positive direct net absorption of over 223,000 SF for free-standing retail space over the last six years, with relatively large absorptions in 2002 and 2003.. Broward County overall had positive direct net absorption of over 1.75 million SF for free-standing retail.

**Table 24.**
**Direct Net Absorption of Free-Standing Retail Properties**
**Davie Florida Retail Market**
**2001 - 2006**

| Jurisdiction / Submarket / Area | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | Total | Avg. Annual |
|---|---|---|---|---|---|---|---|---|
| Davie | 5,832 | 1,200 | 0 | -500 | 2,700 | 44,123 | 53,355 | 8,893 |
| Plantation (Includes Davie RAC) | 10,497 | 112,876 | 82,181 | 8,698 | 1,985 | 7,390 | 223,627 | 37,271 |
| NW Broward | 77,645 | -12,744 | 39,602 | 193,271 | -1,108 | 2,213 | 298,879 | 49,813 |
| Sawgrass | 0 | 168,491 | -15,000 | 15,000 | 0 | 0 | 168,491 | 28,082 |
| SW Broward | 28,276 | 125,265 | 188,010 | 23,700 | 196,712 | 53,793 | 615,756 | 102,626 |
| Total Submarket 1/ | 116,418 | 393,888 | 294,793 | 240,669 | 197,589 | 63,396 | 1,306,753 | 217,792 |
| Palm Beach County | 745,320 | 206,159 | 137,293 | 194,430 | 232,191 | -171,839 | 1,343,554 | 223,926 |
| Broward County | 260,954 | 870,391 | 36,806 | 383,124 | 35,375 | 129,102 | 1,715,752 | 285,959 |
| Miami-Dade County | 218,689 | 94,303 | -128,939 | 49,630 | 137,872 | 907,135 | 1,278,690 | 213,115 |
| Total South Florida 2/ | 1,447,302 | 1,845,753 | 552,565 | 1,099,824 | 798,631 | 983,800 | 6,727,875 | 1,121,313 |

1/ The Davie line is not included in Submarket total because it is a subset of the local submarkets
2/ Includes Palm Beach, Broward, and Miami-Dade County

Source: CoStar Property; Economics Research Associates, March 2007

Shopping center year-end vacancy rates are slightly higher in the Plantation submarket compared to the other identified submarkets and comparable to Broward County overall.

**Table 25.**
**Shopping Center End of Year Vacancy Rate**
**Davie Florida Retail Market**
**2001 - 2006**

| Jurisdiction / Submarket / Area | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | Avg. Annual |
|---|---|---|---|---|---|---|---|
| Davie | 0.6% | 0.0% | 0.7% | 1.2% | 1.8% | 3.9% | 1.4% |
| Plantation (Includes Davie RAC) | 0.2% | 0.3% | 4.2% | 4.8% | 4.9% | 4.0% | 3.1% |
| NW Broward | 0.8% | 1.0% | 4.0% | 5.0% | 5.3% | 2.9% | 3.2% |
| Sawgrass | 0.0% | 0.1% | 0.7% | 1.5% | 0.8% | 0.7% | 0.6% |
| SW Broward | 0.6% | 0.8% | 2.5% | 2.6% | 2.8% | 1.6% | 1.8% |
| Total Submarket 1/ | 0.4% | 0.6% | 3.2% | 3.8% | 3.9% | 2.6% | 2.4% |
| Palm Beach County | 0.2% | 0.6% | 2.0% | 2.1% | 2.6% | 3.9% | 1.9% |
| Broward County | 0.6% | 0.8% | 2.9% | 5.3% | 4.2% | 3.4% | 2.9% |
| Miami-Dade County | 0.6% | 0.6% | 2.2% | 2.8% | 2.3% | 4.3% | 2.1% |
| Total South Florida 2/ | 0.5% | 0.7% | 2.4% | 3.6% | 3.1% | 3.8% | 2.4% |

1/ The Davie line is not included in Submarket total because it is a subset of the local submarkets
2/ Includes Palm Beach, Broward, and Miami-Dade County

Source: CoStar Property; Economics Research Associates, March 2007

Free-standing year-end vacancy rates in the Plantation submarket are comparable to the other identified submarkets and slightly lower compared to Broward County overall.

**Table 26.**
**End of Year Direct Vacancy Rate for Free-Standing Retail Properties**
**Davie Florida Retail Market**
**2001- 2006**

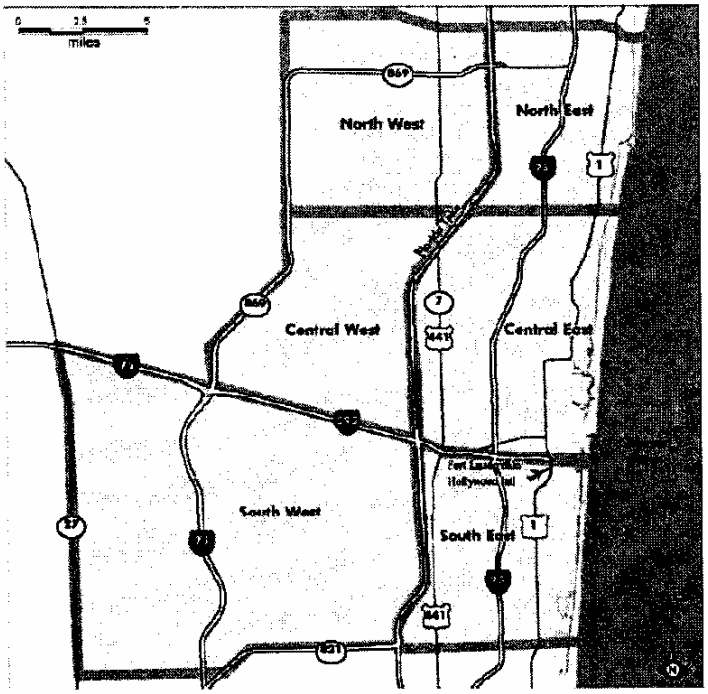
| Jurisdiction / Submarket / Area | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | Avg. Annual |
|---|---|---|---|---|---|---|---|
| Davie | 0.2% | 0.1% | 0.1% | 0.1% | 0.2% | 0.3% | 0.1% |
| Plantation (Includes Davie RAC) | 0.5% | 0.0% | 1.4% | 1.0% | 1.4% | 1.2% | 0.9% |
| NW Broward | 0.5% | 1.2% | 0.1% | 0.4% | 0.5% | 1.7% | 0.8% |
| Sawgrass | 0.0% | 0.0% | 2.8% | 0.0% | 0.0% | 0.0% | 0.5% |
| SW Broward | 0.2% | 1.8% | 0.6% | 0.6% | 0.8% | 0.5% | 0.7% |
| Total Submarket 1/ | **0.4%** | **0.9%** | **0.8%** | **0.6%** | **0.8%** | **1.1%** | **0.8%** |
| Palm Beach County | 0.4% | 1.4% | 1.7% | 1.6% | 1.9% | 3.6% | 1.8% |
| Broward County | 0.6% | 0.9% | 1.3% | 2.0% | 2.0% | 1.8% | 1.4% |
| Miami-Dade County | 1.4% | 2.6% | 3.9% | 5.7% | 7.3% | 4.9% | 4.3% |
| Total South Florida 2/ | **0.8%** | **1.4%** | **2.1%** | **2.8%** | **3.3%** | **3.1%** | **2.3%** |

1/ The Davie line is not included in Submarket total because it is a subset of the local submarkets
2/ Includes Palm Beach, Broward, and Miami-Dade County

Source: CoStar Property; Economics Research Associates, March 2007

## Retail – Submarket Activity

According to the CBRE 2007 Q1 Market Report for Broward County, Downtown Fort Lauderdale comprises 21% of County retail supply, followed by Cypress Creek with 15% and Plantation with 11%.




CBRE MarketView – Broward Submarkets

## Retail – Planned Construction

Current projects under construction in the area, an estimated 1.38 million SF, include the following:

**Table 27. Broward County Retail Development - Currently Under Construction**

| Name | SF | Location | Developer | Anchors | Delivery |
|---|---|---|---|---|---|
| Commercial Blvd. Shops | 79,044 | Tamarac | Sembler | PesSmart, Office Max | 2007 |
| Coral Landings II | 85,000 | Coral Springs | Monroe Group | Publix | 2007 |
| Miramar Town Ctr. / Civic Ctr. 1/ | 175,000 | Miramar | JV Project | Transit Oriented | 2007 |
| North Springs Plaza | 170,000 | Coral Springs | Sembler | Ross, Target | 2007 |
| Shoppes at Pembroke Gardens 2/ | 395,000 | Pembroke Pines | Duke | Wild Oats | 2007 |
| Parkland Town Commons | 90,000 | Coral Springs | Monroe Group | Publix | 2007 |
| Turtle Crossings (Redevelopment) | 273,000 | Coral Springs | | Super Target | 2007 |
| Veranda I 3/ | 45,000 | Plantation | West City Partners | Publix | 2007 |
| Sawgrass Landing 4/ | 64,000 | Sunrise | Ross Realty | Starbucks,Panera Bread | 2007 |

Source: CBRE MarketView, Q3 2006 Retail - Broward County

1/ Project includes 347 apartments, 133 townhomes, and 45,000 SF of office space
2/ Main Street retail concept
3/ Mixed-Use, project includes townhomes
4/ Strip retail center

Other notable area planned developments / redevelopments include:

- Coral Springs Downtown - 3 million SF total redevelopment (mixed use - new urbanism), including office, retail, 1000+ residential units, a hotel, new governmental center and institutional facilities
- Shoppes at Deer Creek, Deerfield Beach – a 210,000 SF shopping center is being demolished and replaced with a Super Target

Adjacent areas that have master plans for significant redevelopment (including retail land uses) include Central Plantation and the State Route 7 corridor.

Current planned retail-oriented development in the area, an estimated 1.8 million SF, includes the following:

**Table 28. Broward County Retail Development - Planning Stages**

| Name | SF | Location | Developer | Anchors | Delivery |
|---|---|---|---|---|---|
| Cobblestone Plaza | 174,240 | Pembroke Pines | Kite Realty | Whole Foods | 2007 |
| Commons at N. Lauderdale | 250,000 | N. Lauderdale | Atlantic Commercial | Super Walmart | 2007 |
| Coral Landings III | 170,000 | Coral Springs | Monroe | Home Goods, Best Buy, Petco, A.C. Moore | 2007 |
| El Dorado Home Center | 150,284 | Coconut Creek | El Dorado | El Dorado Furniture | 2008 |
| Gateway at Sawgrass | 340,000 | Sunrise | Stiles | IKEA | 2007 |
| One Plantation Place - Mixed Use 1/ | 83,000 | Plantation | Stiles | Lifestyle Center | 2008 |
| Shops at Coconut Creek | 227,500 | Coconut Creek | Stanberry Development | Lifestyle Center | N/A |
| Village at Gulfstream Park 2/ | 375,000 | Hallandale | Forest City / Magna Entertainment | Lifestyle, Open-air race track | 2008 |
| The Strada 3/ | 30,000 | Coconut Creek | Diversified | | 2007 |

Source: CBRE MarketView, Q3 2006 Retail - Broward County

1/ University Shoppes to be demolished - located on Peters Road

2/ SF includes retail, restaurant, and entertainment space. The project also includes hotel, residential and commercial uses

3/ 150,000 SF total - 2-story mixed-use center in Coconut Creek. Retail to be 30,000 SF

## Retail – Recently Completed

Recently completed retail-oriented development in the area, an estimated 1.8 million SF, includes the following:

**Table 29. Broward County Retail Development - Recently Completed**

| Name | SF | Location | Developer | Anchors |
|---|---|---|---|---|
| Fountains at Miramar | 136,000 | Miramar | Ross Realty | Ross, Office Depot, Marshalls Super Target, Office Max, |
| Lakeside Town Shops | 275,000 | Davie | Stiles | Payless |
| Regency Lakes Village | 30,000 | Coconut Creek | SE Commercial | |
| Design Row IV | 31,750 | Coral Springs | Amera Properties | |
| Winston Park - Phase II | 57,000 | Coconut Creek | Ross Realty | L.A. Fitness |
| Waterway Shops at Heron Bay | 45,000 | Coral Springs | Ross Realty | |
| Paraiso Parc | 88,000 | Pembroke Pines | Paradise Development | Publix |

Source: CBRE MarketView, Q3 2006 Retail - Broward County

## Retail – Conclusions

As previously stated, for a variety of reasons (tax revenues, employment, visitor attraction, quality of life, spin-off development, image, etc.) retail development is a desirable RAC objective. The area's regional environment, road access and available sites create obvious development opportunities.

Improved access and continued population growth have positive retail development implications for Davie. ERA's local assessment indicated that quality retail expansion is viewed as desirable from quality of life, image and town revenue perspectives.

Adjacent communities have significant regional-level shopping center retail. These communities are likely to continue to contribute this type of retail to the market place. Davie RAC retail opportunities appear to be clustered around existing sub-areas like downtown and in proposed areas like the Academical Village. Any large scale and big box retail would most logically develop on the northeast quadrant of the RAC, which has strong visibility from the highways, though improved access and signage to this area could make this area stronger for this type of retail development.

It is not essential for large-scale retail to occur within proximity of the proposed light-rail transit station because residential and office activity are typically drivers for transit usage, so these uses should be the transit priority (i.e. within a quarter mile area of the station).

ERA's Retail demand was estimated by considering the Gross Leasable Area (GLA) of retail demanded from off- and on-site potential markets. (On-site demand is from RAC population). Off-site demand was estimated by assigning a potential Davie capture rate to the rest of estimated retail growth in Broward County. The following table shows retail GLA demanded for

these market areas. Note that the average national and Broward County GLA per capita is between 20 and 25 SF, so the additional GLA for each market was estimated by looking at the population growth and multiplying by the estimated GLA per capita figures.

**Table 30. Estimated Gross Leasable Area (GLA) for Identified Areas**

| 2006 | 2006 Population | Current (2006) Shopping Center GLA | GLA per capita | Variation from National GLA per person | *23.2 GLA/Capita* | *25 GLA per Capita* |
|---|---|---|---|---|---|---|
| Broward County | 1,792,144 | 41,514,310 | 23.2 | 0.00 | 0 | 3,290,000 |
| | | | | | - | |
| Florida | 18,089,888 | 551,400,000 | 30.5 | -7.32 | 132,350,000 | -99,150,000 |
| United States | 299,398,484 | 6,856,614,000 | 22.9 | 0.26 | 78,833,976 | 628,348,000 |
| 2010 | | | | | | |
| Broward County | 1,902,971 | 41,514,310 | 21.8 | 1.35 | 2,570,000 | 2,770,000 |
| 2020 | | | | | | |
| Broward County | 2,156,883 | 41,514,310 | 19.2 | 3.92 | 5,880,000 | 6,350,000 |
| 2030 | | | | | | |
| Broward County | 2,323,753 | 41,514,310 | 17.9 | 5.30 | 3,860,000 | 4,170,000 |

Source: County Population Estimate, Centers and Malls, ERA

Based on ERA's experience with retail development capture, ERA used capture rates of 4% to 6% of Broward County demand through the 25 years of analysis for the RAC.

ERA has generally been conservative for retail market capture. Other major retail developments are in the planning stage in Broward County and adjacent communities like Plantation and Sawgrass Mill will continue to have a strong retail pull. However, ERA's initial conclusion is that there is an opportunity to provide specific types of retail within the RAC that are lifestyle oriented, larger scale retail that could benefit from good access and visibility to adjacent highway systems, and be more urban oriented.

For on-site retail demand, ERA considered consumer expenditure information for households to estimate retail GLA demanded. The following table shows these expenditure assumptions that were used for on-site residents.

**Table 31. Expenditure Assumptions to Estimate Retail GLA Demanded**

| Consumer Expenditure Survey Information - 2005 Information | |
|---|---|
| Median Expenditures per Household - 2005 | $37,673 |
| % of Expenditures | |
| Food at Home | 7% |
| Food away from Home | 3% |
| GAFO | 8% |
| Entertainment | 3% |

Source: Bureau of Labor Statistics Consumer Expenditure Survey

Average annual sales per square foot (based on ERA's experience with retail around the country) of $350 (2006 dollars) and capture rates of 12 to 15% over the 25-year period is used for on-site retail demand. Capture rates are higher for on-site residents than off-site residents because, by definition, on-site residents will be near this retail on a daily basis and will use it for everyday purchasing. Approximately half of the retail activity taking place in the RAC is anticipated to come from non-RAC residents.

- Total on-site and off-site shopping center retail absorption is estimated at 600,000 SF to 800,000 GLA. This includes any big box-style retail that is in a power center or shopping center development.
- Modest additional retail may come from free-standing big box and downtown retail activity. Free-standing big box may serve a particular market niche. Downtown retail is likely to include restaurant and small-scale (average SF between 2,000 to 7,000 SF) retail and commercial space.

## Transit Oriented Development (TOD) Considerations

Currently 27 of the top 30 cities in the United States are planning or building mass transit systems. Though these are larger cities across the country, smaller cities (like Davie) are considering development options in response to their approaching build-out of land, increased pressure on roadway usage, etc. as the urban area around them becomes more populous and places pressure on the small city to grow to accommodate the population. Development clustered near transit has become accepted as a smart concept to plan and grow communities of all sizes as highway traffic congestion continues to worsen in many of the nation's daily commutes, environmental sustainability advocacy grows, and housing in urban, active neighborhoods appeals to a wider market. Transit Oriented Development (TOD) refers to a cluster of uses – typically a mix of commercial, retail, office, residential, and entertainment – near a train station or other mass transit system connections. According to a Center for Neighborhood Technology, Reconnecting America, and Strategic Economics study based on 41 regions – 32 with transit systems in place and nine planning them – by 2030 some 16 million households will be living in or near transit-oriented developments compared to 6 million today.

The following section of ERA's Market Analysis is based on a number of sources including:

- Interviews with city planners and nonprofit and private developers;
- Research publications and local newspaper articles;
- Portfolio overviews relating to specific development projects (e.g., Calthorpe Associates, Urban Edge);
- Project websites; and,
- Reporting by state transit agencies and other national planning and consulting organizations including the Urban Land Institute, Center for Neighborhood Technology, Brookings Institution, Center for Urban Transportation Research, Reconnecting America, Strategic Economics, and Economics Research Associates.

### Characteristics

TOD's are conceived as transit-related projects that encourage or require mixed use. They focus on pedestrian-oriented environments with densities of 10 to 15 units per acre or above and reduced parking requirements. Other typical design characteristics include vertically mixing uses (e.g., retail on the ground level with residential and/or office on upper floors), active open space, and environmentally sustainable features. Another form of transit development is a Transit-Adjacent Development (TAD), which is oriented toward single-use development patterns and is proximate, but not necessarily oriented toward, mass transit options. These types of developments are proposed for the Town of Davie RAC – TOD around the proposed light rail station and TAD throughout the rest of the RAC, with local transit connectors to the light rail and key RAC areas, including Downtown Davie and the five educational institutions.

## Developer Point of View

ERA research revealed that according to transit-based project developers, the following points are most important to look for when developing a TOD: supportive land use designation, potential rent premium, proximity to transit station, availability of tax incentives, extent of real estate nearby, public sector participation, location in an emerging real estate market, unsubordinated ground lease with public agency, reduced parking requirements, and non-credit, local tenants. The most frequently offered TOD-related incentives include:

- Density bonuses (New York City awards up to 20% FAR bonuses for developments that incorporate subway entry and station improvements);
- Relaxed parking standards;
- Land assembly;
- Tax-exempt bonds;
- TIF program funding;
- Underwritten land costs;
- Expedited review; and,
- Property tax abatement.

## Benefits

A number of studies have been completed in an attempt to gauge the buyer-perceived advantage of TOD's as reflected in a willingness to pay a premium above average sales price. Study conclusions range from reporting transit accessibility has no effect on housing sales prices to having as much as a 30 percent premium. (Realtors quote a 15 percent premium – irrespective of condition – for housing with metro accessibility in the Washington D.C. Ballston-Rosslyn corridor and as any transit system expands, pricing premiums tend to increase). However, results depend on location (e.g. housing near transit in automobile congested or transit-dependent areas will likely capture a higher premium than housing with access to other equally efficient transit options) and to some degree, the pre-development level of ridership / acceptance of mass transit. Other social, economic, and health benefits of TOD's include:

- Density – Studies indicate that doubling density increases ridership by 60 percent (urban TOD's include moderate to high densities of 20-30 dwelling units per acre and FAR's of 1 to 5; of the selected case studies reviewed in this report, the lowest densities were 11 units on a 1-acre site and 12 units per acre averaged over 45 acres). ERA's general conclusion is that the higher the development density levels the Town of Davie can incorporate within a quarter mile of a proposed light rail station, the better the chance there is to maximize their unique community opportunity.
- Diversity of Uses – Mixed use development in suburban TOD locations generate 5 to 10 percent higher ridership than single use employment centers (e.g. office parks). This type of clustering generates a critical mass through mixing and clustering residential, retail, and office. In addition, the Center for Neighborhood Technology (CNT) reports that TODs may offer housing opportunities for lower-income residents given that they typically contain more rental housing than average neighborhoods in the same region (65 percent versus 39 percent) and have lower median gross rents ($591 per month versus average $657 per month). The

RAC has an opportunity to provide a strong mix of land uses because of the presence of the educational institutions as well as relatively strong locational positioning of the RAC within the greater Fort Lauderdale / Broward County area. Affordable housing is an important issue in Broward County and there are opportunities for creative development within the RAC to incorporate a mix of housing units to accommodate affordable and market rate housing, office space, and retail. Note that affordable housing includes a variety of housing options and can accommodate various types of househoulds.

- Market Acceptance – As there continue to be examples of successful TODs, the market is increasingly accepting TODs. New Urbanist / Smart Growth planning principles (street grids, pedestrian friendly TOD environments) increase ridership by 20 percent over conventional sprawl development. According to the Metro Denver Economic Development Corp., a public-private nonprofit group, land values around FasTracks light-rail stops designated for development have increased as much as 30%. There is an opportunity for land within the RAC to become more desirable for development, which can contribute to higher land values and have a positive impact on the Town of Davies revenue collections, particularly considering that the rest of the Town is approaching build-out with current land use planning.
- Lifestyle / Environmental – TOD supports healthy lifestyles and environmental benefits such as recaptured commute time, walking, cleaner air, and sustainable practices. There is a unique opportunity to provide Davie residents, students of the various institutions, and workers within the RAC and adjacent areas with a higher quality of life through these types of offerings.
- Shared Benefits – system utilization is directly correlated to development near transit stops. Studies generally conclude that residents living near rail stations are four to six times more likely to commute via transit than the typical commuter. In terms of the distance of the commute, renters will commute on transit a maximum of 30 minutes, while homeowners are willing to commute longer. And, as congestion and fuel prices increase, TOD's will grow in number and importance; likewise, increased ridership volume increases the value of a transit-oriented development. Integration of the proposed RAC light rail station with the greater rail line in the region will be crucial in the success of the light rail. The RAC has the opportunity to be a destination for commuters because of the educational institutions but proposed planning at other stations on the line may impact the demand for residents around the RAC station.
- Market Niche – young professionals and empty nesters are attracted to TOD's for their contemporary and efficient designs, environmental sustainability, and proximity to transit. TOD within the RAC will hopefully attract more students, keep students in Davie, provide housing to faculty and other workers within the RAC and adjacent areas, and provide an alternative, more urban lifestyle for empy nesters and retirees.
- Green – TOD's have a strong capacity to incorporate green / LEED certified design, especially with the introduction of the LEED Neighborhood Design (LEED-ND) program that will potentially enable an entire planned development to qualify for LEED certification. This is an opportunity that can be fleshed out in future strategy development for the RAC – increasing demand on local water sources in particular may benefit from adapting green strategies in order to reduce the amount of water consumed.

## Challenges

To experience the benefits of TOD's, it literally takes a village: in Arlington County, Virginia, transit ridership only increased by 3 percent (50 riders) for every 1,000 dwelling units and by an average of 10 percent for every 100,000 square feet of office. Furthermore, TOD's are still not fully recognized by capital markets as an economic / market fundamental and are therefore harder to finance than conventional development. Other challenges of TOD's include:

- Market Acceptance – Transit is not a profit-driven system, but real estate is and capital markets will continue to focus on real estate fundamentals rather than larger environmental and public policy benefits of TOD's.
- Design – Design and development policies require careful thought to meet public and developer needs / expectations. Higher densities are harder to configure in suburban locations and can result in a "transit island." Furthermore, the design of the public realm of TOD's is critical, especially for suburban locations (safety, attractiveness, and location within ¼- to ½-mile radius from transit). Incorporating environmentally sensitive design requires additional time and expertise; Cleveland's EcoVillage ended up writing their own project specifications to meet sustainable design needs).
- Financing – The level of required capital investment, retrofit of infrastructure, and business disruptions translates to higher costs. Further, there is intense competition for public funding for transit oriented development. Mixed use / urban design requirements require vertical mixing even though financing is typically easier for horizontal mixing.
- Planning / Timeline – TODs often experience a 10+ year delay before realizing results promised early on. Furthermore, TOD plans are often inflexible and don't allow for probable increases in densities 15 to 20 years later. If long term planning is absent, some catalyst TOD projects may become victims of their own success – higher values lead to higher rents and possible business / residential displacements.

ERA views the conclusion of this challenges section as very important to Davie's RAC planning process. In our opinion there are excellent opportunities to implement a strategy that capitalizes on Davie's development opportunities, begin to resolve emerging traffic issues, link the local existing and proposed urban assets (i.e. academic, downtown, development sites, possible incentives, etc.) These opportunities are what guide typical successful urban strategies and in this situation are being brought forward by transit project concept. ERA concludes the transit concept could be the catalyst for coordinating local decision makers (i.e. town, academic, property owners, developers, etc.) in a unified development strategy.

## Density Considerations

ERA identified a list of over 50 projects across the country for a review of density strategies related to transit-oriented development. Of the selected projects, the highest density was at the Egleston Crossing project in Roxbury, Massachusetts (92 units per acre) and the lowest densities were at Garden District Row in Charlotte (11 units per acre) and the Villages at Curtis Park in Denver (12 units per acre). A literature review supported this finding that the density of truly transit-oriented development is higher than surrounding community; in fact, a number of communities mandate this through transit overlay districts and other developer guidebooks and

transit-oriented development "rules of thumb." For example, the City of Charlotte has transit zoning districts that mandate a minimum housing density of 15 residential units per acre within a half-mile of a transit station and 20 units per acre within a quarter mile.

Most of the projects reviewed are located in areas with a high percentage of black residents or a high "diversity index" (a calculation based on levels of variation in resident race and culture) – in keeping with Broward County's increasing ethnic population. A number of projects were selected based on the incorporation of unique and environmentally sensitive design features such as energy conserving and recycled construction materials, units fronting internal courtyards, and residential / retail mixes.

The majority of projects featured served as catalysts to, or were incorporated into, area redevelopment / revitalization. In some of these cases, public participation and ownership have successfully leveraged affordable / workforce housing. Finally, of the states that have aggressively pursued TOD's, California has lead by example and five of the selected case studies are located there.

Interestingly, a handful of the selected projects were constructed before a proposed transit stop – these projects, in other words, exemplify a "rail follows residential" scheme. It is common today for developers to build several years in advance of a planned station and is much easier to find examples of these types of projects. However, ERA predicts it is likely that as land serviced by light rail transit close to metro areas becomes scarcer, higher density residential will increasingly be developed in areas within walking distance of existing rail and bus transit stops.

### Sample Transit Oriented Projects

A brief description of these projects is included in the Appendix.

## Land Use - Market Considerations

### *Complementary Development within the RAC*

There are currently anticipated projects noted as potential catalysts for the RAC.

There is a proposed development called the Academical Village that is proposed on the west side of the RAC. Nova Southeastern University (Nova) is joint venturing with private developers in ownership of a contiguous 30-acre shopping center plaza adjacent to their campus. This project currently is anticipated to include 525 residential units, 330,000 SF of retail, and 185,000 SF office (90,000 to NOVA). Additional uses may include a hotel.

There is a plan for Downtown Davie that includes mixed use development. There are several additional projects planned or proposed that will promote a mixed-use environment. One anticipated project that could be a catalyst project for other similar activity if well-developed is a mixed use development at the north west corner of Davie Road and Orange Drive. The Davie Community Redevelopment Agency (CRA) is currently assembling land for the project, which will be comprised of first level retail and upper level residential. The anticipated composition of the project is in line with Master Plan team expectations for density in Downtown Davie.

## Education Institutions – A Unique Asset

In ERA's opinions, a truly unique asset to the RAC is the package of educational institutions located in Davie. These include:

- **Nova Southeastern University (Nova):** With current enrollment is at 26,000 (with about 3,000 undergrad), Nova is the largest independent higher education institution in the state and one of the largest in the country. Nova is continuing to grow and by 2010, unduplicated enrollment may reach 30,000. Nova continues to add and expand programs concurrent with student population growth. There are currently 800 dorms today with 550 new dorms anticipated and a total of 5,000 total beds on campus. Nova is pursuing the proposed Academical Village (see previous discussion) and has had a flurry of on-campus development activity with a significant number of new buildings built. A unique partnership with public entities includes a five-story, 325,000-square-foot library that operates operate both as an academic facility and as a public library. Another example of a recent development on campus includes the 366,000 square-foot University Center, which includes a 4,500 seat arena, fitness center, student union, and performing arts center. Nova is also the home of the training facility for the Miami Dolphins.
- **Florida Atlantic University (FAU):** During the next ten years, the FAU Davie campus is scheduled for a major expansion. The master plan calls for the development of 20 acres of land directly west of the existing campus. The first building, which is estimated to be ready to occupancy sometime in 2009, will house an expanded science program focusing on environmental research—primarily related to Everglades research. Shortly after the first building opens, construction is anticipated to begin on a new College of Business building.

There is an undergraduate business degree program in Davie but all graduate business programs will move from the downtown campus to Davie when construction is completed on the second building (likely around 2011). At this time no faculty have offices off-site and there is not prediction for off-site demand. FAU currently has two research parks—one adjacent to the campus in Boca Raton and one in Deerfield Beach. The Boca Park is fully occupied and new ventures will likely head to Deerfield. FAU might be interested in some business-university partnership opportunities in mid county Broward. Currently, there are around 5,500 FAU students on the Davie Campus. Around 12% are graduate students, most of which are teachers working on Masters and Doctorate degrees. The campus has no plans for on-campus student housing. Most students—a majority are from central Broward County—are within a 15-mile radius of campus. The average age of student is 28. Seventy percent are female and most work full time. Projections through 2014 show anticipated growth of 35%--to 7,665 students (headcount) and 3,234 FTE. There are 100 faculty housed on the Davie Campus and 80 staff. Seventy-five faculty are housed at the Fort Lauderdale site. A majority of faculty in Fort Lauderdale also teach in Davie and most reside in western Broward County.

- **Broward Community College (BCC):** BCC's central campus is in Davie, with approximately 19,560 in each major term (fall and winter). All students are undergraduates at this 2-year college. There is no on-campus housing. There are approximately 400 full-time employees, including approx 160 full-time faculty. Current linkages between education programs and local business include training all the recruits for the police departments in Broward County and some in Palm Beach and Miami-Dade, Bailey Hall, the performing arts center, and the Buehler Planetarium and Observatory, support academic programs as well as providing education and entertainment for the community (Bailey Hall is also rented to outside patrons, and classrooms and other facilities are rentable as well), local businesses are sometimes locations for student internships and projects, and business and industry professionals serve on advisory boards for BCC technical programs. Possible future programs include music production technology, biotechnology, and emergency management technology Projected annual enrollment is:
    - 07-08: 10,349 FTE
    - 08-09: 10,249 FTE
    - 09-10: 10,122 FTE
    - 10-11: 9,983 FTE
    - 11-12: 9,833 FTE
- **Other Educational Institutions**: The following institutions complete the mix of educational institutions located within the RAC:
    - University of Florida
    - University of Florida - Institute of Food and Agricultural Sciences (UF/IFAS)
    - BECON
    - Mc Fatter Technical Center
    - Broward County Schools
    - Fire Academy

As described, ERA recommends an ongoing effort to coordinate the operating and development activity of these institutions to both enhance their programs and the economic benefits for Davie.

## Other Area Development Activity

Other adjacent proposed developments or development areas

- Increasingly, land use strategies are incorporating higher density development across Broward County. Current projects exemplifying this trend include a 26-story condo tower near Sawgrass Mills in Sunrise (estimated completion at the end of 2007), an 18-story complex planned for Plantation near the Fashion Mall, and a new downtown in Coconut Creek is shaping from a project called The Promenade at Lyons - an eight-story mall with about 60 stores and restaurants, offices and condos.[6]
- State Route 7 redevelopment. A citizens' master plan focused on revitalization of the SR 7 corridor between I-595 and Stirling Road and the surrounding neighborhoods. Plans include intensification of mixed-use development along the corridor, housing, and creation of a competitive industrial/commercial/research district. This corridor area has the Seminole Hard Rock Hotel and Casino on the south end. The master plan recommendations include encouraging resort/tourist/entertainment development near this entertainment and gaming center.
- Central Plantation master plan. Central Plantation is bounded by University Drive on the east, Pine Island Road on the west and Cleary Boulevard and Interstate I-595 (I-595) on the north and south, respectively. Central Plantation encompasses approximately 860 acres and measures approximately ¾ mile from east to west and two miles from the north to south. Within ten years, it is estimated that its relatively strong office market will have the ability to absorb an additional 750,000 sq. ft. of Class A/B+ office space, or about 75,000 SF annually. Also within ten years, it is estimated that the for-sale market will have the ability to absorb an additional 950 units, or a little less than 100 units annually. It is also estimated that the rental market will be able to absorb an additional 1,050 units during the same time period, another 100 units annually. In the same ten years, it is estimated that the hotel market will have the ability to absorb an additional 400 mid-level hotel rooms. This site is due north and adjacent to the Davie RAC.
- The Commons – proposed dining, shopping and office along Interstate 75. The Town Council of Davie recently voted to request county and state approval for this development. The development is proposed on currently-agriculturally zoned land and planned for low-density residential development at the northeast corner of Shotgun Road and Arvida Parkway. The Commons is planned to include 1.1 million square feet of high-end retail space, 885,000 square feet of office space and a 300-room hotel.[7]

[6] Source: Benedick, Robin and Nevins, Buddy. "Broward's housing will be multistory, not single-family". South Florida Sun-Sentinel. May 13 2007

[7] http://www.securityinfowatch.com/article/article.jsp?siteSection=383&id=10495

### Transit Oriented Development (TOD)

The proposed light rail line on the northern boundary of the RAC as well as anticipated local transit opportunities within the RAC have the ability to provide a variety of positive impacts within the RAC. The sooner this transportation becomes available, particularly the light rail line, the sooner it will be able to create and drive these anticipated impacts, which can include:

- A positive impact from a market perspective, which can includes improved capture rates (particularly for residential and office land uses).
- Provide a place with a good quality of life (i.e. creating a cohesive place for people to live, work, and play
- Improve town revenues via improved property tax and other similar revenues resulting from improved and appropriate land use
- Increase redevelopment opportunities for Downtown Davie to become a thriving, vibrant downtown area
- Positively impact the educational institutions in the area – these transit options can reduce the need for increasing parking on campuses (thus making available land for other educational goals), improve traffic circulation around the institutions, and improve the connection between campuses and existing and proposed improvements within the RAC (e.g. connections to downtown, the proposed Academical Village, etc.)

Ultimately, the possibility of integrating a successful light rail transit option in an area with a significant educational institutional presence, a downtown with potential to become a vibrant destination for Davie residents and residents in adjacent communities, a site with other strong access via adjacent highways, and a growing population is a tremendous opportunity for the Town of Davie and RAC stakeholders.

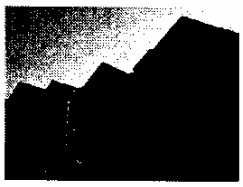
### *Columbia Estates*

Location: Atlanta, Georgia
Former Site: Perry Homes public housing
Unit mix: 124 affordable and market-rate rental units
Price points: $700 to $850 per month
Transit (Destination City): In location slated for future rail stop (Atlanta)

**Notable Information**: The total development cost for Columbia Estates was $12.6 million. The project was financed through a $3.8 million HOPE VI loan from AHA (AHA used HOPE VI dollars to pay to relocate hundreds of families to other affordable housing, demolish existing Perry Homes public housing, and clear the land); a first mortgage from Washington Mutual; $5.9 million in low-income housing tax credit equity from Boston Capital; and $400,000 in deferred developer fees. According to the developer, several points were crucial to Columbia Estates' success: the tax credit allocation from the Georgia Department of Community Affairs, partnership with the public housing authority, and getting a property tax exemption on some of the proposed mixed-income units.

### *Duncan Gardens*

Location: Charlotte, North Carolina
Former Site: Blighted
Unit mix: 24 condo flats and 19 townhouses
Price points: $118,000 - $132,000
Transit (Destination City): In location slated for future rail stop (Charlotte)



**Notable Information:** Middle-income singles, young couples, small families, and other buyers that couldn't afford typical center city prices were attracted to Duncan Gardens, especially because the city provides financial assistance of up to $20,685 for eligible buyers. Resale prices in the area have reportedly been steadily rising (most notably in the Garden District), and the neighborhood has a lower crime rate more in line with the Charlotte's average. Density is about 29 units per acre, one of the higher of the selected case studies.

***EcoVillage Townhomes at 58th Street***

Location: Cleveland, Ohio
Former Site: 10 dilapidated single-family houses
Unit mix: 20 town homes; 15 with accessory dwelling space for rental
Price points: $180,000 - $265,000
Transit (Destination City): RTA Red Line (Cleveland)

The EcoVillage Townhomes were chosen as a case study for development objectives focused on sustainability as well as its position as an urban infill project. (The EcoVillage is actually a larger designation in the Detroit Shoreway neighborhood; the 20 EcoVillage Townhomes at 58th Street are described in this case study). In 1997, EcoCity Cleveland and Detroit Shoreway Community Development Organization (DSCDO) presented their concept of integrating mixed-income, dense infill development with sustainable building materials and energy efficiency to the Detroit Shoreway community. By 2004, RTA had renovated the adjacent West 65th Street Station to be environmentally sustainable and EcoCity Cleveland and DSCDO had built 20 townhomes in the place of 10 dilapidated homes. The EcoVillage Townhomes have access to three major bus routes that connect to locations throughout Cleveland as well as Cleveland's red line Rapid Transit line which connects to major employers downtown (a ten minute commute), at the airport (20 minute commute), and other locations including Case Western Reserve University. A year after EcoVillage owners moved in, the RTA reported an 8 percent increase in ridership along the red line. A variety of sources financed the EcoVillage Townhomes: the City of Cleveland contributed $200,000 in Housing Trust Funds and $50,000 through a Community Development Block Grant that provided a 15-year tax abatement; the Environmental Protection Agency gave DSCDO a grant to hire an EcoVillage project coordinator; a $75,000 Solar Electric Power Association Grant; and additional support from private foundations such as the Cleveland Foundation, George Gund Foundation, and the Wean Foundation.

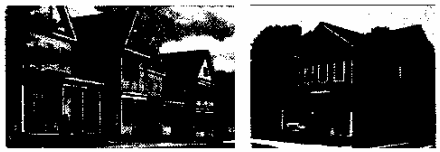
### *Egleston Crossing*

Location: Roxbury, Massachusetts
Former Site: Brownfield redevelopment
Unit mix: 64 affordable studio, 1-bedroom, and 2-bedroom units; 8,300 SF commercial
Price points: Affordable ($836-$1,061 per month rents)
Transit (Destination City): Metrorail Orange Line (Baltimore)

Part of a larger community-driven redevelopment effort that incorporates TOD and green design elements, Egleston Crossing is developer Urban Edge's third development in the Jackson Square neighborhood since Urban Edge was founded in 1974. Egleston Crossing is a mixed-use brownfield redevelopment project located in the heart of the neighborhood commercial center. Gross density is about 92 units per acre. Through a feasibility study, the Urban Edge developers discovered an overall energy savings of 59 percent was achievable by integrating water conservation and stormwater management, passive solar heating (solar PV panels), high performance windows and insulation, locally-made and recycled materials, and other energy-saving features. Completed and occupied in 2004, Egleston Crossing was a $20 million dollar project, completed with 22 sources of financing. The target market for residents is formerly homeless individuals and elderly and / or families with a disability. Maximum income of tenants is 30 percent of the area median income (AMI). There is generally wider funding support for rental projects because they are available to lower income residents (e.g., many of the Energy Star and other green building incentive programs only apply to developments including units for those under a certain percentage AMI).

### *Garden District Row*

Location: Huntersville, North Carolina
Former Site: older homes
Unit mix: 11 single family homes
Price points: $450,000 - $475,000
Transit (Destination City): In location slated for future rail stop (Charlotte)



While sales prices for single family homes at the $5 million Garden District Row development are comparatively high, ERA was interested in this case study because a future light rail stop is planned within walking distance and the development has a relatively low density. Garden District Row is part of the Garden District, a 12-acre neighborhood between 9th and 11th streets in the Garden District or First Ward of Charlotte, within walking distance of an NBA Arena, entertainment complex, and Uptown neighborhood amenities. Although units make use of rear alleys and reduced setbacks, this selection has the most suburban feel to it with 25-foot wide lots, single family detached homes, and private gated courtyards. At 11 units per acre, Garden District Row has the lowest density of the selected developments (which is clear in the unit rendering and photo above).

***Lumberyard***

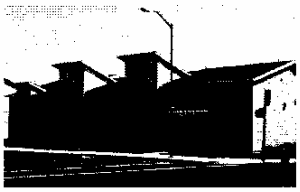
Location: Collingswood, New Jersey
Former Site: Vacant / underutilized
Unit mix: 120 1,020-2,060 SF townhomes and condominiums; 29,000 SF retail
Price points: $225,000-$470,000 plus a monthly condo fee of $225
Transit (Destination City): PATCO (Philadelphia)

The Lumberyard Condominiums are included within the Transit Village & Downtown Redevelopment Area in the borough of Collingswood, New Jersey. Lumberyard is part of Collingswood's urban transit redevelopment program along the commuter rail line servicing the metro Philadelphia region. With a site area of 4 acres, LumberYard has a 30-unit-per-acre density handled through 3 buildings with 120 units. Key project elements include a four-acre redevelopment tract assembled by the borough over five years that includes a former lumberyard and several other parcels designated for redevelopment. A market analysis prepared for the developer determined that empty-nesters and retirees comprise 51 percent of the target market for new condominium units in the project area; another one third of the target market is

comprised of younger singles and couples, many of whom would be attracted by the short walk to the PATCO train station in their decision to buy; and the remainder of the target market is made up of traditional and non-traditional families drawn primarily from other communities in the same county. Ten institutions came together to finance the $54 million Lumberyard project. In addition, the borough (Collingswood) gave the land cleared of buildings and all environmental impediments, exempted the project from low- and moderate-income housing requirements, spent $3 million on infrastructure, bought back municipal parking for $3.7 million, granted a $5 million bridge loan and a 5 to 8 year lapse for full county and school shares of property taxes. If all goes well, the project will generate $3 million in profit, one-third of which is the developer's share and the remainder will go to Collingswood. The estimated value for project design and construction is $40 million. Before the redevelopment, the former lumberyard and its neighbors generated $22,000 a year in local taxes. Five-plus years from now when the tax abatement expires, the borough expects to collect at least $250,000.

***Mandela Gateway***

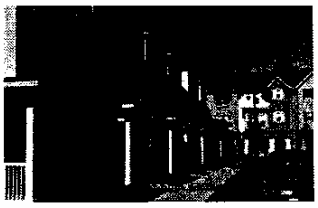
Location: Oakland, California
Former Site: Substandard housing
Unit mix: 168 affordable units; 20,000 SF retail
Price points: $590 - $1,100 per month; $135,000-$230,000
Transit (Destination City): BART / Caltran (San Francisco)



Mandela Gateway is a HOPE VI project located on 5 acres near the BART West Oakland station (the final stop before San Francisco Bay and one stop west of downtown Oakland). Viewed as a potential catalyst for improving the overall character of the surrounding neighborhood which has been in decline ever since construction of the ill-fated Cypress Freeway, Mandela Gateway replaces 46 run-down homes with 168 affordable units, 20,000 square feet of retail space, an outdoor playground for children, community facilities for local residents, and town squares at both corners of the gateway at a density of 34 units per acre. The Mandela Gateway project was developed through a partnership between Bridge Housing Corporation and the Oakland Housing Authority. A former distressed public housing project run by Oakland Housing Authority was demolished on part of the property, but additional sites needed to be acquired to make the project large enough to become a redevelopment anchor. After a five-year campaign to acquire the financing and land necessary, which included convincing the California Department of Transportation to sell its 2.2-acre park-and-ride lot (Caltran wanted fair-market value for its land as well as replacement parking), Mandela Gateway was completed in 2005. The $52 project was funded by $35 million in private financing, $10 million in HUD public housing funds, and $7 million in other public funds from the City of Oakland. Following the development of Mandela Gateway in 2004, a number of new projects in the immediate area have come online, including a 1,200 unit mixed-use project at the former American Pipe site and a 900 unit mixed-use single-family lofts and multi-family rentals project on the former 23 acre Southern Pacific Railroad site. In addition, a number of development options for other adjacent property have been identified including: a public safety complex, retrofitted office, warehouse/showroom space, and a five-story, 120,000 square foot building with ground floor retail and restaurant and 164 condo units.

***MetroWalk / Richmond Transit Village***

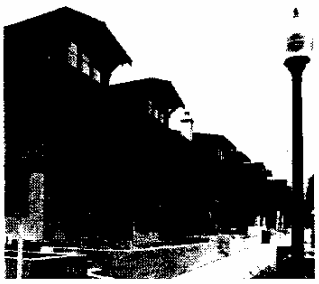
Location: Richmond, California
Former Site: Vacant
Unit mix: 231 townhouses & live-work units; 20,000 square feet of retail space; 3,700 square foot inter-modal transit station; and an 800-space garage facility
Price points: $265,000-$375,000
Transit (Destination City): BART, Amtrak (Sacramento, San Jose)



Designed by Calthorpe Associates and built by the Olson Company, Metrowalk at Richmond Transit Center (also referred to as Richmond Transit Village) is a 16.7-acre TOD within a two-minute walk to the BART/Amtrak station where residents can take either BART or one of the eight California Corridor Amtrak trains that travel between Sacramento, Emeryville, and San Jose. The Olson Company is one of the 15 largest home builders in Orange County and specializes in in-fill development near transit. With 38 percent of residents within a mile of the project being black and a significant percentage Hispanic or Latino, Metrowalk has the highest diversity index of all nine case studies at 90. Construction of the residential portion at Metrowalk was divided into ten phases of ten to fifteen units each at a density of 14 units per acre. The three residential designs include: 69 Career Homes, 30 Villas, and 33 Bungalows for between $190 and $240 PSF. In addition to 231 townhouses and live-work units, MetroWalk includes 20,000 SF of storefront retail and a 30,000 SF cultural center. The parking ratio is 1.5 per residential unit; 3 spaces per 1,000 gross sf retail and there is an 800-space parking garage that is part of the intermodal station. The sales manager at Metrowalk also reported a unique tradeoff option: buyers can choose to help finance their purchase by giving up one of their autos and save $500 per month in gas and car payments. Despite limited competition (residents do not have much retail within walking distance), the retail portion of Metrowalk has struggled somewhat and relies on commuters moving through Nevin Plaza to support itself. The City is hoping that the three designated retail sites along Nevin Plaza will be fully occupied soon.

***Mission Meridian Village***

Location: South Pasadena, California
Former Site: Underutilized neighborhood prime for revitalization
Unit mix: 13 one-and two-bedroom flats (800 to 850 square feet), 14 lofts (850 square feet), two story town-homes, three-story town homes, and three detached patio homes (2440 square feet), and 5,000 square feet of retail.
Price points: $355,000-$839,500
Transit (Destination City): Metro Pasadena Gold Line (Pasadena and Los Angeles)



Mission Meridian Village is located between a traditional neighborhood and a historic neighborhood center in the process of being revitalized and is within walking distance of art galleries, antique stores, post office, library, and the city hall. It is a 1.7-acre development adjacent to a light rail station on the Gold Line between downtown Los Angeles and Pasadena. Trains depart from the station every 10 minutes during commuting hours and it is a 20 minute commute to Union Station. The population within a mile of The Village supports a diversity index of 77, one of the highest of all of the case studies. This is likely due to a higher share of black, Hispanic and Latino residents in the area. Median home values in the area have increased dramatically from $347,000 in 2000 to an estimated $950,000 in 2006. The 221,330 square feet of building area consists of 67 condominiums at a density of 40 units per acre. After residents expressed concern with avoiding national retail chain tenants, the developer assembled a set of tenants of local origin such as Heirloom Bakery and Cafe, a flower stand, a fitness gym, and a shop selling locally manufactured jewelry. Other retail includes a Trader Joe's and several coffee houses and small restaurants. Parking consists of two levels of underground parking with 105 spaces for Village residents and guests and a separate 175-space garage for local shoppers and commuters. There is also a bicycle store and storage facility designed to accommodate commuters. The project is valued at $25 million. Financing and role of subsidies consists of: $5 million in public funds (City of South Pasadena, LA County MTA, Caltrans), $5 million in Developer and Mezzanine Equity, and $11 million in Construction Financing

*Parsons Place*

Location: East St. Louis, Missouri
Former Site: Abandoned
Unit mix: 174 affordable units
Transit (Destination City): Emerson Park MetroLink Station

McCormack Baron Salazar and the Emerson Park Development Corporation partnered to develop this multi-family rental mixed income development located on roughly 30 acres in the City of East St. Louis' Emerson Park neighborhood. The first phase included 171 units of one, two and three-bedroom apartments in 58 tri-plex buildings, 75% of which were leased under the low-income housing tax credit program with the remaining 25% leased as market rate apartments. The recent groundbreaking of the second phase of the project will comprise of 102 rental apartments. The development is bounded on the south by MetroLink and has attracted roughly 350 residents to an area initially populated by only 50 residents. It is projected that up to 3,000 commuters a day use the MetroLink station. There are plans for additional single-family homes. Funding sources include:

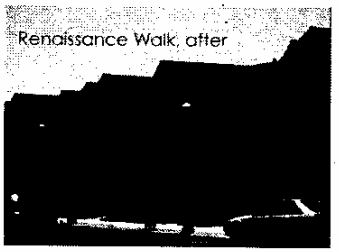
Funding Sources (Millions)
- IHDA First Mortgage $ 3.85
- IHDA Trust Fund Loan $0.5
- State of Illinois $4

Corporate Donations (community loan) $2.5
- Danforth Foundation $1
- Equity $9.25
- Subtotal $21.1
- City of East St. Louis (TIF) $1.5
- Enterprise Community and Empowerment Zone $2

Total Development Sources $24.6

### *Renaissance Walk*

Location: Hayward, California
Former Site: Abandoned / Vacant
Unit mix: 46 living units, 22 affordable; 24 market rate
Price points: $265,000-$275,000 affordable; $505,000-$530,000 market rate
Transit (Destination City): Hayward BART station (Oakland / San Francisco)




Renaissance Walk is located on 1.7 acres in Hayward in the East Bay of the San Francisco Bay Area within walking distance of one of Hayward's two Bay Area Rapid Transit (BART) stations. Over one-third (35%) of residents within a mile of the Renaissance Walk project are Hispanic or Latino (of any race), pushing the diversity index to 87. Renaissance Walk was constructed on formerly vacant, underutilized city block bounded by C Street, D Street, Atherton Street, and Watkins Street. In a public-private effort, the Olson Company built 46 condominium units on the site in a series of four-plex, tri-plex, and duplex buildings in traditional California styles. The project was completed in the summer of 2005 at a density of 28 units per acre. Housing survey results indicate a large share of young households in the 25 to 44 age range, many of whom place a premium on living near BART. Steady absorption and prices in the half-million dollar range demonstrate the popularity of downtown Hayward as a location.

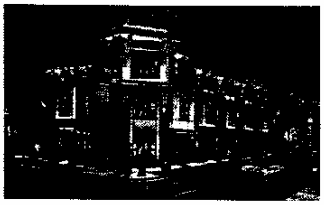
### *Station North Townhomes*

Location: Baltimore, Maryland
Former Site: Derelict townhomes
Unit mix: 32 rowhouses
Price points: $400,000 - $500,000

In Maryland, about $2.1 billion worth of transit-oriented projects are under way or in the conceptual stage and a large share of this effort is taking place in Baltimore, where transit-oriented and transit-adjacent development standards are being more widely incorporated. The City of Baltimore has integrated TOD principles into their Comprehensive Master Plan and Smart Growth Reference Guide, providing developers with a TOD checklist in addition to other design tips (e.g., higher density than surrounding communities; horizontal and vertical mixing of uses; compact, pedestrian-oriented design; building orientation to the street; connected street pattern without super blocks or cul-de-sacs; system of open space; and, limited, managed parking). The $10 million Station North Townhomes project is located on the formerly run down 1700 block of North Calvert Street in Baltimore two blocks from Penn Station and 35 minutes to Washington, D.C by train. The neighborhood is attracting a mix of young professionals, artists, and students due to a renewed cultural life and access to transit for 70,000 commuters connecting to major employers such as Johns Hopkins in East Baltimore and the airport.

***Steel Gardens***

Location: Charlotte, North Carolina
Former Site: Industrial
Unit mix: 106 condos, 30 live/work units, 8 single-family homes, and 97 townhomes
Price points: $220,000 - $400,000
Transit (Destination City): In location slated for future rail stop at 36th Street (Charlotte)



Steel Gardens is a $48 million neighborhood development located on 11 acres of formerly industrial land across from North Charlotte Park and within walking distance of a proposed transit station at 36th street. It is part of Charlotte's Historic Arts District known as "NoDa," an up-and-coming neighborhood in Charlotte. Charlotte city government created regulations and policies designed for the proposed station areas (a half-mile radius around each stop). These areas are subject to zoning that includes a minimum density of 20 residential units per acre and the Historic North Charlotte Neighborhood Association supported rezoning of the Steel Gardens site because the project will have the density (22 units per acre) to support mass transit and offer a diversity of home prices. According to real estate experts, Steel Gardens is a prime example of a site that is perfect for infill housing development that could increase neighborhood property values, especially along the light rail. However, developers say they are "depending more on the appeal of their dwellings than the promise of transit service for sales."

### *Villages at Curtis Park*

Location: Denver, Colorado
Former Site: public housing
Unit mix: 550 rental and for sale units
Price points: $600 - $1,200 / month

The Villages at Curtis Park are part of a larger redevelopment Hope VI project undertaken by the Denver Housing Authority to rebuild several hundred mixed-income housing units throughout the formerly blighted Curtis Park / Five Points area. The Curtis Park / Five Points neighborhood has historically served as a critical transportation link between Denver's Central Business District and the Stapleton International Airport. Today, developers of the Five Points neighborhood say it "the light-rail line is a big reason why the area is becoming more prosperous and safer" and diverse investment in the area is reportedly strong. Located within walking distance of downtown Denver, the $85 million Villages project's density averages out to 12 units per acre.

### *Water Tower Village*

Location: Arvada, Colorado
Former Site: Blighted
Unit mix: 360 multi-family; 340 rental units
Price points: $150,000 - $300,000; $790 - $1,400 / month
Transit (Destination City): Gold Line (Denver)

Water Tower Village is a New Urbanist, pedestrian oriented community located outside of Denver on a formerly blighted 26 acres near Olde Town Arvada. Prior to redevelopment, this area was experiencing problems related to older housing stock (lead-based paint, toxic mold, asbestos) and the highest crime rate in the city (domestic violence, car theft, and drug activity

were common). Today, Arvada is promoting its three light Gold Line rail stations, including one in its historic core, and developing Water Tower Village, a 26 acre parcel adjacent to Olde Town that is being redeveloped into a high-end residential village with 360 multi-family and 340 rental townhomes, rowhouses, and lofts ranging from 800 to 1,400 square feet. Responsible for revitalizing about 400 designated acres throughout Arvada, the Arvada Urban Renewal Authority (AURA) assembled the property, performed the environmental cleanup, demolition, and installed infrastructure and two pocket parks. AURA also paid to relocate about 75 families from 16 apartment buildings and 15 single family houses ($5,250 to each family above the cost of acquiring the land), a process that enabled 16 percent of residents to become first time homeowners. The Water Tower Village is a $100 million project, $20 million of which is being provided through AURA in the form of tax increment financing and the remaining $80 million is being financed by private investors. Density at the site averages to about 27 units per acre.

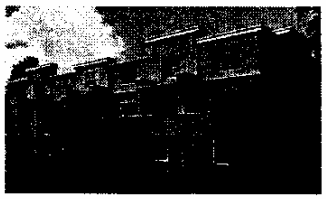
***Wesley Commons***

Location: Golden Valley, Minnesota
Former Site: vacant
Unit mix: 131 multi-family homes; 83 townhomes; 48 condominiums; 25 rental apartments
Price points: $170,000 - $350,000; 15 units were sold to income-qualified buyers for $134,000.
Transit (Destination City): Metro (Minneapolis)

Wesley Commons is within walking distance of existing daily local and express train routes running serving downtown Minneapolis and northwestern suburbs. Notably, the Metro reached a systemwide ridership high of 7 million riders in 2006. Located on 13 acres west of Downtown Minneapolis, Wesley Commons is a diverse community with a relatively strong share of Hispanic or Latino residents. The City of Golden Valley was involved in assisting with land acquisition and title work, demolition of existing buildings, street and streetscape construction, utilities relocation, and environmental remediation (paid for through TIF funds). Additionally, it approved the Planned Unit Development (PUD) designation. Funding for the project was provided through a mix of private development funds, grants and municipal economic development funds raised through TIF districts, with rental housing eligible for tax credits from the Minnesota Housing Finance Agency. In addition, the project used a $510,000 Livable Communities Grant (LCG) to subsidize a parking deck, and pond retaining wall.

***Willow Walk***

Location: Compton, California
Former Site: Blighted
Unit mix: 136 Townhomes; 1,167 to 1,506 square feet
Price points: $300,000+
Transit (Destination City): Adjacent to Metro Blue Line (Los Angeles)



The Metro Blue Line station is located adjacent to Willow Walk. Located on 7 acres, Willow Walk will have a density of 21 units per acre at build out of 136 3-story townhomes. Willow Walk is still only in the sales reservation stage, so there is limited information on buyer interest and estimated phasing of the development.

## Appendix - 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, and they are believed to be reliable. This study is based on estimates, assumptions and other information developed by Economics Research Associates from its independent research effort, general knowledge of the industry, and consultations with the client and the client's representatives. No responsibility is assumed for inaccuracies in reporting by the client, the clients agent, and representatives or any other data source used in preparing or presenting this study. No warranty or representation is made by Economics Research Associates that any of the project values or results contained in this study will actually be achieved.

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