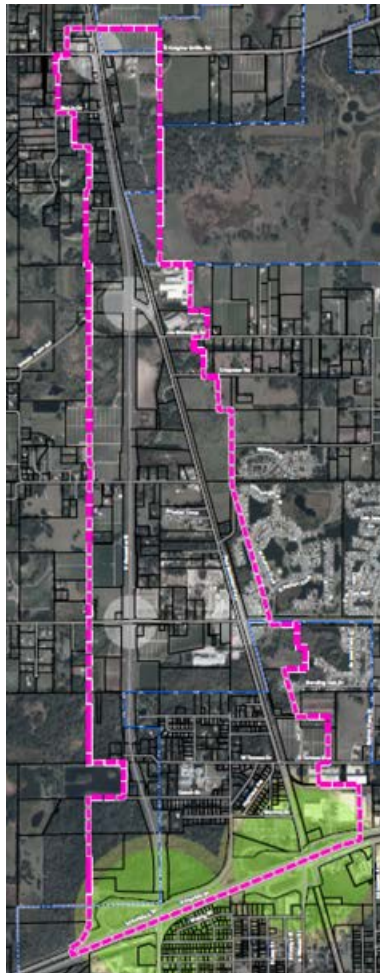


# Land Use Market Analysis

## N. Alexander Street Corridor

### Plant City, FL



Prepared for:  
**Hillsborough County**  
**City—County Planning Commission**  
Tampa, FL

March 2018

**WTL +a**

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## General & Limiting Conditions

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

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

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

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# 1 Executive Summary

## Introduction



WTL+a, a national real estate and economic development consulting firm based in Washington, DC, with significant project experience throughout Florida, was retained by the Hillsborough County City—County Planning Commission to prepare a land use market analysis of the North Alexander Street corridor located at the edges of Plant City predominantly in unincorporated Hillsborough County.

The County and the City have identified the following key goals to help frame the market study:

- To coordinate an envisioned land use pattern between Hillsborough County, the Florida Department of Transportation and Plant City;
- To identify and assess the potential land use for parcels likely to annex and receive municipal (i.e., potable water and wastewater) services from Plant City;
- To identify and assess the general economic impacts of parcels likely to annex within the area of study;
- To identify activity nodes that can become future community/neighborhood focal points;
- To assess current related principles, objectives and policies for this area in the *Northeast Plant City Area Master Plan* and *Imagine 2040: Plant City Comprehensive Plan*; and
- To assess and, if appropriate, recommend additional policy direction from the “Strip Commercial and Mixed-Use Development in Hillsborough County” study, prepared in 2014 by Dover Kohl.

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## Market Study Methodology

The market analysis has been tailored to address the goals outlined above to support the efforts of the Planning Commission and City in formulating an appropriate land use plan for the corridor:

- Ascertain if 2040 growth assumptions outlined in these two plans remain valid;
- Evaluate the best use of acreage located in the study area in response to this new corridor and updated population projections for Plant City;
- Identify the types of uses and locations within the study area with the greatest potential for development (or redevelopment) as commercial/mixed-use activity centers if annexed into Plant City;
- Estimate the general economic impacts of these market potentials, such as net new job creation, ad valorem/property tax revenues, retail sales tax receipts, business licensing taxes, etc.; and
- Provide ideas for public/private investment and other initiatives to achieve economic growth and the most desired land use pattern along North Alexander Street.

To that end, the study includes a profile of demographic and economic characteristics; an evaluation of recent and current real estate market conditions across four key land uses (residential, workplace/office, supporting retail and lodging/hospitality); and, an analysis of market potentials that take into consideration the findings of the demographic and real estate analysis. In addition, as noted above WTL+a has also estimated the preliminary economic benefits generated by market potentials across each of these land uses.

## Study Area Boundaries

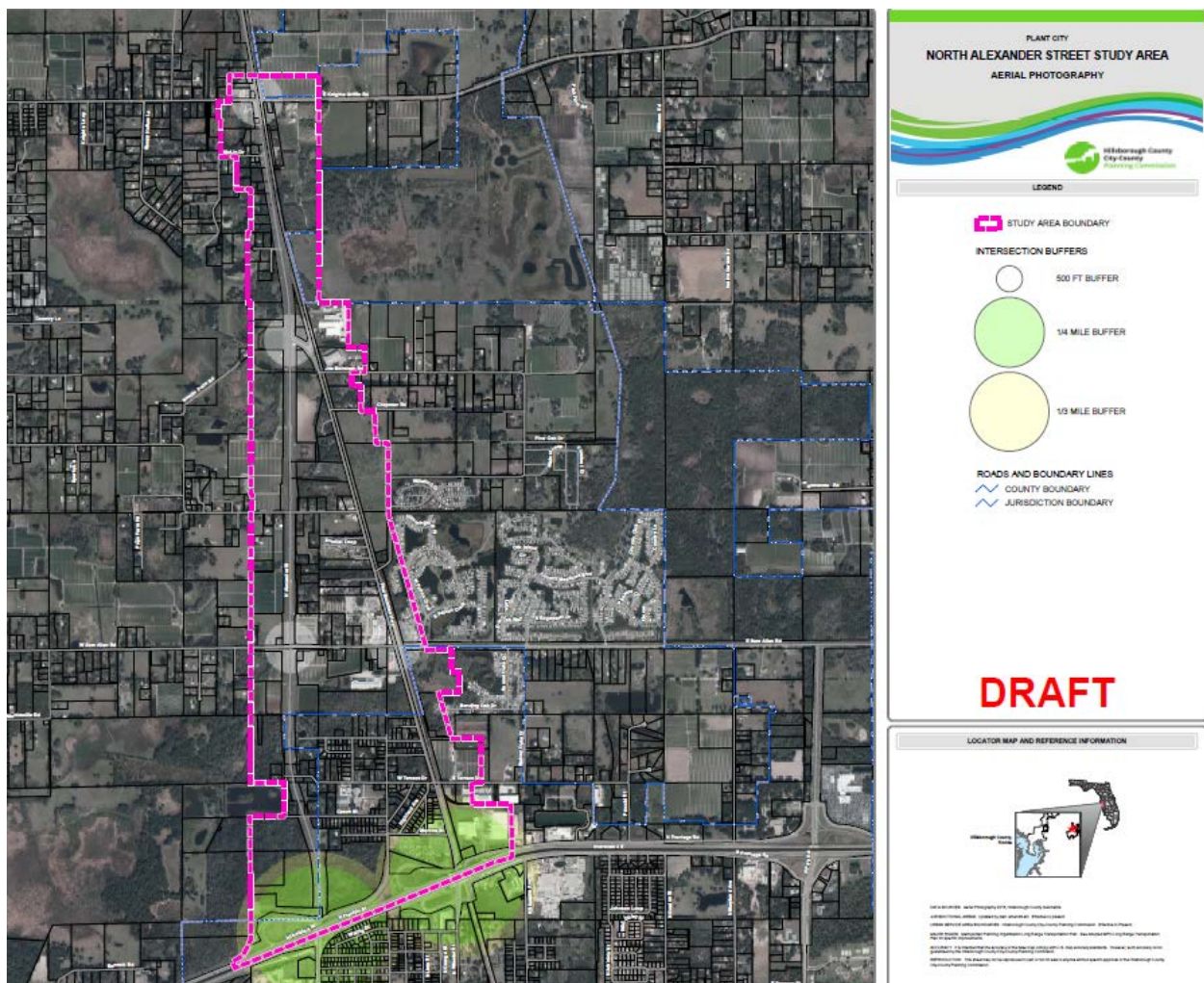
North Alexander Street is in the easternmost portion of unincorporated Hillsborough County. The street, which was extended by FDOT in 2014, is approximately two miles in length. The County and City have identified three primary intersections along the corridor that may be appropriate for commercial/mixed-use activity centers:

- Paul Buchman Highway
- Knights Griffin Road; and

- Sam Allen Road.

As illustrated in Figure 1, the study area is generally bounded approximately 500 ft. to the west of Alexander Street; to the south by I-4; and approximately 500 ft. to the east and north by Paul Buchman Highway. It comprises approximately 1,060 gross acres of land. While the study area excludes properties located to the south of I-4, WTL+a has addressed opportunities for those parcels that are adjacent to the interchange ramps at both North Alexander Street and Wheeler Street.

**Figure 1: North Alexander Street Study Area Boundaries**





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## Stakeholder Interviews

A key component of the market study included conducting a series of interviews with stakeholders identified by Hillsborough County and Plant City to:

- Obtain information on market performance and other characteristics of Plant City’s real estate market;
- Assess views of specific real estate metrics—competitive product types, absorption potentials, target markets, pricing, commercial rents, housing sales, leasing activity, etc.;
- Ascertain local opinions about strengths and weaknesses of the study area to gauge market response to locational characteristics, potential uses, timing/phasing, etc. to inform market findings and development potentials.

Interviews were conducted with the following individuals as part of our project initiation trip/site analysis on August 24—25, 2017:

### August 24, 2017

Mr. Rick Lott	Mayor of Plant City
Mr. Kim D. Leinbach	Plant City Interim City Manager
Mr. Matthew Buzza	Pilot Bank & Hillsborough County City-County Planning Commission
Mr. Robert Appleyard	Sunrise Homes & Lakeside Station Logistics Park

### August 25, 2017

Mr. David Sullivan	Platinum Bank & Chair, Plant City Economic Development Corporation
Mr. Jake Austin	President, Plant City Economic Development Corporation
Mr. Gary Pike	Consolidated Electrical Distributors & Hillsborough County City-County Planning Commission
Ms. Christine Miller	President, Plant City Chamber of Commerce
Mr. Phil Waldron	Waldron Consulting Services & Former City Manager
Mr. Nathan Kilton	Sedita Kilton & City of Plant City Commission

## Study Area Land Uses

Based on additional data provided by the Planning Commission in January 2018, Table 1 highlights existing and future land use designations within both Plant City and Hillsborough County. Distinctions are noted below:

- Today, residential land uses comprise approximately 181 acres (17%), with significantly more residential development planned over 601.8 acres (or 57% of the total), predominantly in unincorporated Hillsborough County;
- “Workplace” uses such as industrial and commercial comprise roughly 112 acres today, while the future allocation for these uses totals over 150 acres of land in the study area; and
- Agriculture uses (254 acres) and vacant (143 acres) are distributed in the future allocation between Natural Preservation (223 acres), Recreation/Open Space (39.5 acres) and Residential for future new housing.

As illustrated in Table 2 below, WTL+a conducted a “carrying capacity” analysis that illustrates, based on allowable densities under annexation, what the study area could *potentially* accommodate in terms of new development. We note, however, that carrying capacity does not consider limiting factors such as wetlands, floodplain, right-of-way easements for utilities, market potentials, etc.:

- **Housing**—a total of **3,423 dwelling units** at an overall density of 5.7 units per acre across 601.8 acres of land for residential uses (at varying densities ranging from four to 12 units per acre). Based on information provided by City staff, the City of Plant City typically annexes at 4.0 dwelling units per acre, which would accommodate 2,407 units;
- **Commercial**—almost **1.1 million sq. ft. of commercial uses** on 72.4 acres of land at an allowable floor area ratio (FAR) of 0.35, or 1.0 near interchanges. The Northeast Master Plan utilized a 95% buildout, which slightly reduces commercial uses at buildout to 1,048,500 sq. ft. of space. We note, however, that this does not distinguish between commercial office or retail uses;
- **Industrial**—over **1.7 million sq. ft. of industrial uses** on 78.3 acres of land. The City’s code allows an overall FAR of 0.50 for industrial uses; and

- 
- **Non-Designated Uses**—there are approximately 24.9 acres without a future land use designation. Today, these parcels comprise a mix of single-family, vacant, public or quasi-public institutional and agricultural uses.

These densities were considered in our analysis of market potentials for various uses, as illustrated in Section 5 of this report.

**Table 1: Study Area—Summary of Existing & Future Land Uses, 2017**

Existing Land Use (ELU)				Future Land Use (FLU) Based on NE PC Master Plan (1)			
Key	Land Use Category	Acres	% of Total	Key	Land Use Category	Acres	% of Total
AG	Agriculture	254.7	24%				
HI	Heavy Industrial	24.0	2%	I	Industrial (0.50 FAR)	78.3	7%
LC	Limited Commercial	62.0	6%	C	Commercial (0.35 FAR)	72.4	7%
LI	Light Industrial	26.4	2%				
MHP	Mobile Home Park	41.3	4%				
NAT	Natural	27.7	3%	NP	Natural Preservation	223.5	21%
NC	Not Classified	172.7	16%				
PI	Public/Quasi-Public Institutions	151.3	14%	P	Public/Semi-Public	16.2	2%
PU	Public Communications/Utilities	11.5	1%				
R/W	Right-of-Way	3.0	0%				
SCH	Educational	1.9	0%				
SF	Single-family/Mobile Home	131.0	12%	R-4	Residential-4 (4 DU/Acre)	381.2	36%
				R-6	Residential-6 (6 DU/Acre; 0.25 FAR)	124.9	12%
				R-12	Residential-12 (12 DU/Acre; 0.35 FAR)	95.7	9%
TF	Two-family	9.2	1%				
VAC	Vacant	143.4	14%	RO	Recreation/Open Space	39.5	4%
					Unknown/No FLU Designation	24.9	2%
<b>Total - Study Area:</b>		<b>1,060.2</b>	<b>100%</b>			<b>1,056.6</b>	<b>100%</b>

(1) Based on study area parcel data provided by Hillsborough County City-County Planning Commission on 1/8/18.

Source: Hillsborough County City-County Planning Commission; WTL+a, revised January 2018.

**Table 2: Study Area Densities Under Annexation**

<b>Future Land Use Category</b>	<b>Units or SF Per Acre</b>	<b>NE PC MP Acres</b>	<b>Potential Units or SF at Buildout</b>	<b>Potential Population at Buildout @ 2.84 PPH</b>
<b>Residential</b>		<b>(1)</b>		<b>(2)</b>
Residential-4	4.0	381.2	1,525	4,330
Residential-6 (0.25 FAR)	6.0	124.9	750	2,129
Residential-12 (0.35 FAR)	12.0	95.7	1,149	3,262
<b>Total - Residential:</b>		<b>601.8</b>	<b>3,423</b>	<b>9,721</b>
<i>Overall Density (Units Per Acre)</i>			<i>5.7</i>	
<b>Total Units @ 4 Units/Acre</b>			<b>2,407</b>	<b>6,837</b>
<b>Commercial</b>				
Commercial Buildout @ 95% (3)	15,246	72.4	1,103,721	-
			<b>1,048,535</b>	
<b>Total - Commercial:</b>				
<b>@ 50% Office</b>		<b>72.4</b>	<b>524,267</b>	
<b>@ 50% Retail</b>			<b>524,267</b>	
<b>Industrial</b>				
Industrial (4)	21,780	78.3	1,705,840	-
<b>Total - Industrial:</b>				
All Industrial		<b>78.3</b>	<b>1,705,840</b>	

(1) Based on updated parcel data provided on 1/8/18.

(2) Assumes 2.84 persons per household (citywide average) at 100% occupancy.

(3) Based on allowable floor area ratio (FAR) of 0.35 and buildout of 95% as defined in Table 8 of the NE Plant City Master Plan.

(4) Based on allowable floor area ratio (FAR) of 0.50.

**Source: Hillsborough County City-County Planning Commission; ESRI Business Analyst; WTL+a, revised January 2018.**

## 2 Demographic & Economic Profile

The following evaluates those indices that drive fundamental market demand for residential, workplace, retail and lodging uses to inform development potentials in the North Alexander Street study area. This section of the report focuses on population and household growth, employment trends and forecasts, household incomes and annual retail spending power, the current business mix in Hillsborough County and Plant City, and other economic indicators based on available data that form the basis of potential market support for such uses.

This profile and analysis is based on data from various secondary public and private sources, including: U.S. Census Bureau; University of Florida Bureau of Business & Economic Research; City of Plant City, including the Plant City 2040 Comprehensive Plan and the Northeast Plant City Area Master Plan; ESRI Business Analyst; Dun & Bradstreet, Inc.; and other sources.

### Demographic Trends & Forecasts



WTL+a evaluated historic population patterns and growth forecasts in the area surrounding North Alexander Street, Plant City, and in Hillsborough County using the sources above. Key findings are summarized below, with data illustrated in the accompanying tables.

**Table 3: Regional Population Trends & Forecasts, 2000—2030**

	2000	% of County	2010	% of County	1-Apr 2016	% of County	Change: 2000-2016		Forecasts (3)			% of County	Change: 2016-2030	
							Amount	CAGR (2)	2020	2025	2030		Amount	CAGR (2)
<b>Hillsborough County</b>	<b>998,948</b>		<b>1,229,226</b>		<b>1,352,797</b>		<b>353,849</b>	<b>1.91%</b>	<b>1,466,900</b>	<b>1,602,900</b>	<b>1,722,900</b>		<b>370,103</b>	<b>1.74%</b>
<b>If 2000-2016 Annual Growth Rates Continue, 2016-2030</b>														
<b>Plant City</b>	<b>29,915</b>	<b>3.0%</b>	<b>34,721</b>	<b>2.8%</b>	<b>37,840</b>	<b>2.8%</b>	<b>7,925</b>	<b>1.5%</b>	<b>40,130</b>	<b>43,188</b>	<b>46,479</b>	<b>2.7%</b>	<b>8,639</b>	
<i>As % of County</i>									<i>2.74%</i>	<i>2.69%</i>	<i>2.70%</i>			
Tampa	303,447	30.4%	335,709	27.3%	365,124	27.0%	61,677	1.2%	382,410	405,174	429,292	24.9%	64,168	
Temple Terrace	20,918	2.1%	24,541	2.0%	25,820	1.9%	4,902	1.3%	27,215	29,066	31,043	1.8%	5,223	
Unincorporated	644,668	64.5%	834,255	67.9%	924,013	68.3%	279,345	2.3%	1,011,029	1,131,411	1,266,127	73.5%	342,114	

**Plant City 2040 Comprehensive Plan Forecast**

<b>Plant City</b>					<b>37,840</b>				<b>44,146</b>	<b>49,749</b>	<b>64,555</b>	<b>3.7%</b>	<b>26,715</b>	
<i>As % of County</i>									<i>3.01%</i>	<i>3.10%</i>	<i>3.75%</i>			

(1) Based on the 2020-2045 Low-Medium-High Population Forecasts prepared by BEBR. Analysis uses the Moderate Growth Scenario for Hillsborough County.

(2) CAGR=Compound Annual Growth Rate.

(3) Population forecasts for 2016-2030 assume that each incorporated municipality (and unincorporated area) in Hillsborough continues the same rate of growth as occurred between 2000-2016.

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

## Hillsborough County

- As illustrated in Table 3 above, Hillsborough County's population increased—from almost 999,000 residents in 2000 to more than 1.35 million residents in 2016, reflecting significant population growth of over 353,800 over the past 16 years. This represents *sustained* annual growth of 1.9% per year;
- Unincorporated areas of Hillsborough County gained the lion's share of new population.** In fact, these areas captured fully 79% of the County's population growth since 2000—with more than 279,300 new residents. In 2000, unincorporated areas accounted for 64% of the County's total. By 2016, unincorporated areas comprised over 68% of the total County population;

### Since 2000, Hillsborough County Added

**279,300 New Residents**

- Based on the Moderate Growth scenario of long-term population forecasts through 2030 (prepared by the University of Florida/Bureau of Economic & Business Research/BEER), **Hillsborough County is expected to add another 370,100 new residents**, which translates into an annual growth rate of 1.7% per year, for a 2030 population of 1,722,900 residents;
- If the unincorporated areas continue to grow based on their actual annual growth rate of 2.3% per year over the past 16 years (i.e., a "straight-line" forecast), this could translate into more than 342,000 new residents, for a 2030 population of over 1,266,000; and
- Table 3 also illustrates a comparison of growth rates between historic trends and the City's Comprehensive Plan forecast. If the City continues to grow at its historic annual rate of 1.48% per year between 2016 and 2030 (as it did between 2000 and 2016), it would generate a population increase of more than 8,600. By comparison, the Comprehensive Plan forecast yields over 26,700 new residents—more than three times greater than actual growth trends since 2000.



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## Plant City

As noted in the Introduction to this report, a key question in the market analysis is to ascertain whether the 2040 growth assumptions in the City's Comprehensive Plan remain valid. Our analysis is illustrated in Table 4 and Table 5 and summarized below:

- In 1990 the City's population was 22,859. Its 2016 population (official state estimate) was 37,840, resulting in an overall population increase of 14,981 new residents over the past 26 years. This yields a *compound* average annual growth rate over this 26-year period of **1.96% per year**;
- It is notable that average annual growth rates *declined* in the 2000s relative to the higher growth rates in the 1990s—from 2.83% per year to 1.4% per year since 2000;
- For Plant City to grow to 71,523 residents by 2040 (as noted in population forecasts identified in the City's 2040 Comprehensive Plan) will **necessitate a sustained annual growth rate of 2.69% per year through 2040**. While not as high a rate of growth as the 1990s, this forecast is significantly higher than its historic growth rate of 1.96% per year over the past 26 years;
- As illustrated in Table 4, of interest/concern from Comprehensive Plan data is the population forecast between 2025 and 2030, which suggests an increase of over 14,800 new residents over this five-year period. This reflects a **compound annual growth rate of 5.4% per year**, which is multiples higher than historic trends. While Hillsborough County may have a scenario that supports this increase, it is not documented in the Comp Plan; and
- The significant increase for 2025—2030 ultimately skews the overall average even higher; unless substantiated, this questionable growth assumption has implications for subsequent forecast periods beyond 2030, when growth rates appear more reasonable.

**Table 4: Population Trends & Comprehensive Plan Forecasts—Plant City, 2010—2040**

Year	Source	Population		Change Over Period		% Change Over Period		Compound Ann'l % Change	
		Actual	Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast
2010	Census	34,721	-	-	-	-	-	-	-
2015	ACS/Comp Plan	36,382	40,530	1,661	5,809	4.8%	16.7%	0.9%	3.1%
2016	State	37,840	-	1,458	-	4.0%	-	0.8%	-
2017	ESRI	39,087	-	1,247	-	3.3%	-	0.7%	-
2020	Comp Plan	-	44,146	-	3,616	-	8.9%	-	1.7%
2025	Comp Plan	-	49,740	-	5,594	-	12.7%	-	2.4%
<b>2030</b>	<b>Comp Plan</b>	-	<b>64,555</b>	-	<b>14,815</b>	-	<b>29.8%</b>	-	<b>5.4%</b>
2035	Comp Plan	-	69,113	-	4,558	-	7.1%	-	1.4%
2040	Comp Plan	-	71,523	-	2,410	-	3.5%	-	0.7%
<b>Total Change (2010-2040):</b>					<b>36,802</b>		<b>106.0%</b>		<b>2.93%</b>

Source: *Imagine 2040: Plant City Comprehensive Plan; Hillsborough County City-County Planning Commission; RDS LLC; WTL+a, November 2017.*

**Table 5: Historic & Forecast Annual Growth Rates—Plant City, 2016—2040**

Period	Time	Population			Compound Annual Growth Rate
		Beginning	End	Change	
1990-2000	10 Years	22,859	30,214	7,355	2.83%
2000-2010	10 Years	30,214	34,763	4,549	1.41%
2010-2016	6 Years	34,763	37,840	3,077	1.42%
<b>1990-2016</b>	<b>26 Years</b>	<b>22,859</b>	<b>37,840</b>	<b>14,981</b>	<b>1.96%</b>
<b>2016-2040</b>	<b>24 Years</b>	<b>37,840</b>	<b>71,523</b>	<b>33,683</b>	<b>2.69%</b>

(1)

(1) As defined in *Imagine 2040: Plant City Comprehensive Plan*.

**Source: U.S. Census Bureau; Hillsborough County City-County Planning Commission; WTL+a, October 2017.**

In our view, **this growth rate may be achievable if certain conditions are met**, including *sustained* annual job growth across as many industry sectors as possible. However, historic patterns do not indicate that such an overall population increase is likely. There are multiple issues of implementation capacity that also raise the following possible concerns:

- The availability of capital for construction and low/stable interest rates to finance mortgage underwriting;
- The availability of utility-available, developable land to accommodate growth;
- The requirement for a balanced series of comprehensive land use/entitlement and regulatory policies recognizing all approved/entitled projects; and

- A more conservative future view of market dynamics that provides more predictability for various industry sectors involved in real estate development and reasonable absorption assumptions.

Other key demographic characteristics of Plant City are highlighted in Table 6 and summarized below:

- In 2017, data from ESRI Business Analyst suggests that Plant City **contains over 39,000 residents in 13,600 households**, adding over 9,100 new residents in 2,800 new households since 2000;
- The City's share of Hillsborough County's population has remained generally stable over the past 16 years—just below 3% of the total;
- Since long-term forecasts at this finite level of geography are not available, ESRI's five-year forecasts through 2022 suggest that Plant City will add almost **3,100 new residents in over 1,000 new households**;
- ESRI forecasts further suggest that **population growth will be greatest in three age cohorts** over the next five years, including those ages 35-44, 65-74 and 75+. As noted previously, this is likely to translate into opportunities for specific types of housing, such as age-restricted and independent living/continuing care for older cohorts as well as housing for move-up buyers; and
- A diverse population that is 68% White, 14% Black, and 34% Hispanic
- A younger population (particularly relative to Florida as a whole), with a median age of 34.4 years, which is forecast to increase to 35.3 years by 2022
- A solidly middle-income area, with average household incomes in 2017 of \$63,500 per year. Approximately 16% of households have annual incomes greater than \$100,000 per year
- Average household incomes are forecast to increase by 2.8% per year over the next five years, to more than \$72,800 by 2022. Plant City's average household incomes are forecast to remain well-below their counterparts across Hillsborough County—\$86,800 in 2022.

**Table 6: Demographic Trends & Forecasts—Plant City, 2000—2022**

	2000	2010	2017	% Dist.	2022	% Dist.	Change: 2017-2022	
							No.	CAGR %
<b>Demographic Profile</b>								
<b>Population</b>	29,915	34,763	39,087		42,179		<b>3,092</b>	<b>1.53%</b>
As Share of County	3.0%	2.8%	2.8%					
<b>Households</b>	10,849	12,252	13,647		14,687		<b>1,040</b>	<b>1.48%</b>
<b>Avg. HH Size</b>	2.73	2.82	2.84		2.85			
<b>Median Age</b>		33.4	34.4		35.3			
<b>Race</b>								
White		24,182	26,468	68%	27,954	66%	1,486	1.1%
Black		5,247	5,545	14%	6,006	14%	461	1.6%
American Indian		219	241	1%	279	1%	38	3.0%
Asian, Pacific Islander		507	670	2%	828	2%	158	4.3%
Other		3,730	5,033	13%	5,780	14%	747	2.8%
Two or More Races		878	1,131	3%	1,331	3%	200	3.3%
<b>Total:</b>		<b>34,763</b>	<b>39,088</b>		<b>42,178</b>		<b>3,090</b>	
Hispanic (1)		9,984	13,279	34%	15,683	37%	2,404	3.4%
<b>Age Distribution</b>								
0-14		8,203	8,646	22%	9,222	22%	576	1.3%
15-24		5,016	5,372	14%	5,529	13%	157	0.6%
25-34		4,909	5,847	15%	6,185	15%	338	1.1%
35-44		4,572	4,771	12%	5,471	13%	700	2.8%
45-54		4,513	4,779	12%	4,807	11%	28	0.1%
55-64		3,564	4,342	11%	4,708	11%	366	1.6%
65-74		2,236	3,108	8%	3,621	9%	513	3.1%
75+		1,750	2,223	6%	2,635	6%	412	3.5%
<b>Income Profile</b>								
<b>Households by Income</b>								
<\$15,000			11.9%		11.3%			
\$15,000 - \$24,999			13.2%		11.9%			
\$25,000 - \$34,999			12.2%		10.5%			
\$35,000 - \$49,999			15.6%		13.8%			
\$50,000 - \$74,999			20.7%		20.5%			
\$75,000 - \$99,999			10.6%		12.8%			
\$100,000 - \$149,999			9.8%		11.7%			
\$150,000 - \$199,999			3.1%		3.7%			
\$200,000+			3.0%		3.8%			
<b>Average HH Income</b>			\$ 63,498		\$ 72,848			<b>2.8%</b>
<b>Median HH Income</b>			\$ 46,493		\$ 52,002			<b>2.3%</b>
<b>Educational Profile</b>								
<b>25 &amp; Older, Years of Education (2015 American Community Survey/ACS)</b>								
Less than 9th Grade			8.0%					
9th-12th Grade, No Diploma			11.0%					
High School Graduate (Includes Equivalency)			35.2%					
Some College, No Degree			18.6%					
Associate Degree			8.7%					
Bachelor's Degree			11.9%					
Graduate/Professional Degree			6.6%					

(1) Persons of Hispanic origin are a subset of other race categories; therefore, totals do not add.  
<https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

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

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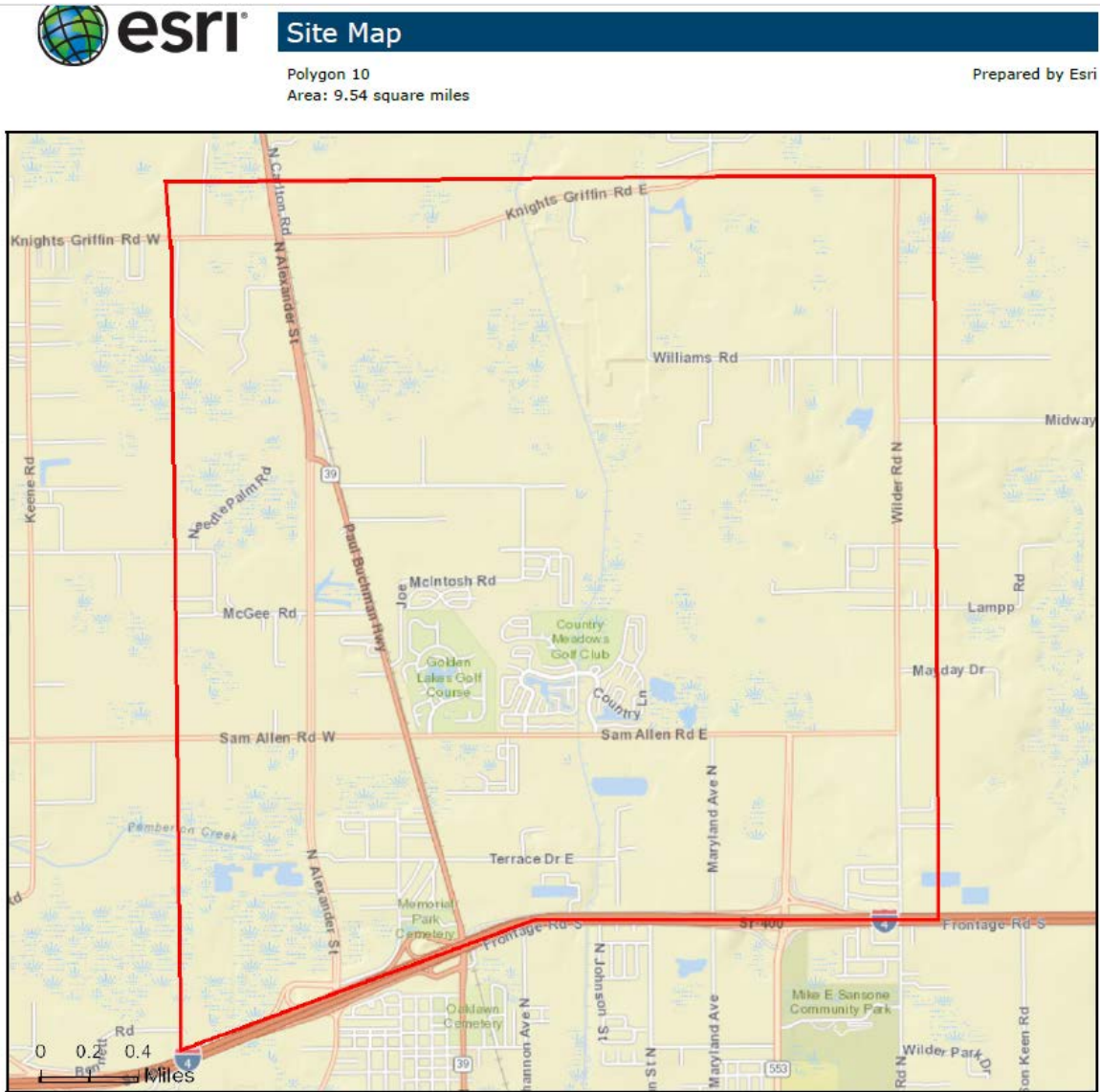
## North Alexander Street Trade Area

To inform retail development potentials in the North Alexander Street study area, WTL+a examined demographic characteristics for a smaller geography surrounding the study area—known as a “trade area”. This considers existing population as well as future residents of planned or proposed residential projects such as Varrea and North Park Isles.

As illustrated in Figure 2, the trade area comprises approximately 9.5 square miles, defined as roughly Knights Griffin Road on the north; I-4 on the south; Wilder Road on the east; and undeveloped area parallel to North Alexander Street on the west. Notable demographic findings are summarized below and illustrated in Table 7:

- The trade area is relatively undeveloped, with a 2017 population of only **5,700+ residents in almost 2,370 households**. Since 2010, this geography has added only **230 new residents in fewer than 100 new households**;
- Since long-term forecasts at this finite level of geography are not available, ESRI’s five-year forecasts through 2022 suggest that the trade area will add **281 new residents in 106 new households**;
- ESRI forecasts further suggest that **population growth will parallel the City, with higher growth in three age cohorts** over the next five years: 35-44, 65-74 and 75+. As noted above, this is likely to translate into opportunities for specific types of housing, such as age-restricted and independent living/continuing care for older cohorts as well as housing for move-up buyers; and
- Unlike the City, a relative lack of diversity in its population: 87% White, 1% Black, and 21% Hispanic
- A population that is significantly older than the City, with a median age of 54.6 years, which is forecast to increase to 55.8 years by 2022
- Slightly lower income levels than the City—with average household incomes of \$61,700 per year in 2017. Approximately 13% of households have annual incomes greater than \$100,000 per year, and
- Average household incomes are forecast to increase by 3.5% per year—well above the rate of growth in incomes across the City—over the next five years, to almost \$73,200 by 2022.

Figure 2: North Alexander Street Trade Area Map



**Table 7: Demographic Trends & Forecasts—Surrounding Trade Area, 2010—2022**

	2010	2017	% Dist.	2022	% Dist.	Change: 2017-2022	
						No.	CAGR %
<b>Demographic Profile</b>							
<b>Population</b>	5,471	5,732		6,013		281	0.96%
As Share of City	15.7%	14.7%		14.3%			
<b>Households</b>	2,280	2,369		2,475		106	0.88%
<b>Avg. HH Size</b>	2.36	2.38		2.39			
<b>Median Age</b>	52.2	54.6		55.8			
<b>Race</b>							
White	4,889	5,003	87%	5,152	86%	149	0.6%
Black	54	64	1%	75	1%	11	3.2%
American Indian	22	25	0%	28	0%	3	2.3%
Asian, Pacific Islander	83	106	2%	130	2%	24	4.2%
Other	365	459	8%	537	9%	78	3.2%
Two or More Races	59	76	1%	91	2%	15	3.7%
<b>Total:</b>	<b>5,472</b>	<b>5,733</b>		<b>6,013</b>		<b>280</b>	
Hispanic (1)	938	1,190	21%	1,428	24%	238	3.7%
<b>Age Distribution</b>							
0-14	813	787	14%	837	14%	50	1.2%
15-24	508	488	9%	481	8%	(7)	-0.3%
25-34	447	534	9%	513	9%	(21)	-0.8%
35-44	484	491	9%	554	9%	63	2.4%
45-54	691	590	10%	563	9%	(27)	-0.9%
55-64	800	866	15%	847	14%	(19)	-0.4%
65-74	831	955	17%	1,101	18%	146	2.9%
75+	897	1,023	18%	1,116	19%	93	1.8%
<b>Income Profile</b>							
<b>Households by Income</b>							
<\$15,000		9.9%		9.4%			
\$15,000 - \$24,999		15.7%		13.9%			
\$25,000 - \$34,999		14.0%		11.7%			
\$35,000 - \$49,999		16.7%		14.0%			
\$50,000 - \$74,999		19.2%		18.5%			
\$75,000 - \$99,999		11.4%		14.7%			
\$100,000 - \$149,999		6.8%		9.4%			
\$150,000 - \$199,999		3.2%		4.2%			
\$200,000+		3.3%		4.2%			
<b>Average HH Income</b>		\$ 61,692		\$ 73,189			3.5%
<b>Median HH Income</b>		\$ 43,187		\$ 50,924			3.4%

(1) Persons of Hispanic origin are a subset of other race categories; therefore, totals do not add.  
<https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

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



## Household Incomes & Retail Spending

Household retail spending is the primary driver of demand for retail space such as shopping centers, “Big Box” stores such as Wal-Mart or Target, food & beverage, and specialty or destination retail projects. Household retail spending patterns among households in Hillsborough County, Plant City and the trade area are illustrated in Table 8.

- With 2016 average household incomes of \$63,500 (and \$61,700 in the trade area), households in Plant City and the trade are less affluent than their counterparts elsewhere in Hillsborough County, where average household incomes are more than \$76,000. This suggests less disposable income and spending potentials among City and trade area households. However, forecast growth in incomes—at least in the trade area (3.5% per year) is expected to be above the rate of inflation, suggesting *real* growth in income over the next five years;
- **Plant City households spend an average of \$15,048 per year on consumer retail goods**, including clothing, entertainment/recreation, electronics, groceries, food & beverage, household furnishings and health care. By comparison, trade area households spend slightly more—\$15,162 per year;
- Retail spending generally comprises between 23% and 25% of average household incomes among all households; and
- **Retail spending among households in the North Alexander Street trade area totals just under \$36 million per year**, as compared to over \$205 million citywide and \$9.46 billion per year for all County households. Household spending in the trade area accounts for only 17% of the citywide total. Notably, household spending totals are irrespective of location (i.e., spending can occur anywhere).

**Annual Household Retail Spending in the Trade Area:**

**\$35.9 Million Per Year**

**Table 8: Annual Household Consumer Spending, 2016**

	Hillsborough County	City of Plant City	Trade Area
<b>Total Households (2016)</b>	<b>528,136</b>	<b>13,647</b>	2,369
<b>Apparel &amp; Accessories</b>			
Men's Wear	\$ 404	\$ 337	\$ 304
Women's Wear	705	584	552
Children's Wear	333	285	224
Footwear	450	377	335
Watches & Jewelry	113	91	80
Apparel Products & Services	81	63	59
<b>Subtotal:</b>	<b>\$ 2,084</b>	<b>\$ 1,738</b>	<b>\$ 1,553</b>
<b>Computers</b>			
Computers & Hardware	\$ 170	\$ 140	\$ 118
Software & Accessories	34	28	24
<b>Subtotal:</b>	<b>\$ 204</b>	<b>\$ 168</b>	<b>\$ 142</b>
<b>Entertainment &amp; Recreation</b>			
Membership Fees for Clubs	\$ 196	\$ 160	\$ 144
Fees for Participant Sports	96	78	72
Tickets to Theater/Operas/Concerts	55	45	38
Tickets to Movies/Museums/Parks	76	64	48
Admission to Sporting Events	52	43	33
Fees for Recreational Lessons	125	104	72
Dating Services	0.85	0.68	0.40
<b>Subtotal:</b>	<b>\$ 602</b>	<b>\$ 494</b>	<b>\$ 407</b>
<b>TV/Video/Audio</b>			
Cable & Satellite TV Services	\$ 899	\$ 760	\$ 859
Televisions	117	97	87
Satellite Dishes	1	1	1
VCRs, Video Cameras & DVD Players	6	5	5
Miscellaneous Video Equipment	9	8	8
Video Cassettes & DVDs	15	13	12
Video Game Hardware/Accessories	29	24	19
Video Game Software	16	13	10
Streaming/Downloaded Video	26	21	17
Rental of Video Cassettes & DVDs	15	13	11
Installation of Televisions	1	1	1
Audio	84	71	65
Rental & Repair of TV/Radio/Audio	4	3	3
<b>Subtotal:</b>	<b>\$ 1,224</b>	<b>\$ 1,030</b>	<b>\$ 1,097</b>

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

**Table 8 (Continued): Annual Household Consumer Spending, 2016**

	Hillsborough County	City of Plant City	Trade Area
<b>Other Entertainment</b>			
Pets	\$ 545	\$ 463	\$ 562
Toys & Games	115	98	88
Recreational Vehicles & Fees	90	77	87
Sports/Recreation/Exercise Equipment	161	134	125
Photo Equipment & Supplies	54	44	39
Reading	115	96	105
Catered Affairs	29	24	20
<b>Subtotal:</b>	<b>\$ 1,110</b>	<b>\$ 935</b>	<b>\$ 1,026</b>
<b>Food &amp; Alcohol</b>			
Food at Home	\$ 4,809	\$ 4,080	\$ 4,124
Food Away from Home	3,240	2,681	2,537
Alcoholic & Non-alcoholic Beverages	532	432	390
<b>Subtotal:</b>	<b>\$ 8,581</b>	<b>\$ 7,193</b>	<b>\$ 7,051</b>
<b>Household Furnishings &amp; Equipment</b>			
Household Textiles	\$ 91	\$ 76	\$ 70
Furniture	559	460	429
Floor Coverings	21	18	15
Major Appliances	298	255	298
Housewares	90	75	81
Small Appliances	46	39	36
Luggage	11	9	7
Telephones & Accessories	69	56	51
Lawn & Garden	374	319	406
Housekeeping Supplies	674	570	625
Maintenance & Remodeling Materials	343	303	379
<b>Subtotal:</b>	<b>\$ 2,577</b>	<b>\$ 2,181</b>	<b>\$ 2,398</b>
<b>Health &amp; Personal Care</b>			
Non- & Prescription Drugs	\$ 470	\$ 403	\$ 524
Optical	86	73	79
Personal Care Products	450	378	362
School Supplies	153	126	105
Smoking Products	386	329	416
<b>Subtotal:</b>	<b>\$ 1,546</b>	<b>\$ 1,309</b>	<b>\$ 1,487</b>
<b>TOTAL:</b>			
Total Annual Spending	<b>\$ 9,468,284,893</b>	<b>\$ 205,362,103</b>	<b>\$ 35,917,688</b>
Per Household	<b>\$ 17,928</b>	<b>\$ 15,048</b>	<b>\$ 15,162</b>
As % of Average HH Income	23.6%	23.7%	24.6%

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

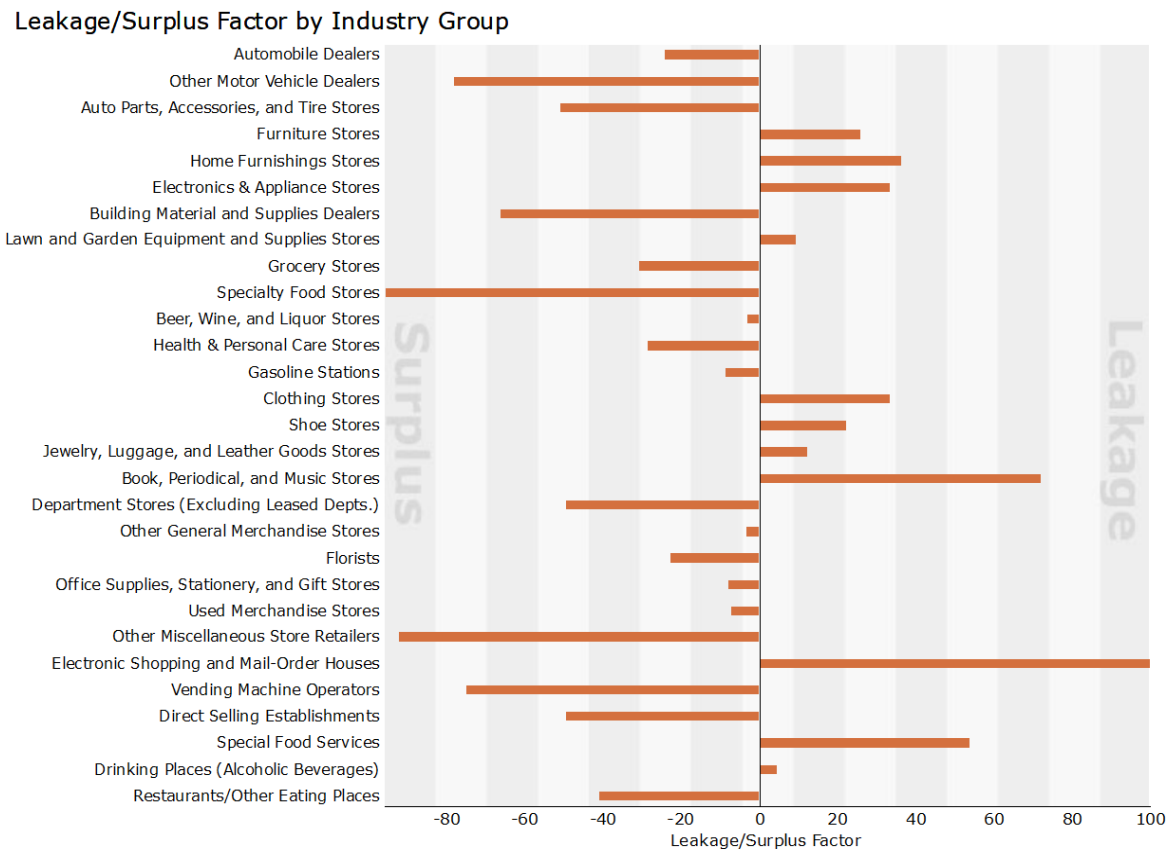
Source: US Department of Labor, Bureau of Labor Market Statistics; ESRI Business Analyst; WTL+a, September 2017.

## Retail “Recapture” Opportunities

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

When *demand* is greater than supply, there is an apparent opportunity for additional retail space in that category. By comparison, when demand is less than *supply*, there is a surplus of sales in that retail category (i.e., positive value in green = recapture opportunity, while a negative value in red = surplus of sales, or “inflow” of sales from outside of the reporting geography). Findings for Plant City are illustrated in Table 9 and for the trade area in Table 10.

Figure 3: Retail Leakage & Surplus—Plant City, 2016



**Table 9: Retail “Recapture” Opportunities—City of Plant City, 2016**

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
<b>General Merchandise Stores</b>			
Department Stores Excl Leased Depts.	\$ 43,213,369	\$ 127,904,506	\$ (84,691,137)
Other General Merchandise Stores	18,522,094	19,913,106	(1,391,012)
<b>Subtotal:</b>	<b>\$ 61,735,463</b>	<b>\$ 147,817,612</b>	<b>\$ (86,082,149)</b>
<b>Clothing &amp; Accessories Stores</b>			
Clothing Stores	\$ 12,704,178	\$ 6,337,610	\$ 6,366,568
Shoe Stores	2,924,713	1,862,572	1,062,141
Jewelry, Luggage, Leather Goods	3,177,615	2,476,995	700,620
<b>Subtotal:</b>	<b>\$ 18,806,506</b>	<b>\$ 10,677,177</b>	<b>\$ 8,129,329</b>
<b>Furniture &amp; Home Furnishings Stores</b>			
Furniture Stores	\$ 7,523,541	\$ 4,398,663	\$ 3,124,878
Home Furnishing Stores	6,006,919	2,793,649	3,213,270
<b>Subtotal:</b>	<b>\$ 13,530,460</b>	<b>\$ 7,192,312</b>	<b>\$ 6,338,148</b>
<b>Electronics &amp; Appliance Stores</b>			
Appliances, TVs, Electronics Stores	\$ 10,720,415	\$ 5,348,138	\$ 5,372,277
<b>Subtotal:</b>	<b>\$ 10,720,415</b>	<b>\$ 5,348,138</b>	<b>\$ 5,372,277</b>
<b>Leisure &amp; Entertainment</b>			
Sporting Goods/Hobby/Musical Instruments	\$ 7,583,884	\$ 12,438,254	\$ (4,854,370)
Books, Periodicals & Music Stores	1,586,633	256,109	1,330,524
<b>Subtotal:</b>	<b>\$ 9,170,517</b>	<b>\$ 12,694,363</b>	<b>\$ (3,523,846)</b>
<b>Food Services &amp; Drinking Places</b>			
Special Food Services	\$ 676,823	\$ 202,961	\$ 473,862
Drinking Places - Alcoholic Beverages	3,132,466	2,848,269	284,197
Restaurants/Other Eating Places	36,077,822	86,728,404	(50,650,582)
<b>Subtotal:</b>	<b>\$ 39,887,111</b>	<b>\$ 89,779,634</b>	<b>\$ (49,892,523)</b>

**Table 9 (Continued): Retail “Recapture” Opportunities—Plant City, 2016**

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
<b>Food &amp; Beverage Stores</b>			
Grocery Stores	\$ 60,420,925	\$ 114,378,053	\$ (53,957,128)
Specialty Food Stores	2,790,132	137,474,768	(134,684,636)
Beer, Wine & Liquor Stores	3,184,549	3,399,345	(214,796)
<b>Subtotal:</b>	<b>\$ 66,395,606</b>	<b>\$ 255,252,166</b>	<b>\$ (188,856,560)</b>
<b>Health &amp; Personal Care Stores</b>			
Health & Personal Care Stores	\$ 24,706,148	\$ 44,500,552	\$ (19,794,404)
<b>Subtotal:</b>	<b>\$ 24,706,148</b>	<b>\$ 44,500,552</b>	<b>\$ (19,794,404)</b>
<b>Building Material, Garden Equipment Stores</b>			
Building Materials & Supplies	\$ 23,686,347	\$ 117,873,736	\$ (94,187,389)
Lawn & Garden Equipment & Supplies	1,898,581	1,573,803	324,778
<b>Subtotal:</b>	<b>\$ 25,584,928</b>	<b>\$ 119,447,539</b>	<b>\$ (93,862,611)</b>
<b>Miscellaneous Store Retailers</b>			
Florists	\$ 633,787	\$ 1,007,954	\$ (374,167)
Office Supplies, Stationery, Gift Stores	3,254,087	3,818,484	(564,397)
Used Merchandise Stores	3,340,381	3,872,727	(532,346)
Other Miscellaneous Retail Stores	7,910,413	199,441,126	(191,530,713)
<b>Subtotal:</b>	<b>\$ 15,138,668</b>	<b>\$ 208,140,291</b>	<b>\$ (193,001,623)</b>
<b>TOTAL:</b>			
<b>HH Demand vs. Retail Sales</b>	<b>\$ 285,675,822</b>	<b>\$ 900,849,784</b>	<b>\$ (615,173,962)</b>
	(2)		

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

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

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

- These data sources indicate that City households spend over \$285 million per year. **This estimate is *higher* than annual spending illustrated previously in Table 8 because it includes multiple additional merchandise categories** such as Building Materials, Leisure & Entertainment and Miscellaneous Store sales. This compares to **estimated citywide store sales of over \$900 million per year** generated by the City’s sizable retail inventory. The difference between spending and sales is known as *inflow*; in other words, **there is \$615 million in annual retail sales inflow into Plant City** from sources other than resident households;



- By comparison, households in the trade area spend over \$51 million per year and store sales generate a limited \$8.75 million per year. Additional retail sales occur in “Other Miscellaneous Retail Stores.” This includes sales at the multi-faceted Plant

City Farm & Flea Market (also known as the “Country Village Flea Market”), located on Sam Allen Road between North Alexander Street and Paul Buchman Highway. In addition to a public flea market, this is also a large wholesale market with 100+ vendors on over 10 acres of land; approximately 90% of the produce, fruits and vegetables are sold wholesale to restaurants, grocery stores and roadside food stands. According to County and City staff, the Country Village Flea Market is a non-conforming use; and

- As Country Village is primarily a wholesale operation, we have omitted sales from this category to derive an estimate of recapture opportunities from trade area households. As illustrated in Table 10, **over \$40 million per year in retail leakage occurs from trade area households; this represents an *apparent* recapture opportunity for new retail development in the study area.** There are multiple merchandise categories where apparent recapture opportunities due to leakage may be possible, such as General

Merchandise (\$10.7 million), Food Service & Drinking Places (\$5.6 million), and Food & Beverage Stores (\$8.9 million).

While approximately 50% of the remaining sales leakage is in General Merchandise, Clothing & Accessories, Furniture and Electronics, these types of retail stores seek locations with greater adjacent critical mass/clustering with other retailers than the study area will provide. The nature of the market suggests stronger recapture opportunities in restaurants, specialty grocers and consumer services such as chain drug stores.

**Table 10: Retail “Recapture” Opportunities—N. Alexander Street Trade Area, 2016**

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
<b>General Merchandise Stores</b>			
Department Stores Excl Leased Depts.	\$ 7,289,805	\$ -	\$ 7,289,805
Other General Merchandise Stores	3,432,846	-	3,432,846
<b>Subtotal:</b>	<b>\$ 10,722,651</b>	<b>\$ -</b>	<b>\$ 10,722,651</b>
<b>Clothing &amp; Accessories Stores</b>			
Clothing Stores	\$ 2,036,472	\$ -	\$ 2,036,472
Shoe Stores	462,577	-	462,577
Jewelry, Luggage, Leather Goods	467,238	-	467,238
<b>Subtotal:</b>	<b>\$ 2,966,287</b>	<b>\$ -</b>	<b>\$ 2,966,287</b>
<b>Furniture &amp; Home Furnishings Stores</b>			
Furniture Stores	\$ 1,233,270	\$ -	\$ 1,233,270
Home Furnishing Stores	1,053,077	-	1,053,077
<b>Subtotal:</b>	<b>\$ 2,286,347</b>	<b>\$ -</b>	<b>\$ 2,286,347</b>
<b>Electronics &amp; Appliance Stores</b>			
Appliances, TVs, Electronics Stores	\$ 1,768,448	\$ -	\$ 1,768,448
<b>Subtotal:</b>	<b>\$ 1,768,448</b>	<b>\$ -</b>	<b>\$ 1,768,448</b>
<b>Leisure &amp; Entertainment</b>			
Sporting Goods/Hobby/Musical Instruments	\$ 1,305,692	\$ -	\$ 1,305,692
Books, Periodicals & Music Stores	240,721	-	240,721
<b>Subtotal:</b>	<b>\$ 1,546,413</b>	<b>\$ -</b>	<b>\$ 1,546,413</b>
<b>Food Services &amp; Drinking Places</b>			
Special Food Services	\$ 110,785	\$ -	\$ 110,785
Drinking Places - Alcoholic Beverages	461,773	-	461,773
Restaurants/Other Eating Places	5,967,445	939,081	5,028,364
<b>Subtotal:</b>	<b>\$ 6,540,003</b>	<b>\$ 939,081</b>	<b>\$ 5,600,922</b>



**Table 10 (Cont.): Retail “Recapture” Opportunities—N. Alexander Street Trade Area, 2016**

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
<b>Food &amp; Beverage Stores</b>			
Grocery Stores	\$ 11,025,169	\$ 546,292	\$ 10,478,877
Specialty Food Stores	502,640	2,623,280	(2,120,640)
Beer, Wine & Liquor Stores	522,518	-	522,518
<b>Subtotal:</b>	<b>\$ 12,050,327</b>	<b>\$ 3,169,572</b>	<b>\$ 8,880,755</b>
<b>Health &amp; Personal Care Stores</b>			
Health & Personal Care Stores	\$ 4,968,429	\$ 247,560	\$ 4,720,869
<b>Subtotal:</b>	<b>\$ 4,968,429</b>	<b>\$ 247,560</b>	<b>\$ 4,720,869</b>
<b>Building Material, Garden Equipment Stores</b>			
Building Materials & Supplies	\$ 4,913,250	\$ 3,026,929	\$ 1,886,321
Lawn & Garden Equipment & Supplies	447,202	807,220	(360,018)
<b>Subtotal:</b>	<b>\$ 5,360,452</b>	<b>\$ 3,834,149</b>	<b>\$ 1,526,303</b>
<b>Miscellaneous Store Retailers</b>			
Florists	\$ 116,075	\$ -	\$ 116,075
Office Supplies, Stationery, Gift Stores	554,646	-	554,646
Used Merchandise Stores	536,975	566,603	(29,628)
(2) Other Miscellaneous Retail Stores	-	-	-
<b>Subtotal:</b>	<b>\$ 1,207,696</b>	<b>\$ 566,603</b>	<b>\$ 641,093</b>
<b>TOTAL:</b>			
<b>HH Demand vs. Retail Sales</b>	<b>\$ 49,417,053</b>	<b>\$ 8,756,965</b>	<b>\$ 40,660,088</b>
	(3)		

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

(2) In the study area, Other Miscellaneous Retail Stores includes wholesale retail sales generated by the Country Village Flea Market. As this is primarily a wholesale operation, this has been omitted.

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

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

## Economic Characteristics

### Employment Trends—Tampa/St. Petersburg/Clearwater MSA

Job growth is a key barometer of demand for “workplace” uses such as multi-tenant office space, industrial parks, retail centers and the like. WTL+a examined trends and forecasts in employment growth, utilizing data for the Tampa/St. Petersburg/Clearwater Metropolitan Statistical Area (MSA) as prepared by the state’s labor agency, the Department of Economic Opportunity (DEO), for the period between 1995 and 2016. This data is critical to understanding market potentials in the study area. Key findings are summarized below and illustrated in Table 11:

- **The MSA added a remarkable 241,700 new jobs in the 10-year period between 1995 and 2005.** This growth, which translates into almost 25,000 new jobs annually, was focused largely in specific sectors, including: Professional/Business Services (97,300), Construction (35,200) and Financial Activities (31,800). Growth in Professional/Business Services has fueled demand for office space in key locations across the MSA during this period. Other sectors with solid job growth during this period also included: Retail Trade (18,700); Leisure & Hospitality (18,300); and Government (16,500);

**The MSA Gained 241,700 Jobs (1995—2005) &  
Lost 122,600 Jobs in the 2007—2009 Recession**

- By contrast, the economic downturn of 2007—2009 resulted in the loss of 122,600 jobs throughout the MSA. Over the past 10 years (and over multiple economic cycles), job losses have been greatest in Construction (-27,500), Manufacturing (-16,300) and Information (-6,400);
- In only four years since 2011, however, **the economy of the Tampa Bay region has significantly recovered from the 2007—2009 recession, with the creation of 219,000 new jobs;**

**Table 11: Tampa/St. Petersburg/Clearwater MSA Employment Trends, 1995—2015**

Industry Sector	1995	2000	2005	Change: 1995-2005		2007	2009	2011	2013	2015	2016	Change: 2007-2016	
				Amount	CAGR %							Amount	CAGR %
<b>Logging &amp; Mining</b>	400	500	800	400	7.2%	700	500	500	400	300	300	(400)	-9.0%
<b>Construction</b>	57,000	68,800	92,200	35,200	4.9%	82,200	55,200	52,900	58,500	64,700	75,300	(6,900)	-1.0%
<b>Manufacturing</b>	79,700	88,700	78,500	(1,200)	-0.2%	73,800	58,300	59,100	60,800	62,200	65,000	(8,800)	-1.4%
<b>Transp/Warehousing/Utilities</b>	33,200	37,500	32,200	(1,000)	-0.3%	29,800	25,900	27,300	28,600	31,700	32,100	2,300	0.8%
<b>Trade</b>													
Wholesale	51,000	57,400	53,600	2,600	0.5%	54,800	46,700	47,800	49,600	52,400	52,300	(2,500)	-0.5%
Retail	138,900	155,800	157,600	18,700	1.3%	156,700	140,800	147,500	155,000	163,600	173,300	16,600	1.1%
<b>Information</b>	29,800	40,900	32,200	2,400	0.8%	31,300	26,500	26,200	26,000	25,800	25,500	(5,800)	-2.3%
<b>Financial Activities</b>	72,400	94,300	104,200	31,800	3.7%	101,800	90,800	94,200	101,300	106,500	109,000	7,200	0.8%
<b>Services</b>													
Prof/Business Services	93,100	167,100	190,400	97,300	7.4%	193,300	169,600	188,000	201,200	228,500	239,000	45,700	2.4%
Education/Health Services	143,800	143,700	159,600	15,800	1.0%	173,400	178,600	182,800	187,100	202,100	205,000	31,600	1.9%
Leisure & Hospitality	111,200	117,400	129,500	18,300	1.5%	130,900	118,800	123,200	134,400	146,500	148,100	17,200	1.4%
Other Services	42,100	45,100	47,000	4,900	1.1%	48,600	42,400	40,600	43,300	43,000	46,200	(2,400)	-0.6%
<b>Government</b>	134,200	147,900	150,700	16,500	1.2%	155,000	155,600	155,100	154,400	155,100	157,600	2,600	0.2%
<b>Total (In 000s):</b>	<b>986,800</b>	<b>1,165,100</b>	<b>1,228,500</b>	<b>241,700</b>	<b>2.2%</b>	<b>1,232,300</b>	<b>1,109,700</b>	<b>1,145,200</b>	<b>1,200,600</b>	<b>1,282,400</b>	<b>1,328,700</b>	<b>96,400</b>	<b>0.8%</b>
<i>Change During Period:</i>	-	178,300	63,400			3,800	(122,600)	35,500	55,400	81,800	46,300		

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

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

Source: Florida Department of Economic Opportunity; WTL +a, September 2017.

- Notably, the Services sector—which comprises multiple categories such as Business and Professional Services, Health, Education and Leisure/Hospitality, has gained the largest share of new jobs in the region, exhibiting a net gain of 92,100 new jobs between 2007 and 2016;
- As illustrated in Table 12, Dun & Bradstreet, Inc. estimates that **Hillsborough County contained approximately 619,500 full-time jobs** in 45,700+ registered businesses in 2016, which reflects a jobs-to-population ratio of 0.45. That is, there is almost one-half a job for every one of the 1,382,700 residents in the County and reflects the concentration of larger employment centers such as downtown Tampa, Westshore, and Brandon. By comparison, the statewide jobs-to-population ratio in Florida in 2014 (latest data available) was 0.39 (which considers the large number of retirees in the state), while the jobs-to-population ratio for the United States in 2014 was 0.60; and
- The County’s 619,500 jobs comprise 46% of the 1.32 million jobs in the MSA.

**Hillsborough County Accounts for 46%**  
**of All Jobs in the Tampa—St. Petersburg MSA**

### Employment Trends & Forecasts—Hillsborough County

Employment forecasts for specific jurisdictions in Florida (defined as Workforce Development Regions) are also prepared by the Department of Economic Opportunity in eight-year forecast periods. As illustrated in Table 13, these forecasts suggest that:

- **Hillsborough County (DEO Workforce Region #15) is expected to add more than 84,300 new jobs between 2016 and 2024**, reflecting a *sustained* annual pace of 10,500 new jobs annually over this eight-year period; and
- The Services sector is expected to comprise more than 45% of all new jobs in the county—adding almost 49,900 new jobs—with the largest gains expected in Health Care, Professional and Business Services and Administrative sectors. This could be expected to fuel demand for office space and medical office buildings.

**Table 12: Business Mix—Hillsborough County, 2016**

NAICS Category	Businesses		Employees	
	No.	% of Total	No.	% of Total
<b>Agriculture &amp; Mining</b>	<b>831</b>	1.8%	<b>6,455</b>	1.0%
<b>Construction</b>	<b>2,939</b>	6.4%	<b>25,012</b>	4.0%
<b>Manufacturing</b>	<b>1,247</b>	2.7%	<b>33,270</b>	5.4%
<b>Transportation &amp; Warehousing</b>	<b>1,153</b>	2.5%	<b>15,397</b>	2.5%
<b>Communications</b>	<b>474</b>	1.0%	<b>6,805</b>	1.1%
<b>Utilities</b>	<b>86</b>	0.2%	<b>2,760</b>	0.4%
<b>Wholesale &amp; Retail Trade</b>				
Wholesale	1,862		32,660	
Retail	9,454		138,504	
- Home Improvement	585		8,335	
- General Merchandise	330		14,984	
- Food Stores	1,015		20,346	
- Auto Dealers/Gas Stations	1,141		13,222	
- Apparel & Accessory Stores	653		5,989	
- Furniture/Home Furnishings	700		7,712	
- Eating & Drinking Places	2,740		49,241	
- Miscellaneous & Non-store Retail	2,290		18,675	
<b>Subtotal - All Retail:</b>	<b>11,316</b>	24.7%	<b>171,164</b>	27.6%
<b>Finance/Insurance/Real Estate</b>	<b>5,074</b>	11.1%	<b>55,329</b>	8.9%
<b>Services</b>				
- Hotel/Lodging	279		8,601	
- Automotive Services	1,438		8,345	
- Motion Pictures & Amusements	1,392		13,951	
- Health Services	3,182		69,129	
- Legal Services	1,305		12,279	
- Educational Institutions	882		52,861	
- Other Services	11,230		112,985	
<b>Subtotal - Services:</b>	<b>19,708</b>	43.1%	<b>278,151</b>	44.9%
<b>Government</b>	<b>681</b>	1.5%	<b>23,952</b>	3.9%
<b>Unclassified Establishments</b>	<b>2,227</b>	4.9%	<b>1,251</b>	0.2%
<b>TOTAL:</b>	<b>45,736</b>	<b>100.0%</b>	<b>619,546</b>	<b>100.0%</b>

<b>ANALYSIS:</b>	
2016 Employment	619,546
2016 Population	1,382,695
Jobs/Population Ratio	<b>0.45</b>

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

**Table 13: State Employment Forecasts for Hillsborough County, 2016—2024**

Employment Category	2016	% Dist.	2024	Change: 2016-2024		
				% Dist.	Total	CAGR
<b>Agriculture/Mining/Construction</b>						
Agriculture/Forestry	9,041		8,788		(253)	-0.4%
Mining	171		170		(1)	-0.1%
Construction	36,000		42,292		6,292	2.0%
<b>Subtotal:</b>	<b>45,212</b>	<b>6.0%</b>	<b>51,250</b>	<b>6.1%</b>	<b>6,291</b>	<b>1.6%</b>
<b>Manufacturing</b>						
Durable Goods Manufacturing	14,924		15,628		704	0.6%
Non-Durable Goods Manufacturing	9,506		9,416		(90)	-0.1%
<b>Subtotal:</b>	<b>24,430</b>	<b>3.3%</b>	<b>25,044</b>	<b>3.0%</b>	<b>614</b>	<b>0.3%</b>
<b>Transportation &amp; Warehousing</b>						
Utilities	2,672		2,726		54	0.3%
Transportation & Warehousing	18,016		19,029		1,013	0.7%
<b>Subtotal:</b>	<b>20,688</b>	<b>2.8%</b>	<b>21,755</b>	<b>2.6%</b>	<b>1,067</b>	<b>0.6%</b>
<b>Wholesale &amp; Retail Trade</b>						
Wholesale Trade	34,043		36,416		2,373	0.8%
Retail Trade	74,801		80,878		6,077	1.0%
<b>Subtotal:</b>	<b>108,844</b>	<b>14.5%</b>	<b>117,294</b>	<b>14.1%</b>	<b>8,450</b>	<b>0.9%</b>
<b>Information</b>	<b>17,073</b>	<b>2.3%</b>	<b>16,553</b>	<b>2.0%</b>	<b>(520)</b>	<b>-0.4%</b>
<b>Financial Activities</b>						
Finance & Insurance	54,584		59,804		5,220	1.1%
Real Estate, Rental & Leasing	13,140		15,076		1,936	1.7%
<b>Subtotal:</b>	<b>67,724</b>	<b>9.0%</b>	<b>74,880</b>	<b>9.0%</b>	<b>7,156</b>	<b>1.3%</b>
<b>Services</b>						
Professional, Scientific & Technical Services	63,074		75,957		12,883	2.4%
Management of Companies & Enterprises	11,199		13,476		2,277	2.3%
Administrative & Waste Management	61,353		67,034		5,681	1.1%
Educational Services	12,655		15,642		2,987	2.7%
Health Care & Social Assistance	80,180		94,822		14,642	2.1%
Arts, Entertainment & Recreation	12,173		13,460		1,287	1.3%
Accommodation & Food Services	63,624		70,942		7,318	1.4%
Other Services (Except Government) (1)	26,264		29,081		2,817	1.3%
<b>Subtotal:</b>	<b>330,522</b>	<b>44.1%</b>	<b>380,414</b>	<b>45.6%</b>	<b>49,892</b>	<b>1.8%</b>
<b>Government</b>	<b>84,273</b>	<b>11.2%</b>	<b>91,247</b>	<b>10.9%</b>	<b>6,974</b>	<b>1.0%</b>
<b>Self-Employed &amp; Unpaid Family Workers</b>	<b>49,387</b>	<b>6.6%</b>	<b>54,305</b>	<b>6.5%</b>	<b>4,918</b>	<b>1.2%</b>
<b>Unclassified Jobs (Data Reconciliation)</b>	<b>1,403</b>	<b>0.2%</b>	<b>1,116</b>	<b>0.1%</b>	<b>(287)</b>	<b>-2.8%</b>
<b>TOTAL:</b>	<b>749,556</b>		<b>833,858</b>		<b>84,302</b>	<b>1.3%</b>
<b>Annual Increase (Rounded):</b>					<b>10,500</b>	

(1) Other Services includes Repair & Maintenance, Personal & Laundry and Membership Associations.  
<http://www.floridajobs.org/labor-market-information/data-center/statistical-programs/employment-projections>

Source: Florida Department of Economic Opportunity; WTL +a, September 2017.

## Employment Trends—Plant City

- As illustrated in Table 14, Dun & Bradstreet, Inc. estimates that there are more than **21,300 jobs in over 1,500 registered businesses in Plant City**. The City accounts for approximately 3.4% of the 619,500 full-time jobs in Hillsborough County;
- The three largest sectors generating demand for workplace real estate in Plant City include: Retail Trade (7,000+ jobs), Other Services (2,200+ jobs) and Manufacturing (2,200+ jobs). Together, these three sectors account for 11,400 jobs, or fully 54% of the 21,300 jobs in the City. “Other Services” includes such industries as automotive repair and maintenance;
- As noted, Plant City **contains 3.4% of all at-place jobs in Hillsborough County**. This is known as *fair share*, and has been considered in our analysis of workplace market potentials in Section 5 of this report;
- The data also suggest that the City’s current jobs-to-population ratio is 0.54 (i.e., there is one-half a job for every resident living in Plant City). This ratio is higher than the County (0.45);
- U.S. Census Bureau data indicate that Plant City’s employment base has recovered from the significant impacts of the 2007—2010 recession, when over 3,000 jobs were lost. However, the number of total jobs—18,800—remains the same as it was in 2006. As illustrated in Table 15, since 2011, almost 2,900 new jobs have been created citywide. We note that differences between Dun & Bradstreet (Table 14) and U.S. Census Bureau (Table 15) are attributed to part-time, self-employed and those jobs not contributing to the Unemployment Insurance Fund. The greatest job losses occurred in Manufacturing; subsequent gains were greatest in Wholesale Trade (reflecting the importance of the logistics industry), Health Care and Accommodations & Food Services; and
- As illustrated in Figure 4 and Figure 5, in 2015, the Census Bureau estimates greater employee in-flow (over 16,100 per day) than outflow (13,100 per day), with the highest employment densities located near the airport, in central Plant City around South Florida Hospital, and in the commercial cluster along Redman Parkway/East Alexander Street.

### ***Fair Share: Plant City Accounts for***

**3.4% of Hillsborough County’s Total Jobs**

**Table 14: Business Mix—Plant City, 2016**

NAICS Category	Businesses		Employees	
	No.	% of Total	No.	% of Total
<b>Mining &amp; Natural Resources</b>	<b>24</b>	1.6%	<b>443</b>	2.1%
<b>Construction</b>	<b>88</b>	5.8%	<b>900</b>	4.2%
<b>Manufacturing</b>	<b>61</b>	4.0%	<b>2,221</b>	10.4%
<b>Transportation &amp; Warehousing</b>	<b>33</b>	2.2%	<b>585</b>	2.7%
<b>Communications</b>	<b>13</b>	0.9%	<b>63</b>	0.3%
<b>Utilities</b>	<b>2</b>	0.1%	<b>15</b>	0.1%
<b>Wholesale &amp; Retail Trade</b>				
Wholesale	96		1,979	
Retail	357		7,022	
- Home Improvement	28		1,294	
- General Merchandise	18		760	
- Food Stores	43		1,775	
- Auto Dealers/Gas Stations	58		684	
- Apparel & Accessory Stores	14		52	
- Furniture/Home Furnishings	15		49	
- Eating & Drinking Places	93		1,807	
- Miscellaneous & Non-store Retail	88		601	
<b>Subtotal - All Retail:</b>	<b>453</b>	29.7%	<b>9,001</b>	42.3%
<b>Finance/Insurance/Real Estate</b>	<b>146</b>	9.6%	<b>795</b>	3.7%
<b>Services</b>				
- Hotel/Lodging	5		83	
- Automotive Services	56		220	
- Motion Pictures & Amusements	43		265	
- Health Services	108		1,839	
- Legal Services	24		101	
- Educational Institutions	23		1,512	
- Other Services	345		2,216	
<b>Subtotal - Services:</b>	<b>604</b>	39.6%	<b>6,236</b>	29.3%
<b>Government</b>	<b>62</b>	4.1%	<b>1,043</b>	4.9%
<b>Unclassified Establishments</b>	<b>38</b>	2.5%	-	0.0%
<b>TOTAL:</b>	<b>1,524</b>	<b>100.0%</b>	<b>21,302</b>	<b>100.0%</b>

<b>ANALYSIS:</b>	
2016 Employment	21,302
As Share of Hillsborough County	<b>3.4%</b>
2016 Population	39,087
Jobs/Population Ratio	<b>0.54</b>

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

**WTL +a**

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**Table 15: 10-Year Employment Trends—Plant City, 2006—2015**

Industry Sector	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Change: 2006-2015	
											Amount	CAGR %
<b>Agriculture &amp; Mining</b>	2,353	2,444	2,429	2,887	3,205	2,154	1,835	1,736	1,912	1,513	(840)	-4.8%
<b>Construction</b>	1,062	1,178	1,040	909	772	868	724	922	1,148	1,166	104	1.0%
<b>Manufacturing</b>	4,729	4,164	3,183	3,228	2,215	2,009	1,846	2,066	2,175	2,348	(2,381)	-7.5%
<b>Transp &amp; Warehousing</b>	1,135	1,550	1,597	1,218	710	882	1,129	1,050	984	1,091	(44)	-0.4%
<b>Utilities</b>	153	135	134	118	88	97	110	117	132	113	(40)	-3.3%
<b>Trade</b>												
Wholesale	1,178	1,298	1,381	1,154	1,019	1,123	1,519	1,600	1,689	2,017	839	6.2%
Retail	2,432	1,851	2,334	2,237	1,993	2,307	2,646	2,582	2,354	2,685	253	1.1%
<b>Information</b>	138	182	146	168	181	210	241	417	440	451	313	14.1%
<b>Finance &amp; Insurance</b>	345	371	362	327	330	385	378	369	450	454	109	3.1%
<b>Real Estate/Rental &amp; Leasing</b>	185	263	232	222	208	120	139	162	149	179	(6)	-0.4%
<b>Services</b>												
Prof'l/Business Services	402	455	490	503	472	465	543	475	472	584	182	4.2%
Management of Companies	327	347	53	54	58	43	58	47	61	-	(327)	-100.0%
Administration/Waste Mgmt.	715	599	650	629	593	741	783	803	875	1,182	467	5.7%
Educational Services	18	24	19	36	25	139	150	144	146	167	149	28.1%
Health Care & Social Assistance	1,361	1,599	1,596	1,701	1,756	1,881	1,903	2,009	1,932	1,956	595	4.1%
Arts/Entertainment/Recreation	76	137	103	259	240	255	254	236	202	230	154	13.1%
Accommodation & Food Services	984	1,243	1,204	1,169	1,266	1,179	1,297	1,398	1,488	1,763	779	6.7%
Other Services	715	750	728	672	460	624	634	570	550	572	(143)	-2.4%
<b>Public Administration/Gov't</b>	411	388	359	363	357	441	337	330	401	329	(82)	-2.4%
<b>Total (In 000s):</b>	<b>18,719</b>	<b>18,978</b>	<b>18,040</b>	<b>17,854</b>	<b>15,948</b>	<b>15,923</b>	<b>16,526</b>	<b>17,033</b>	<b>17,560</b>	<b>18,800</b>	<b>81</b>	<b>0.05%</b>
<i>Annual Change</i>	-	259	(938)	(186)	(1,906)	(25)	603	507	527	1,240		
<i>Annual % Change</i>	-	1.4%	-4.9%	-1.0%	-10.7%	-0.2%	3.8%	3.1%	3.1%	7.1%		

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

Figure 4: Employment Density—Plant City, 2015

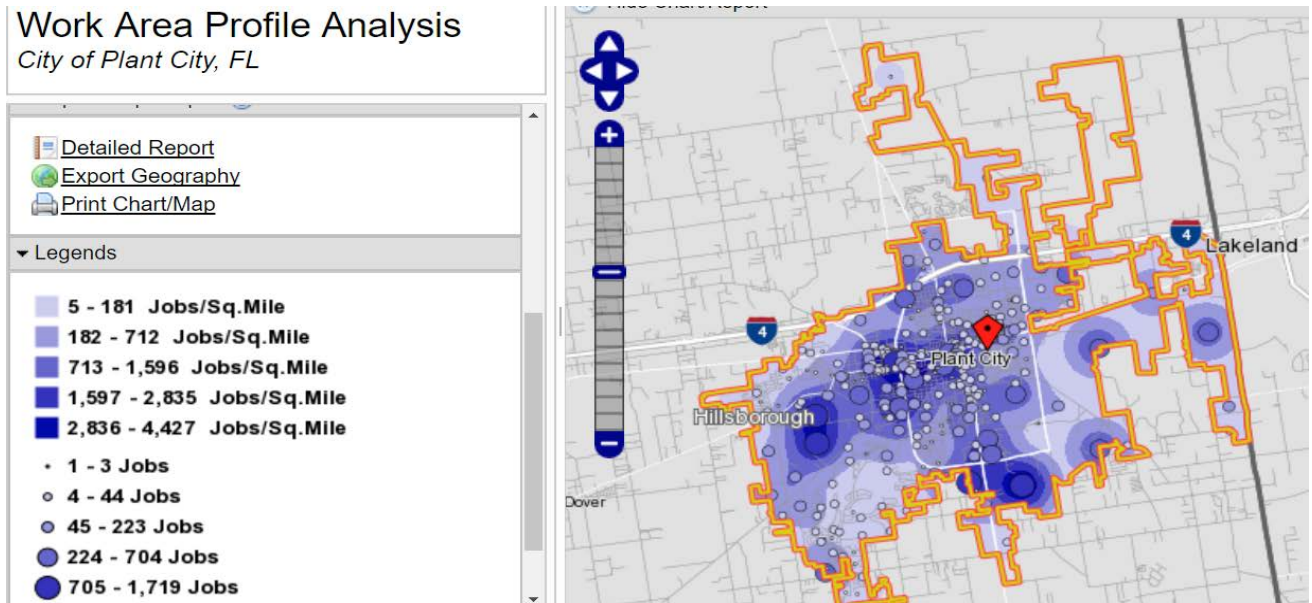
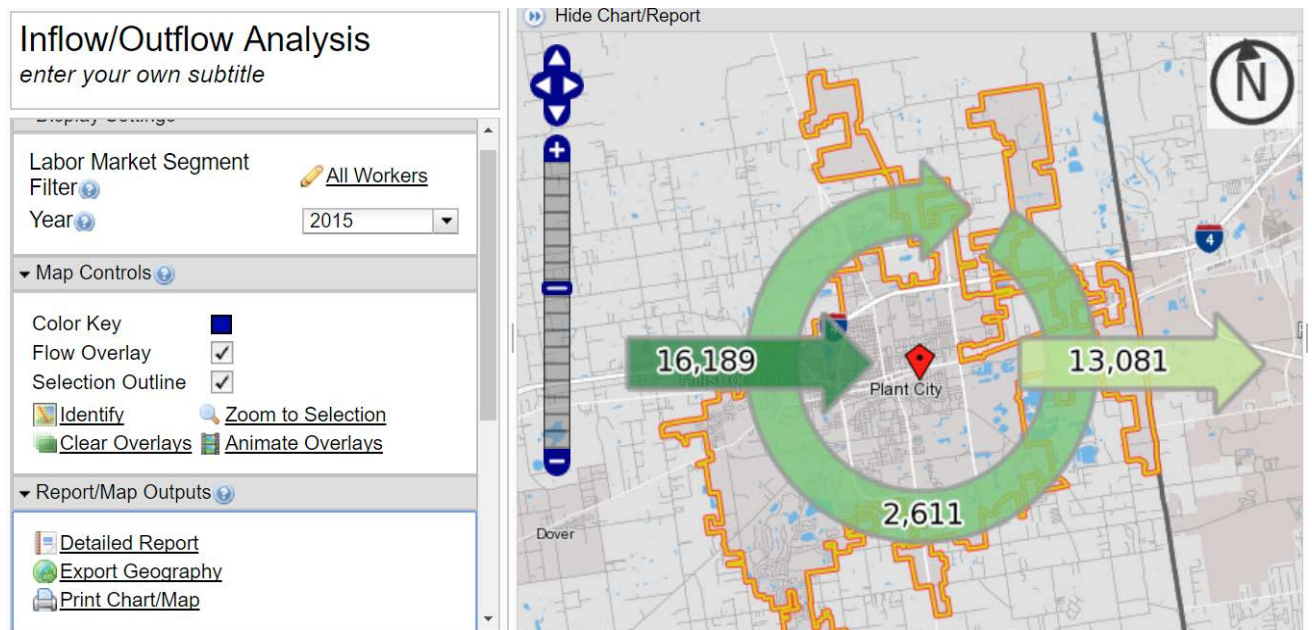


Figure 5: Employee Inflow-Outflow—Plant City, 2015



# 3 Real Estate Market Conditions

WTL +a evaluated real estate market conditions in Plant City and in other selected, competitive locations in Hillsborough County to understand how recent market trends, current economic conditions, and future growth affect opportunities for new development in the North Alexander Street study area. This analysis is considered a critical component when testing overall market potentials that will inform and guide long-term land use and zoning policies in the study area.

This section of the report analyzes historic and current building inventory, occupancy and vacancy levels, annual absorption (leasing) activity, historic development trends, and other appropriate market indices for housing, workplace (office and industrial), supporting commercial (retail) and lodging/hospitality uses based on available data. Key findings are summarized below and illustrated in Table 16 through Table 28.

## Housing

Plant City contains a diverse array of residential neighborhoods, such as Walden Lake, Country Hills, the downtown historic district, the area surrounding Cherry Street Park and others. In the trade area surrounding North Alexander Street, residential neighborhoods include Golden Lakes and Country Meadows. Market metrics of the City's housing stock are illustrated in Table 16 below:

- Based on data from ESRI Business Analyst and the American Community Survey (ACS), the City contains almost 15,000 housing units. Since 2010, the City's housing inventory has increased by over 1,200 units;
- Fully 51% of the City's housing stock is owner-occupied; another 40% of the housing inventory is rental; and in 2017, approximately 9% is "unoccupied" (estimated at 1,327 units). Countywide, slightly more than 50% is owner-occupied and 39% is occupied by renters;

- The 2017 *median* unit value of all housing units in Plant City is almost \$162,600. Over the next five years, median housing values are forecast to increase at a strong, compound annual rate of 4.6% per year—to \$203,300. By comparison, the median value of owner-occupied housing in Hillsborough County in 2017 is \$193,725. Countywide housing values are forecast to increase at an even higher pace than Plant City (5.1% per year) over the next five years;
- More specific analysis of the City’s unoccupied housing stock indicates that units are unoccupied for various reasons; notably, this does not accurately reflect actual *vacant* units. U.S. Census data indicate that 1,493 units were unoccupied as of the 2010 Census, as the economic recovery from the 2007—2009 recession was gaining momentum. As a result, the number of vacant units in many housing markets has declined with an improving economy. In Plant City, **the number of unoccupied units *declined* between 2010 and 2017**—from 10.9% in 2010 to 8.9% in 2017;
- The number of unoccupied units includes only 100 units that are seasonally-owned (i.e., occupied for only a portion of the year, such as by snowbirds who vacation in Florida). Combined with other units, such as those that are sold but not yet occupied, **the City’s *true vacancy in 2010 was lower—7.7%, or just over 1,000 units.*** The 2015 American Community Survey (ACS) suggests that the number of truly vacant units declined further—from 1,057 in 2010 to 981 in 2015, revealing a vacancy rate of 6.1%; and
- ACS data reveal that Plant City is dominated by single-family detached (69%) and multi-family units (24%). Other housing types include mobile homes (3.7%) and attached units (3.5%).

### Plant City: A Stabilized, Growing Housing Market

with *True Vacancy of 6%*

**Table 16: Housing Profile—Plant City, 2010—2022**

	2010	2017	% Dist.	2022	% Dist.	Change: 2017-2022	
						No.	CAGR %
<b>Housing Tenure</b>							
<b>Owner-occupied</b>	7,479	7,667		8,148		481	1.2%
% of Total	54.4%	51.2%		50.6%			
<b>Renter-occupied</b>	4,773	5,980		6,539		559	1.8%
% of Total	34.7%	39.9%		40.6%			
<b>Vacant</b>	1,493	1,327		1,429		102	1.5%
% of Total	10.9%	8.9%		8.9%			
<b>Total Units:</b>	<b>13,745</b>	<b>14,974</b>		<b>16,116</b>		<b>2,371</b>	<b>1.48%</b>
<b>Owner-Occupied Value</b>							
\$0 - \$99,999		1,869	24%	1,237	15%	(632)	-7.9%
\$100,000 - \$199,999		3,167	41%	2,759	34%	(408)	-2.7%
\$200,000 - \$299,999		1,548	20%	2,003	25%	455	5.3%
\$300,000 - \$399,999		717	9%	1,266	16%	549	12.0%
\$400,000 - \$499,999		225	3%	488	6%	263	16.7%
\$500,000 - \$749,999		54	1%	156	2%	102	0.0%
\$750,000+		88	1%	239	3%	151	22.1%
<b>Median Value</b>		<b>\$ 162,578</b>		<b>\$ 203,291</b>			<b>4.6%</b>
<b>Average Value</b>		<b>\$ 190,118</b>		<b>\$ 248,447</b>			<b>5.5%</b>

**All Housing Units By Structure (2015 American Community Survey)**

1 Unit, Detached	10,272	68.6%
1 Unit, Attached	524	3.5%
2 Units	285	1.9%
3 or 4 Units	794	5.3%
5 to 9 Units	794	5.3%
10 or More Units	1,767	11.8%
Mobile Home	554	3.7%
<b>Total Units:</b>	<b>14,989</b>	<b>100%</b>

**Unoccupied Housing Units By Status**

Unoccupied-All Reasons	2010	2015 (ACS)
Rented (Not Occupied)	20	
For Sale Only	276	
Sold (Not Occupied)	37	
Seasonal Use	100	
For Migrant Workers	3	
<b>Subtotal:</b>	<b>436</b>	

**TRUE VACANCIES**

Other Vacant	466	
Vacant, For Rent	591	
<b>Subtotal:</b>	<b>1,057</b>	<b>918</b>
<b>True Vacancy Rate</b>	<b>7.7%</b>	<b>6.1%</b>

**Total Unoccupied Units: 1,493**
<https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>
**Source: ESRI Business Analyst; American Community Survey; WTL +a, September 2017.**

## Housing Starts

To document how population and household growth affects market potentials for new housing in the North Alexander Street study area, WTL+a reviewed information on annual housing starts/residential building permits. This analysis also compares housing starts to household growth to understand whether the pace of one metric is consistent with (or exceeds) the other. Housing starts for the 10-year period between 2007 and 2016 are illustrated in Table 17 below. Key findings indicate that:

- Since 2007 (which includes the 2007-2009 recession and subsequent recovery and economic momentum), housing starts across Hillsborough County resulted in delivery of more than 67,300 new housing units, producing a *sustained* annual pace of **6,700+ units per year**. In terms of unit distribution, this includes 41,285 single-family units (61% of the total) and over 26,000 multi-family units (39% of the total);
- **In Plant City, housing starts totaled 1,297 housing starts over the past 10 years—roughly 130 units per year**. Single-family detached units were predominant (1,036, or 80%); only 261 multi-family units were started during this period; and
- According to Planning Commission data, since 2007 there were 74 unit starts inside the City limits and another 57 unit starts in unincorporated County areas within or adjacent to the North Alexander Street study area.

**Plant City Averages 130 New Housing Starts Annually**

## Household Growth to Housing Starts

Another metric in understanding the overall market stability of the housing market in Hillsborough County compares household growth to housing starts. This allows a comparison of the pace at which residential development is responding to actual household growth to track market demand. Key findings for 2001—2016 are illustrated in Table 18 below.

**Table 17: Annual Housing Starts—Hillsborough County & Municipalities, 2007—2016**

Municipality	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Change: 2007-2016		
											Total Starts	Annual Average	% of County
<b>Single-family Detached</b>													
<b>Plant City</b>	<b>167</b>	<b>114</b>	<b>80</b>	<b>24</b>	<b>69</b>	<b>86</b>	<b>109</b>	<b>142</b>	<b>120</b>	<b>125</b>	<b>1,036</b>	<b>104</b>	<b>2.5%</b>
Tampa	1,008	636	453	455	590	547	686	712	1,036	934	7,057	706	17.1%
Temple Terrace	15	6	6	1	-	14	39	6	5	10	102	10	0.2%
Unincorporated County	3,282	2,356	1,939	2,423	2,416	3,412	3,964	3,551	4,508	5,239	33,090	3,309	80.2%
<b>SFD-Hillsborough County:</b>	<b>4,472</b>	<b>3,112</b>	<b>2,478</b>	<b>2,903</b>	<b>3,075</b>	<b>4,059</b>	<b>4,798</b>	<b>4,411</b>	<b>5,669</b>	<b>6,308</b>	<b>41,285</b>	<b>4,129</b>	<b>61%</b>
<i>% Change-Previous Year</i>	<i>0%</i>	<i>-30%</i>	<i>-20%</i>	<i>17%</i>	<i>6%</i>	<i>32%</i>	<i>18%</i>	<i>-8%</i>	<i>29%</i>	<i>11%</i>			
<b>Multi-family</b>													
<b>Plant City</b>	<b>-</b>	<b>68</b>	<b>6</b>	<b>3</b>	<b>48</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>130</b>	<b>4</b>	<b>261</b>	<b>26</b>	<b>1.0%</b>
Tampa	2,386	986	387	643	103	2,081	1,174	1,843	2,126	3,328	15,057	1,506	57.9%
Temple Terrace	-	-	-	-	-	-	-	-	262	-	262	26	1.0%
Unincorporated County	576	2,036	920	401	954	1,091	904	1,236	1,306	1,022	10,446	1,045	40.1%
<b>MF-Hillsborough County:</b>	<b>2,962</b>	<b>3,090</b>	<b>1,313</b>	<b>1,047</b>	<b>1,105</b>	<b>3,172</b>	<b>2,080</b>	<b>3,079</b>	<b>3,824</b>	<b>4,354</b>	<b>26,026</b>	<b>2,603</b>	<b>39%</b>
<i>% Change-Previous Year</i>	<i>0%</i>	<i>4%</i>	<i>-58%</i>	<i>-20%</i>	<i>6%</i>	<i>187%</i>	<i>-34%</i>	<i>48%</i>	<i>24%</i>	<i>14%</i>			

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

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

**Table 17 (Continued): 10-Year Housing Starts—Hillsborough County & Municipalities, 2007—2016**

Municipality	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Change: 2007-2016		
											Total Starts	Annual Average	% of Total
<b>All Jurisdictions</b>													
<b>Plant City</b>	<b>167</b>	<b>182</b>	<b>86</b>	<b>27</b>	<b>117</b>	<b>86</b>	<b>111</b>	<b>142</b>	<b>250</b>	<b>129</b>	<b>1,297</b>	<b>130</b>	<b>1.9%</b>
Tampa	3,394	1,622	840	1,098	693	2,628	1,860	2,555	3,162	4,262	22,114	2,211	32.9%
Temple Terrace	15	6	6	1	-	14	39	6	267	10	364	36	0.5%
Unincorporated County	3,858	4,392	2,859	2,824	3,370	4,503	4,868	4,787	5,814	6,261	43,536	4,354	64.7%
<b>TOTAL COUNTY:</b>	<b>7,434</b>	<b>6,202</b>	<b>3,791</b>	<b>3,950</b>	<b>4,180</b>	<b>7,231</b>	<b>6,878</b>	<b>7,490</b>	<b>9,493</b>	<b>10,662</b>	<b>67,311</b>	<b>6,731</b>	<b>100%</b>
<i>% Change-Previous Year</i>	-	-17%	-39%	4%	6%	73%	-5%	9%	27%	12%			
<b>In/Adjacent to Study Area</b>													
Inside City Limits	1	1	3	4	6	6	19	7	14	13	74	7	5.7%
Unincorporated County	12	10	5	3	4	2	5	5	2	9	57	6	0.13%

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

Source: U.S. Census Bureau; U.S. Dept. of Housing & Urban Development; Hillsborough County Planning Commission; City of Plant City; WTL+a, September 2017.



- In Hillsborough County, new households were created at an annual rate of 8,548 per year between 2001 and 2016. By comparison, annual housing starts during this same period *exceeded* the pace of household creation, with 9,310 total annual starts. This suggests that Hillsborough **County is building an overage (excess) of more than 760 units per year**;
- However, some of the overage/excess may be attributed to seasonal units for part-time (i.e., less than six months per year) residents, which would not be counted in net new household creation of permanent residents in Hillsborough County; and
- **In Plant City, the ratio of household growth to housing starts is close to equilibrium**—with new household creation totaling 175 per year against annual housing starts of 158 units per year. This suggests a nominal shortfall of (17) units per year, and not attributable to construction of seasonal units given that they comprise such a small portion of the City’s housing stock.

**Table 18: Comparison of Household Growth to Housing Starts, 2001—2016**

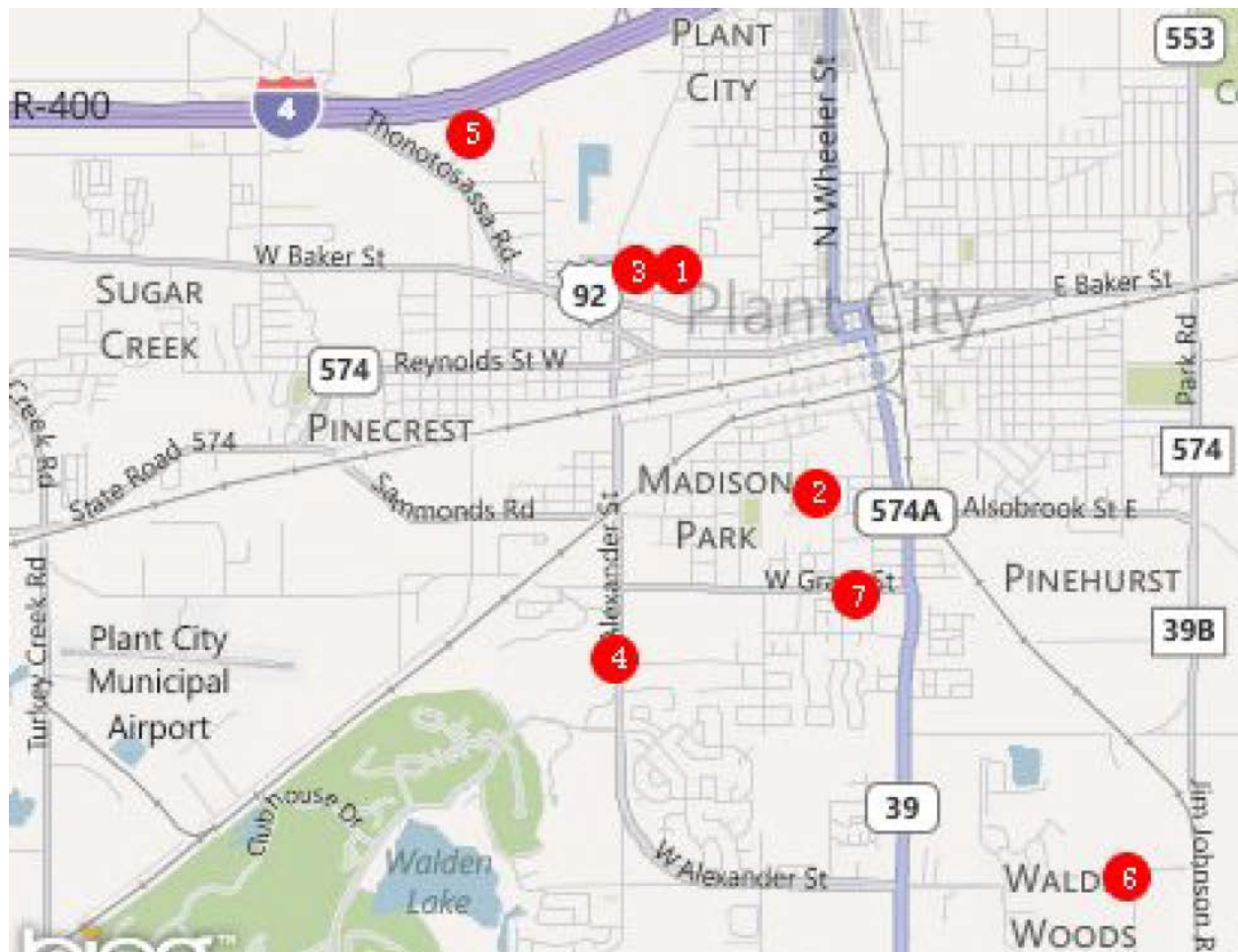
	Household Growth: 2001-2016		Housing Starts: 2001-2016		Annual Unit (Shortfall)/ Overage
	Total	Annual	Total	Annual	
Hillsborough County	136,772	8,548	148,967	9,310	<b>762</b>
Plant City	2,798	175	2,528	158	<b>(17)</b>
As % of County	2.0%		1.7%		

**Source: U.S. Department of Housing & Urban Development; ESRI Business Analyst; WTL+a, October 2017.**

## Multi-family Rental

WTL+a examined market trends among *selected* multi-family rental apartment properties located near the North Alexander Street study area based on data from REIS, Inc. (a national real estate database), as the overall condition is key to understanding market potentials for new rental housing in the North Alexander Street study area. Key findings are detailed in Table 19 and highlighted below:

Figure 6: Plant City Multi-Family Rental Properties Map



- According to properties reporting to REIS, Inc., there are seven market-rate rental complexes in this area of Plant City containing 1,132 rental units. We note that this does *not* include all multi-family properties in Plant City, as there are multiple other rental units/properties that do not report to REIS, Inc. Among those that report, vacancy rates have *declined*—from 3.6% in 2012 to 1.9% in 2017. The apartment industry considers “stabilization” (i.e., full market strength) to be 5% vacancy. Combined with limited absorption (i.e., leasing activity) of only six units per year since 2012, **Plant City’s multi-family rental market is stabilized and operating at full occupancies;**

**Table 19: Profile of Selected Multi-Family Rental Properties**

Project/Location	Year Built Class & Height	Average Monthly Concession	Unit Type	No. of Units	Size (In SF)	Per Month		Vacancy & Absorption Analysis				
						Asking Rent	Rent Per SF	Vacant Units	2017	2016	2014	2012
<b>Cynthia Garden Apartments</b>	1974	\$ 22	1 BR	24	919	\$ 751	\$ 0.82	-	0.0%	3.2%	2.7%	1.8%
505 Whitehall Street	B/C		2 BR	23	1,100	889	0.81		2	(0.2)	(0.4)	-
Plant City	2 floors		3 BR	-	-	-	-					
				<b>47</b>	<b>1,008</b>	<b>\$ 819</b>	<b>\$ 0.81</b>					
<b>Garden Court Apartments</b>	1981	\$ 16	1 BR	84	750	\$ 540	\$ 0.72	3	1.4%	0.7%	0.3%	0.2%
501 W. Ball Street	B/C		2 BR	121	1,311	599	0.46		(2)	(1)	(0.2)	-
Plant City	1 floor		3 BR	10	1,442	730	0.51					
				<b>215</b>	<b>1,098</b>	<b>\$ 582</b>	<b>\$ 0.53</b>					
<b>Georgetown Apartments</b>	1978	\$ 22	1 BR	16	700	\$ 738	\$ 1.05	1	1.8%	0.9%	0.5%	0.3%
603 Dort Street	B/C		2 BR	39	1,100	838	0.76		(0.5)	(0.2)	(0.1)	-
Plant City	2 floors		3 BR	-	-	-	-					
				<b>55</b>	<b>984</b>	<b>\$ 809</b>	<b>\$ 0.82</b>					
<b>Plantation at Walden Lake</b>	1991/2015	\$ 26	1 BR	192	556	\$ 814	\$ 1.46	10	2.8%	2.1%	2.6%	3.1%
1400 Plantation Blvd.	A		2 BR	119	922	1,069	1.16		(2)	2	2	-
Plant City	2 floors		3 BR	40	1,170	1,400	1.20					
				<b>351</b>	<b>750</b>	<b>\$ 967</b>	<b>\$ 1.29</b>					
<b>Townsgate Apartments</b>	1987/2013	\$ 23	1 BR	118	660	\$ 764	\$ 1.16	3	1.1%	1.0%	2.2%	3.8%
1211 Goldfinch Drive	B/C		2 BR	143	880	910	1.03		(0.3)	3	4	-
Plant City	2 floors			<b>261</b>	<b>781</b>	<b>\$ 844</b>	<b>\$ 1.08</b>					
<b>Walden Lakewood Apts.</b>	1987/2015	\$ 25	1 BR	119	566	\$ 855	\$ 1.51	4	2.5%	2.2%	3.9%	9.1%
602 E. Alexander Street	B/C		2 BR	32	900	1,118	1.24		(0.5)	3	8	-
Plant City	3 floors		3 BR	8	1,057	1,317	1.25					
				<b>159</b>	<b>658</b>	<b>\$ 931</b>	<b>\$ 1.42</b>					
<b>Walden Landing Apartments</b>	1988	\$ 25	1 BR	15	595	\$ 776	\$ 1.30	1	2.3%	4.5%	7.4%	9.8%
305 W. Grant Street	B/C		2 BR	23	776	858	1.11		1	1	1	-
Plant City	2 floors		3 BR	6	1,311	1,421	1.08					
				<b>44</b>	<b>787</b>	<b>\$ 907</b>	<b>\$ 1.15</b>					
<b>COMPARABLES ANALYSIS:</b>												
<b>Total/Weighted Average</b>		\$ 23		1,132	834	\$ 844	\$ 1.01	22	1.9%	1.7%	2.3%	3.6%
<b>Total Unit Absorption (2012-2017):</b>									(3)	8	15	-
<b>Average Annual</b>									6			

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

- The highest asking rents are for one-bedroom units at Walden Lakewood Apartments, which rent for \$1.51 per sq. ft. per month. With overall rents for these properties averaging \$1.01 per sq. ft. per month (or \$844 per month), multi-family rents in Plant City are characteristic of a lower-cost suburban market; and
- As noted, annual absorption (i.e., leasing) in these seven selected properties has been limited over the past five years—with an annual average of just **six units per year**. We note, however, that REIS property listings exclude multiple existing, investment-grade rental communities (such as Madison Park Road, Woodbridge, Townsgate, Tall Timbers and Parks Springs Apartments) as well as recent new construction, such as Lakehouse Apartments (125 units delivered in 2015). As a result, **there is no accurate way of measuring annual unit absorption**.

**Plant City’s Multi-Family Rental Market is Strong:  
Vacancies Averaged 2.4% Over Past 5 Years**

In summary, the multi-family housing market in Plant City is stabilized. Other market indices in the area’s housing market include: low vacancy rates (particularly among rentals), moderate rental pricing and, the availability of a diverse product mix—ranging from single-family detached to attached to garden apartments—that provide opportunities for first-time and move-up buyers or renters across product lines.



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## Hotel/Lodging

WTL+a also reviewed data on market conditions for hotel and lodging uses in the North Alexander Street study area and environs based on performance data provided by STR Global, the industry leader in hotel market data. Performance metrics from this analysis were used to determine the potential for developing an additional hotel somewhere along the I-4 corridor within the North Alexander Street study area. Because the interchanges at North Alexander Street and Paul Buchman Highway offer both accessibility and strong visibility from the I-4 corridor, these two locations should be considered the most likely opportunities to accommodate market potentials for new hotels. In larger population centers and communities with established commercial office concentrations, hotels can serve as an important supporting amenity to corporate and business activity generators, for tourism destinations and for nearby residential clusters.

Hotel quality levels are generally determined by the depth and sustainability of support from available market segments. In areas with lower spending potentials or more price-sensitive consumers (such as logistics-related markets serving truck drivers and others), market potentials may be best met by a limited-service property (which is defined by the hotel industry to include no on-site restaurant, and limited other amenities such as gyms, meeting/conference/event spaces, swimming pools, spas, etc.) as opposed to higher-priced hotel categories (such as full-service business-oriented hotels, which include all of the above amenities) or destination resort properties oriented toward beaches/waterfronts, golf courses, etc. For the Plant City market area, limited-service hotels are the most likely category.

Because of Plant City's location at the edge of Hillsborough County and proximity to the larger Lakeland market in neighboring Polk County, market potentials are also affected by nearby hotels/motels/other lodging in Lakeland, particularly near County Line Road and along arterial roadways in Lakeland that have strong accessibility to I-4. As illustrated in Table 20, Hillsborough County contains over 22,000 hotel rooms in multiple submarkets across the County. **There are 481 hotel rooms in Plant City, accounting for a share of only 2.2% of the County's inventory.**

To understand this competitive context, WTL+a identified the most competitive hotel locations in Lakeland along the I-4 corridor at the nearest exits/interchanges to Plant City. The selected competitive market area contains just over 1,400 existing hotel rooms within an easy drive of the

### WTL + a

North Alexander Street and Paul Buchman Highway interchanges with I-4. As illustrated in Table 21, Lakeland has more than twice as many hotel rooms (10 properties and 920 rooms, or 66% of the total) than Plant City (five properties and 481 rooms, or 34% of the total).

**Table 20: Hillsborough County Hotel Inventory, 2017**

Location	No. of Rooms by Property Class						Total Rooms	As % of Hillsborough County
	Economy (1)	Mid-scale (2)	Upper Mid-scale (3)	Upscale (4)	Upper Upscale (5)	Luxury (6)		
Brandon	410	288	701	792	147	-	2,338	10.6%
Lutz	-	-	-	110	-	-	110	0.5%
<b>Plant City</b>	<b>174</b>	<b>-</b>	<b>307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>481</b>	<b>2.2%</b>
Ruskin	20	56	-	157	-	-	233	1.1%
Seffner	120	-	158	-	-	-	278	1.3%
Sun City Center	-	80	75	-	-	-	155	0.7%
Temple Terrace	223	-	174	148	-	-	545	2.5%
<b>Tampa</b>								
Airport/Westshore	824	432	1,217	1,865	1,707	-	6,045	27.4%
Downtown/Ybor City	198	-	238	475	2,442	-	3,353	15.2%
Fairgrounds	443	226	513	-	239	-	1,421	6.4%
North	-	206	320	286	-	-	812	3.7%
Other	1,383	1,112	248	655	833	442	4,673	21.2%
USF/Busch Gardens	304	486	429	126	247	-	1,592	7.2%
<b>Subtotal:</b>	<b>3,152</b>	<b>2,462</b>	<b>2,965</b>	<b>3,407</b>	<b>5,468</b>	<b>442</b>	<b>17,896</b>	<b>81.2%</b>
<b>TOTAL:</b>	<b>4,099</b>	<b>2,886</b>	<b>4,380</b>	<b>4,614</b>	<b>5,615</b>	<b>442</b>	<b>22,036</b>	<b>100%</b>
<b>% Dist. by Class</b>	<b>19%</b>	<b>13%</b>	<b>20%</b>	<b>21%</b>	<b>25%</b>	<b>2%</b>		

- (1) Examples of economy class properties include: Days Inn; Extended Stay America; Red Roof Inn; and Travelodge.  
 (2) Examples of mid-scale class properties include: Best Western; LaQuinta Inn; Quality Inn & Suites; Ramada Inn and Wingate by Wyndham.  
 (3) Examples of upper mid-scale properties include: Comfort Inn; Fairfield Inn; Hampton Inn; and Holiday Inn Express & Suites.  
 (4) Examples of upscale properties include: Marriott Courtyard; Crowne Plaza; Doubletree; Hilton Garden Inn; Hyatt Place; and Residence Inn.  
 (5) Examples of upper upscale properties include: Hyatt; Marriott; Sheraton; Westin and Wyndham.  
 (6) Examples of luxury properties include: Grand Hyatt Tampa Bay.

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

Hotel occupancies are a principal source of information on business and leisure visitor markets, and measures of demand for hotel development follow general industry patterns that identify markets as ready to add more room capacity. The general thresholds used in the capital markets to test growth capacity for new hotel rooms include:

- Average Daily Rates (or ADRs), and
- Average annual occupancy levels (allowing for possible seasonal changes).

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

**Table 21: Selected Competitive Hotel Inventory**

Facility/Location	Opening Date	No. of Rooms	% of Sample	Product Class
<b>Reporting to STR</b>				
<b>Plant City</b>				
Knights Inn Plant City	Jan 1974	174	36%	Economy Class
Fairfield Inn & Suites Lakeland Plant City	Jan 2009	87	18%	Upper Midscale Class
Comfort Inn Plant City Lakeland	Apr 1998	61	13%	Upper Midscale Class
Hampton Plant City	Mar 2017	89	19%	Upper Midscale Class
Holiday Inn Express & Suites Plant City	Feb 2000	70	15%	Upper Midscale Class
<b>Subtotal:</b>		<b>481</b>	<b>34%</b>	
<b>As % of Hillsborough County</b>		<b>2.2%</b>		
<b>Lakeland</b>				
Howard Johnson Lakeland	Jun 1983	118	13%	Economy Class
Baymont Inn & Suites Lakeland	Aug 2000	67	7%	Midscale Class
Days Inn & Suites Lakeland	Mar 2007	72	8%	Economy Class
TownePlace Suites Lakeland	Dec 2016	112	12%	Upper Midscale Class
Sleep Inn & Suites Lakeland	Nov 2005	48	5%	Midscale Class
Hampton Inn Lakeland	Jun 1999	73	8%	Upper Midscale Class
Holiday Inn Express & Suites Lakeland North I 4	Jan 2009	87	9%	Upper Midscale Class
WoodSpring Suites Lakeland	Oct 2007	121	13%	Economy Class
La Quinta Inns & Suites Lakeland West	Dec 1997	119	13%	Midscale Class
La Quinta Inns & Suites Lakeland East	Apr 1996	103	11%	Midscale Class
<b>Subtotal:</b>		<b>920</b>	<b>66%</b>	
<b>As % of Polk County</b>		<b>12.2%</b>		
<b>TOTAL ROOMS:</b>		<b>1,401</b>	<b>100%</b>	

**Source: STR Global; WTL+a, September 2017.**

Table 22 illustrates key performance metrics among the area’s competitive hotel properties. We note that other existing lodging properties were excluded for a variety of reasons:

**Table 22: Market Performance of Selected Competitive Hotel Properties, 2011—2016**

	2011	2012	2013	2014	2015	2016	Sept YTD 2017	CHANGE: 2011-2016	
								Average	CAGR
<b>Performance Characteristics</b>									
									(1)
Number of Rooms	1,199	1,199	1,199	1,199	1,200	1,312			
Available Room Nights (Supply)	437,635	437,635	437,605	437,635	437,849	441,472		438,305	0.17%
Occupied Room Nights (Demand)	218,411	236,596	243,914	257,068	278,082	284,930		253,167	5.46%
<b>Annual Occupancy (%)</b>	<b>49.9%</b>	<b>54.1%</b>	<b>55.7%</b>	<b>58.7%</b>	<b>63.5%</b>	<b>64.5%</b>	<b>67.9%</b>	<b>57.8%</b>	<b>5.28%</b>
Average Daily Rate	\$ 61.52	\$ 64.65	\$ 67.84	\$ 72.24	\$ 76.81	\$ 78.66	\$ 86.87	\$ 70.85	5.04%
(2) Revenue Per Available Room	\$ 30.70	\$ 34.95	\$ 37.81	\$ 42.43	\$ 48.78	\$ 50.77	\$ 58.97	\$ 40.92	10.58%
<b>Year-to-Year % Growth</b>									
Annual Occupancy	-	8.3%	3.1%	5.4%	8.1%	1.6%	5.2%		
Average Daily Rate	-	5.1%	4.9%	6.5%	6.3%	2.4%	10.4%		
Revenue/Available Room	-	13.8%	8.2%	12.2%	15.0%	4.1%	16.2%		
<b>Selected Property</b>									
	<b>Rooms</b>	<b>% Dist.</b>	<b>Year Open</b>						
Knights Inn Plant City	174	12%	1974						
Fairfield Inn & Suites Lakeland Plant City	87	6%	2009						
Comfort Inn Plant City Lakeland	61	4%	1998						
Hampton Plant City	89	6%	2017						
Holiday Inn Express & Suites Plant City	70	5%	2000						
Howard Johnson Lakeland	118	8%	1983						
Baymont Inn & Suites Lakeland	67	5%	2000						
Days Inn & Suites Lakeland	72	5%	2007						
TownePlace Suites Lakeland	112	8%	2016						
Sleep Inn & Suites Lakeland	48	3%	2005						
Hampton Inn Lakeland	73	5%	1999						
Holiday Inn Express & Suites Lakeland North I 4	87	6%	2009						
WoodSpring Suites Lakeland	121	9%	2007						
La Quinta Inns & Suites Lakeland West	119	8%	1997						
La Quinta Inns & Suites Lakeland East	103	7%	1996						
<b>Total:</b>	<b>1,401</b>	<b>100%</b>							

(1) CAGR=Compound Annual Growth Rate.

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

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

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- Locations do not report performance records to STR Global
- Properties were not considered competitive due to the building age

In selected cases, however, older properties were included because of recent renovations or upgrades to maintain competitive market position and /or improvements completed when properties changed from one brand to another.



## Key Findings

- The 15 properties selected for this analysis are all limited-service hotels and within three (of six) industry designations identified by STR, including Economy, Midscale and Upper Midscale
- Over the past six years, average annual occupancies have increased from approximately 49% in 2011 to 64.5% in 2016, which reflects a compound annual growth rate of 5.28%
- While this rate of growth is significant, the primary metric is *sustained* average annual occupancy, which averaged 57.8% over this period; this is well-below threshold annual occupancies of 65% to 72% required to warrant capital market-based financing of new hotel construction
- Because annual occupancies are below financeable levels, there is not currently sufficient demand/investment-level performance necessary to justify the addition of new hotel rooms in the I-4 corridor of Plant City/Lakeland, and

- If ongoing improvements in performance can be sustained and average annual occupancies remain above 65% for the next three to four years, then market demand for new limited-service hotel(s) may be financially viable.

## Workplace: Office

The market analysis includes an evaluation of “workplace” uses, including: multi-tenant/speculative office and industrial (manufacturing, warehouse and distribution) real estate sectors in both Hillsborough County and Plant City to:

- Understand the City’s relative competitive position in the County’s for such uses based on data from various sources, including Cushman & Wakefield, Inc. and CoStar, Inc., two national real estate databases, which includes the following key market indices: total inventory, construction deliveries, net absorption (i.e., leasing) activity, vacant stock, vacancy rates, and rental rates;
- Inform our evaluation of development opportunities for each of these uses in the North Alexander Street study area based on the findings of key metrics in this profile; and
- Guide long-term land use and zoning policies to ensure that future private reinvestment in each of these sectors in the study area is successful.

## Hillsborough County

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

- As illustrated in Table 23, Hillsborough County contains **almost 31.6 million sq. ft. of office space** distributed across the Central Business District (downtown Tampa) and six suburban submarkets. Countywide, there are **more than 3.98 million sq. ft. of vacant office space** (including direct vacancies and sublet space), which reflects a current vacancy rate of 12.6%;
- Multiple factors have combined to strengthen overall leasing activity, including recovery from the 2007—2009 recession, net new job growth in office-using sectors and new or expanded businesses throughout the County. In fact, *net* absorption has totaled more than **1.8 million**

**Table 23: Office Market Profile—Hillsborough County, 2017**

	Inventory (2017 Ranking)			% Change: 2015-2017	Direct & Sublet Vacant Space					% Change: 2015-2017	
	2015	2016	2017		2015	%	2016	%	2017		%
<b>CBD</b>											
Downtown Tampa	6,493,520	6,148,384	6,032,822	-7%	636,365	9.8%	839,005	13.6%	866,580	14.4%	36%
<b>Subtotal - CBD:</b>	<b>6,493,520</b>	<b>6,148,384</b>	<b>6,032,822</b>	<b>-7%</b>	<b>636,365</b>	<b>9.8%</b>	<b>839,005</b>	<b>13.6%</b>	<b>866,580</b>	<b>14.4%</b>	<b>36.2%</b>
<b>Non-CBD (Ranked by Size)</b>											
Westshore	12,662,225	12,860,808	12,761,553	1%	1,243,712	9.8%	1,209,812	9.4%	1,293,015	10.1%	4%
<b>I-75 Corridor</b>	<b>7,654,359</b>	<b>7,723,605</b>	<b>7,515,700</b>	<b>-2%</b>	<b>1,226,921</b>	<b>16.0%</b>	<b>1,089,474</b>	<b>14.1%</b>	<b>1,196,771</b>	<b>15.9%</b>	<b>-2%</b>
Northwest	4,501,369	4,529,337	4,339,742	-4%	800,025	17.8%	626,916	13.8%	511,970	11.8%	-36%
Southwest	360,881	365,603	360,126	0%	65,936	18.3%	41,959	11.5%	85,823	23.8%	30%
Hyde Park	451,085	363,994	363,994	-19%	17,388	3.9%	1,113	0.3%	6,898	1.9%	-60%
Ybor City	181,403	207,399	207,399	14%	30,361	16.7%	14,882	7.2%	27,375	13.2%	-10%
<b>Subtotal - Suburban:</b>	<b>25,811,322</b>	<b>26,050,746</b>	<b>25,548,514</b>	<b>-1%</b>	<b>3,384,343</b>	<b>13.1%</b>	<b>2,984,156</b>	<b>11.5%</b>	<b>3,121,852</b>	<b>12.2%</b>	<b>-8%</b>
<b>TOTAL:</b>	<b>32,304,842</b>	<b>32,199,130</b>	<b>31,581,336</b>	<b>-2%</b>	<b>4,020,708</b>	<b>12.4%</b>	<b>3,823,161</b>	<b>11.9%</b>	<b>3,988,432</b>	<b>12.6%</b>	<b>-0.8%</b>
<i>Annual Change:</i>							<i>(197,547)</i>		<i>165,271</i>		

Source: Cushman & Wakefield of Florida, Inc.; WTL+a, October 2017.

**Table 23 (Continued): Office Market Profile—Hillsborough County, 2017**

	Overall Net Absorption				Avg. Ann'l	Years to Stabilized Occupancy (1)	Overall Average Asking Rents Per SF (All Classes)			% Change: 2015-2017
	2015	2016	2017	Total			2015	2016	2017	
<b>CBD</b>										
Downtown Tampa	107,263	(61,398)	1,705	47,570	15,857	51	\$ 24.49	\$ 25.34	\$ 26.49	8%
<b>Subtotal - CBD:</b>	<b>107,263</b>	<b>(61,398)</b>	<b>1,705</b>	<b>47,570</b>	<b>15,857</b>	<b>51</b>	<b>\$ 24.49</b>	<b>\$ 25.34</b>	<b>\$ 26.49</b>	<b>8%</b>
<b>Non-CBD (Ranked by Size)</b>										
Westshore	391,860	286,092	69,646	747,598	249,199	5	\$ 26.50	\$ 25.64	\$ 27.84	5%
<b>I-75 Corridor</b>	<b>363,971</b>	<b>302,764</b>	<b>(34,074)</b>	632,661	<b>210,887</b>	<b>5</b>	<b>20.89</b>	<b>20.56</b>	<b>21.62</b>	<b>3%</b>
Northwest	62,116	126,429	190,161	378,706	126,235	4	19.17	20.50	21.94	14%
Southwest	(1,628)	16,932	(44,271)	(28,967)	(9,656)	N/A	16.55	17.44	18.15	10%
Hyde Park	4,430	1,374	(5,785)	19	6	N/A	20.70	23.00	24.16	17%
Ybor City	35,000	3,999	24,147	63,146	21,049	1	19.49	15.91	15.91	-18%
<b>TOTAL:</b>	<b>963,012</b>	<b>676,192</b>	<b>201,529</b>	<b>1,840,733</b>	<b>613,578</b>	<b>6.0</b>	<b>\$ 22.79</b>	<b>\$ 23.09</b>	<b>\$ 24.87</b>	<b>9%</b>
<i>Annual Change:</i>	-	<i>(286,820)</i>	<i>(474,663)</i>				-	<i>1.3%</i>	<i>7.7%</i>	

(1) This illustrates the estimated time (in years) to achieve stabilized occupancies (defined as 93% occupancy), based on average annual absorption for the 2015-2017 period.

Source: Cushman & Wakefield of Florida, Inc.; WTL+a, October 2017.

**sq. ft. countywide over the past three years.** If this annual pace of 613,600 sq. ft. can be sustained, it would require approximately six years to reduce the County’s vacant office space to stabilized levels in the range of 7% vacancy (i.e., the real estate industry considers stabilized occupancies for office buildings to be in the range of 93% to 95%);

- Notably, 2015’s record absorption (over 963,000 sq. ft.) slowed significantly in both 2016 and 2017. According to Cushman & Wakefield, Inc. only 201,500 sq. ft. was absorbed in 2017, roughly 20% of 2015’s pace;
- The County’s strengthening office market is also reflected in increasing rents. In fact, average asking rents increased 9% between 2015 and 2017—from \$22.79 per sq. ft. in 2015 to \$24.87 per sq. ft. in 2017; and
- The strength of the County’s suburban office market remains focused on Westshore and the I-75 corridor, which includes Brandon as well as the outlying eastern portions of the County. In Westshore, net absorption has averaged over 249,000 sq. ft. per year for the past three years, while the I-75 corridor has averaged almost 211,000 sq. ft. of net absorption annually since 2015.

## Plant City

**Plant City is considered a tertiary office location** in the “East Tampa” office submarket of Hillsborough County. As illustrated in Table 24, according to CoStar, Inc. (a national commercial real estate database), the office market in Plant City is characterized by the following metrics:

- There are 172 office buildings of varying sizes scattered across the City in a combination of rehabbed historic buildings in downtown as well as freestanding buildings along the City’s commercial corridors. With a *reported total inventory of 932,000 sq. ft.*, the average office building in Plant City is only 5,420 sq. ft. The commercial real estate industry defines such small buildings as “garden” office space. Occupants of garden office buildings are typically small professional services firms;
- The City’s office inventory comprises 14% of the 6.88 million sq. ft. East Tampa submarket, and only 3% of the County’s 31.6 million sq. ft. of office inventory;

- Vacancy rates have mirrored other office locations elsewhere in Hillsborough County—with recovery from the 2007—2009 recession resulting in an uptick in leasing activity. Over the past 10 years, net absorption totaled almost 110,000 sq. ft.—or roughly 11,000 sq. ft. per year. However, the lion’s share of positive leasing has occurred over the past five years. Since 2013, Plant City’s office market has averaged a modest 17,200 sq. ft. of annual net absorption; and
- New construction over the past 10 years has delivered only 58,200 sq. ft. of new office space.

**Plant City: A Tertiary Office Market with Limited Leasing Activity**  
**Average Annual Absorption: 17,200 SF Per Year**



**Table 24: Office Market Profile—Plant City, 2008—2017**

	National Recession		2010	2011	2012	2013	2014	2015	2016	2017	Change: 2008-2017				
	2008	2009									Total	Ann'l Avg.	% CAGR		
<b>Office</b>															
Inventory	912,433	921,885	926,932	926,932	926,932	925,228	925,228	932,162	932,162	932,162		<b>19,729</b>			
As % of East Tampa Submkt	13%	14%	14%	14%	13%	13%	13%	14%	14%	14%					
No. of Buildings	170	171	172	172	172	171	171	172	172	172					
Vacant Stock	144,122	115,046	86,599	107,807	145,198	115,302	72,629	71,234	54,859	64,559		<b>(79,563)</b>			
Vacancy Rate	15.8%	12.5%	9.3%	11.6%	15.7%	12.5%	7.8%	7.6%	5.9%	6.9%				<b>-8.8%</b>	
<b>Total Net Absorption</b>	<b>10,634</b>	<b>38,528</b>	<b>33,494</b>	<b>(21,208)</b>	<b>(37,391)</b>	<b>28,192</b>	<b>42,673</b>	<b>8,329</b>	<b>16,375</b>	<b>(9,700)</b>	<b>109,926</b>	<b>10,993</b>			
<b>Past 5 Years</b>											<b>85,869</b>	<b>17,174</b>			
Construction Deliveries	36,785	9,452	5,047	-	-	-	-	6,934	-	-		<b>58,218</b>			
Gross Rent/SF	\$ 14.14	\$ 13.79	\$ 16.11	\$ 16.65	\$ 15.34	\$ 16.59	\$ 17.07	\$ 17.47	\$ 17.70	\$ 17.55				<b>2.4%</b>	
Average Annual % Change		<b>-2.5%</b>	16.8%	3.3%	<b>-7.8%</b>	8.1%	2.9%	2.3%	1.3%	<b>-0.8%</b>					
Base Rent/SF	\$ 11.04	\$ 10.67	\$ 10.65	\$ 11.37	\$ 11.59	\$ 11.94	\$ 11.87	\$ 13.17	\$ 13.28	\$ 13.45				<b>2.2%</b>	

Source: Tampa-Hillsborough Economic Development Corporation; CoStar, Inc.; WTL+a, November 2017.

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## Workplace: Industrial

The following highlights key findings from our analysis of the City's industrial market. Industrial uses can take many forms—from heavy industrial (such as chemical plants or oil tank farms) to manufacturing to assembly to warehousing/storage and freight and logistics uses. For purposes of the market study, industrial includes manufacturing, office-service/flex, warehousing, and distribution (i.e., logistics) functions.

Key findings for Hillsborough County's industrial market are summarized below and based on regional data from the Tampa office of Cushman & Wakefield, Inc.:

### Hillsborough County

- As illustrated in Table 25, Hillsborough County contains **79.1 million sq. ft. of industrial space** distributed across seven submarkets;
- Countywide, there are **almost 4.1 million sq. ft. of vacant industrial space** (including direct vacancies and sublet space), which reflects a current overall vacancy rate of only 5.2%. Vacancy rates have declined from 6.1% in 2015;
- *Net* absorption totaled more than **840,500 sq. ft. countywide through the third-quarter of 2017**. In fact, since 2015 net absorption of industrial space across Hillsborough County has totaled almost 3.1 million sq. ft. If this three-year pace can be sustained, it will require only 3.7 years to reduce the County's remaining vacant industrial space to stabilized levels in the range of 5% to 7% vacancy (i.e., the real estate industry considers stabilized occupancies to be in the range of 93% to 95%); and
- Absorption in 2017, however, declined by almost half of its 2015 record of over 1.5 million sq. ft. In effect, the Hillsborough County industrial market has achieved stabilized levels of occupancy/performance.



**Table 25: Industrial Market Profile—Hillsborough County, 2017**

	Inventory (2017 Ranking)			% Change:	Direct & Sublet Vacant Space						% Change:
	2015	2016	2017	2015-2017	2015	%	2016	%	2017	%	2015-2017
East Side Central	30,540,768	30,800,657	31,324,484	3%	1,954,609	6.4%	1,694,036	5.5%	1,785,496	5.7%	-9%
Airport Area	14,158,497	14,144,043	13,470,640	-5%	637,132	4.5%	537,474	3.8%	633,120	4.7%	-1%
Near East Side	11,255,486	11,251,989	10,733,554	-5%	776,629	6.9%	900,159	8.0%	858,684	8.0%	11%
East Side North	10,772,975	10,759,341	10,482,002	-3%	1,034,206	9.6%	796,191	7.4%	482,172	4.6%	-53%
<b>Plant City</b>	<b>8,387,570</b>	<b>8,278,030</b>	<b>8,347,711</b>	<b>-0.5%</b>	<b>251,627</b>	<b>3.0%</b>	<b>165,561</b>	<b>2.0%</b>	<b>83,477</b>	<b>1.0%</b>	<b>-67%</b>
South Tampa	2,496,827	2,488,722	2,495,190	0%	9,987	0.4%	72,173	2.9%	77,351	3.1%	674%
Northwest	2,382,271	2,321,884	2,277,369	-4%	238,227	10.0%	199,682	8.6%	173,080	7.6%	-27%
<b>TOTAL:</b>	<b>79,994,394</b>	<b>80,044,666</b>	<b>79,130,950</b>	<b>-1%</b>	<b>4,902,417</b>	<b>6.1%</b>	<b>4,365,276</b>	<b>5.5%</b>	<b>4,093,380</b>	<b>5.2%</b>	<b>-16.5%</b>
<i>Annual Change:</i>							<i>(537,141)</i>		<i>(271,896)</i>		

Source: Cushman & Wakefield of Florida, Inc.; WTL+a, October 2017.

**Table 25 (Continued): Industrial Market Profile—Hillsborough County, 2017**

	Overall Net Absorption				Avg. Ann'l	Years to Stabilized Occupancy (2)	Overall Average Asking Rents Per SF (All Classes) (1)			% Change: 2015-2017
	2015	2016	2017	Total			2015	2016	2017	
East Side Central	804,674	225,261	728,212	1,758,147	586,049	3	5.29	6.27	6.31	19%
Airport Area	252,513	165,742	(11,099)	407,156	135,719	4	7.17	7.03	7.29	2%
Near East Side	211,290	53,784	(22,155)	242,919	80,973	10	\$ 4.65	\$ 7.95	\$ 4.65	0%
East Side North	239,531	191,043	51,495	482,069	160,690	3	5.94	8.00	6.56	10%
<b>Plant City</b>	-	<b>121,160</b>	<b>77,500</b>	<b>198,660</b>	<b>66,220</b>	<b>1</b>	<b>4.45</b>	<b>4.00</b>	<b>4.75</b>	<b>7%</b>
South Tampa	-	-	(6,868)	(6,868)	(2,289)	(31)	N/A	4.24	3.62	N/A
Northwest	11,250	(26,675)	23,500	8,075	2,692	60	5.27	5.16	5.45	3%
<b>TOTAL:</b>	<b>1,519,258</b>	<b>730,315</b>	<b>840,585</b>	<b>3,090,158</b>	<b>1,030,053</b>	<b>3.7</b>	<b>\$ 5.36</b>	<b>\$ 6.11</b>	<b>\$ 5.89</b>	<b>10%</b>
<i>Annual Change:</i>	-	<i>(788,943)</i>	<i>110,270</i>				-	<i>14.0%</i>	<i>-3.6%</i>	

(1) This reflects overall average net rents for manufacturing, office-service/flex and warehousing/distribution space.

(2) This illustrates the estimated time (in years) to achieve stabilized occupancies (defined as 93% occupancy), based on average annual absorption for the 2015-2017 period.

Source: Cushman & Wakefield of Florida, Inc.; WTL+a, October 2017.

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## Plant City

Like our analysis of the City's office market, WTL+a utilized data from CoStar, Inc. for a more detailed review of Plant City's industrial market. CoStar data was provided by the Tampa—Hillsborough Economic Development Corporation. Key findings are illustrated in Table 26 and summarized below.

CoStar data indicate that Plant City contains a total of 121 industrial buildings, including 24 manufacturing facilities, 88 warehouses and nine distribution buildings in multiple locations throughout the City. Other metrics on the City's industrial market are as follows:

- The City includes almost **7.1 million sq. ft. of industrial space**, with the largest share (3.9 million sq. ft.) being comprised of warehouses. (We note that the data in Table 25 suggests that there are 8.3 million sq. ft. of industrial space in Plant City). The difference may be attributable to two different sources with different reporting methods, the number of properties contained in each source's database and/or industrial properties with Plant City mailing addresses but located in unincorporated areas surrounding the City;
- **The City's industrial inventory was significantly impacted by the 2007—2009 recession—with negative net absorption (i.e., contraction in occupied space) of over (817,300) sq. ft.** This resulted in a sizable increase in vacancies—from 8% in 2008 to over 15% in 2009. Manufacturing facilities and warehouses were hit hardest during this period, with vacancies peaking at almost 24% and 17%, respectively; and
- While there was some post-recession recovery in 2010 and 2011 (with roughly two-thirds of space vacated during the recession leased), additional contractions occurred in 2012 through 2014. **Since 2014, however, the City's industrial market has strengthened, with almost 480,000 sq. ft. of positive net absorption** and, as detailed below, significant levels of new construction and planned supply. This has reduced overall vacancies from 7.5% to 3.3%. Notably, distribution and manufacturing facilities are effectively full—with vacancy rates of 0% and 1.5%, respectively. Warehousing is the only sector of the City's industrial market with any vacancy—and that sector's vacancy rate is only 5%, indicating stabilization.

**Table 26: Industrial Market Profile—Plant City, 2008—2017**

	National Recession		2010	2011	2012	2013	2014	2015	2016	2017	Change: 2008-2017		
	2008	2009									Total	Ann'l Avg.	% CAGR
<b>Manufacturing</b>													
Inventory	1,693,290	1,693,290	1,693,290	1,693,290	1,693,290	1,693,290	1,693,290	1,693,290	1,693,290	1,693,290	1,693,290	-	
No. of Buildings	24	24	24	24	24	24	24	24	24	24	24		
Vacant Stock	329,911	405,311	53,500	58,000	32,100	32,100	58,100	26,000	28,500	26,000		(303,911)	
Vacancy Rate	19.5%	23.9%	3.2%	3.4%	1.9%	1.9%	3.4%	1.5%	1.7%	1.5%			-24.6%
Construction Deliveries	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Net Absorption</b>	<b>(276,811)</b>	<b>(75,400)</b>	<b>351,811</b>	<b>(4,500)</b>	<b>25,900</b>	<b>-</b>	<b>(26,000)</b>	<b>32,100</b>	<b>(2,500)</b>	<b>2,500</b>	<b>27,100</b>	<b>2,710</b>	
<b>Past 5 Years</b>											<b>6,100</b>	<b>1,220</b>	
<b>Warehousing</b>													
Inventory	3,738,428	3,738,428	3,738,428	3,738,428	3,722,528	3,722,528	3,722,528	3,822,528	3,922,528	3,922,528		184,100	
No. of Buildings	88	88	88	88	86	86	86	87	88	88			
Vacant Stock	206,025	639,912	630,592	407,467	423,315	430,050	456,424	301,553	331,553	208,784		2,759	
Vacancy Rate	5.5%	17.1%	16.9%	10.9%	11.4%	11.6%	12.3%	7.9%	8.5%	5.3%			-0.4%
Construction Deliveries	-	-	-	-	-	-	-	100,000	100,000	-		200,000	
<b>Total Net Absorption</b>	<b>(45,095)</b>	<b>(433,887)</b>	<b>9,320</b>	<b>223,125</b>	<b>(31,748)</b>	<b>(6,735)</b>	<b>(26,374)</b>	<b>254,871</b>	<b>70,000</b>	<b>122,769</b>	<b>136,246</b>	<b>13,625</b>	
<b>Past 5 Years</b>											<b>414,531</b>	<b>82,906</b>	

Source: Tampa-Hillsborough Economic Development Corporation; CoStar, Inc.; WTL+a, November 2017.

**Table 26 (Continued): Industrial Market Profile—Plant City, 2008—2017**

	National Recession		2010	2011	2012	2013	2014	2015	2016	2017	Change: 2008-2017			
	2008	2009									Total	Ann'l Avg.	% CAGR	
<b>Distribution</b>														
Inventory	1,462,420	1,462,420	1,462,420	1,462,420	1,462,420	1,462,420	1,462,420	1,462,420	1,462,420	1,462,420	1,462,420	-		
No. of Buildings	9	9	9	9	9	9	9	9	9	9	9			
Vacant Stock	13,844	-	-	-	-	-	-	-	-	-	-	(13,844)		
Vacancy Rate	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			-100.0%
Construction Deliveries	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total Net Absorption</b>	-	<b>13,844</b>	-	-	-	-	-	-	-	-	-	<b>13,844</b>	<b>1,384</b>	
<b>Past 5 Years</b>														
<b>ALL INDUSTRIAL</b>														
Inventory	6,894,138	6,894,138	6,894,138	6,894,138	6,878,238	6,878,238	6,878,238	6,978,238	7,078,238	7,078,238	7,078,238	<b>184,100</b>		
No. of Buildings	121	121	121	121	119	119	119	120	121	121	121			
Vacant Stock	549,780	1,045,223	684,092	465,467	455,415	462,150	514,524	327,553	360,053	234,784	234,784	<b>(314,996)</b>		
Vacancy Rate	8.0%	15.2%	9.9%	6.8%	6.6%	6.7%	7.5%	4.7%	5.1%	3.3%	3.3%			-9.3%
Construction Deliveries	-	-	-	-	-	-	-	100,000	100,000	-	-	<b>200,000</b>		
<b>Total Net Absorption</b>	<b>(321,906)</b>	<b>(495,443)</b>	<b>361,131</b>	<b>218,625</b>	<b>(5,848)</b>	<b>(6,735)</b>	<b>(52,374)</b>	<b>286,971</b>	<b>67,500</b>	<b>125,269</b>	<b>177,190</b>	<b>17,719</b>		
<b>Past 5 Years</b>												<b>420,631</b>	<b>84,126</b>	

Source: Tampa-Hillsborough Economic Development Corporation; CoStar, Inc.; WTL+a, November 2017.

**Plant City's Industrial Market is Stabilized:****Nominal Vacancies & Average Absorption of 84,100 SF Per Year**

- Based on data provided by the City, there are several recently-completed, under construction or planned industrial projects for either owner-users (i.e., build-to-suits) or speculative/multi-tenant buildings in Plant City. These are illustrated in Table 27 and summarized below:
  - There are six recently-completed or under construction owner-user projects totaling 129,800 sq. ft. of space plus an additional 164,000 sq. ft. in two projects that are under site plan review;
  - There are four industrial projects that were completed or under construction in 2016 and 2017 that delivered **487,800 sq. ft. of speculative/multi-tenant industrial space**, including County Line Logistics Buildings 100 and 200; and
  - Two additional buildings (County Line Logistics Buildings 300 and 400) that are proposed to add another 893,600 sq. ft. of multi-tenant industrial space. These two projects are currently in site plan review.

In conclusion, based on this information WTL+a has accounted for the 1.38 million sq. ft. of speculative/multi-tenant space in our analysis of industrial market potentials in Section 5 of this report.

**Table 27: Build-to-Suit & Speculative Industrial Projects in Plant City, 2016—2017**

Year	Project	Address	Size (SF)	C/O or C/C Dates	Under Construction	Other/ Notes
<b>Build-to-Suits</b>						
2016	Peninsula Steel	4504 Sydney Rd	31,257	8/17/2017		
2016	Quikrete	1902 Wood Ct	41,026	7/28/2017		
2016	Patterson Companies	204 E Terrace Dr	16,900	2/10/2017		
2016	QGS Construction	1450 S Park Rd	10,000		X	Permit date: 09/27/16
2016	Plant City Asphalt Plant	2102 Jim Johnson Rd	7,200	2/8/2018		
2017	Hungry Howies Distribution Center	2537 Frontage Park Pl	23,425		X	Permit date: 12/15/17
<b>Subtotal - Completed or UC:</b>			<b>129,808</b>			
2016	Toufayan	2615 US 92 E	150,000			Site plan reviewed; no building permit
2017	84 Lumber	2102 Henderson Way	14,000			Site plan reviewed; no building permit
<b>Subtotal - Planned:</b>			<b>164,000</b>			
<b>TOTAL - Build-to-Suits:</b>			<b>293,808</b>			
<b>Speculative/Multi-tenant</b>						
2016	County Line Logistics Bldg 100	2101 S County Line Rd	132,041	11/22/2017		C/C & permits for shell building only
2016	County Line Logistics Bldg 200	2041 S County Line Rd	169,511	11/22/2017		C/C & permits for shell building only
2016	Rice Rd Commerce Park	1819 S County Line Rd	137,900		X	Permit date: 05/19/17
2016	Florida Cold Storage	2400 Roberts Ranch Rd	48,341	12/7/2016	X	Total size at buildout: 145,223 SF
<b>Subtotal - Completed or UC:</b>			<b>487,793</b>			
2017	County Line Logistics Bldg 300	Fancy Farms Rd	143,580			Under site plan review; no building permit
2017	County Line Logistics Bldg 400	Fancy Farms Rd	750,032			Under site plan review; no building permit
<b>Subtotal - Planned:</b>			<b>893,612</b>			
<b>TOTAL - Speculative/Multi-tenant:</b>			<b>1,381,405</b>			

Source: City of Plant City; WTL+a, February 2018.

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## Retail

As illustrated in Table 28, CoStar data suggest that Plant City contains approximately 1.45 million sq. ft. of general retail space across the City in 61 centers or properties. This includes a range of retail types:

- Multiple small retailers on freestanding pads along commercial corridors—such as Arby's at 201 W. Alexander Street (2,737 sq. ft.), Walgreen's at 2102 W. Baker Street (14,490 sq. ft.), or Burger King at 2415 Thonotosassa Road (3,104 sq. ft.).
- Small unanchored neighborhood and strip centers—such as City Crossings on Redman Parkway (19,000 sq. ft.), Lake Walden Square (58,164 sq. ft.) or Strawberry Plaza (67,301 sq. ft.).
- Community retail centers typically anchored by grocery stores—such as Plant City Crossing anchored by Publix, Plant City Plaza (143,000 sq. ft.) and Walden Woods Shopping Center (153,839 sq. ft.).

Over the past 10 years, the data suggest **limited activity in the City's retail inventory**—with limited new construction and limited net absorption averaging only 4,400 sq. ft. per year (and increasing to less than 13,400 sq. ft. per year since 2013). Vacancy rates, which peaked at 9.3% at the end of the 2007—2009 recession, have declined to stabilized levels of 5% in 2017. Most notably, average retail rents have also declined—from a peak of \$18.73 per sq. ft. (on a triple net basis) to current levels of \$10.39 per sq. ft. today. This is indicative of an aging retail market with limited amounts of new construction (only 19,600 sq. ft. of new retail space has been built citywide since 2008).



**Table 28: Retail Market Profile—Plant City, 2008—2016**

	National Recession		2010	2011	2012	2013	2014	2015	2016	2017	Change: 2008-2017				
	2008	2009									Total	Ann'l Avg.	% CAGR		
<b>Retail</b>															
Inventory	1,451,812	1,451,812	1,451,812	1,451,812	1,451,812	1,451,812	1,454,294	1,457,398	1,457,398	1,457,398		5,586			
No. of Buildings	59	59	59	59	59	59	60	61	61	61					
Vacant Stock	83,308	134,582	131,277	132,547	133,840	111,882	75,408	89,147	86,658	72,563		(10,745)			
Vacancy Rate	5.7%	9.3%	9.0%	9.1%	9.2%	7.7%	5.2%	6.1%	5.9%	5.0%				-1.6%	
<b>Total Net Absorption</b>	<b>27,911</b>	<b>(51,274)</b>	<b>3,305</b>	<b>(1,270)</b>	<b>(1,293)</b>	<b>21,958</b>	<b>38,956</b>	<b>(10,635)</b>	<b>2,489</b>	<b>14,095</b>		<b>44,242</b>	<b>4,424</b>		
<b>Past 5 Years</b>												<b>66,863</b>	<b>13,373</b>		
Construction Deliveries	13,980	-	-	-	-	-	2,482	3,104	-	-		19,566			
Overall Net Rent/SF (NNN)	\$ 18.73	\$ 17.53	\$ 14.79	\$ 11.19	\$ 9.87	\$ 10.41	\$ 11.17	\$ 11.15	\$ 10.41	\$ 10.39				-6.3%	
Average Annual % Change		-6.4%	-15.6%	-24.3%	-11.8%	5.4%	7.3%	-0.2%	-6.7%	-0.1%					

Source: Tampa-Hillsborough Economic Development Corporation; CoStar, Inc.; WTL+a, November 2017.

## 4 Site Analysis & Suitability

As illustrated previously in Figure 1, the North Alexander Street study area is generally defined as a linear triangle extending from the I-4 corridor on the south for approximately three miles to the north beyond the intersection of E. Knights-Griffin Road. Only the lower one-third of the study area is located within the city limits. The City anticipates that future population growth will be accommodated in the study area through voluntary annexation and the provision of infrastructure and utilities.

WTL+a notes that future development of the northern portion of Plant City was described as ‘inevitable’ during stakeholder interviews. This appears logical because of:

- **Population projections**—as noted elsewhere in this report, forecasts increase the City’s population to 71,000+;
- **Limited zoned/entitled land**—whether inside City limits or close to the unincorporated area; and a
- **Nascent roadway network**—connecting northbound arterials (such as North Alexander Street, Park Road to Sam Allen Road and County Line Road) to east/west connectors (with major intersections at E. Sam Allen on the southern end of the study area and Knights Griffin Road at the northern boundary). Other east/west connectors are available, but do not currently make direct connections.

The completed widening of Park Road (between I-4 and Sam Allen) from two lanes to four and widening of Sam Allen Road (between Park Road and SR 39) has increased roadway capacity. It has also “completed the grid” in this area north of Plant City to foster growth in almost all uses—industrial and retail/commercial—as well as residential, while hotel and office development is more likely to develop along I-4 due to far greater traffic volumes and exposure to consumer markets.

Other factors which influence development are available utilities and infrastructure. One key limitation affecting near-term development of the study area (as part of unincorporated Hillsborough County) is that available water, sewer and other utilities are not uniformly provided. Utility infrastructure will be critical for subsequent development of the study area (and most likely to the east of the study area’s boundaries along east-west connection).

### Roadway Network & Average Daily Traffic Counts

North Alexander Street is generally framed by two northbound roadways—the northern extension of Alexander Street (a four-lane divided highway) and Paul Buchman Highway. Paul Buchman Highway merges onto North Alexander Street at the northern portion of the study area.

The I-4 corridor in Plant City is a heavily traveled interstate connecting Lakeland/Polk County immediately to the northeast with Orlando and Tampa to the southwest. The study area includes two of Plant City’s I-4 interchanges—at North Alexander Street and at Paul Buchman Highway, located approximately 3,000 feet to the east. As illustrated in Table 29, while average annual daily traffic (AADT) counts along I-4 have varied over the last 10+ years, they generally range from 95,000 vehicles per day to almost 120,000 vehicles per day. At Paul Buchman Highway and Park Road interchanges proximate to the study area, AADTs average **104,000 vehicles per day**, or roughly 38 million vehicles per year.

<p><b>I-4 Average Daily Traffic:</b></p> <p><b>104,000 Vehicles Per Day</b></p>
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By any measure, **this level of exposure to passing vehicles translates into significant commercial development potentials.** For example, many chain-affiliated retail and restaurateurs consider 25,000 vehicles per day as a minimum requirement when considering store locations. With over four times that amount, the I-4 interchanges should be prime commercial development opportunities. However, both sides of the North Alexander Street interchange reportedly contain wetlands that cannot be developed, and a cemetery is located on the northeast quadrant of the Paul Buchman Highway interchange. These limitations

significantly compromise development potentials at the most visible and accessible locations in the study area.

Other potential issues include available site depths along the two northbound roadways. On the western side of Alexander street north of the interchange, side parcel widths narrow near the water retention area—from 150 ft. to less than 50 ft. at the northern end of the study area. From that point north, parcel depths on the west side average approximately 500 ft., which is appropriate for a series of small-scale, strip commercial uses, but such depths are more difficult to develop as a large-scale site or to create significant scaled structures.

Land use potentials on the east side of Alexander Street are likely to be shaped by its relationship with the convergence of Paul Buchman Highway. Because both roads have right-of-way restrictions, the intermediate space between both roadways becomes more constricted/narrow as the roads merge. Along the east side of Paul Buchman Highway average depths are less (approximately 300 to 350 ft.), which is even more restrictive than parcel depths on the west side of Alexander Street. Similar, linear strip development is also more likely to occur along this portion of the corridor, as well, although at a smaller scale.

Table 29 illustrates comparative average annual daily traffic (AADT) counts for roads along I-4 and elsewhere in Plant City. We note that, for arterial roadways south of downtown Plant City, while having higher recorded volumes than some lower capacity roads in and near the Alexander Street study area, are still below the 25,000 vehicle per day minimums expected by many major retailers. As Plant City's population increases and generates additional traffic on local roads, this gap is likely to narrow.

**Table 29: Average Annual Daily Traffic (AADT), 2005—2015**

Location	2005	2006	National Recession			2010	2011	2012	2013	2014	2015	5-Year Average
			2007	2008	2009							
<b>Alexander Street to SR 39</b>							18,900	18,900	18,900	18,900	19,100	<b>18,940</b>
Paul Buchman Hwy: Monroe St to Sam Allen Rd	15,000	15,200	14,800	14,400	13,600	13,800	13,300	13,300	13,700	6,200	6,200	<b>10,540</b>
Paul Buchman Hwy: Sam Allen Rd to Alexander Exit	15,000	15,400	14,600	13,700	12,900	13,000	12,400	12,900	13,500	13,500	13,500	<b>13,160</b>
Paul Buchman Hwy: Alexander Exit to Knight-Griffin Rd	15,000	15,400	14,600	13,700	12,900	13,000	12,400	12,900	13,500	13,500	13,500	<b>13,160</b>
I-4: Alexander Street to SR 39	105,000	96,000	118,000	101,000	103,000	106,000	97,000	96,500	98,500	110,000	115,000	<b>103,400</b>
I-4: Park Road to Polk County	104,500	95,500	116,000	100,500	105,000	113,000	108,500	108,500	114,500	121,000	116,000	<b>113,700</b>
I-4: County Line Road Ramp to I-4	23,190			21,253	24,426						28,300	<b>28,300</b>
I-4: Thonotosassa Road to Alexander Street	93,500	91,000	107,500	93,500	98,000	98,000	119,000	111,000	111,500	111,800	130,000	<b>116,660</b>
I-4: SR 39 to Park Road	105,000	96,000	118,000	101,000	103,000	106,000	97,000	96,500	98,500	110,000	115,000	<b>103,400</b>
I-4 North Frontage Road: Wilder Road to Swindell Rd	1,043						1,741				2,012	<b>1,877</b>
Sam Allen Road: SR 39 to Park Street	6,861						5,895	10,000	10,000	10,000	6,301	<b>8,439</b>
SR 39: SR 60 to Trapnell Road	17,300	16,900	17,300	16,100	16,200	16,100	15,800	15,700	16,100	16,100	18,000	<b>16,340</b>
SR 39: Trapnell Road to Charlie Griffin	17,300	16,900	17,300	16,100	16,200	16,100	15,800	15,700	16,100	16,100	18,000	<b>16,340</b>

Source: Florida Department of Transportation (FDOT); Hillsborough County, WTL+a, November 2017.

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## Impact of Logistics & Distribution

As noted above, average daily traffic counts are one of the critical determining factors for potential commercial development. Potentials for new development are also influenced by the study area's competitive position in both Plant City (i.e., other sites may attract investment and development first for a variety of reasons) and other locations in the region, such as the adjacent (and thriving) market for industrial space along County Line Road in Polk County. The area combines multiple factors that have generated major growth in both facilities and employment in logistics:

- Central geographic location proximate to the major metropolitan areas of both Tampa and Orlando as well as excellent regional access provided by major interstate highways
- Proximity to agricultural production areas requiring just-in-time shipments
- Relatively low land values
- An available large, skilled workforce, and
- Local government initiatives and policies that are both proactive and pro-business

These conditions are critical to sustaining the regional economy of this part of central Florida, particularly due to the decline and termination of the phosphate industry and the challenges to citrus production from insects, diseases and (more recently), weather-based crop destruction and loss. Moreover, Plant City's links to rail corridors not only continues its legacy as a railroad community, but also ties the City to a regional and super-regional rail network that could encourage intermodal transfer stations. While the CSX transfer terminal was built in Winter Haven, there are still many trains that traverse Plant City. CSX has determined that it is more efficient to consolidate transfer terminals than to continue to operate separate rail spurs connected to industrial and distribution buildings.

This suggests that truck-based transfers from production and/or receiving/distribution centers will take an increasing role in the movement of goods. One stakeholder observed that Lakeland and Polk County "is several years ahead of Plant City" in capitalizing on this market opportunity. However, the split along County Line Road demonstrates these impacts on Plant City's economy. In terms of spillover effects, some of **this regional economic activity may translate**

into commercial development potentials along North Alexander Street and Paul Buchman Highway.

Plant City (and by definition, North Alexander Street) is also proximate to the Port of Tampa, which is tied into the state's initiative to upgrade port facilities to address capacity issues resulting from development of much larger cargo ships and the larger ship sizes that can pass through the expanded Panama Canal. The so-called "Super Panamax" container ships will require larger and more operationally complex port facilities, and Tampa is working to address this opportunity. Lower rents and land costs in Plant City and easy highway access into Tampa are two key advantages for Plant City. **Smaller parcel sizes in the study area will require careful coordination to assure that logistics tenants/users requiring smaller floorplates or buildings are made aware that such attributes could be provided in the study area, with direct access to I-4.**

The super-regional influence favoring locations along key highways is Florida's steady population and job growth as discussed in greater detail in Section 2 of this report. Florida's growth rate is paced to surpass New York as the third most populous state, after California and Texas. While Atlanta emerged as the major distribution center for the Southeast, Florida's continued growth is positioning the state to become its own market center, and a central location and proximity to a rapidly expanding population base indicates the ability of neighboring Polk County and Plant City to become Florida's distribution center, functioning at a lower cost than distribution of goods from Atlanta. As such, **the study area is well-positioned to become a logical expansion area for logistics facilities, if sites of 20 acres or more are available/can be assembled, and that site layouts allow possible floorplate sizes that match industry requirements.**

While Plant City and Lakeland are in different counties, there is truck traffic-based documentation suggesting that there is significant interaction between the two. According to a regional logistics study updated in 2013, increased truck activity along I-4 between the two cities totaled 4,000 additional trucks per day than in the adjacent traffic measurement areas. This same report indicated that there are between 1,500 and 3,500 daily truck trips along SR 39 between Plant City and Zephyrhills, Dade City and I-75.

While Plant City lost two major distribution centers (Albertson's [replaced by Gordon Foods] and Smithfield Industries), the warehousing/distribution/logistics industry is still strong and growing.

**WTL + a**

Due to increased occupancies and recent new development, there are fewer available buildings and vacant parcels along County Line Road, and growth is continuing in both Plant City (and in neighboring Lakeland/Polk County), as evidenced by the construction of 487,800 sq. ft. of speculative industrial space in 2016 and 2017 (with another 893,600 sq. ft. planned), low vacancy rates and positive net absorption (see Table 26 and Table 27). The immediate proximity to I-4 at Alexander Street and at SR39 may not work easily for highway-oriented consumer businesses (such as retail, restaurants and hotels) directly at the I-4 interchanges, but proximity to sites within a few miles, providing direct/proximate access to I-4, adds value to parcels and blocks of land to the north, particularly for logistics functions.

## Intersections & Development

The *Imagine 2040: Plant City's Comprehensive Plan* includes an intensive development goal in locations within one-third mile radius surrounding major intersections. In the study area, these development nodes are located at the I-4 interchanges at its southern boundary and at Knight Griffin Road outside the northern terminus of the study area.

According to information provided by the City for these “intensive development” nodes, current land uses can be converted (e.g., residential uses can be rezoned to commercial use through an expedited rezoning process). The only areas within these two rings that have existing residential uses include:

- Northeast of I-4 and west of Paul Buchman Highway, which comprises a cluster of approximately 10 residential sites/empty lots north of Monroe Street, and
- Southeast of the North Alexander Street interchange, and
- The I-4 Tech Corridor Overlay Plan, adopted by the City in 2010, also allows increased densities for designated technology-oriented uses such as high-tech industries, bio-sciences, medical equipment, etc.

The Paul Buchman Highway site could be considered a redevelopment opportunity, in part because there is a vacant building (a former truck stop) and parcel at the corner of Monroe and Paul Buchman Highway. For this site, there are two key issues requiring further evaluation and research:

- Will the former truck stop site require any environmental remediation?

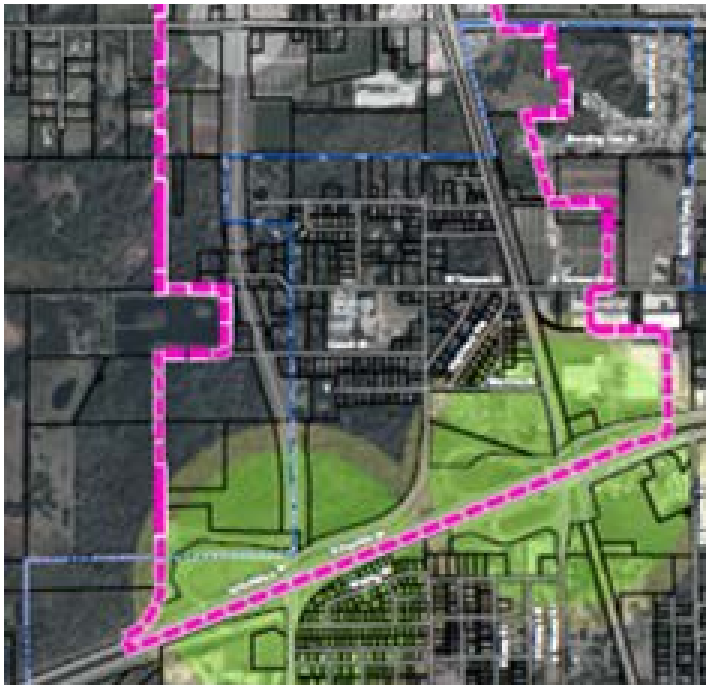


- If a consolidated redevelopment site can be assembled, will it be cost effective if assemblage necessitates agreements among multiple property owners?

We also note that another undevelopable parcel adjacent to I-4, Memorial Park Cemetery, is located immediately south of Monroe Street.

As illustrated in Figure 7, the one-third mile rings surrounding the study area's two interchanges with I-4 include both opportunity sites for development/redevelopment as well as unavailable/unworkable sites despite excellent proximity and visibility to I-4. At the western connection at North Alexander Street, the northwest quadrant (located above the access road entering I-4) is largely designated as wetlands with limited access from the on-ramp to I-4. As a result, it is not usable for most commercial development. Similarly, the northeast quadrant (bounded on the south by N. Franklin Street), is designated 100% wetlands and is not available for development.

**Figure 7: North Alexander Street & Paul Buchman Highway Interchanges with I-4**



Outside the study area's southern boundaries with I-4 (but inside the intensive development ring), the southeast quadrant includes a stable residential neighborhood of single-family homes on streets that follow a grid. While theoretically available for redevelopment, site assembly of

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this many single-family homes would be both financially challenging and politically complex. As a result, WTL+a does not consider this area to be easily re-developed.

In conclusion, while there are several locations available for future use changes and more intensive development at the study area's interchanges with I-4, five of these eight adjacent quadrants are either not available (due to such restrictions as wetlands or a cemetery) or have potentially serious cost implications and/or complexities and constraints that would make redevelopment difficult if not impossible.

# 5 Market Potentials & Implementation

The market study has been tailored to respond to multiple areas of interest as identified by Hillsborough County and Plant City, including three overarching objectives:

- To identify and evaluate market/development potentials across various land uses for parcels located in the North Alexander Street study area that are likely to be annexed by Plant City
- To identify activity nodes with the greatest potential for development as commercial/mixed-use centers that will serve as community/neighborhood focal points for future residents of the study area, and
- To evaluate the best use of acreage and most desired land use pattern for the study area and its ability to accommodate future population and household growth in Plant City.

The following highlights market potentials for each land use.

## Market-rate Housing

The demand analysis measures market potentials for new housing citywide as well as in the North Alexander Street study area between 2017 and 2040. The analysis considers the following scenarios:

- **Citywide Scenario #1**—Utilizes an annual (“straight-line”) growth rate of 1.96% per year consistent with historic *actual* population growth rates in Plant City between 1990—2016
- **Citywide Scenario #2**—Utilizes an annual citywide growth rate of 2.69% per year based on the 2040 population growth forecast of 71,523, as identified in the City’s 2040 Comprehensive Plan

Both scenarios illustrate the capture rate *required* to accommodate the 3,423 housing units in the North Alexander Street study area based on future land use and densities if the study area is annexed by Plant City. The analysis also illustrates the required capture necessary to accommodate the 2,407 housing units at an assumed overall density of 4.0 units per acre.

In each scenario, proposed residential projects (as of December 2017) include:

- **Varrea**—proposed to include 2,640 units at buildout
- **North Park Isles**—proposed to include 1,450 units at buildout, and
- **Proposed Annexations Near Walden Lake**—expected to include approximately 700 units at buildout
- **Midtown Vision Plan/Phase 1**—proposed to include 310 units (250 rental and 60 for sale)

**Table 30: Housing Potentials—Scenario #1, 2016—2040**

Municipality	Forecasts (1)			Average Household Size (2)	2040 Housing Units
	2016	2040	Population Change		
<b>Scenario 1: Historic (Straight-line) Forecast</b>					
Average Annual Growth Rate (1990-2016)	1.96%				
Current & Future Citywide Population	37,840	59,100	21,260	2.84	7,486
Annual Unit Demand:					325
Comparison to Actual Annual Housing Starts (2001-2016):					158
<b>Unit Allocation to Known Residential Projects (3)</b>					
Varrea TND					2,640
North Park Isles					1,450
Future Annexations Near Walden Lake					700
Midtown					310
<b>Subtotal - Allocated Units:</b>					<b>5,100</b>
<b>Scenario #1 - Unallocated Units:</b>					<b>2,386</b>
<b>Required Study Area Capture</b>					
<b>Based on Future Land Use Designations @</b>	5.7	Units Per Acre			<b>3,423</b>
<i>Required Capture of Unallocated Units</i>					<b>143%</b>
<b>Based on Assumed City-approved Densities @</b>	4.0	Units Per Acre			<b>2,407</b>
<i>Required Capture of Unallocated Units</i>					<b>101%</b>

- (1) In Scenario #1, population forecasts assume that Plant City continues to grow at the same pace it did between 2000 and 2016 (this is a "straight-line" forecast).
- (2) In order to convert 2040 population growth into housing units, the analysis assumes that average household size remains the same as it is in 2016 (2.84 persons per household).
- (3) The analysis assumes that proposed unit counts (at buildout) of known residential projects are fully developed, in order to allow an estimate of "unallocated" units to be made.
- (4) Scenario #2 illustrates the compound annual growth rate required to achieve a 2040 citywide population of 71,523 (as identified in the Plant City Comprehensive Plan). This scenario also assumes no change in average household size.

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

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## Citywide Scenario #1

- As noted in the demographic profile in Section 2, the population of Plant City increased by 14,981 new residents over the past 26 years. This reflects an average compound annual growth rate of 1.96% per year;
- As illustrated in Table 30, if the *pace* of growth continues at this historic rate of 1.96% per year, it would yield an additional **21,260 new residents and almost 7,500 new households** (i.e., housing units) assuming average household size of 2.84 remains unchanged. This would translate into annual demand of 325 units per year. By comparison, actual annual citywide housing starts between 2001 and 2016 totaled 158 units per year; and
- Based on information provided by the City and obtained during stakeholder interviews, there are at least four residential projects proposed for construction (Varrea, North Park Isles, annexations near Lake Walden and Midtown) that could potentially contain as many as 5,100 new units at buildout.

As a result, Scenario #1 conservatively assumes that these four projects are developed as proposed in their entirety, which thereby reduces gross demand—from 7,500 units to less than **2,400 “unallocated” units of net demand**. If the North Alexander Street study area is developed to its maximum future land use designation of 3,423 dwelling units (5.7 units per acre) on 601.8 acres, this will necessitate a **required capture rate of fully 143% of the remaining/unallocated unit demand by 2040**. By comparison, assuming an overall City-approved density of 4.0 units per acre yields 2,407 units, which would necessitate capturing 101% of all future residential growth by 2040.

Moreover, there may be other residential projects in Plant City (such as additional phases of infill redevelopment in downtown as part of the Midtown Redevelopment Master Plan) in the planning or entitlement stages that are not known at this time as well as occupancy of some portion of the estimated 981 “truly vacant” units (whose physical and/or functional obsolescence is unknown) as identified in Section 3. Such projects would further reduce the number of available unallocated units, thereby *increasing* the required capture necessary to fully develop residential units in the study area based on future land use after annexation.

## Citywide Scenario #2

- Scenario #2 utilizes the compound annual growth rate necessary for the City to achieve a 2040 population of 71,523, as identified in the City’s 2040 Comprehensive Plan. For Plant City to grow to 71,523 residents by 2040 will **necessitate a *sustained* annual growth rate of 2.69% per year through 2040**. While not as high a rate of growth as the 1990s, this forecast is higher than its historic growth rate of 1.96% per year over the past 26 years and significantly greater than the 1.4% annual growth rate achieved during the 2000s;

**Table 31: Housing Potentials—Scenario #2, 2016—2040**

Municipality	Forecasts (1)		Average Household Size (2)	2040 Housing Units
	2016	2040		
<b>Scenario 2: Alternative Forecast (4)</b>				
Growth Rate to Achieve 71,000+ Population	2.69%			
Current & Future Population	37,840	71,523	33,683	11,860
Annual Unit Demand:				516
Comparison to Actual Annual Housing Starts (2001-2016):				158
<b>Unit Allocation to Known Residential Projects (3)</b>				
Varrea TND				2,640
North Park Isles				1,450
Future Annexations Near Walden Lake				700
Midtown				310
<b>Subtotal - Allocated Units:</b>				<b>5,100</b>
<b>Scenario #2 - Unallocated Units:</b>				<b>6,760</b>
<b>Required Study Area Capture</b>				
<b>Based on Future Land Use Designations @</b>	5.7	Units Per Acre		<b>3,423</b>
<i>Required Capture of Unallocated Units</i>				<b>51%</b>
<b>Based on Assumed City-approved Densities @</b>	4.0	Units Per Acre		<b>2,407</b>
<i>Required Capture of Unallocated Units</i>				<b>36%</b>

- (1) In Scenario #1, population forecasts assume that Plant City continues to grow at the same pace it did between 2000 and 2016 (this is a "straight-line" forecast).
- (2) In order to convert 2040 population growth into housing units, the analysis assumes that average household size remains the same as it is in 2016 (2.84 persons per household).
- (3) The analysis assumes that proposed unit counts (at buildout) of known residential projects are fully developed, in order to allow an estimate of "unallocated" units to be made.
- (4) Scenario #2 illustrates the compound annual growth rate required to achieve a 2040 citywide population of 71,523 (as identified in the Plant City Comprehensive Plan). This scenario also assumes no change in average household size.

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

- This would yield almost **33,700 new residents in 11,860 new households** (i.e., housing units) assuming average household size of 2.84 remains unchanged. Moreover, to achieve this growth level, **average annual housing starts will have to reach a threshold of over 500 units per year—far higher than the 2001—2016 annual average of 158 units per year**; and
- Scenario #2 also assumes that Varrea, North Park Isles, the annexation near Lake Walden and Midtown are developed as proposed in their entirety, which thereby reduces gross demand—from 11,860 units to approximately **6,760 “unallocated” units of net demand**. If the North Alexander Street study area is developed to its maximum future land use designation of 3,423 dwelling units on 601.8 acres, this will necessitate **a required capture rate of approximately 51% of the remaining/unallocated unit demand by 2040 in Scenario #2**. By comparison, assuming an overall City-approved density of 4.0 units per acre yields 2,407 units, which would necessitate capturing 36% of all future residential growth by 2040. In our view, this is a more reasonable penetration of future growth based on the assumptions and facts identified above.

## Workplace/Office

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

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

The analysis also considers demand generated by other market factors, such as vacancy adjustments, part-time/self-employed individuals (who may or may not occupy multi-tenant

office space), and cumulative replacement; these estimates either increase or reduce future demand for office space. Cumulative replacement, for example, considers tenants that move when a building is removed from the inventory due to physical and/or functional obsolescence.

We note that assumptions pertaining to occupancy factors *may* be overstated. Since the 2007—2009 recession, office-using businesses have been reducing office occupancies, in some cases by significant amounts. Historically, the commercial real estate industry has used an average occupancy factor of 250 sq. ft. per office employee. However, according to a 2017 study by REIS, Inc. (a national commercial real estate database), the amount of office space per employee has been steadily declining in each successive business cycle after a recession. REIS data indicate that, in the national economic expansion of the late 1990s, a new office employee was typically associated with approximately 175 sq. ft. of additional office space. During the early- and mid-2000s (until the 2007—2009 recession), the typical employee was associated with approximately 125 sq. ft. of additional office space. Since 2010, however, each added/new employee has been associated with only about 50 sq. ft. of additional office space. This is particularly notable in space-efficient industries like software and professional/business services, which have been the strongest growing sectors in this business cycle. Moreover, hoteling and remote work-arrangements, where employees share space rather than having dedicated offices or cubicles, enables companies to accommodate even more workers in a given amount of occupied space.

The office analysis is illustrated in Table 32 and Table 33, and summarized below:

### **Hillsborough County**

- The analysis indicates *gross* demand for 8.93 million sq. ft. of office space across Hillsborough County between 2016 and 2024, assuming an average occupancy factor of 199 sq. ft. per office employee, generated by growth in office-using jobs. This is inclusive of adjustments related to vacancy, cumulative (building) replacements, tenant relocations, etc.;
- From a financing perspective, however, some portion of Hillsborough County's existing 7.3 million sq. ft. of vacant office space would need to be leased before new office space could be financed. It is also not known how much of the remaining existing vacant inventory suffers from physical and/or functional obsolescence, will be converted to other uses such as residential, or could be demolished.



**Table 32: Workplace/Office Potentials—Hillsborough County, 2016—2024**

Industry Sector	New Jobs 2016-2024	% Office- Using	SF Occupancy Factor	2024 Demand (In SF)
<b>Hillsborough County (Workforce Region #15)</b>				
<b>Agriculture/Mining &amp; Construction</b>	6,291	10%	175	110,100
<b>Manufacturing</b>	614	20%	200	24,600
<b>Transp/Communications/Utilities</b>	1,067	40%	200	85,400
<b>Wholesale &amp; Retail Trade</b>	8,450	20%	150	253,500
<b>Finance/Insurance/Real Estate Services</b>	7,156	85%	250	1,520,700
Professional, Scientific & Technical Services	12,883	90%	250	2,898,700
Management of Companies & Enterprises	2,277	60%	250	341,600
Administrative & Waste Management	5,681	35%	175	348,000
Educational Services	2,987	20%	200	119,500
Health Care & Social Assistance	14,642	35%	200	1,024,900
Arts, Entertainment & Recreation	1,287	20%	175	45,000
Accommodation & Food Services	7,318	20%	175	256,100
Other Services (Except Government)	2,817	35%	200	197,200
<b>Government</b>	6,974	60%	150	627,700
<b>Self-Employed</b>	4,918	10%	175	86,100
<b>Total/Weighted Average:</b>	<b>84,302</b>	<b>44%</b>	<b>199</b>	<b>7,939,100</b>
+ Vacancy Adjustment @		5%	(1)	397,000
+ Cumulative Replacement Demand		7.5%	(2)	595,400
<b>2024 Gross Demand - Hillsborough County:</b>				<b>8,931,500</b>
Existing Vacant Office Space			7,304,065	
- Lease-up Required @	50%		(3,652,033)	(3)
<b>Remaining Vacant Space:</b>			<b>3,652,033</b>	
% Vacant			8.9%	
<b>2024 Net Demand - Hillsborough County:</b>				<b>5,279,500</b>

- (1) This allows for a 5% "frictional" vacancy rate in new office space delivered to the market (i.e., this accounts for tenant movement to new space).
- (2) This represents new space required by existing businesses to replace obsolete or otherwise unusable office space. This is assumed to represent 7.5% of total demand.
- (3) From a financing perspective, some portion of existing vacant office space in Hillsborough County will need to be leased before financing of new construction is viable. The analysis assumes that 50% of existing vacant office space is leased, thereby reducing the overall vacancy rate to approximately 9%.
- (4) This reflects total (2017) employment in Plant City. The analysis assumes that the City maintains its "fair share" of the County's total employment base in the future.

**Source: Florida Dept. of Economic Opportunity; Tampa-Hillsborough Economic Development Corp.; WTL +a, November 2017.**

For purposes of this analysis, WTL+a conservatively assumes that fully 50% of Hillsborough County's vacant office inventory (approximately 3.6 million sq. ft.) is leased before financing

is provided for new office construction. This serves to reduce the County's office vacancy rate (to roughly 9% from current levels), and lowers demand generated by job growth in office-using sectors to approximately 5.27 million sq. ft. of *net new* space by 2024;

### Plant City

- The next step in the analysis is illustrated in Table 33. This estimates opportunities for new office development based on the City's current share of employment (see Table 14). With an estimated 21,300 employees working in Plant City, the City's share is estimated at roughly 3.4% of Hillsborough County's total jobs;
- Under this "fair share" analysis, Plant City would continue to capture 3.4% of future countywide job growth, or approximately 2,900 new employees, by 2024. Assuming similar proportions of office-using jobs and occupancy factors translates into **gross demand for roughly 253,300 sq. ft. of office space over the next eight years;**
- However, as discussed in Section 3 (see Table 24), there are approximately 64,600 sq. ft. of vacant office space in Plant City today. Since the City is considered a tertiary office location (and comprised primarily by smaller, "garden"/unanchored office buildings), the analysis conservatively assumes that up to 75% of existing vacant office space would need to be leased before financing is provided for new office construction. In other words, office locations like Plant City are considered riskier for multi-tenant/speculative office buildings. This effectively reduces the City's current office vacancy rate from 7% to 2%;
- This yields **net demand for almost 205,000 sq. ft. of new office space citywide by 2024;**
- In addition, based on trends over the past 10 years, net absorption (leasing activity) among office buildings in Plant City has averaged only 11,000 sq. ft. per year since 2008 and just shy of 17,200 sq. ft. per year over the past five years; and
- At this pace, it would require fully 11.1 years to absorb/lease 93% of the 205,000 sq. ft. of demand generated by job growth in office-using sectors. **WTL+a cautions, that from a financing perspective, office absorption at this pace is too low to justify investment viability and financing of new, speculative office buildings in Plant City.** That is, near-term office development is likely to remain focused on small, owner-user buildings of less than 10,000 sq. ft. in size.

**Office Market Potentials in Plant City:**  
**Up to 205,000 SF of Net Demand by 2024**

**Table 33: Workplace/Office Potentials—Plant City, 2016—2024**

Industry Sector	New Jobs 2016-2024	% Office- Using	SF Occupancy Factor	2024 Demand (In SF)
<b>Plant City</b>				
<b>Total Citywide Employment</b>			(4)	<b>21,302</b>
<b>As % of Hillsborough County</b>				<b>3.4%</b>
<b>Fair Share Analysis</b>				
2016-2024 Employment Growth (If Fair Share Maintained)				2,899
% Office-using Jobs				44%
SF Occupancy Factor				199
<b>2024 Gross Demand (In SF):</b>				<b>253,300</b>
Less 75% of Existing Vacant Office Space				(48,419)
<b>2024 NET DEMAND (In SF):</b>				<b>204,900</b>
Average Annual Absorption-Citywide (2011-2016)				<b>17,200</b>
Required Years to Achieve 93% Occupancy				<b>11</b>

- (1) This allows for a 5% "frictional" vacancy rate in new office space delivered to the market (i.e., this accounts for tenant movement to new space).
- (2) This represents new space required by existing businesses to replace obsolete or otherwise unusable office space. This is assumed to represent 7.5% of total demand.
- (3) From a financing perspective, some portion of existing vacant office space in Hillsborough County will need to be leased before financing of new construction is viable. The analysis assumes that 50% of existing vacant office space is leased, thereby reducing the overall vacancy rate to approximately 9%.
- (4) This reflects total (2017) employment in Plant City. The analysis assumes that the City maintains its "fair share" of the County's total employment base in the future.

**Source: Florida Dept. of Economic Opportunity; Tampa-Hillsborough Economic Development Corp.; WTL +a, November 2017.**

As illustrated previously in Table 2, approximately 72.4 acres of future land use would be dedicated for "commercial" uses at a maximum density of 0.35 FAR. This would allow for approximately 1.1 million sq. ft. of commercial space (or 1,048,500 sq. ft. at an assumed buildout of 95%). If 50% is office (and 50% retail), this yields over 524,200 sq. ft. of office

space—significantly more than the market analysis suggests is supportable *citywide* through 2024. With the pending redevelopment of Midtown as well as continued growth of small-scale office buildings on commercial corridors and near key anchors such as South Florida Baptist Hospital, it is highly unlikely that the North Alexander Street study area will capture a sizable portion of net office demand through 2024. More specific discussion of potential locations within the study area to accommodate workplace/office uses is presented in the Land Use Issues and Implications section at the end of this report.

The long-range implications of the City’s commitment to the Midtown project suggest that supportable, small-scale professional office development should be encouraged downtown, rather than in the North Alexander Street district. The April 2015 Preliminary Opportunities Assessment, by GAI Consultants, correctly recommended that current downtown vacancy levels should shift future office development to later phases of Midtown; in fact, GAI did not include any recommended office space in the project’s first phase. WTL+a concurs with this finding.

While future commercial development in the North Alexander Street study area may incorporate a limited number of small professional services businesses (i.e., home-scaled service businesses such as accounting, legal or small medical/health-related practitioners), those should be exceptions. The character and pace of resident population growth in/adjacent to the study area will only support a limited number of such small-scaled office tenancies. In our professional opinion, we do not see future market support for a corporate office park in the study area at this time. To reinforce the “hometown charm” village concept, development of resident-serving office/professional services tenants would best be located in Midtown/downtown, or eventually in the proposed NE Village Center. The only possible exception would be a corporate headquarters campus, whose location would not be purely market-driven, and would also be considered an exceptional circumstance generated as part of a specific, business recruitment effort.

## **Workplace/General Industrial**

The first step in measuring support for new, general industrial space in the North Alexander Street study area examines market potentials for industrial use countywide and allocates demand to Plant City. The analysis translates employment forecasts (for 2016—2024) among specific industry sectors in Hillsborough County (as prepared by the Florida Department of Economic Opportunity/DEO) into demand for general industrial space by applying an occupancy

factor (of occupied space per employee) and estimates the proportion of employees in each sector who are industrial workers. The following assumptions were utilized in the analysis:

- DEO employment forecasts are issued only in eight-year periods for “Workforce Development Areas” around the state. Hillsborough County is Workforce Development Area #15;
- “General industrial” is defined to include warehousing and distribution, light assembly/manufacturing, freight and logistics and “flex” (combination of industrial and office) uses; and
- The generally accepted industry-standard occupancy factor for industrial space is in the range of 500 to 1,000 sq. ft. Unlike office occupancy factors, which are declining, occupancy factors for industrial employees are increasing due to the significant increase in warehousing and distribution/logistics functions associated with large-scale employers such as Amazon fulfillment centers. For purposes of the analysis, we have utilized a low factor of 475 and a high factor of 705 sq. ft. per employee to account for the blend of small industrial businesses and manufacturers scattered across Hillsborough County in such locations as 56<sup>th</sup> Street/Orient Road as well as the new, larger warehousing and distribution buildings that are being constructed in newer industrial parks in the County; and
- We consider demand generated by other market factors, such as vacancy adjustments, part-time/self-employed individuals (who may or may not occupy space), and cumulative replacement; these estimates either increase or reduce future demand for industrial space. Cumulative replacement, for example, considers tenants that move when a building is removed from the inventory due to physical and/or functional obsolescence.

### Hillsborough County

- As illustrated in Table 34, the analysis indicates *gross* demand ranging from 7.5 million to 11.0 million sq. ft. of general industrial space across Hillsborough County between 2016 and 2024, generated by growth in industrial-using jobs and inclusive of adjustments related to vacancy, cumulative (building) replacements, tenant churn, etc.;
- From a financing perspective, however, some portion of the County’s existing 4.1 million sq. ft. of vacant industrial space would need to be leased before new space could be financed. It is also not known how much of the remaining existing vacant inventory suffers from

### WTL + a

physical and/or functional obsolescence, will be converted to other uses, or could be demolished;

- For purposes of this analysis, WTL+a conservatively assumes that fully 35% of the County’s 4.1 million sq. ft. of vacant industrial inventory—or 1.4 million sq. ft.—is leased before financing is provided for new construction. This serves to reduce the County’s industrial vacancy rate to roughly 3% from current levels, and lowers demand generated by job growth in industrial-using sectors to a range of 6.1 million to 9.6 million sq. ft. of *net new* space by 2024.

**Job Growth May Generate 6.1 Million to 9.6 Million SF of Net New**

**Industrial Space in Hillsborough County by 2024**

### Plant City

- Our analysis of industrial potentials in Plant City is illustrated in Table 35. This analysis allocates opportunities for new general industrial space in Plant City based on the City’s current share relative to Hillsborough County, which is estimated at 9% of the County;
- Under this “fair share” analysis, Plant City would continue to capture 9% of future general industrial space generated by countywide job growth in industrial-using sectors. Assuming similar proportions of industrial-using jobs and occupancy factors translates into **gross demand ranging from a low of 675,000 sq. ft. to a high of 985,000 sq. ft. of general industrial space citywide over the next eight years;**

**Table 34: Workplace/General Industrial Potentials—Hillsborough County, 2016—2024**

Industry Sector	New Jobs 2016-2024	% Industrial- Using	SF Occupancy Factor		2024 Demand (In SF)	
			Low	High	Low	High
<b>Hillsborough County</b>						
<b>Agriculture &amp; Mining</b>	(254)	20%	600	850	(30,480)	(43,180)
<b>Construction</b>	6,292	15%	1,000	1,250	943,800	1,179,750
<b>Manufacturing</b>						
Durable Goods	704	90%	850	1,200	538,560	760,320
Non-Durable Goods	(90)	90%	850	1,200	(68,850)	(97,200)
<b>Transp/Communications/Utilities</b>						
Utilities	54	35%	850	1,200	16,065	22,680
Transportation & Warehousing	1,013	95%	850	1,200	817,998	1,154,820
<b>Wholesale &amp; Retail Trade</b>						
Wholesale Trade	2,373	80%	850	1,200	1,613,640	2,278,080
Retail Trade	6,077	30%	600	1,000	1,093,860	1,823,100
<b>Information &amp; Finance/Real Estate</b>						
Information	(520)	10%	850	1,000	(44,200)	(52,000)
Finance & Insurance	5,220	10%	150	300	78,300	156,600
Real Estate Rental & Leasing	1,936	5%	500	750	48,400	72,600
<b>Services</b>						
Professional, Scientific & Technical Services	12,883	10%	250	400	322,075	515,320
Management of Companies & Enterprises	2,277	5%	175	350	19,924	39,848
Administrative & Waste Management	5,681	10%	600	850	340,860	482,885
Educational Services	2,987	10%	750	1,200	224,025	358,440
Health Care & Social Assistance	14,642	5%	175	300	128,118	219,630
Arts, Entertainment & Recreation	1,287	5%	600	850	38,610	54,698
Accommodation & Food Services	7,318	5%	750	1,000	274,425	365,900
Other Services (Except Government)	2,817	10%	750	1,000	211,275	281,700
<b>Government</b>						
Government	6,974	10%	600	850	418,440	592,790
<b>Self-Employed</b>						
Self-Employed	4,918	5%	250	500	61,475	122,950
<b>Total/Weighted Average:</b>	<b>84,302</b>	<b>13%</b>	<b>476</b>	<b>705</b>	<b>7,046,319</b>	<b>10,289,730</b>
+ Vacancy Adjustment @		2%		(1)	140,900	205,800
+ Cumulative Replacement Demand		5%		(2)	352,300	514,500
<b>2024 Gross Demand - Hillsborough County (Rounded):</b>					<b>7,539,500</b>	<b>11,010,000</b>
Existing Vacant Industrial Space (Table 15)			4,114,809			
- Lease-up Required @	35%		(1,440,200)	(3)	(1,440,200)	(1,440,200)
<b>Remaining Vacant Space:</b>			<b>2,674,609</b>			
% Vacant			2.7%			
<b>2024 Net Demand - Hillsborough County:</b>					<b>6,099,300</b>	<b>9,569,800</b>

- (1) This allows for a 2% "frictional" vacancy rate in new industrial space delivered to the market (i.e., this accounts for tenant movement to new space).
- (2) This represents new space required by existing businesses to replace obsolete or otherwise unusable industrial space. This is assumed to represent 5% of total demand.
- (3) From a financing perspective, some portion of existing vacant industrial space in Hillsborough County will need to be leased before financing of new construction is viable. The analysis assumes that 35% of existing vacant industrial space is leased, thereby reducing the overall countywide industrial vacancy rate to approximately 3% (i.e., stabilized levels).

Source: FL Dept. of Economic Opportunity; Tampa-Hillsborough Economic Development Corp.; CoStar, Inc.; WTL +a, November 2017.

**Table 35: Workplace/General Industrial Potentials—Plant City, 2016—2024**

		2024 Demand (In SF)	
		Low	High
<b>Existing Industrial Inventory</b>			
Hillsborough County		79,130,950	
Plant City		7,078,238	
As % of Hillsborough County ("Fair Share")	(1)	9%	
<b>Allocation to Plant City</b>			
<b>2024 Gross Demand - Hillsborough County:</b>		<b>7,539,500</b>	<b>11,010,000</b>
If City Maintains Fair Share @		9%	9%
<b>2024 Gross Demand - Citywide:</b>		<b>674,400</b>	<b>984,800</b>
<b>Existing Vacant Industrial Space - Citywide</b>			
Vacant Space		234,784	
Lease-up Required @	35%	(82,200)	(82,200)
<b>Remaining Vacant Space:</b>	(2)	<b>152,600</b>	
% Vacant		1.2%	
<b>2024 NET DEMAND (In SF):</b>		<b>592,200</b>	<b>902,600</b>
Completed Speculative Industrial Projects (2016-2017)		(487,800)	(487,800)
<b>Total - Unallocated Demand:</b>		<b>104,400</b>	<b>414,800</b>
Planned Speculative/Multi-tenant Industrial Projects		<b>893,600</b>	<b>893,600</b>
<b>Required Fair Share Capture (From 9%) (3):</b>		<b>10.5%</b>	

- (1) This reflects the share of the City's industrial inventory as a proportion of Hillsborough County. The analysis assumes that the City maintains its "fair share" of the County's total industrial inventory in the future.
- (2) From a financing perspective, this reflects the amount of vacant space remaining after 35% of the City's existing vacant industrial space is leased.
- (3) This reflects what the City's fair share capture would need to be to support the amount of planned speculative/multi-tenant industrial space in Plant City. These projects are currently in plan review.

**Source: FL Dept. of Economic Opportunity; Tampa-Hillsborough Economic Development Corp.; CoStar, Inc.; WTL+a, revised February 2018.**

- However, as discussed in Section 3, there are a nominal 234,800 sq. ft. of vacant industrial space in Plant City today. As the degree of functional and/or physical obsolescence is not known, (i.e., these properties may be considered higher risk and more difficult to secure financing for renovation), the analysis assumes that 35% of the City's existing vacant industrial space is leased before financing is provided for new construction. In other words, absorbing some portion of existing, vacant space would thereby reduce the City's industrial



vacancy rate to only 1%, thereby making new construction financially feasible. This yields **net demand to a range of 592,200 to 902,600 sq. ft. of net new general industrial space in Plant City by 2024;**

- As illustrated in Table 27 above, approximately 487,800 sq. ft. of new speculative industrial space was built in Plant City in 2016 and 2017. Accounting for this newly-delivered space yields *unallocated* supportable demand for 104,400 to 414,800 sq. ft.; and
- With another 893,600 sq. ft. of speculative industrial space in plan review, the analysis assumes that these projects are approved and built. If so, this new additional space will require an increase in the City’s current fair share—from 9% to 10.5% to be market-supportable.

**The City’s 9% “Fair Share” Will Need to Increase to 10.5%  
to Support Additional Speculative Industrial Space**

As illustrated previously in Table 2, approximately 78.3 acres of future land uses would be dedicated for general industrial uses. According to the City’s Future Land Use categories, annexation of the study area would allow a total of 1.7 million sq. ft. of industrial space in the North Alexander Street study area. With both acreage and utilities along the County Line Road corridor available to accommodate new industrial/warehousing/logistics functions, it is likely that this (and other) locations are adequate to meet the City’s near-term needs for general industrial space. More specific discussion of potential locations within the study area to accommodate workplace/industrial uses is presented in the Land Use Issues and Implications section at the end of this report.

We note that available parcel sizes in the triangle between North Alexander Street and Paul Buchman Highway are sufficiently large enough to accommodate additional industrial uses, but the space allocation in the NE Plant City Area Master Plan (1.7 million sq. ft.) would require reallocating/reducing the amount of land dedicated to future residential development. While road accessibility to I-4 and rail line proximity might favor industrial use, it could also redirect land uses to lower ad valorem tax returns to the City. Although industrial typically uses fewer

municipal services, the extent to which industrial uses reduce annual ad valorem tax revenues as compared to both commercial and residential would be determined as part of a fiscal impact analysis of possible land uses within the study area, which we would recommend be completed.

## General Retail

WTL+a also evaluated market potentials for general retail uses for the North Alexander Street study area. Among commercial (i.e., “investment-grade”) land uses such as workplace office, housing and workplace/industrial, retail is distinct in its reliance on both resident and visitor markets. Retail is also particularly sensitive to the scale and qualities of the nearby competitive retail supply. Generally, **the United States has too much retail to be supported by available consumer expenditures**, even in an economy that is heavily dependent on consumer spending for its stability and growth. According to data from the U.S. Census and other sources, the United States has approximately 23.5 sq. ft. of retail space for every person in the country. This contrasts with the United Kingdom (the next in ranking of developed countries), which has 9.0 sq. ft. of retail per capita.

Market potentials for retail in the North Alexander Street study area were analyzed from several different perspectives:

- What is total available spending power from the most proximate consumer markets, particularly existing and future residents in the immediate area?
- What is the character and locational relationship to these markets framing the competitive context within the larger trade area, and where is competitive retail located?
- Are other Plant City locations better positioned to attract and/or sustain additional retail uses?

WTL+a has based its retail analysis on the following key assumptions:

- The trade area to the west of the Alexander Street corridor is largely served by the cluster of stores and businesses around Thonotosassa Road or in other parts of Plant City
- Existing development densities to the east of the study area remain generally low
- The study area includes the Country Village Flea Market, which generates significant wholesale volumes, but in low-density sheds

## WTL + a

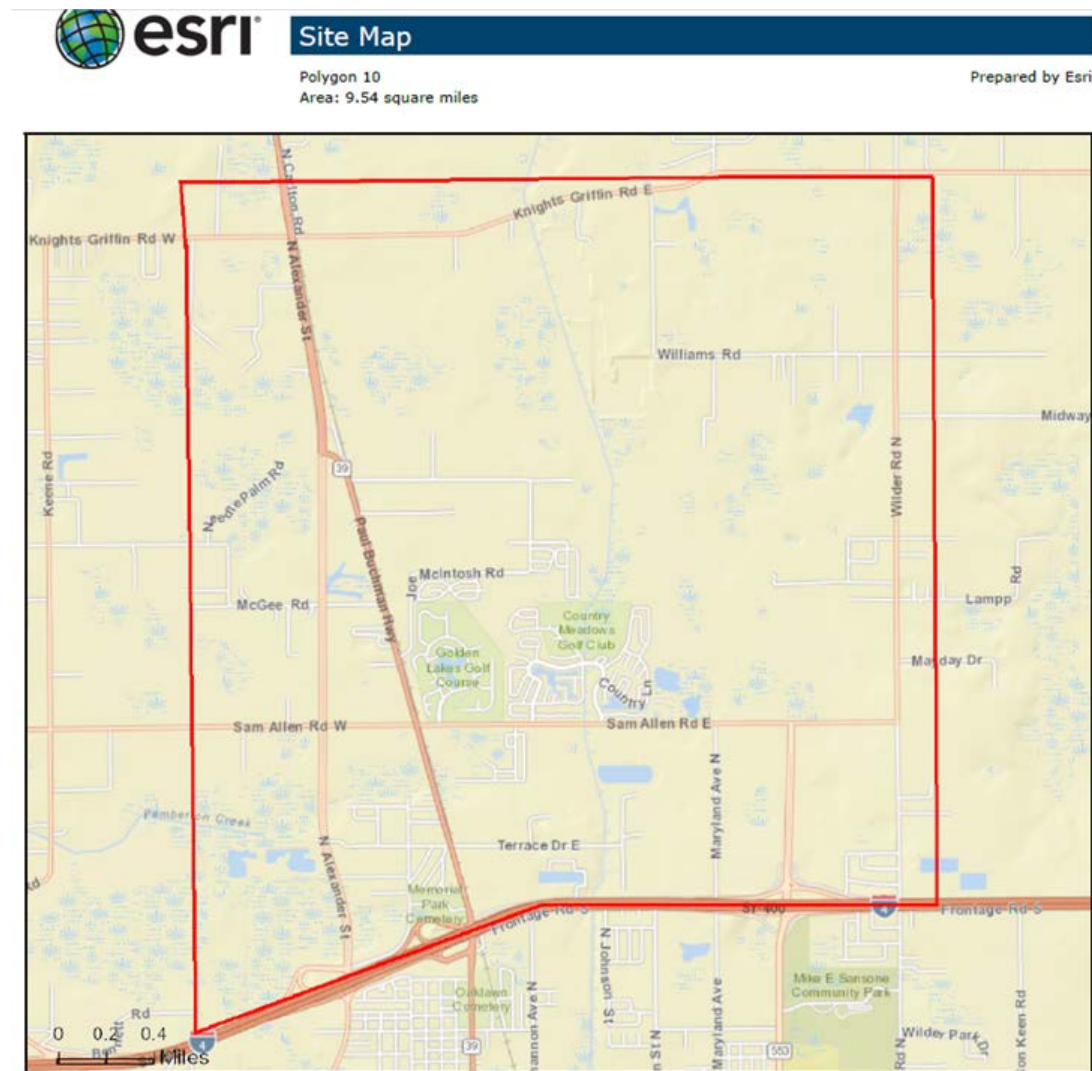
- Future new housing projects, including Varrea and North Park Isles, which are proposed or planned for locations to the east of the study area, and
- Existing population and workplace densities are low and retail offerings are limited, which suggests that a larger share of total household/consumer spending by residents/households of the surrounding trade area is occurring elsewhere in Plant City and the region.

As illustrated in Figure 8, for purposes of analysis, WTL+a considered the most logical trade area to comprise the surrounding rural environs—from immediately west of North Alexander Street east to North Wilder Road. This was defined, in part, because of the significant commercial development that exists to the south of I-4, in areas such as Thonatosassa Road and South Alexander Street/Redman Parkway corridors.

To identify an appropriate mix of businesses, selected demographic characteristics were considered. As discussed previously in Section 2, demographic characteristics of the 9.5 square mile trade area include:

- A current population of more than 5,700 in almost 2,400 households;
- The age distribution of the trade area’s population is weighted toward ages 65-74 and 75+ (at 17% and 18% of the total)
- Over the next five years, forecasts suggest that the trade area’s population will increase to roughly **6,000 residents in 2,475 households**, and
- Those 65-74 years old are expected to have the highest rates of growth—of 2.9% per year—and elderly residents’ consumer spending behavior is among the lowest of all age cohorts.

Figure 8: North Alexander Street Trade Area Map



This profile indicates that, while the trade area’s current population is older, a younger population is possible in the future, particularly if new housing is developed in such projects as Varrea TND and North Park Isles. While the actual population of the trade area is relatively small, it could change dramatically if vacant land is developed as additional housing with these and/or other projects in the future. For example, based on current entitlements as of December 2017, the Varrea project could have 2,640 units at buildout and North Park Isles may have 1,450 units at buildout.

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As noted in our analysis of housing potentials above, the City's 2040 Comprehensive Plan identifies a citywide population of 71,000+ by 2040; if this growth materializes, it would add over 32,800 new residents in almost 11,600 new households over the next 23 years. This would necessitate a sustained annual growth rate of 2.69% per year—far above the 1.4% per year growth rate of the 2000s and well-above the City's historic annual growth rate of 1.96% per year since 1990.

Table 36 summarizes annual spending generated by trade area residents against annual sales generated by retail businesses located in the trade area. **When demand is greater than supply, there is an apparent opportunity for additional retail space** in that category. By comparison, when demand is less than *supply*, there is a surplus of sales in that retail category (i.e., positive value in green = recapture opportunity, while a negative value in red = surplus of sales, or “inflow” of sales from outside of the reporting geography). This analysis indicates that:

- Households in the trade area spend over \$51 million per year and store sales generate a limited \$8.75 million per year. Additional retail sales occur in “Other Miscellaneous Retail Stores.” This includes sales at the multi-faceted Plant City Farm & Flea Market (also known as the “Country Village Flea Market”), located on Sam Allen Road between North Alexander Street and Paul Buchman Highway. In addition to a public flea market, this is also a large wholesale market with 100+ vendors on over 10 acres of land; approximately 90% of the produce, fruits and vegetables are sold wholesale to restaurants, grocery stores and roadside food stands;
- As Country Village is primarily a wholesale operation, we have omitted sales from this category to derive an estimate of recapture opportunities from trade area households. **Over \$40.6 million per year in retail leakage occurs from trade area households; this represents an *apparent* recapture opportunity for new retail development in the study area.** There are multiple merchandise categories where apparent recapture opportunities due to leakage may be possible if better retail offerings were available, such as General Merchandise (\$10.7 million), Food Service & Drinking Places (\$5.6 million), and Food & Beverage Stores (\$8.9 million);

**Table 36: Retail “Recapture” Opportunities—Trade Area, 2016**

<b>Retail Category</b>	<b>Demand (HH Spending)</b>	<b>Supply (Store Sales)</b>	<b>"Recapture" Opportunity</b>
<b>General Merchandise Stores</b>			
Department Stores Excl Leased Depts.	\$ 7,289,805	\$ -	\$ 7,289,805
Other General Merchandise Stores	3,432,846	-	3,432,846
<b>Subtotal:</b>	<b>\$ 10,722,651</b>	<b>\$ -</b>	<b>\$ 10,722,651</b>
<b>Clothing &amp; Accessories Stores</b>			
Clothing Stores	\$ 2,036,472	\$ -	\$ 2,036,472
Shoe Stores	462,577	-	462,577
Jewelry, Luggage, Leather Goods	467,238	-	467,238
<b>Subtotal:</b>	<b>\$ 2,966,287</b>	<b>\$ -</b>	<b>\$ 2,966,287</b>
<b>Furniture &amp; Home Furnishings Stores</b>			
Furniture Stores	\$ 1,233,270	\$ -	\$ 1,233,270
Home Furnishing Stores	1,053,077	-	1,053,077
<b>Subtotal:</b>	<b>\$ 2,286,347</b>	<b>\$ -</b>	<b>\$ 2,286,347</b>
<b>Electronics &amp; Appliance Stores</b>			
Appliances, TVs, Electronics Stores	\$ 1,768,448	\$ -	\$ 1,768,448
<b>Subtotal:</b>	<b>\$ 1,768,448</b>	<b>\$ -</b>	<b>\$ 1,768,448</b>
<b>Leisure &amp; Entertainment</b>			
Sporting Goods/Hobby/Musical Instruments	\$ 1,305,692	\$ -	\$ 1,305,692
Books, Periodicals & Music Stores	240,721	-	240,721
<b>Subtotal:</b>	<b>\$ 1,546,413</b>	<b>\$ -</b>	<b>\$ 1,546,413</b>
<b>Food Services &amp; Drinking Places</b>			
Special Food Services	\$ 110,785	\$ -	\$ 110,785
Drinking Places - Alcoholic Beverages	461,773	-	461,773
Restaurants/Other Eating Places	5,967,445	939,081	5,028,364
<b>Subtotal:</b>	<b>\$ 6,540,003</b>	<b>\$ 939,081</b>	<b>\$ 5,600,922</b>

**Table 36 (Continued): Retail “Recapture” Opportunities—Trade Area, 2016**

Retail Category	Demand (HH Spending)	Supply (Store Sales)	"Recapture" Opportunity
<b>Food &amp; Beverage Stores</b>			
Grocery Stores	\$ 11,025,169	\$ 546,292	\$ 10,478,877
Specialty Food Stores	502,640	2,623,280	(2,120,640)
Beer, Wine & Liquor Stores	522,518	-	522,518
<b>Subtotal:</b>	<b>\$ 12,050,327</b>	<b>\$ 3,169,572</b>	<b>\$ 8,880,755</b>
<b>Health &amp; Personal Care Stores</b>			
Health & Personal Care Stores	\$ 4,968,429	\$ 247,560	\$ 4,720,869
<b>Subtotal:</b>	<b>\$ 4,968,429</b>	<b>\$ 247,560</b>	<b>\$ 4,720,869</b>
<b>Building Material, Garden Equipment Stores</b>			
Building Materials & Supplies	\$ 4,913,250	\$ 3,026,929	\$ 1,886,321
Lawn & Garden Equipment & Supplies	447,202	807,220	(360,018)
<b>Subtotal:</b>	<b>\$ 5,360,452</b>	<b>\$ 3,834,149</b>	<b>\$ 1,526,303</b>
<b>Miscellaneous Store Retailers</b>			
Florists	\$ 116,075	\$ -	\$ 116,075
Office Supplies, Stationery, Gift Stores	554,646	-	554,646
Used Merchandise Stores	536,975	566,603	(29,628)
(2) Other Miscellaneous Retail Stores	-	-	-
<b>Subtotal:</b>	<b>\$ 1,207,696</b>	<b>\$ 566,603</b>	<b>\$ 641,093</b>
<b>TOTAL:</b>			
<b>HH Demand vs. Retail Sales</b>	<b>\$ 49,417,053</b>	<b>\$ 8,756,965</b>	<b>\$ 40,660,088</b>
	(3)		

- (1) Claritas' "Retail Market Power" data is derived from two major sources of information. Demand data are derived from Consumer Expenditure Surveys fielded by the U.S. Bureau of Labor Statistics (BLS). Supply data are derived from the Census Bureau. The difference between demand and supply represents the "recapture opportunity", or surplus, available for each retail category in the reporting geography. When demand is greater than supply, there is an apparent opportunity for additional retail space in that category. By comparison, when demand is less than supply, there is a surplus of sales in that retail category (i.e., positive value = recapture opportunity, while negative value = surplus of sales).
- (2) In the study area, Other Miscellaneous Retail Stores includes wholesale retail sales generated by the Country Village Flea Market. As this is primarily a wholesale operation, this has been omitted.
- (3) Total household retail spending excludes spending on Non-Store Retailers (Internet); Motor Vehicle Parts and Dealers; and Gas Stations.

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

- It should be noted that, while available (uncaptured) sales for a specific retail category can be substantial, there is an anomaly in assuming that lost sales will be sufficient for a particular store type. For example, recapture opportunities for department store and other general merchandise stores totals almost \$11 million per year. However, the size and operating requirements for a department store are considerably higher than \$11 million will support. For example, a full-service Kohl's department store is typically between 80,000 and 90,000 sq. ft. and would need sales of \$20 to \$25 million per year to be considered a viable store location. In other words, existing trade area household sales in the General Merchandise (department store) category are only half the required baseline. **The existence of unmet sales demand does *not* guarantee that certain store types are feasible;** and
- Alternatively, almost \$3 million in available sales for Apparel & Accessories stores could potentially be captured by several smaller businesses at locations in the North Alexander Street study area, assuming an appropriate retail setting can be achieved, and financial viability is attained.

### Supportable Retail by Category

Annual sales volumes in the retail industry are tracked as sales productivity per square foot. For example, a 1,500 sq. ft. retail store (including all occupied space) selling merchandise for \$675,000 per year would have annual sales productivity of \$450 per sq. ft. ( $\$675,000/1,500$  sq. ft.). Sales productivity is an indicator of performance within a retail category (i.e., measuring actual sales, but then comparing sales productivity with similar store types). Sales productivity is also a relative measure of how much rent a retailer can afford to spend per square foot, and therefore whether a retail building can collect enough rent to make the real estate investment feasible for the owner, whether its new construction or a commercial building renovation.

As a rule, retailers can afford to spend between 8% and 12% of gross annual sales on rents; by averaging rent at, say, 10% of annual sales, the retailer above could pay \$37.50 per square foot in rent ( $\$675,000/12$  months/ $1,500$  sq. ft.). Sales productivities (and profitability) vary within retail categories, so total 'available' sales must be further analyzed by productivity requirements to understand how much space is theoretically 'supportable'.



Table 37 illustrates a *possible* retail “opportunity list” of store categories for the North Alexander Street study area, with potential sales divided by 2017 average sales productivities, by category, to determine “supportable” space. Retail sales shown in parentheses are product categories in which there is more space than the trade area can support, and is an indication of sales ‘inflow’, in which customers from *outside* the trade area are spending in stores located within the trade area.

As illustrated, **total available market support for all retail categories generated from the trade area population suggests that approximately 121,000 sq. ft. of additional space could be supported by recapturing leaking retail sales.** However, this also assumes that fully 100% of all available spending will be recaptured (which is unlikely), and that all sales by category would be spent in the study area (even though a traditional department store is not feasible to address that market void). Notably, the “oversupply” of specialty food most likely reflects retail food sales generated by the Country Village Flea Market. As noted previously in Section 2, revenues generated by the flea market’s wholesale operations (with sales to local restaurants, grocers and roadside stands) are by far the largest share of total “retail” sales (wholesale sales were excluded in this analysis).

In conclusion, the key findings from our analysis of retail potentials for North Alexander Street is that the existing—primarily rural—trade area is underserved in most retail categories. Over the long-term, **retail potentials will be significantly affected by the introduction of new housing that will serve to add new households with retail spending power to strengthen opportunities for new retail development.** However, it will be equally important to cluster any new retail development at intersections and within small, convenience-oriented retail complexes rather than in scattered sites along Paul Buchman Highway and North Alexander Street.

**Table 37: Retail Sales & Supportable Space Analysis—Trade Area, 2017**

Retail Category		Potential Sales Recapture	Average Sales Per SF	Supportable SF
<b>General Merchandise Stores</b>	Department Stores Excl Leased Depts.	\$ 7,289,805	\$ 203	35,828
	Other General Merchandise Stores	3,432,846	203	16,872
<b>Subtotal:</b>		<b>\$ 10,722,651</b>		<b>52,699</b>
<b>Clothing &amp; Accessories Stores</b>	Clothing Stores	\$ 2,036,472	\$ 316	6,442
	Shoe Stores	462,577	365	1,269
	Jewelry, Luggage, Leather Goods	467,238	399	1,170
<b>Subtotal:</b>		<b>\$ 2,966,287</b>		<b>8,881</b>
<b>Furniture/Home Furnishings Stores</b>	Furniture Stores	\$ 1,233,270	\$ 354	3,484
	Home Furnishing Stores	1,053,077	354	2,975
<b>Subtotal:</b>		<b>\$ 2,286,347</b>		<b>6,460</b>
<b>Electronics &amp; Appliance Stores</b>	Appliances, TVs, Electronics Stores	\$ 1,768,448	\$ 427	4,146
<b>Subtotal:</b>		<b>\$ 1,768,448</b>		<b>4,146</b>
<b>Leisure &amp; Entertainment</b>	Sporting Goods/Hobby/Musical Instruments	\$ 1,305,692	\$ 354	3,689
	Books, Periodicals & Music Stores	240,721	427	564
<b>Subtotal:</b>		<b>\$ 1,546,413</b>		<b>4,253</b>
<b>Food Services &amp; Drinking Places</b>	Special Food Services	\$ 110,785	\$ 328	338
	Drinking Places - Bars	461,773	437	1,056
	Restaurants/Other Eating Places	5,028,364	437	11,503
<b>Subtotal:</b>		<b>\$ 5,600,922</b>		<b>12,897</b>
<b>Food &amp; Beverage Stores</b>	Grocery Stores	\$ 10,478,877	\$ 645	16,246
	Specialty Food Stores	(2,120,640)	469	(4,523)
	Beer, Wine & Liquor Stores	522,518	378	1,382
<b>Subtotal:</b>		<b>\$ 8,880,755</b>		<b>13,106</b>
<b>Health &amp; Personal Care Stores</b>	Health & Personal Care Stores	\$ 4,720,869	\$ 436	10,837
<b>Subtotal:</b>		<b>\$ 4,720,869</b>		<b>10,837</b>
<b>Building Material, Garden Equipment</b>	Building Materials & Supplies	\$ 1,886,321	\$ 269	7,006
	Lawn & Garden Equipment & Supplies	(360,018)	269	(1,337)
<b>Subtotal:</b>		<b>\$ 1,526,303</b>		<b>5,669</b>
<b>Miscellaneous Store Retailers</b>	Florists	\$ 116,075	\$ 298	390
	Office Supplies, Stationery, Gift Stores	554,646	298	1,861
	Used Merchandise Stores	(29,628)	298	(99)
	Other Miscellaneous Retail Stores	-	298	-
<b>Subtotal:</b>		<b>\$ 641,093</b>		<b>2,151</b>
<b>SUPPORTABLE SPACE (In SF):</b>				
	General Merchandise Stores			52,699
	Clothing & Accessories Stores			8,881
	Furniture & Home Furnishings Stores			6,460
	Electronics & Appliance Stores			4,146
	Leisure & Entertainment			4,253
	Food Services & Drinking Places			12,897
	Food & Beverage Stores			13,106
	Health & Personal Care Stores			10,837
	Building Material, Garden Equipment			5,669
	Miscellaneous Store Retailers			2,151
<b>TOTAL:</b>				<b>121,099</b>

Source: ESRI Business Analyst; RDS LLC; WTL+a, November 2017.

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More specific discussion of potential locations/opportunity sites within the study area to accommodate retail uses is presented below.

## Land Use Issues & Implications

The recommended land use analysis for the North Alexander Street study area should not be shaped solely based on market forces within its boundaries and immediate environs. To be fully considered, the analysis must also consider overall market conditions across larger geographies whether within the annexed area or not. This includes the surrounding trade area, Plant City and eastern Hillsborough County as well as Lakeland/portions of Polk County. North Alexander Street is a future development opportunity that is a subset of a much larger area, a wider competitive context and part of a planning and policy framework influenced by many different (and interdependent) factors. This context is the basis for our consideration of both market-based opportunities and a careful review of factual data and policy objectives and assumptions underlying both.

Recent planning initiatives (and the resulting development/planning policies) include two major documents:

- The Imagine 2040: Plant City Comprehensive Plan, completed by the Hillsborough County City—County Planning Commission, adopted by the Plant City Commission in February 2016, and intended to meet state planning requirements and to direct land use and other policies for future growth citywide
- The Midtown Redevelopment Vision Plan (as an earlier development policy objective), completed in 2007 by EDAW/AECOM. This plan is intended to provide a long-term vision for redevelopment of former heavy commercial and industrial land adjacent to downtown Plant City, and
- The Northeast Plant City Area Master Plan, completed by Carter & Burgess in June 2008 (see more detailed review below).

As the findings in both documents are based on key assumptions that are likely to influence future opportunities (and the roles of specific land uses) in the study area, WTL+a reviewed both documents. Our analysis considers how to best align market characteristics and directions identified in each document to guide how Plant City grows over time that are likely to affect

decisions regarding specific land uses in the North Alexander Street study area. Our review resulted in several findings that suggest the following:

- The need to further document certain assumptions (particularly population forecasts), as they affect land use allocations, densities and public investment, and
- Possible concerns, both about assumed levels of market support required to justify investment in North Alexander Street, and to weigh the competitive framework and key underlying growth assumptions needed to warrant a scale of development in Plant City over time.

### Comprehensive Plan Population Forecasts

Population and household estimates are key metrics in analyzing housing demand and are also used in long-range planning and budget decisions related to infrastructure investment, road capacities, new schools and the implicit level of new jobs required to support (and house) new residents and households. Specifically, one issue requiring clarification is the **population forecasts identified in the adopted 2040 Comprehensive Plan**. While WTL+a recognizes that past population trends may not necessarily be reliable indicators of future growth (particularly in a fast-growing state like Florida), **we are concerned about highly variable and significant increases in population in Plant City during specific forecast periods**. For example, on page 21 of the Comprehensive Plan, Land Use (LU) Table 2—Population Growth—2010-2040 illustrates population forecasts for Plant City between 2010 (Census) and 2040. These forecasts are summarized in Table 38.

As noted previously in Section 1, a key objective of the market study is to ascertain whether the 2040 growth assumptions outlined in these documents remain valid. As illustrated below, the compound annual growth rates vary between each five-year period, in some cases significantly.

Over this 30-year period, the City's population is forecast to jump by fully 106%—that is, more than double. **This would necessitate a *sustained* compound annual growth rate of 2.93% per year**, which (as noted previously in Table 5) *exceeds* even the highest rates of growth that the City experienced during the 1990s of 2.83% per year. This growth rate is well-above the 1.4% compound rate achieved between 2000 and 2016.

**Table 38: Population Trends & Comprehensive Plan Forecasts—Plant City, 2010—2040**

Year	Source	Population		Change Over Period		% Change Over Period		Compound Ann'l % Change	
		Actual	Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast
2010	Census	34,721	-	-	-	-	-	-	-
2015	ACS/Comp Plan	36,382	40,530	<b>1,661</b>	<b>5,809</b>	<b>4.8%</b>	<b>16.7%</b>	0.9%	3.1%
2016	State	37,840	-	1,458	-	4.0%	-	0.8%	-
2017	ESRI	39,087	-	1,247	-	3.3%	-	0.7%	-
2020	Comp Plan	-	44,146	-	3,616	-	8.9%	-	1.7%
2025	Comp Plan	-	49,740	-	5,594	-	12.7%	-	2.4%
<b>2030</b>	<b>Comp Plan</b>	-	<b>64,555</b>	-	<b>14,815</b>	-	<b>29.8%</b>	-	<b>5.4%</b>
2035	Comp Plan	-	69,113	-	4,558	-	7.1%	-	1.4%
2040	Comp Plan	-	71,523	-	2,410	-	3.5%	-	0.7%
<b>Total Change (2010-2040):</b>					<b>36,802</b>		<b>106.0%</b>		<b>2.93%</b>

Source: *Imagine 2040: Plant City Comprehensive Plan; Hillsborough County City-County Planning Commission; RDS LLC; WTL+a, November 2017.*

We note that the City's 2040 Comprehensive Plan did not offer an explanation of, or rationale for, these significantly different growth projections (particularly the 2025—2030 increase, which would add over 14,800 new City residents. If these forecasts materialize, Plant City's population would increase by almost 30% over only five years, reflecting a compound annual increase of 5.4% per year.

As such, the suggested pace of population growth without explanation raises concerns about the City's 2040 population forecast of 71,523, and yet the recommended housing policies use this population projection as the basis for capacity and growth in the Comprehensive Plan. In our view, the 2040 forecasts seem unusually high, even considering the long-term pattern of rapid growth across Central Florida. Without a more solid explanation of the basis for this pace of growth, particularly for the 2025-2030 period, WTL+a is concerned about the overall viability of these forecasts. It may also raise questions about these forecasts serving as the basis for long-range traffic analysis, infrastructure capacity, capital investment programs (CIP) and budget planning for the City.

We also note that the population estimates used for calculating Wastewater Flow (Comprehensive Plan p. 182, Public Facilities section) and 2015-2025 Solid Waste capacities (tons/day) (Comprehensive Plan p. 183, Public Facilities section), as developed by the City's Department of Public Works differ from the population projections used for the Housing Policies section of the plan. While we recognize that engineering estimates should allow for excess capacity/redundancy, the differences in baseline population totals were inconsistent across years in these different calculations.

In conclusion, numerous planning, public investment and economic development decisions are based on these projections, and the basis for accelerated growth rates is not explained. Until a full rationale is provided to justify the rapid increase in population growth, WTL+a urges caution in using these forecasts as the basis for capital improvement budgeting and public finance decisions, and concern about these forecasts being used as the basis for land allocation throughout Plant City.

## **Northeast Plant City Area Master Plan**

In 2008, Hillsborough County and Plant City approved a master plan for the Northeast portion of Hillsborough County to guide future development in areas outside the urban service area/City

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limits of Plant City. While the first phase of implementation was intended to extend to 2025, the projected build-out of the Planning Vision was estimated to extend beyond 2035. The Northeast Master Plan Vision was initiated because Plant City and the surrounding area had grown significantly, mostly in the northeastern area outside the city limits. It was determined that future economic activity, population growth and infrastructure needs should be paired with long-term transportation and roadway planning to accommodate growth and development. The plan was completed by Carter & Burgess in 2008.

The Northeast Plant City Area Master Plan was developed based on a methodology that used GIS data and potential future development scenarios to project future road and infrastructure needs, as well as acknowledging selected redevelopment of large parcels. For example, the 1,008-acre Cone-Graham parcel was in the process of redevelopment planning at the time of the plan and its future as the Varrea project was incorporated into the overall planning analysis.

### Guiding Principles & Strategies

A series of 'guiding principles & strategies' was created, and included the following overarching objectives:

- To preserve Plant City's **"Home Town Character"**, by providing
  - Accessibility between neighborhoods in the NE study area
  - Connectivity to Downtown Plant City
  - Compatible residential development (incorporating densities that would accommodate growth but also respond to resident priorities to maintain transitional densities to the existing rural character of the study area)
  - Livable Community characteristics for recreation, civic and public uses, open space, etc.
- To increase **Economic Diversity** through planning principles that would accommodate:
  - Existing and future development
  - Provision of adequate land for employment
  - A variety of future commercial uses
- To provide **Adequate Infrastructure**, including:
  - Land for civic uses
  - Clustering of civic uses

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- Multiple transportation options
  - Share infrastructure costs equitably
  - Focus local trips on local roads
  - Preserve regional transportation functions
  - Foster ***Sustainable Natural and Built Environments***, incorporating:
    - Diversity of housing options
    - Provision of open space
    - Protection of productive agricultural lands
    - Appropriate location of higher density and intensity of development

### Methodology

These principles and strategies were incorporated into an analysis of two potential development scenarios. Scenario A applied densities in a more uniform level across the entire study area, while Scenario B sought to cluster densities and clustered development patterns in predictable concentrations along existing and future arterial road networks and address mixed-use Village Center projects on sites like the Cone-Graham parcel. A series of assumptions about future zoning and density were developed and evaluated through a ranking matrix (Table 6, pp. 56—57 in the Master Plan). A comparative matrix of the two proposed future development scenarios allocated point ratings to each of the principles and strategies as they applied to Scenarios A and B. Scenario B ranked higher in its potential to meet goals identified in the study, with 25 total points versus 15 total points for Scenario A.

The plan also analyzed existing roadways to address the need to provide parallel ‘local trip’ routes for both east-west travel (as opposed to adding more trips to already congested I-4), and alternative north-south connectors to better link the modified northeast road grid to I-4, downtown Plant City and other land-use clusters south of the study area.

Scenario B was then refined to better incorporate the Varrea project and other growth opportunities, and the entire plan was subsequently considered within the Plant City Evaluation and Analysis Report (the ‘EAR’ process). The EAR incorporated public response to the initial planning concepts in Scenarios A and B, and the refined Scenario B planning concepts. The resulting density and land use assumptions were then analyzed through Traffic Analysis Zone (TAZ) methodologies to provide estimates of total development capacity, by land use



(residential, commercial, industrial and institutional) throughout the NE study area. These development density assumptions resulted in a modification of the allowed Floor Area Ratio (FAR) for existing and future industrial uses from .35 FAR (identified in earlier assumptions for the NE Master Plan Vision) to .50 FAR under the refined Scenario B analysis.

### Recommended Implementation Strategies

A series of implementation strategies resulted from the TAZ analysis and the refined version of planning concepts under Scenario B, including the following planning and development components:

1. Create a Village Center concept in the planning area incorporating residential, commercial and civic uses
2. Cluster residential densities rather than uniform allocations across the study area; in subsequent discussions on planning and annexation policies, it was determined that **assumed overall residential densities would not be less than four dwelling units per acre**. This resulted in eliminating several of the initial zoning allocations for residential density, such as R-1 and R-2
3. Accommodate alternative transportation systems (bicycles, pedestrian, recreational needs) through development of a greenway system connecting neighborhoods and development clusters throughout the planning area
4. Continue agricultural uses on identified “productive lands” within the larger planning concepts, and
5. Create parallel roadway alternatives to I-4.

The Master Plan was considered a Vision Plan, not a fixed, regulatory set of recommendations. Because the undeveloped portion of the Northeast Master Plan Vision area is considered part of unincorporated Hillsborough County, the City of Plant City and the Hillsborough County City-County Planning Commission eventually entered into a Joint Planning Agreement (JPA) to provide continuity in the Comprehensive Plan process. In 2010, the I-4 Green Tech Corridor Overlay Plan was adopted by both the City and the County through Plan Hillsborough, allowing for additional density along the I-4 corridor for specific targeted industries such as Bioscience, Technology and other uses included in the Green Tech Corridor policy. The I-4 Tech corridor extends from Tampa through Orlando; the Plant City portion of the corridor was intended to

stimulate higher-salaried employment in specific sectors in designated portions of I-4 in this part of the City.

### Relevance to the Market Study

The Northeast Plant City Area Master Plan provides guiding planning principles for longer-term development patterns and potential future annexation locations for the City of Plant City. The development patterns also affect long-range capital investment planning for roadways, schools and infrastructure capacity and extensions beyond the current service area. Based upon full buildout projections beyond 2035, the TAZ calculations call for the development of five new elementary schools, two middle schools and a new high school, totaling, at minimum 170 acres of school lands (using School District land sizes of a minimum of 15 acres per elementary school, 25 acres for middle schools and 45 acres for a high school). The planning policy to locate school sites on arterial roads also affects both the allocation of developable land for commercial purposes and may become a negotiating issue with developers, who may be requested to provide or subsidize construction of schools as part of site development plans.

WTL+a notes that **initial planning assumptions for estimating future employment within the NE Master Plan applied average occupancy factors of 500 sq. ft. per employee for industrial and commercial (combining office and retail) space.** These estimates were based on industry conventions dating to the early 2000s and did not incorporate more recent space allocation trends resulting from technology and automation, office/business consolidations, office “hoteling” and other factors that affect employee occupancy. For example:

- **Office Workers**—technology, business consolidations, self- and at-home employment have combined to reduce average occupancy factors for office workers from 250 sq. ft. per employee to 150 sq. ft. per employee;
- **Industrial Workers**—automated warehousing and distribution has increased occupancy factors for industrial employees, particularly in the warehousing and distribution and logistics sectors—from a former industry-standard of 600 to 700 sq. ft. to as much as 800 to 1,200 sq. ft. of space per employee. This is expected to increase as automation increases over time; and
- **Retail Workers**—generally, retail and food & beverage employees occupy between 350 to 500 sq. ft. per employee, so the allocations used in the plan remain relevant.

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To the extent that these occupancy factors/allocations may alter earlier estimates and trip generation projections, these emerging industry standards should be incorporated into the overall analysis.

The other issue affecting projections used in the NE Master Plan is related to timing and phasing of projects such as Varrea, North Park Isles and others located within the planning area. While these larger development projects are located outside of the study area for this market analysis, an adjustment of occupancy factors/space allocations may generate additional vehicular trips to the north and south traffic volumes feeding into North Alexander Street from the east-west roadway network recommended in the NE Master Plan.

## Conclusion: North Alexander Street Land Uses

Based on these considerations, the market analysis concludes with the following key findings and recommendations:

### Comprehensive Plan Population Forecasts

- The Comprehensive Plan population forecasts need either further explanation or reconsideration, as current estimates appear too high and are unsubstantiated. Absent additional information to confirm these high-growth projections (particularly for the time-period between 2025 through 2030), **WTL+a recommends that the lower 2040 population forecast of 59,100 (as illustrated in Table 30) serve as the basis for future planning policies, rather than 71,500;**
- While it may be possible to achieve higher population growth if the number of new jobs in Plant City is significantly increased, the 2040 planning period is too soon to achieve these higher population totals. As illustrated in our analysis, the pace of new housing construction required to meet these higher growth forecasts is so far above current capacity/trends, we would urge caution in considering whether they are realistic;
- Long-range planning allows for flexibility to accommodate time as well as plan revisions/updates; most market projections are considered realistic within a 10-year period; projections beyond 10 years are subject to multiple unknown variables that cannot be fully anticipated. For example, robotic conversion of warehousing and distribution (logistics) facilities may significantly change space requirements, employment totals and operating

procedures, and self-driving cars may affect road capacity/mobility calculations for road capacity;

- The relative costs/benefits of the City providing sanitary sewer, water and other utilities to the North Alexander Street study area will become clearer with completion of a fiscal impact analysis to determine the fiscal costs of the current allocation-based development program as well as modifications/changes over time. Capacity requirements may also change in light of possible revisions to the 2040 population forecasts;

### Residential

- Land use allocations for the study area primarily focus on residential development, with up to 3,423 dwelling units under annexation by Plant City. We note that, while the Varrea project is approved for up to 2,640 residential units, uncertainties about (a) ownership (b) differing priorities (c) market changes in product type versus what is entitled, and (d) a changing competitive context all suggest that implementation (and therefore competitive positioning) may either delay the Varrea project or modify its development program, irrespective of what is entitled;
- Assuming allocated residential densities under future land use designations averaging 5.7 units per acre yields 3,423 dwelling units at buildout across 601.8 acres of the study area. We note that allocating residential uses to the study area is likely to require further analysis if/when 2040 population projections are reconsidered. Our housing analysis illustrated in Table 30 (Scenario #1) suggest that **full buildout of 3,423 units will require market capture rates exceeding 100% (143%)**. Under this scenario, over 3,400 housing units could potentially accommodate over 9,700 new residents. By comparison, assuming overall City-approved densities of four units per acre yields 2,407 units, which would necessitate a more reasonable market capture of 36% of future unallocated units by 2040. Under this scenario, 2,400 housing units could potentially accommodate over 6,800 new residents;

### General Industrial/Logistics

- The North Alexander Street study area is sufficiently large enough to accommodate a range of future land uses, including light industrial/distribution and warehousing/logistics functions in a planned business park format. If annexed by Plant City, the future land use allocation identifies as much as 1.7 million sq. ft. of industrial/light industrial uses. We note that there

are undeveloped parcels along North Alexander Street (particularly on the west side) that are sufficient in size and depth to potentially accommodate newer warehousing/distribution and logistics facilities. In other markets, industrial developers seek parcels in the 20- to 30-acre size range, and the study area has several sites which would meet these criteria, while also providing easy access to I-4. Rail proximity on the east side may be less critical, as CSX has shifted to consolidated rail shipping with their Intermodal Logistics Centers, such as the Central Florida location in Winter Park;

- Another consideration in allocating industrial potentials to the study area include understanding how much net developable land remains available to accommodate this use along County Line Road. Approximately 487,800 sq. ft. of new, speculative warehousing/distribution space was built in 2016 and 2017, and another 893,600 sq. ft. of proposed speculative industrial space is under plan review. **Much of the recently-delivered and planned industrial space in Plant City is in the County Line Road corridor, which appears to be better positioned (i.e., with available infrastructure) to capture market-supportable industrial uses over the near-term.**

### Supporting Retail

- **Retail/commercial development opportunities in the study area should be located at key intersections** with east-west roads and North Alexander Street/Paul Buchman Highway. The priority intersections should include:
  - East Knights Griffin Road in the northern part of the study area
  - East Sam Allen Road in the southern part of the study area
  - Whichever road is extended to connect Varrea to Paul Buchman Highway in the center (potentially Joe McIntosh, Chapman or an as-yet unbuilt future east/west road connection)
- Retail uses should focus on convenience retail (large chain-affiliated drug stores, dry cleaning and other service businesses) and food & beverage (ranging from carry-out pad sites to popular-priced table service dining with bars). Due to road visibility and access to the trade area's emerging residential base, we estimate that **the North Alexander Street study area could capture between 40% and 60% of the 121,000 sq. ft. of supportable retail space within the trade area, or approximately 50,000 to 70,000 sq. ft. of supporting convenience retail and restaurant uses;**

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### Speculative Office

- Because of the nature of residential densities and limited absorption of office space citywide, **North Alexander Street is not viewed as a viable office location**, particularly in the near-term. The study area is not anticipated to be the best location in Plant City for a speculative office park; other parts of the City can provide better access and amenities. It could be possible, however, to attract a corporate headquarters facility to the study area as part of a self-contained campus. This will necessitate a specific business recruitment effort/strategy; and

### Hotel/Lodging

- The competitive set of limited-service hotels near the study area (along the I-4 corridor) have exhibited improved performance metrics over the past several years, but sustained occupancies have not yet met industry investment thresholds to warrant financing of new hotels at this time. If average annual occupancies should continue to improve over the next four to five years, new hotel development may be possible, most likely at a location visible/easily accessible from I-4.