The economic role of the Intracoastal Waterway in Palm Beach County, both on the waterway and along its shoreline, is of considerable focus in this analysis. The Intracoastal is a unique asset for Palm Beach County, providing broad and varied strengths for transportation, freight, boating, industry, and quality of life activities that can help differentiate, expand, and sustain the County’s economy. The development and expansion of marine-related businesses and services offers great potential for the County, especially in relation to the Port of Palm Beach and potential megayacht cluster. This section, therefore, provides a market analysis of long-term economic development potential along the ICW in Palm Beach County.

In addition to economic potentials for varying industrial job clusters at the macro level, the Intracoastal also offers nodal economic development opportunities at various marina village projects along the waterway. Accordingly, this chapter provides a micro analysis of the opportunities presented by five of the eight marina villages detailed in Chapter VIII (Marina Villages) of this report. While additional data is necessary to fully analyze the potential yields of these projects, they clearly offer significant job and revenue prospects for the individual local governments and Palm Beach County overall.

Key findings and recommendations regarding the economics of the waterway are presented at the conclusion of the chapter. A holistic approach is encouraged, acknowledging the need to balance the natural and built environment systems and the settlement patterns that have already been established in and around the ICW corridor. A public/private working waterfronts commission is recommended to help oversee land use, transportation, and industry development, along with marine district overlays, workforce training, and expanding the understanding of the industry.
The economic opportunity presented by the ICW in Palm Beach County was the genesis for the creation of this plan. Around the nation and world, facilities such as this waterway are unique amenities, providing a range of activities for residents, business owners, and visitors that can sustain and expand regional economies. Accordingly, this section of the plan provides a market analysis of long-term economic development potentials along the ICW in Palm Beach County and provides a set of key findings and recommendations for enhancing the corridor’s overall economic development base.

This analysis also provides an economic snapshot of the Intracoastal at two distinct levels: the macro (corridor) and the micro (marina villages) level. At the larger level of analysis, the generalized findings will tie directly into generalized recommendations for improving the economic base of the 43-mile long corridor. At the micro level of analysis, the report examines the economic development potential at each of the primary marina villages and presents recommendations for enhancing their respective development potentials.

This section of the plan takes a holistic approach to the idea of economic development, recognizing this effort must be conducted within a larger systems framework that takes into account the natural and built environment systems and the settlement patterns that have already been established in and around the ICW corridor. Indeed, Palm Beach County’s Strategic Economic Development Plan, adopted in 2007, demonstrates economic development strategies in Palm Beach County must take a systems approach and must be evaluated holistically, recognizing interconnectedness and the power of collaboration. Settlement patterns and land uses must be planned simultaneously with options for multiple modalities…

According to the Palm Beach County Plan, the County has an opportunity to capitalize on its 43-mile stretch of the Intracoastal by creating a regional economic strategy that builds on its unique environmental assets. Globally, examples abound where cities have capitalized on environmental and cultural assets to drive their regional economies. They have done so by linking cultural facilities such as botanical gardens, museums, and zoos to easy and friendly transportation modalities, including trails, ferries, and water taxis. Such a system is feasible for downtown venues along the Intracoastal. In addition, the working waterfront has created strong value adjacent to the Port of Palm Beach through proposals such as the construction of megayacht slips, racing sloop repair facilities, marina docks, day trip gambling, the Lockheed Undersea Research plant, and environmental attractions such as Peanut Island.
Running throughout the narrative is the underlying proposition of the importance of preserving the working waterfronts along the ICW corridor. This notion has been embraced by the Florida Legislature, which passed the Working Waterfronts Protection Act in 2005 that directs state agencies and local governments to take actions to protect and retain their working waterfronts (areas that house activities that are water-dependent such as marinas) and authorizes counties to set up property assessment deferral mechanisms for marinas. The legislation further directs local governments to amend their comprehensive plans to protect working waterfronts. Palm Beach County is working to develop policies specifically designed to protect and enhance its existing working waterfronts.

With the recent passage of Amendment 6 in 2008 (an amendment to Florida’s state constitution), working waterfront property such as marinas and boat repair facilities will be taxed based upon current use as opposed to “highest and best use.” This provision should help to promote the continued use of working waterfronts along the ICW corridor and in the State of Florida.

Study Area

For purposes of the economic analysis, the study area was defined to encompass approximately one-half mile on either side of the ICW for its entire length through Palm Beach County (or approximately 43 miles). This boundary was defined based on consideration of economic “zones of influence” that characterize economic development patterns and competitive economic factors when considering the impacts of the ICW on the County’s overall economy. Basically, the “economic” study area encompasses the County line on both the north and south, the Atlantic Ocean on the east, and I-95 on the west as reflected in map above. The study area is approximately 43 miles in length, has a diverse mix of public and private uses, comprises almost 53,000 acres and, significantly, includes working and recreational waterfront.

This portion of the report provides a market overview and preliminary analysis of the economic potentials along the Intracoastal by completing several key tasks:

- Preparing a demographic and economic profile that examines specific demographic indices that fuel growth in Palm Beach County, focusing on those factors relevant to the economic potential of the Intracoastal Waterway, including population, households, job formation (particularly in marine-related sectors), growth in tourism and visitor spending and the like;
SUSTAINABLE ECONOMICS

- Assembling a land use inventory based on available data and secondary information on real estate market conditions across specific land uses, including “marine-related”, focusing on the ICW as well as the four on-going marina villages efforts underway at the initiation of the study (Jupiter, Riviera Beach, West Palm Beach, and Boynton Beach); and

- Translating demographic characteristics and market conditions into preliminary growth forecasts in those sectors of Palm Beach County’s economy relevant to the ICW.

Marina Villages

The study area contains eight marina villages that are the locus of prime development and redevelopment activities and provide nodes for transit purposes. These marina villages are the key areas in which focused development and redevelopment strategies will establish the groundwork for realizing significant economic development outcomes in terms of job creation and expansion of the tax base. The marina villages will also serve as destinations for local residents and visitors to Palm Beach County. Importantly, each of the marina villages is entirely unique in its conceptualization, development stage, and vision for ultimate build-out. Each of the eight villages is detailed in Chapter 8: Marina Villages and Destinations.

Future development at each of the marina villages will be tied to:

- Geography
- Local market conditions
- Varying economic strategies
- History and culture

This report also provides a snapshot of the magnitude of the catalytic effects at each of the primary marina villages. The metrics used to measure the potential catalytic outcomes include demand for “work-place” real estate (office, industrial, retail), job creation, and gross regional product.

As has been noted, each of the marina villages detailed in this report is of a different character, theme, and orientation. Five of the villages are focused upon in this report, including:

- Jupiter
- Palm Beach Gardens
- Riviera Beach
- West Palm Beach
- Boynton Beach

The marina villages in Lake Worth and Lantana are prime locations for enhanced recreation-based and eco-tourism opportunities. Their land use, planning, and regulatory characteristics are detailed in Chapter 8; however, they are not the subject of economic analysis in this chapter. Delray Beach is already 25 years into its successful redevelopment efforts, and therefore, it is not further analyzed in this chapter.

Demographic Findings

The report examines demographic and economic characteristics across a range of indices, focusing on those factors that fuel demand for real estate and economic growth in Palm Beach County. In particular, key demographic characteristics focused on are those that have relevance for growth in the ICW corridor as well as four of the on-going marina village efforts that have the greatest opportunity and investment demand to realize their marina-oriented potential, including Jupiter, Riviera Beach, West Palm Beach, and Boynton Beach. These findings are summarized below.

Population & Households

Palm Beach County

Palm Beach County’s population has increased at an average annual rate of 1.6 percent per year since 2000,
with the County’s population jumping by 128,600 new residents over the past seven years, to 1.21 million, according to the MPO. Assuming that current average annual growth rates continue, the MPO estimates that the County will add another 280,500 new residents by 2020, for a total population of almost 1.5 million. If current household size remains level, additional population growth will translate into 117,400 new households (i.e., housing units) by 2020.

**ICW Study Area**

By comparison, within the broad economic study area (I-95 east to the Atlantic Ocean), the estimated population is 426,500 in more than 180,000 households. Today, the ICW corridor accounts for more than 30 percent of the County’s total population. Growth forecasts for the study area are only available for the next five years, which suggest almost 40,000 new residents in 17,000 households (i.e., housing units) by 2012. In terms of new housing tenure, forecasts suggest that these new housing units will be distributed as follows: 11,000 for-sale units and 6,000 rental units.

**Marina Villages**

Today, the four subject marina village municipalities account for roughly 22 percent of the County’s total population, or 267,000 residents in 106,000 households. Since 2000, Jupiter has grown the fastest, and West Palm Beach gained the greatest number of new residents. According to the MPO, Jupiter is expected to grow by 33 percent by 2020 while West Palm is projected to add nearly 29,000 new residents.

In total, additional population growth and continued redevelopment initiatives in and around the four subject marina villages are expected to result in an increase in their share of the County’s population (to 23 percent) by 2020, with 337,500 residents in 142,000+ households. This would suggest that, over the next 13 years, the four marina villages will gain almost 71,000 new residents in 30,000 new households (i.e., housing units).

Interestingly, the projected compound average annual growth rate for each of the marina village municipalities is generally higher than that for the County as a whole, suggesting strong growth to these centers. Today, households in the four marina villages spend a combined $1.9 billion annually on consumer spending among various retail categories, groceries, and food and beverage. This accounts for almost 17 percent of the $11.5 billion in total consumer spending.
across Palm Beach County. Notably, spending varies widely across the four municipalities—ranging from a low of $15,500 per year in Boynton Beach to a high of almost $25,000 per year in Jupiter. Average annual consumer spending equates to approximately $17,000 per household across the four marina villages.

Employment

Employment growth is a key barometer of demand for “workplace” real estate such as commercial office and retail, industrial, and visitor-service uses such as hotel/lodging. As such, TCRPC examined employment growth trends and forecasts for each of the geographies comprising the ICW study. Key findings are summarized below:

Palm Beach County

Palm Beach County contains 552,000 at-place jobs. Job growth in Palm Beach County surged during the economic boom between 2002 and 2007. In fact, the County has added more than 53,000 new jobs since 2000 across several key employment sectors, including Services, Retail Trade, and Construction.

MPO forecasts suggest that 114,400 new jobs will be created by 2020. If job growth materializes, this may translate into countywide demand for more than 34 million sq. ft. of “workplace” real estate such as office and industrial parks, and retail centers. However, this may not necessarily translate into net new construction, as existing vacant and/or underutilized real estate can be occupied by new employment.

The Florida Agency for Workforce Innovation (AWI) estimates that the greatest job growth through 2015 will occur in the Services sector, which is a wide-ranging category that includes professional and business services (such as legal and engineering), medical/health, education, lodging/hospitality, and arts/entertainment/recreation. By 2015, the AWI forecasts almost 86,000 new jobs in the Services sector alone. Specific data on employment in the ICW corridor are not available.

Marina Villages

Today, the municipalities that encompass the four subject marina villages contain almost 175,000 jobs, comprising 32 percent of the County total. Information on the type and distribution of these jobs is not available. The lion’s share of current employment — fully 94,000 jobs — is located in West Palm Beach. The other marina villages contain a smaller fair share of the County’s jobs ranging from four to six percent.

Table 2: Demographic Characteristics—Marina Villages, 2007-2012

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</thead>
<tbody>
<tr>
<td>Population</td>
<td>56,740</td>
<td>72,835</td>
<td>9.3%</td>
<td>97,698</td>
<td>107,056</td>
<td>10.2%</td>
<td>36,092</td>
<td>40,020</td>
<td>14.9%</td>
<td>51,954</td>
<td>58,597</td>
<td>12.8%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Households</td>
<td>20,077</td>
<td>21,576</td>
<td>7.9%</td>
<td>41,888</td>
<td>46,477</td>
<td>10.5%</td>
<td>13,267</td>
<td>15,005</td>
<td>13.3%</td>
<td>22,051</td>
<td>24,681</td>
<td>12.0%</td>
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</tr>
<tr>
<td>Avg. Ht. Size</td>
<td>4.26</td>
<td>4.25</td>
<td>-0.4%</td>
<td>2.26</td>
<td>2.24</td>
<td>-0.9%</td>
<td>2.59</td>
<td>2.63</td>
<td>0.9%</td>
<td>2.34</td>
<td>2.35</td>
<td>0.4%</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Median Age</td>
<td>45.5</td>
<td>47.1</td>
<td>3.5%</td>
<td>39.5</td>
<td>40.8</td>
<td>3.3%</td>
<td>37.0</td>
<td>38.9</td>
<td>2.6%</td>
<td>43.7</td>
<td>45.4</td>
<td>3.9%</td>
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<tr>
<td>Race</td>
<td></td>
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<td></td>
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<td></td>
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</tr>
<tr>
<td>White</td>
<td>43,849</td>
<td>56,876</td>
<td>29.4%</td>
<td>53,343</td>
<td>55,658</td>
<td>4.9%</td>
<td>9,500</td>
<td>10,525</td>
<td>9.9%</td>
<td>47,122</td>
<td>51,919</td>
<td>10.2%</td>
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<tr>
<td>Black</td>
<td>17,419</td>
<td>20,203</td>
<td>15.7%</td>
<td>33,510</td>
<td>36,349</td>
<td>8.1%</td>
<td>23,782</td>
<td>27,254</td>
<td>12.9%</td>
<td>1,111</td>
<td>2,227</td>
<td>103.3%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>1,201</td>
<td>1,459</td>
<td>21.4%</td>
<td>1,954</td>
<td>2,476</td>
<td>26.7%</td>
<td>526</td>
<td>760</td>
<td>44.5%</td>
<td>987</td>
<td>1,348</td>
<td>35.6%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>4,205</td>
<td>5,251</td>
<td>24.9%</td>
<td>8,597</td>
<td>10,550</td>
<td>22.7%</td>
<td>1,158</td>
<td>1,401</td>
<td>19.0%</td>
<td>2,076</td>
<td>2,871</td>
<td>38.2%</td>
<td></td>
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</tr>
<tr>
<td>Hispanic/a 1/</td>
<td>8,876</td>
<td>11,870</td>
<td>33.4%</td>
<td>21,368</td>
<td>25,806</td>
<td>20.7%</td>
<td>2,839</td>
<td>2,801</td>
<td>0.9%</td>
<td>5,507</td>
<td>8,857</td>
<td>59.9%</td>
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<tr>
<td>Median Hh Income</td>
<td>$47,758</td>
<td>$55,326</td>
<td>15.6%</td>
<td>$47,037</td>
<td>$55,396</td>
<td>17.5%</td>
<td>$41,035</td>
<td>$47,647</td>
<td>16.1%</td>
<td>$70,517</td>
<td>$85,979</td>
<td>21.8%</td>
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</tr>
<tr>
<td>Average Hh Income</td>
<td>$63,519</td>
<td>$75,141</td>
<td>18.3%</td>
<td>$68,255</td>
<td>$82,280</td>
<td>21.6%</td>
<td>$66,646</td>
<td>$81,035</td>
<td>23.1%</td>
<td>$101,527</td>
<td>$126,884</td>
<td>24.7%</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Owner Occupied Hhs</td>
<td>22,043</td>
<td>23,742</td>
<td>8.5%</td>
<td>25,412</td>
<td>26,885</td>
<td>5.9%</td>
<td>8,277</td>
<td>9,417</td>
<td>13.9%</td>
<td>17,419</td>
<td>19,673</td>
<td>13.1%</td>
<td></td>
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</tr>
<tr>
<td>Renter Occupied Hhs</td>
<td>7,052</td>
<td>7,624</td>
<td>8.3%</td>
<td>17,784</td>
<td>19,007</td>
<td>6.4%</td>
<td>4,899</td>
<td>5,680</td>
<td>15.9%</td>
<td>4,070</td>
<td>5,414</td>
<td>34.8%</td>
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</tr>
</tbody>
</table>

1/ Hispanic origin is a subset of other race categories.

According to MPO forecasts (which prepares employment projections by Traffic Analysis Zone/TAZ), the four municipalities that encompass the four marina villages are expected to gain almost 47,700 new jobs by 2020. TCRPC estimates that these new jobs would demand roughly 14 million sq. ft. of workplace real estate. Again, this could be a combination of net new construction as well as occupancy of existing vacant space. These 47,700 new jobs in the municipalities encompassing the four marina villages will principally be distributed among the following industries:

- Services
- Wholesale & Retail Trade
- Finance/Insurance/Real Estate and
- Construction

Marine-related employment noted above includes 2,400+ jobs at the Port of Palm Beach. In 2006, Port employment was distributed across direct (1,468 jobs), induced (620) and indirect (339) categories. The map on the previous page illustrates the large diversity of marine-related businesses located along the length of the ICW upland corridor. TCRPC estimates there are approximately 400 marine-related firms along the ICW corridor.

The Marine Industries Association’s 2007 Annual Report also reported that the marine industry adds approximately $800 million to the local economy on an annual basis, with a payroll in excess of $682 million. More detailed information is provided in the “Marine Industries” section that follows.

Reaching a more in-depth understanding of the marine industries will require a detailed examination of the constituent sectors that might be combined to form this industry cluster. Such an analysis would provide meaningful insight into the growth trends of the industry and provide a sound basis for establishing public policy to help enhance the development prospects of the marine industry cluster.

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### Table 3: At-place Employment Trends & Projections, 2000-2020

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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Amount</td>
</tr>
<tr>
<td>Palm Beach County</td>
<td>498,842</td>
<td>552,086</td>
<td>576,610</td>
<td>583,562</td>
<td>666,502</td>
<td>114,416</td>
</tr>
<tr>
<td>Broward County</td>
<td>644,156</td>
<td>710,651</td>
<td>741,211</td>
<td>762,311</td>
<td>852,889</td>
<td>142,238</td>
</tr>
<tr>
<td>Jupiter</td>
<td>19,967</td>
<td>22,928</td>
<td>24,328</td>
<td>25,309</td>
<td>29,642</td>
<td>6,714</td>
</tr>
<tr>
<td>% of County</td>
<td>4.0%</td>
<td>4.2%</td>
<td>4.2%</td>
<td>4.3%</td>
<td>4.4%</td>
<td>5.9%</td>
</tr>
<tr>
<td>Riviera Beach</td>
<td>23,259</td>
<td>25,480</td>
<td>26,465</td>
<td>27,158</td>
<td>30,114</td>
<td>4,654</td>
</tr>
<tr>
<td>% of County</td>
<td>4.7%</td>
<td>4.6%</td>
<td>4.6%</td>
<td>4.6%</td>
<td>4.5%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Boynton Beach</td>
<td>26,364</td>
<td>32,850</td>
<td>34,974</td>
<td>36,465</td>
<td>43,093</td>
<td>10,243</td>
</tr>
<tr>
<td>% of County</td>
<td>5.7%</td>
<td>6.0%</td>
<td>6.1%</td>
<td>6.1%</td>
<td>6.5%</td>
<td>9.0%</td>
</tr>
<tr>
<td>West Palm Beach</td>
<td>82,106</td>
<td>93,711</td>
<td>99,174</td>
<td>102,991</td>
<td>119,790</td>
<td>26,079</td>
</tr>
<tr>
<td>% of County</td>
<td>16.5%</td>
<td>17.0%</td>
<td>17.2%</td>
<td>17.4%</td>
<td>18.0%</td>
<td>22.8%</td>
</tr>
</tbody>
</table>

1/ Compound Annual Growth Rate

Source: Palm Beach County MPO; Economics Research Associates, January 2008
The map above indicates the extensive linear distribution of marine-related uses in Palm Beach County, with a visible concentration along the Intracoastal, especially near the Lake Worth Inlet, Port of Palm Beach, and adjacent area.
Visitor Profile

A critical element of Palm Beach County’s economy, as well as that of the Intracoastal corridor, is tourism and visitor services. The following characteristics of the visitor market, such as spending patterns and behavior, were examined as a means of understanding the potential impacts from visitors on future land use patterns and economic development initiatives in the ICW corridor.

The Tourist Development Council of Palm Beach County tracks visitor data and behavior/spending patterns for the County. In 2007, according to the Tourism Development Council, Palm Beach County attracted more than 4.7 million annual visitors, reflecting an increase of almost 186,000 new visitors since 2003. Other findings are illustrated as follows:

- The Tourism Development Council estimates that about half of the County’s annual visitors stay in hotels; party size averages 2.1 people who stay 3.3 days. The number of hotel guests has jumped by almost 10 percent since 2005.

- Visitation is further distributed between “leisure” and “conference/business.” Notably, the number of convention delegates and business visitors has increased over the past five years by more than 200,000, to an estimated 2.78 million conference/business visitors in 2007. Later sections of this chapter examine market characteristics of the County’s hotel supply to understand how this has translated into room-night demand.

- Visitors to Palm Beach County spent $1.6 billion on expenditures in 2007, resulting in average daily spending of $202 per visitor per day. Over half of visitor spending in on lodging and approximately one-quarter is on eating and drinking.

- Contrary to observations that suggest that the County draws a significant number of international visitors, fully 92 percent of overnight visitors to Palm Beach County are from the United States, with almost one–quarter of all visitors from Florida, and 31 percent from either the Southeast or the Midwest. Only eight percent (or 195,000) are from international origins.

- Visitors to Palm Beach County participate in a variety of activities. Most popular are eating at restaurants (94 percent), shopping (31 percent), and going to the beach (27 percent) of

<table>
<thead>
<tr>
<th>Table 4: Visitor Trends in Palm Beach County, 2003-2007</th>
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<tbody>
<tr>
<td><strong>Visitors</strong></td>
</tr>
<tr>
<td><strong>Hotel Guests</strong></td>
</tr>
<tr>
<td><strong>Average Party Size</strong></td>
</tr>
<tr>
<td><strong>Average Length of Stay</strong></td>
</tr>
<tr>
<td><strong>Leisure Visitors</strong></td>
</tr>
<tr>
<td><strong>Conference/Business Visitors</strong></td>
</tr>
</tbody>
</table>

Source: Tourist Development Council of Palm Beach County; Economics Research Associates, 2008
visitors. Almost 11 percent visited City Place. On the other hand, only 0.3 percent reported going to the Palm Beach Convention Center.

Real Estate Market Characteristics

A critical component of any land use strategy for the ICW includes a detailed understanding of recent and current market conditions across specific real estate sectors. For the ICW study, TCRPC examined market characteristics and trends for a range of uses, including: rental and for-sale housing; “workplace” uses such as commercial office and industrial; “marine-related” such as marinas and working waterfronts; and service uses that support the resident and visitor markets, such as retail, restaurants, and lodging/hospitality. To the extent that information was available, market conditions for each use were examined in Palm Beach County, the four subject marina villages, and the ICW corridor study area.

Several elements are key to understanding how future population and job growth will translate into development opportunities in the ICW study area as well as the four subject marina villages:

- the amount of net developable land as well as opportunities/sites for redevelopment;
- current (or future) zoning designations and densities; the availability of capital/financing to fund specific projects; and
- the role of the public sector in forging economic opportunities, such as the availability of tax increment financing or other incentives, provision of entitlements, business retention and recruitment strategies, etc.

This section profiles inventory and building permit activity, tenure and product distribution, absorption (leasing) activity, vacancy, pricing (rents and sales) trends, and other appropriate market performance characteristics and supply and demand factors as they affect overall development opportunities in the ICW corridor.

### Housing

Palm Beach County
Reported building permit data suggests that Palm Beach County issued over 114,000 permits for new housing between 1997 and 2006, with an annual average of 11,400 permits per year. Roughly 68 percent of total permit activity was for single-family dwellings.

**Marina Villages**

Residential permit activity varies across the marina villages, ranging from 470 permits per year in Riviera Beach to upwards of 1,200 annual permits in West Palm Beach, which comprises fully 40 percent of all residential development across the four communities. In total, the four marina villages accounted for 27 percent of the County’s total building permit activity between 1997 and 2006. Permit data were not available for the ICW study area.

Based on 2000 Census data, the distribution by type of housing in Palm Beach County and the four marina villages indicates a fairly uniform pattern of residential development, in that the majority of housing stock (41 to 47 percent) is single-family detached.

**Office**

Demand for commercial office development is driven by employment patterns and growth in those job sectors that occupy office space. Office workers use a variety of space depending on local market characteristics and the type of business. For example, some office tenants are small and choose to locate in retail centers that command more foot traffic; others telecommute from home or work in industrial settings as part of “flex-tech” buildings that provide front-end office and back-end warehouse or light industrial.

<table>
<thead>
<tr>
<th>City / County</th>
<th>Number of Buildings</th>
<th>Total Rentable Building Area</th>
<th>Share of RBA in PB County</th>
<th>Vacancy Rate</th>
<th>Average Rental Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Palm Beach</td>
<td>661</td>
<td>12,525,957</td>
<td>26.7%</td>
<td>11.3%</td>
<td>$29.55/sf</td>
</tr>
<tr>
<td>Boynton Beach</td>
<td>89</td>
<td>1,924,913</td>
<td>4.1%</td>
<td>10.9%</td>
<td>$26.85/sf</td>
</tr>
<tr>
<td>Riviera Beach</td>
<td>12</td>
<td>366,936</td>
<td>0.8%</td>
<td>18.9%</td>
<td>$20.15/sf</td>
</tr>
<tr>
<td>Jupiter</td>
<td>113</td>
<td>2,346,397</td>
<td>5.0%</td>
<td>15.1%</td>
<td>$26.95/sf</td>
</tr>
<tr>
<td>Study Area 1/1</td>
<td>1,253</td>
<td>23,935,716</td>
<td>51.0%</td>
<td>11.7%</td>
<td>$30.70/sf</td>
</tr>
<tr>
<td>Palm Beach County</td>
<td>2,055</td>
<td>46,933,848</td>
<td></td>
<td>12.0%</td>
<td>$28.30/sf</td>
</tr>
<tr>
<td>Broward County</td>
<td>3,827</td>
<td>68,641,118</td>
<td></td>
<td>8.6%</td>
<td>$25.99/sf</td>
</tr>
</tbody>
</table>

**Table 6: Office Market Characteristics, 2002-2007**

**T R E A S U R E  C O A S T  R E G I O N A L  P L A N N I N G  C O U N C I L**

**Indian River - St. Lucie - Martin - Palm Beach**

**FINAL**

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Office employment is a key economic activity generator in many locations of Palm Beach County, including the ICW study area, because of the proximity/adjacency of the Intracoastal to primary office submarkets such as downtown West Palm Beach. Key findings of the office market and their relevance to the ICW study area are summarized below:

**Palm Beach County**

According to CoStar, the County’s office market is dominated by West Palm Beach, which contains 27 percent, or 12.5 million sq. ft., of the County’s total office inventory of 46.9 million sq. ft. Countywide leasing activity (“net absorption”) ~ a true barometer of the overall health of an office market ~ has averaged 560,000 sq. ft. per year since 2002. Vacancy rates over the past five years have fluctuated between eight and twelve percent. Based on current absorption, 10 years would be required to reach stabilization (i.e., to absorb the County’s existing 5.6 million sq. ft. of vacant office space).

**ICW Study Area**

Notably, the ICW study area contains almost 24 million sq. ft. of office space, fully half of the County’s total office inventory. Although leasing activity in the study area was negative in 2007 (reflecting the significant decline in the economy), overall absorption since 2002 has been strong, averaging 221,500 sq. ft. per year. Vacancy rates over the past five years have fluctuated between seven and eleven percent. Based on current absorption, fully 12 years would be required to reach stabilization, i.e., to absorb the existing 2.8 million sq. ft. of vacant office space located in the ICW study area.

**Marina Villages**

In combination, the remaining three marina villages contain significantly less office space and would be considered tertiary office submarkets. Boynton and Riviera Beach and Jupiter contain a total of 4.6 million sq. ft. of office space, accounting for about 10 percent of the County’s total office inventory. Leasing activity is low, averaging about 72,000 sq. ft. per year since 2002, and vacancies have fluctuated between five and fifteen percent over the past five years.

Based on current absorption patterns, approximately 8.8 years would be required to reach stabilization (i.e., to absorb the marina villages’ existing 633,000 sq. ft. of vacant office space).

**General Retail**

Retail uses require a concentration of disposable income (from nearby residents, employees and/or visitors); strong visibility and extensive frontage; adequate parking; a clear competitive role; and market identity. Moreover, supporting tenants often require anchor tenants (such as a grocery store) or have a clear marketing niche (such as a visitor destination) to generate traffic.

**Palm Beach County**

According to CoStar, Palm Beach County contains 69.8 million sq. ft. of retail space in 2,705 properties. The County’s relative affluence, strong growth, and role as a visitor destination have fueled significant growth in the retail sector. In fact, since 2002 leasing activity has been quite strong, averaging 946,000 sq. ft. per year. Moreover, the County’s retail market is effectively stabilized, with vacancy rates averaging only 2.6 percent per year since 2002.

**ICW Study Area**

The ICW corridor contains 27.9 million sq. ft., or 40 percent of the County’s retail inventory. Overall leasing activity in the study area since 2002 has been solid, averaging 266,000 sq. ft. per year, with substantial activity in 2005 and 2006. However, the weakening economy, tenant out-migration, and industry consolidations led to negative absorption of (100,000 sq. ft.)
in 2007. Despite the slowdown of leasing activity, vacancies in the study area remain very low, at a stabilized level of 2.8 percent per year since 2002.

Marina Villages

Similar to office space, West Palm Beach contains the lion’s share of retail space in Palm Beach County, with 19.4 million sq. ft. of space (28 percent) in almost 1,100 properties. The other three subject marina villages also contain a sizable amount of retail space -- 9.5 million sq. ft. in 365 centers. Retail leasing activity in the four marina villages has been strong, averaging 333,000 sq. ft. per year since 2002. Notably, Riviera Beach is the weakest of the four villages, with nominal leasing activity, due in part to the lack of new retail construction. Both Boynton and West Palm Beach accounted for the most active retail submarkets during this time, which includes new retail development in key locations such as Congress Avenue in Boynton Beach.

Industrial/Flex

Demand for industrial park development is driven by employment patterns and growth in those job sectors that occupy industrial space. Key locational considerations include proximity to a qualified labor force, highway, rail and port access, and sufficiently large (horizontal) buildings and footprints. Industrial workers use a variety of space depending on local market characteristics and business mix. For example, some industrial tenants are small, “mom & pop” operations such as light assembly that may lease their premises in a free-standing warehouse in an industrial park. Larger manufacturing concerns might occupy a “build-to-suit” facility or campus providing opportunities for expansion. Other industrial tenants, such as

---

**Table 7: Retail Market Characteristics, 2002-2007**

<table>
<thead>
<tr>
<th>City / County</th>
<th>Number of Buildings</th>
<th>Total Rentable Building Area</th>
<th>Share of RBA in PB County</th>
<th>Vacancy Rate</th>
<th>Average Rental Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Palm Beach</td>
<td>1,080</td>
<td>19,482,500</td>
<td>27.8%</td>
<td>3.8%</td>
<td>$16.61/ft²</td>
</tr>
<tr>
<td>Boynton Beach</td>
<td>247</td>
<td>6,285,327</td>
<td>9.0%</td>
<td>4.9%</td>
<td>$20.27/ft²</td>
</tr>
<tr>
<td>Riviera Beach</td>
<td>43</td>
<td>2,797,928</td>
<td>4.0%</td>
<td>5.6%</td>
<td>$20.90/ft²</td>
</tr>
<tr>
<td>Jupiter</td>
<td>1,521</td>
<td>27,905,811</td>
<td>40.0%</td>
<td>4.8%</td>
<td>$21.05/ft²</td>
</tr>
<tr>
<td>Study Area 1/</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Palm Beach County</td>
<td>2,705</td>
<td>69,747,670</td>
<td>4.7%</td>
<td>$20.39/ft²</td>
<td></td>
</tr>
<tr>
<td>Broward County</td>
<td>5,003</td>
<td>104,386,460</td>
<td>4.0%</td>
<td>$19.25/ft²</td>
<td></td>
</tr>
</tbody>
</table>

**Direct Net Absorption**

<table>
<thead>
<tr>
<th>City / County</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>CYA Avg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Palm Beach</td>
<td>300,790</td>
<td>301,900</td>
<td>308,500</td>
<td>447,472</td>
<td>212,801</td>
<td>79,213</td>
<td>1,019,052</td>
</tr>
<tr>
<td>Boynton Beach</td>
<td>133,735</td>
<td>(37,625)</td>
<td>67,425</td>
<td>371,900</td>
<td>208,225</td>
<td>52,875</td>
<td>942,753</td>
</tr>
<tr>
<td>Riviera Beach</td>
<td>(10,300)</td>
<td>31,120</td>
<td>(1,050)</td>
<td>2,216</td>
<td>(25,066)</td>
<td>(3,170)</td>
<td>(628)</td>
</tr>
<tr>
<td>Jupiter</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6,717</td>
<td>6,717</td>
<td>6,717</td>
<td></td>
</tr>
<tr>
<td>Study Area 1/</td>
<td>101,148</td>
<td>182,131</td>
<td>(10,687)</td>
<td>725,450</td>
<td>695,520</td>
<td>(99,811)</td>
<td>1,593,579</td>
</tr>
<tr>
<td>Palm Beach County</td>
<td>657,848</td>
<td>301,601</td>
<td>2,390,590</td>
<td>1,340,066</td>
<td>747,579</td>
<td>177,494</td>
<td>5,077,634</td>
</tr>
<tr>
<td>Broward County</td>
<td>1,835,053</td>
<td>458,377</td>
<td>593,081</td>
<td>1,593,944</td>
<td>1,294,587</td>
<td>1,076,310</td>
<td>6,851,982</td>
</tr>
</tbody>
</table>

**End-of-Year Direct Vacancy Rate**

<table>
<thead>
<tr>
<th>City / County</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Avg. Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Palm Beach</td>
<td>0.7%</td>
<td>1.5%</td>
<td>1.9%</td>
<td>1.8%</td>
<td>3.2%</td>
<td>3.3%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Boynton Beach</td>
<td>0.4%</td>
<td>1.1%</td>
<td>2.0%</td>
<td>2.8%</td>
<td>2.5%</td>
<td>2.4%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Riviera Beach</td>
<td>2.2%</td>
<td>2.8%</td>
<td>3.0%</td>
<td>3.4%</td>
<td>3.1%</td>
<td>3.3%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Jupiter</td>
<td>2.2%</td>
<td>2.7%</td>
<td>2.8%</td>
<td>2.8%</td>
<td>2.3%</td>
<td>2.6%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Study Area 1/</td>
<td>1.1%</td>
<td>2.2%</td>
<td>2.7%</td>
<td>2.8%</td>
<td>3.2%</td>
<td>3.1%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Palm Beach County</td>
<td>0.9%</td>
<td>1.9%</td>
<td>2.1%</td>
<td>2.5%</td>
<td>3.4%</td>
<td>4.7%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Broward County</td>
<td>0.9%</td>
<td>2.3%</td>
<td>3.1%</td>
<td>3.2%</td>
<td>2.6%</td>
<td>3.1%</td>
<td>2.5%</td>
</tr>
</tbody>
</table>
as contractors, might occupy “flex-tech” buildings that provide front-end office and back-end warehouse/storage operations.

**Palm Beach County**

According to CoStar, Palm Beach County’s industrial/flex inventory totals 59.6 million sq. ft. of space in almost 2,800 properties. Leasing activity has been strong, averaging 630,000 sq. ft. per year since 2002. The weakening economy in 2007 led to negative absorption of nearly one million sq. feet (989,000 sq. ft.), as industries consolidated or contracted. Nonetheless, the County’s industrial market is stabilized, with vacancy rates consistently below five percent since 2002. Based on current absorption patterns, roughly seven years would be required to reach stabilization (i.e., to absorb the existing 4.5 million sq. ft. of vacant industrial/flex space located in the County).

**ICW Study Area**

The ICW study area contains over half of the County’s total industrial space — 31.2 million sq. ft. of space. Overall leasing activity in the study area has been generally solid, averaging 150,000 sq. ft. per year since 2002. However, the weakening economy slowed leasing over the past two years, resulting in negative absorption over more than 600,000 sq. ft. Despite this slowdown, vacancies remain low, ranging from three to six percent since 2002. Based on current absorption patterns, 13+ years would be required to reach stabilization (i.e., to absorb the existing 2.1 million sq. ft. of vacant industrial/flex space located in the ICW study area).

**Marina Villages**

Because of excellent highway access, sufficient amounts of industrial-zoned land, and proximity to...

**Table 8: Industrial/Flex Market Characteristics, 2002-2007**

<table>
<thead>
<tr>
<th>City / County</th>
<th>Number of Buildings</th>
<th>Total Rentable Building Area</th>
<th>Share of RSA in PB County</th>
<th>Vacancy Rate</th>
<th>Average Rental Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Palm Beach</td>
<td>1,069</td>
<td>18,299,195</td>
<td>30.6%</td>
<td>6.6%</td>
<td>$9.90/ft²/mo</td>
</tr>
<tr>
<td>Boynton Beach</td>
<td>224</td>
<td>5,540,878</td>
<td>9.3%</td>
<td>13.0%</td>
<td>$8.09/ft²/mo</td>
</tr>
<tr>
<td>Riviera Beach</td>
<td>297</td>
<td>9,256,576</td>
<td>15.5%</td>
<td>8.2%</td>
<td>$8.40/ft²/mo</td>
</tr>
<tr>
<td>Jupiter</td>
<td>154</td>
<td>3,881,914</td>
<td>6.5%</td>
<td>11.0%</td>
<td>$11.07/ft²/mo</td>
</tr>
<tr>
<td>Study Area 1/</td>
<td>1,741</td>
<td>31,151,923</td>
<td>52.3%</td>
<td>6.7%</td>
<td>$9.97/ft²/mo</td>
</tr>
<tr>
<td>Palm Beach County</td>
<td>2,781</td>
<td>59,558,117</td>
<td>7.0%</td>
<td>9.59/ft²/mo</td>
<td></td>
</tr>
<tr>
<td>Broward County</td>
<td>6,426</td>
<td>141,761,681</td>
<td>5.3%</td>
<td>$8.74/ft²/mo</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Direct Net Absorption</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Palm Beach</td>
<td>420,128</td>
<td>246,123</td>
<td>399,524</td>
<td>695,482</td>
<td>(208,166)</td>
<td>(10,846)</td>
<td>1,542,445</td>
</tr>
<tr>
<td>Boynton Beach</td>
<td>17,010</td>
<td>319,074</td>
<td>473,029</td>
<td>412,842</td>
<td>(20,506)</td>
<td>420,081</td>
<td>776,168</td>
</tr>
<tr>
<td>Riviera Beach</td>
<td>(100,036)</td>
<td>(131,755)</td>
<td>228,089</td>
<td>471,354</td>
<td>(23,693)</td>
<td>(246,229)</td>
<td>197,053</td>
</tr>
<tr>
<td>Jupiter</td>
<td>135,344</td>
<td>280,352</td>
<td>(349,177)</td>
<td>319,189</td>
<td>62,613</td>
<td>53,319</td>
<td>601,649</td>
</tr>
<tr>
<td>Study Area 1/</td>
<td>241,945</td>
<td>268,352</td>
<td>470,940</td>
<td>498,097</td>
<td>(57,233)</td>
<td>(522,462)</td>
<td>898,212</td>
</tr>
<tr>
<td>Palm Beach County</td>
<td>573,081</td>
<td>888,572</td>
<td>902,079</td>
<td>2,311,328</td>
<td>(7,372)</td>
<td>(899,005)</td>
<td>3,778,682</td>
</tr>
<tr>
<td>Broward County</td>
<td>1,937,772</td>
<td>2,162,760</td>
<td>5,478,404</td>
<td>3,164,742</td>
<td>713,457</td>
<td>682,121</td>
<td>14,119,258</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>End-of-Year Direct Vacancy Rate</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>Avg. Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Palm Beach</td>
<td>3.2%</td>
<td>4.2%</td>
<td>3.5%</td>
<td>1.8%</td>
<td>4.8%</td>
<td>5.0%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Boynton Beach</td>
<td>8.7%</td>
<td>8.0%</td>
<td>6.3%</td>
<td>1.8%</td>
<td>2.7%</td>
<td>9.7%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Riviera Beach</td>
<td>4.8%</td>
<td>8.0%</td>
<td>5.9%</td>
<td>3.1%</td>
<td>4.5%</td>
<td>7.1%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Jupiter</td>
<td>1.1%</td>
<td>0.8%</td>
<td>12.1%</td>
<td>2.7%</td>
<td>3.9%</td>
<td>6.7%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Study Area 1/</td>
<td>3.6%</td>
<td>4.7%</td>
<td>3.7%</td>
<td>2.7%</td>
<td>3.8%</td>
<td>6.2%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Palm Beach County</td>
<td>4.6%</td>
<td>4.8%</td>
<td>4.9%</td>
<td>2.5%</td>
<td>3.7%</td>
<td>5.8%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Broward County</td>
<td>6.6%</td>
<td>6.8%</td>
<td>4.3%</td>
<td>3.2%</td>
<td>3.3%</td>
<td>4.2%</td>
<td>4.7%</td>
</tr>
</tbody>
</table>

Table 8: Industrial/Flex Market Characteristics, 2002-2007
both the international airport and the Port of Palm Beach, the marina villages (particularly West Palm Beach and Riviera Beach) contain almost half of the County’s entire industrial/flex inventory, with 27.5 million sq. ft. of space. Industrial/flex leasing activity across the four marina villages since 2002 has averaged over 503,000 sq. ft. per year, with West Palm Beach capturing the lion’s share of leasing deals. Riviera Beach, on the other hand, has experienced uneven leasing patterns — from negative absorption of (246,000 sq. ft.) in 2007 to 471,000 sq. ft. in 2005. Based on current absorption patterns, approximately six years would be required to reach stabilization and absorption of the marina villages’ existing 3.1 million sq. ft. of vacant industrial/flex space.

Hotel/Lodging

Trends in the hotel/lodging market were examined for selected properties in Palm Beach County by analyzing market performance data provided by Smith Travel Research (STR), which tracks hotel market trends across the United States. STR tracks market performance for 77 properties containing 12,450 hotel rooms in Palm Beach County. Fully one-quarter of the County’s hotel rooms are located in West Palm Beach, and another 10 percent are located in Boca Raton/Highland Beach (Zip Code 33487). In terms of product type, 48 percent of the County’s hotel rooms are contained in “limited-service” properties while 52 percent are located in full-service properties. Full-service hotels are typically distinguished by the level of amenities, on-site dining, meeting/conference rooms, and other supporting services that are not in limited-service properties.

For this ICW Study, a sample survey was conducted which included 30 properties with 4,450 rooms in several communities across the County. Relevant findings are summarized below:

- Market performance of selected properties has fluctuated over the last six years. While supply (i.e., number of rooms) has increased because of new construction; demand has been uneven—ranging from a low of 63 percent in 2007 to a high of 73 percent in 2005.
- Current annual occupancies of 63 percent are insufficient to support new hotel development, as the capital markets seek minimum sustained annual occupancies of 70 to 72 percent before providing financing for new hotel construction. (Financing agreements for recent new construction were secured several years ago when the market was stronger).
- Other key barometers of market performance include average daily rate (ADR) and revenue per available room (REVPAR). The ADRs have increased at an average pace of 6.1 percent per year, and revenue per available room, which is the best measure of year-to-year growth because it considers simultaneous changes in both room rate and annual occupancy levels, has increased 5.5 percent per year since 2002.
- As noted previously in the visitor profile, the Palm Beach County Tourism Development Council estimates that about half of the County’s annual visitors, or 2.4 million, stay in hotels, with a party size that averages 2.1 people who stay 3.3 days.

Several of the properties illustrated in Table 9 are located in the ICW study area (and/or the five marina villages, particularly West Palm Beach). The degree to which additional hotel development can be supported by the marketplace in the ICW study area will be dictated by a range of factors, including: annual occupancies (sustained above 70 percent); growth in visitors, business travelers and convention delegates to Palm Beach County; state and national economic conditions; the availability of appropriately located, developable parcels with secured entitlements; proximity to on-site and nearby amenities such as shopping and dining; and distance to key demand
generators such as the convention center and leisure and recreational activities such as the beach and boating.

The Marine Industry in Palm Beach County

As part of the economic overview, a review and analysis of available documents providing information on the marine industry in Palm Beach County was conducted, including estimates of the economic impacts, employment, marinas and boatyards, vessel registrations and the like. In the review of this data, it should be noted that sources were limited, and in some cases, there were discrepancies between sources on estimates of similar activities. These sources included:

Table 9: Hotel Market Characteristics, 2002-2007

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Available Room Nights (Supply)</td>
<td>1,475,895</td>
<td>1,488,353</td>
<td>1,468,611</td>
<td>1,465,367</td>
<td>1,465,056</td>
<td>1,589,272</td>
<td>1.5%</td>
</tr>
<tr>
<td>Occupied Room Nights (Demand)</td>
<td>881,308</td>
<td>972,585</td>
<td>1,025,917</td>
<td>1,084,726</td>
<td>1,011,294</td>
<td>1,005,968</td>
<td>0.9%</td>
</tr>
<tr>
<td>Annual Occupancy (%)</td>
<td>60.1%</td>
<td>66.6%</td>
<td>71.4%</td>
<td>76.9%</td>
<td>89.8%</td>
<td>83.4%</td>
<td>-2.5%</td>
</tr>
<tr>
<td>Average Daily Rate</td>
<td>$148.52</td>
<td>$153.05</td>
<td>$158.31</td>
<td>$172.15</td>
<td>$190.03</td>
<td>$199.45</td>
<td>5.1%</td>
</tr>
<tr>
<td>Revenue/Avalable Room /</td>
<td>$96.97</td>
<td>$101.94</td>
<td>$113.12</td>
<td>$125.72</td>
<td>$112.70</td>
<td>$128.48</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

Year to Year % Growth

Annual Occupancy - 1.3% 7.7% 2.2% (4.8%) (5.8%)
Average Daily Rate - 3.7% 3.0% 8.3% 10.7% 4.7%
Revenue/Avalable Room - 5.6% 11.0% 11.1% 5.5% (4.7%)

<table>
<thead>
<tr>
<th>Facility</th>
<th>Rooms</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best Western Palm Beach Lakes</td>
<td>125</td>
<td>3.0%</td>
</tr>
<tr>
<td>Studio 6 West Palm Beach</td>
<td>137</td>
<td>3.1%</td>
</tr>
<tr>
<td>Courtyard West Palm Beach Airport</td>
<td>103</td>
<td>2.3%</td>
</tr>
<tr>
<td>Marriott West Palm Beach</td>
<td>352</td>
<td>7.5%</td>
</tr>
<tr>
<td>Super 8 West Palm Beach</td>
<td>100</td>
<td>2.2%</td>
</tr>
<tr>
<td>Luxury/Collection The Resort at Singer Island</td>
<td>230</td>
<td>5.2%</td>
</tr>
<tr>
<td>Hilton Singer Island Oceanfront Resort</td>
<td>223</td>
<td>5.0%</td>
</tr>
<tr>
<td>Residence Inn West Palm Beach</td>
<td>78</td>
<td>1.8%</td>
</tr>
<tr>
<td>Days Inn West Palm Beach Airport North</td>
<td>219</td>
<td>4.9%</td>
</tr>
<tr>
<td>Red Roof Inn West Palm Beach</td>
<td>129</td>
<td>2.6%</td>
</tr>
<tr>
<td>Courtyard West Palm Beach</td>
<td>259</td>
<td>5.4%</td>
</tr>
<tr>
<td>Extended Stay Deluxe West Palm Beach</td>
<td>73</td>
<td>1.6%</td>
</tr>
<tr>
<td>InTown Suites Military Trail</td>
<td>121</td>
<td>2.7%</td>
</tr>
<tr>
<td>Hampton Inn Jau Beach</td>
<td>50</td>
<td>2.0%</td>
</tr>
<tr>
<td>Holiday Inn Express North Palm Beach</td>
<td>108</td>
<td>2.4%</td>
</tr>
<tr>
<td>Super 8 North Palm Beach</td>
<td>100</td>
<td>2.2%</td>
</tr>
<tr>
<td>Windsor Suites</td>
<td>90</td>
<td>2.0%</td>
</tr>
<tr>
<td>Best Western Inn Of America</td>
<td>92</td>
<td>2.1%</td>
</tr>
<tr>
<td>Super 8 Lantana Boynton Beach Area</td>
<td>125</td>
<td>2.6%</td>
</tr>
<tr>
<td>Ritz-Carlton Palm Beach</td>
<td>263</td>
<td>5.5%</td>
</tr>
<tr>
<td>Motel 6 Lantana</td>
<td>154</td>
<td>3.5%</td>
</tr>
<tr>
<td>Comfort Inn &amp; Suites Lantana</td>
<td>109</td>
<td>1.3%</td>
</tr>
<tr>
<td>Comfort Inn Jupiter</td>
<td>69</td>
<td>1.5%</td>
</tr>
<tr>
<td>The Jupiter Beach Resort</td>
<td>158</td>
<td>3.8%</td>
</tr>
<tr>
<td>La Quinta Inn Jupiter</td>
<td>102</td>
<td>2.3%</td>
</tr>
<tr>
<td>The Breakers</td>
<td>550</td>
<td>12.4%</td>
</tr>
<tr>
<td>Fairfield Inn &amp; Suites Palm Beach</td>
<td>98</td>
<td>2.2%</td>
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<tr>
<td>The Chesterfield Hotel</td>
<td>52</td>
<td>1.2%</td>
</tr>
<tr>
<td>Garden Court Hotel</td>
<td>70</td>
<td>1.6%</td>
</tr>
<tr>
<td>Four Seasons Resort Palm Beach</td>
<td>210</td>
<td>4.7%</td>
</tr>
</tbody>
</table>

Table 9: Hotel Market Characteristics, 2002-2007
• 2007 Annual Report of the Marine Industries Association of Palm Beach County (MI-APBC);

• December 2006 Update of the Economic Analysis of the District’s Waterways from the Florida Inland Navigation District;

• Data from the Port of Palm Beach;

• April 2008 Economic Analysis of the Miami River Marine Industry from the Miami River Commission; and


To the degree possible, key findings are summarized below:

• As reported by the MIAPBC in their 2007 Annual Report, the marine industry has an annual direct economic impact of $1.9 billion in Palm Beach County.

• Statewide, boating contributes $14 billion annually to the state’s economy – nearly twice that of the citrus industry- and provides almost 153,000 jobs.

• As reported by the MIAPBC, there are over 1,000 marine-related businesses in Palm Beach County that provide 18,000+ jobs. Countywide, the marine industry adds approximately $800 million to the local economy on an annual basis, with a payroll in excess of $682 million.

• The services sector of the marine industry generates over $1 billion in business sales, $369 million in personal income, and provides 9,885 jobs. Manufacturing activities in the marine industry provide more than $320 million in sales, $100 million in personal income, and 2,490 jobs.

• County-wide, there are 110 acres of marinas and boatyards with a combined appraised value of $48 million. Palm Beach County has 2,800 boat slips in multiple marinas and boatyards with a total appraised value estimated at $87 million. The MIAPBC reports that boat slips in Palm Beach County are currently valued at $94,235 per slip, which is an increase of over 200 percent from a previous study commissioned in 1999.

• The results of a study conducted by the MIAPBC and the University of Florida found that the Palm Beach Boat Show provides the local economy with a $15 million annual boost and adds $59.2 million to the economy statewide. In its 22nd year, annual sales at the boat show reach $78 million, with $58.3 million by Florida companies and $13.9 million in sales by companies based in Palm Beach County.

• The Florida Inland Navigation District’s 2006 report states that if maintenance of Palm Beach County’s waterways were to cease, there would be an $824 million decline in marine-related sales, a $297 million decrease in personal income, and a loss of approximately 7,256 jobs.

• Based on “today’s standards”, the Navigation District estimates that if the County’s waterways were adequately maintained to their design depths, there would be a $227 million increase in marine-related sales, an increase of $80 million in personal income, and an increase of almost 2,000 jobs.

• As reported by the Florida Department of Highway Safety & Motor Vehicles, there are
SUSTAINABLE ECONOMICS

42,700 registered marine vessels in Palm Beach County (2007), which reflects an increase of 4,150 additional vessels than were registered in 2000. On average, the number of registered vessels is increasing 1.5 percent per year.

• Approximately half of registered vessels in Palm Beach County are sized between 16 ft. and 26 ft. in length. While this vessel length experienced the largest absolute increase in the number of registered vessels (2,600 since 2000), the highest rate of growth is occurring among vessels greater than 110 ft. in length. These vessels, which are known as “mega yachts”, jumped from one registered vessel in 2000 to 12 registered vessels in 2007, an annual increase of 43 percent. In addition, there has also been a rapid increase in the number of vessels sized between 65 ft. and 110 ft., which increased an average of six percent per year since 2000.

Working Waterfronts

Rybovich Boatyard & Marina

The Rybovich Boatyard & Marina, which occupies a 13.87-acre parcel approximately 2 miles north of downtown West Palm Beach, is a major contributor to the county economy. TCRPC reviewed the Economic & Fiscal Impact Analysis prepared by Lambert Advisory, LLC in June 2007 on behalf of the marina. These findings suggest the following:

• Current operations include 2,900 linear feet of wet-slip dockage and 14,000 sq. ft. of offices and covered maintenance buildings. When full expansion is completed (estimated in late 2008/early 2009), the boatyard will contain 9,200 linear feet of wet-slip dockage (including 20 wet-slips capable of accommodating vessels 150 ft. to 225 ft.), and a 45,000 sq. ft. state-of-the-art yacht repair facility. Expansion will almost triple the labor force from 100 to 280 employees by 2010.

• Between 2006 and 2010, this expansion project can be expected to yield a cumulative total of $1 billion in Palm Beach County by supporting almost 1,500 jobs, contributing an estimated $300 million in labor wages and compensation. The facility will contribute an estimated $488 million to the gross domestic product (GDP) of Palm Beach County during this period, with the boatyard and associated impacts from business operations projected to contribute $20 million in state revenues and $23 million to local government revenues in Palm Beach County.

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</tr>
</thead>
<tbody>
<tr>
<td>&lt; 12</td>
<td>7,739</td>
<td>8,242</td>
<td>8,360</td>
<td>8,604</td>
<td>8,516</td>
<td>8,752</td>
<td>8,604</td>
<td>8,550</td>
<td>811</td>
</tr>
<tr>
<td>12-15'</td>
<td>6,393</td>
<td>6,674</td>
<td>6,648</td>
<td>6,478</td>
<td>6,199</td>
<td>6,009</td>
<td>5,761</td>
<td>5,535</td>
<td>(856)</td>
</tr>
<tr>
<td>15-20'</td>
<td>18,761</td>
<td>19,661</td>
<td>20,461</td>
<td>20,925</td>
<td>21,178</td>
<td>21,860</td>
<td>21,674</td>
<td>21,374</td>
<td>2,613</td>
</tr>
<tr>
<td>20-25'</td>
<td>4,592</td>
<td>4,832</td>
<td>5,200</td>
<td>5,418</td>
<td>5,665</td>
<td>5,902</td>
<td>6,015</td>
<td>6,054</td>
<td>3,462</td>
</tr>
<tr>
<td>25-30'</td>
<td>994</td>
<td>1,022</td>
<td>1,077</td>
<td>1,114</td>
<td>1,113</td>
<td>1,128</td>
<td>1,092</td>
<td>1,068</td>
<td>74</td>
</tr>
<tr>
<td>30-35'</td>
<td>73</td>
<td>80</td>
<td>87</td>
<td>91</td>
<td>93</td>
<td>102</td>
<td>101</td>
<td>111</td>
<td>38</td>
</tr>
<tr>
<td>&gt; 110</td>
<td>1</td>
<td>5</td>
<td>5</td>
<td>6</td>
<td>6</td>
<td>5</td>
<td>10</td>
<td>12</td>
<td>11</td>
</tr>
</tbody>
</table>

Total: 38,553 40,516 41,838 42,636 42,860 43,618 43,257 42,704 4,151 10.8% 1.5%


Table 10: Marine Vessel Registrations, 2000-2007

Table 10: Marine Vehicle Registration, 2002-2007
• Lambert Advisory, LLC projects that total economic impacts generated by the boatyard expansion of $750 million to the City of West Palm Beach from 2006 to 2010. The project is expected to support 975 jobs and generate $200 million in labor wages and compensation. The City is also expected to benefit from $17 million in revenues over this period.

As mentioned earlier in this section, the passage of Amendment 6 will help to stabilize working waterfronts by requiring the local government property appraiser to tax these properties based upon current use characteristics and not on potential uses such as high-end residential. This property tax relief measure alone is not enough to support a flourishing working waterfront economy. Additional measures will be needed to lay the groundwork for a strong and vibrant commercial waterfront sector not least of which is public policy support of the marine industries cluster and its emerging related megayacht industry.

Megayacht Industry

A growing sector within the marine industries cluster is that of megayacht repair and retrofit. The highly specialized needs of this sub-cluster—adequate water depth and waterfront access, industrial zoned upland facilities, skilled labor and related infrastructure—limits its growth to very few places in Florida or the nation for that matter. Palm Beach County has the capability to support the creation of a multi-faceted megayacht industry capable of supporting thousands of high-paying jobs.

Palm Beach County is in a unique position to help cultivate the growth of the megayacht industry because it has a readily skilled and adaptable workforce, prime waterfront access to this class of ships, and an already established level of private sector investment in facilities and infrastructure. The section with the highest concentration of marine industrial uses, from West Palm Beach to Riviera Beach, is illustrated to the right. This proposed “Megayacht Mile” would be a natural location to support a megayacht industry.
cluster. At its southernmost point, it would be anchored by the Rybovich Boatyard in West Palm Beach and at its northerly extent by the marine district in the City of Riviera Beach.

This corridor could grow into a megayacht hub with significant support industry spin-off potential in the following areas:

- Carpentry
- Metal fabrication
- Marine Electronics
- Boat Manufacturing
- Provisioning

Dredging to a depth of 17 feet for a little less than a mile would be an important measure of public support that would further enhance the County’s position as the locus for the megayacht industry. Additional public policy support, based on in-depth interviews and discussions with the Marine Industries Association, Rybovich and Viking Yacht representatives could also include:

- Supportive land-use policies to encourage marine industry cluster development at key locations within the ICW corridor;
- Incentives to encourage capital investment in the marine industry cluster and its support industries;
- Officially establishing a marine industries cluster in Palm Beach County; and
- Dredging to support the creation of a “megayacht mile” which would accommodate the needs of a super-yacht class of ships.

Riviera Beach CRA Charrette (January 2008), form the northern terminus of the megayacht corridor. The redevelopment potential of these areas is described more fully below.

**Marine District**

The City of Riviera Beach has a location and industry that many would envy: on the Intracoastal Waterway, a deepwater port with extremely short access to the Atlantic Ocean, beaches, a barrier island adjacent to the Town of Palm Beach, and world-class shopping nearby. The Marine District is east of Broadway Boulevard (US1) between 25th Street and 15th Street. Some of the existing businesses are Rybovich Yachts and Lockheed Martin. Palm Beach County is constructing a public boat ramp south of 19th Street.

**Marine District North**

The Citizens’ Master Plan recommends continuing Avenue C through the district to create better access and alleviate traffic on Broadway Boulevard (US1). A new parking garage will provide additional parking to
allow expansion of marine-related industries and future ancillary development. The parking garage will be lined with mixed-use buildings that can accommodate residential, retail, and commercial uses.

The Rybovich Boatyard and Marina properties dominate the northern part of the Marine District. The Citizens’ Master Plan calls for these properties to become a mixed-use marine industry area.

**Marine District South**

The southern portion of the marine district includes Viking Yachts, Bicentennial Park, the Riviera Beach Marina (including the Tiki restaurant), Newcomb Hall, Cracker Boy Boat Works, Spanish Courts, the Port of Palm Beach, and many smaller marine related activities. Additionally, there are many vacant or distressed parcels that have been purchased by Viking Yachts as "Master Developer" of the Inlet Harbor Plan. This area has been the focus of great attention over the years because of its amazing waterfront location, the industries already in place, the enormous redevelopment potential, and the number of public amenities. This area has also been the subject of passionate debate and controversy primarily due to the redevelopment methodology and the degree of public control over public amenities questioned in the Inlet Harbor Plan.

The redevelopment of Marine District South involves both public and private interests and their respective visions for reshaping this critical piece of the City’s CRA. The following Marina Villages section describes the scale and potential economic impact of this and other redevelopment proposals at each of the ICW corridor’s proposed marina villages.
Marine Industry Workforce Needs

A critical consideration of any efforts to enhance the emerging marine industry cluster and preserve working waterfronts is to understand the workforce needs of the marine industries. A recent study completed by the Center for Urban & Environmental Solutions, Marine Workforce Study for the Tri-County Region, June 2008 was designed to do just that. It sought to understand the present and future workforce needs of the marine industry. The key findings suggest:

- Almost half (45%) of small-medium businesses (5+ employees) have been in operation for 20 or more years. Of the sole proprietors (under 5 employees), 40 percent have been in business for less than 10 years.

- The majority of respondents were small-medium companies. There were 55 percent (127) small-medium companies and 45 percent (106) sole proprietors, totaling 233 total respondent businesses. This compares with a sample population split between small-medium (44%) and sole proprietors (56%).

- The largest proportion of businesses surveyed were involved with some aspect of repair or service, followed by sales.

- The majority of employees in the Tri-County marine industry work full time.

- About half (53%) of those employees that marine businesses are currently recruiting are trades and technical positions, particularly electrical technicians, boating systems technicians, carpenters/joiners, and boat yard laborers. Sales staff are also in demand. Two-thirds of the future positions that marine companies are looking to hire are trade and technical positions, followed by sales staff.
• The most important skills that the marine industry needs currently and in the future are technical skills, which consist of mechanics, welders, engineers, and electricians. Next highest needs are experienced employees, followed by workers with solid personal attributes, such as work ethic, honesty, and loyalty.

• Nearly three-quarters (73%) of those companies with five or more employees have difficulty finding qualified personnel. Only half (53%) of sole proprietors mentioned difficulty in recruiting personnel.

The study makes a number of key recommendations designed to enhance the skills and workforce readiness of marine industry employees. These recommendations are illustrated in the Key Findings section of this chapter.

Marine-Related Opportunities

The summary information of the marine industry in Palm Beach County presented in this overview sug-
suggests that it is a critical element of the County’s economy. That said, the availability and depth of data has not been sufficiently tracked over an extended period of time to sufficiently glean conclusions and identify key recommendations. For example, tracking the number of marine-related jobs (by North American Industry Classification System [NAICS] Code) over multiple years and by classifications is critical to understand trends in this sector. This will also assist in opportunities to more clearly define “marine clusters,” or groups of similar activities within sectors that could thus enable sound recommendations in land use policies along the ICW corridor. For example, while anecdotal information and a review of vessel registration data suggest that demand for marina slips is strong, more detailed feasibility studies — including facility surveys of occupancy levels/utilization, expansion plans and the like — are necessary to understand opportunities (and land use policies) related to marina expansion and access on the ICW.

Additionally, local governments should continue to recognize the importance of maintaining working waterfronts in their jurisdictions as significant contributors to the local economy. To that end, it is important to build upon the Florida Legislature’s work in establishing protections for working waterfronts.

Working Waterfronts

The marine industry contributes significantly to Palm Beach County’s overall economy - $1.9 billion in annual direct economic impact and over 18,000+ jobs, as reported by the Marine Industries Association of Palm Beach County. By all accounts it is a critical component of Palm Beach County’s economy. The Working Waterfronts Protection Act passed by the Florida Legislature in 2005 recognizes the critical importance played by the marine industries and the commercial waterfronts they depend on for their continued survival. The legislation aimed to protect working waterfronts – commercial and recreational in nature, because:

Commercial Waterfronts

• Historical significance for Florida coastal cities.
• Marine industries account for an economic impact of $14 billion per year.
• Provide Floridians with 180,000 jobs.
• Bring more diversified economy to coastal communities.

Recreational Waterfronts

• Provide Floridians and tourists with access to the water.
• Florida has the highest amount of marine recreation in the US.
• Public boat ramps account for an economic impact of $1.3 billion per year.
• Provide Floridians with 25,000 jobs.
• Generate $128 million in state and local tax revenue.

The most important skills that the marine industry needs currently and in the future are technical skills

The Treasure Coast Regional Planning Council Indian River - St. Lucie - Martin - Palm Beach

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It is also true that working waterfronts are confronted by numerous challenges, among which are the following driving forces behind working waterfront conversions:

- Rising coastal property values.
- High and unpredictable property taxes.
- Increase in regulation of commercial fishing to protect reduced fishery stocks.
- Confusing and time-consuming regulatory processes for expanding or creating new working waterfronts.
- Rising fuel costs.

**Tax Analysis and Forecast**

To the extent practicable, land use and economic policies that enhance development, redevelopment, and high-wage job growth opportunities along the ICW system as a whole should be emphasized and more particularly, centered on the marina villages. At these core locations, a catalyst of initial public sector investment should be able to leverage a significant amount of private sector investment. In the City of Boynton Downtown Vision & Master Plan, for example, an economic analysis was performed to summarize the key economic benefits accruing to the City from the implementation of specific public and private redevelopment initiatives throughout the downtown. The economic analysis examined the tax increment revenues that could potentially accrue to the City as a result of new private-sector investment and development. On a gross basis, the forecast concluded that full redevelopment (build-out) over the tax increment period of 15 years could generate potential bonding capacity of more than $43 million ($26.4 million from Boynton Beach and $16.8 million from Palm Beach County). While beyond the scope...
of this report, an analysis of the economic benefits – potential tax increment financing revenues generated by specific “prototype” redevelopment projects at each of the marina villages would provide an important tool to guide strategic public policy decisions necessary to attract private sector investment.

Marina Villages

There are eight marina villages identified in this Intracoastal report. Five were on-going local government efforts at the time this study was initiated, and three additional marina village opportunities were identified during the charrette. Chapter 8: Marina Villages and Waterfront Destinations includes an overview and planning, land use, and regulatory analysis for each of the eight villages.

It should be noted that each of the eight is unique, and the project orientations include economic development, working waterfronts, mixed-use downtowns, public festival spaces, recreational opportunities, and eco-tourism. Accordingly, with the differentiation of these projects, this chapter focuses on the five with the strongest development orientation and greatest demand for capital investment to realize their marina village potential. Each is examined from the perspective of its stage and scope of development and the economic benefits its build-out would potentially generate for its surrounding community, or in other words, its catalytic effect. The metrics used to measure the potential catalytic outcomes include demand for “workplace” real estate (office, industrial, retail), job creation, and gross regional product.

The five marina villages analyzed in this section are:

1. Jupiter
2. Palm Beach Gardens/North Palm Beach
3. Riviera Beach
4. West Palm Beach
5. Boynton Beach

Two of the remaining marina villages, located in Lake Worth and Lantana, represent strong and interesting opportunities for the creation of enhanced public and recreational waterfront destinations. However, they are not the subject of analysis in this chapter. Delray Beach, the eighth marina village, has been well-established as a destination with a 25-year history of successful redevelopment, and is therefore not analyzed in this chapter. The total estimated economic impact to Palm Beach County’s economy from the build-out of the five analyzed marina villages is included after the individual analyses.
The locations of the eight currently-identified marina villages are represented on the above map.
Jupiter

The “Riverwalk/Inlet Village” project is a multi-phase project that encompasses a multi-purpose recreational corridor (Riverwalk) and an Inlet Village promenade (Inlet Village) along the Jupiter Inlet. The Riverwalk portion of the project encompasses a 3.5 mile pedestrian, bicycle, and recreational corridor along the eastern shore of the Intracoastal Waterway and the south side of the Jupiter Inlet. Opportunities along the natural corridor include observation areas, docks, fishing opportunities, an entertainment district, a park, and other amenities. The Inlet Village portion of the project seeks to establish a compact, small-scale mixed-use development with entertainment and working waterfront features. The Village would be pedestrian-friendly, comprising unique and welcoming features and vistas.

Jupiter Riverwalk/Marina Village. The style and scope would be likened to a historical coastal village with authentic commercial and cultural venues. Development in the Inlet Village would be small-scale and one to three stories in height.

A significant amount of public sector investment, about $25 million, has been spent to date to help implement the Riverwalk/Inlet Village project. A good deal of infrastructure components, including boat docks, riverwalk, and seawalls have been constructed. From a development standpoint, the project is underway. A unique challenge to the Inlet Village portion of the project is to refine and articulate the vision for the Village and to communicate that unique vision to the private sector. Additionally, it will be important for the City to attract the right mix of private sector investment to achieve the authentic, small-scale working waterfront village it seeks to establish.
Jupiter Marina Village

Project Overview

Development Stage – Developing

Challenges
- Vision needs to be refined
- Communicating vision to the private sector
- Weak real estate market/economy

Opportunities
- Strong population growth
- Prime real estate
- Access to waterfront

Catalytic Potential - Medium

Jupiter Marina Village

Total Economic Benefit

<table>
<thead>
<tr>
<th>Impact Summary*</th>
<th>New Jobs</th>
<th>Personal Income</th>
<th>Gross Regional Product</th>
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</thead>
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<tr>
<td>100+</td>
<td>$6.6 million</td>
<td>$6.2 million</td>
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</table>

* Average annual estimates

1. Estimate of the annual increase in Palm Beach County’s Gross Regional Output

Table 12: Total Economic Benefit.

Assuming a $50 million investment to implement the Riverwalk/Inlet Village project over five years, the total economic benefit for the Jupiter Inlet Village project is illustrated in the table above.
Palm Beach Gardens/North Palm Beach

At the intersection of PGA Boulevard with the Intracoastal, charrette participants identified an opportunity to develop a new marina village opportunity. Given a working title of “PGA 4 Corners,” the project concept suggests a medium intensity, mixed-use redevelopment project geared to maintain and enhance a working waterfront/entertainment district with the addition of live-work destination at the four corners as represented in the images in this section. Anticipating retention of the existing uses on the four properties, the redevelopment concept could encompass a marina and marina-related activities, residential, commercial, hotel, and office uses as follows:

Riverhouse (NW Corner)

- Boat Barn: 75,000 square feet (+/-400 boats)
- 44 residential units
- 83 hotel rooms/suites
- 17,500 square feet of marine-related sales, retail, and sundries

Waterway Café (SW Corner)

- 4,000 square feet office
- 14 townhouse units
- 10,000 square feet restaurant expansion and marine-related services

Seasons 52 (NE Corner)

- 6,000 square feet office
- 14 residential units

Panama Hattie’s (SE Corner)

- 13,000 square feet of restaurant/patio dining
- 44 townhouse units

As illustrated above, the scale of Four Corners is recommended to be moderate, with typically two to four-story buildings along the water’s edge.

Total Economic Benefit

Based upon the development program summarized below, the estimated total economic benefit for the Palm Beach Gardens/North Palm Beach Four Corners Marina Village is illustrated in Table 13.
Palm Beach Gardens/North Palm Beach
Marina Village

Project Overview

Development Stage – Conceptual
(Concept developed during charrette)

Challenges
• Vision needs to be refined.
• Vision needs to be communicated and analyzed by property owners, City of Palm Beach Gardens and Palm Beach County, neighboring owners, and citizens
• Weak real estate market/economy

Opportunities
• Strong population growth
• Prime real estate
• PGA is regional entertainment/retail destination

Catalytic Potential - Medium

Generalized future land use map designations for PBG/NPB “Four Corners” marina village

Palm Beach Gardens/North Palm Beach
Marina Village

Total Economic Benefit

Impact Summary*

<table>
<thead>
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<th></th>
<th>New Jobs</th>
<th>Personal Income</th>
<th>Gross Regional Product ¹</th>
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<td>the annual increase in Palm Beach County’s Gross Regional Output</td>
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</table>

Table 13: Palm Beach Gardens/North Palm Beach Total Economic Benefit.

Panama Hatties restaurant, at the southeast quadrant of the Four Corners marina village, currently hosts a water taxi service.
Riviera Beach

The “Waterfront Village” concept reflects a watershed redevelopment project for the City of Riviera Beach. This marina village is generally located east of Broadway Boulevard (US1) between 23rd Street and 11th Street. This large-scale, mixed-use redevelopment project encompasses residential, hotel, conference, working waterfront, office, marina, park revitalization, and public market components in a small geographic area that is not easily replicable anywhere else in South Florida. The catalytic potential of this redevelopment project to enhance the City’s economic base is enormous.

In October 2007, at the request of the Riviera Beach Community Redevelopment Agency (CRA), TCRPC conducted a planning charrette to assist the community in a re-evaluation of its current CRA redevelopment plan. The resulting Citizens’ Master Plan and Charrette Report (adopted January 2008) provided an assessment of existing conditions and prospects for future redevelopment plans. One of the critical findings in the report is the community redevelopment area has prime and enviable real estate, including generous amounts of waterfront and a deep-water port with short access to the inlet. The marine district within the CRA has a thriving and expanding marine industry with both large and small businesses including Lockheed Martin, Rybovich, Viking Yachts, and others. The Port of Palm Beach is of regional and state interest, and imports and exports commodities including gasoline. The CRA area is surrounded by regional destinations including:

- water sports and fishing activities which operate from the public marina, with easy ocean access;
- Peanut Island, a Palm Beach County park located several hundred yards off-shore, which has become a regional recreational destination that has recently undergone a complete renovation and attracts thousands of visitors every weekend;
- Beachfront access along Singer Island, which is minutes away from the redevelopment area; and
- Convenient I-95 access, allowing quick connections to downtown West Palm Beach (only 4.5 miles to the south) and PGA Boulevard and the Gardens Mall (just 5 miles to the north).
Build-Out: Economic Benefits

The estimate of the potential economic benefits of the build-out at this marina village is limited to the redevelopment area shown in the map to the right, which represents approximately 61 acres. The Viking Yacht and Rybovich redevelopment proposals are the core pieces being analyzed.

The Viking Yacht redevelopment proposal at Marine District South is a phased plan of mixed use elements encompassing a redeveloped City Marina, with new docks and new dry-stack storage, “festival-style” retail and restaurants, a rehabilitated Newcomb Hall multi-purpose complex, and a public parking garage with marine related retail, working lofts and office all located on the waterfront of the Riviera Beach Marina. TCRPC reviewed the Economic & Fiscal Impact Analysis prepared by Devries Real Estate Counselors in August 2008 on behalf of the redevelopment project. These findings suggest the following:

- The project construction and related soft costs are expected to generate a one-time economic benefit of $548 million. This level of private sector investment could produce an overall economic impact of $685 million Countywide. Through project build-out, 500 construction jobs are anticipated with 400 permanent jobs created to support the proposed hotel and conference center, expanded marina, retail businesses and restaurants.

- The proposed construction of 638 condominium residences is expected to create a one-time fiscal benefit to the City of Riviera Beach of approximately $2.2 million from water and sewer connection fees. Total expected impact fees accruing to the City, Palm Beach County and School District are $8.2 million.

- Recurring fiscal benefits to the City of Riviera Beach from ad valorem and sales taxes are projected to reach $3 million and $1 million, respectively, at build-out.
These project benefits are predicated on an aggressive redevelopment scenario that is dissimilar to the TCRPC Citizens’ Master Plan in scale, density, and massing. The Riviera Beach Charrette forms the basis of the development program that is used to estimate the total economic benefit of the marina village development/redevelopment project.

The Rybovich marina redevelopment proposal, described earlier, aims to create a mixed-use marine industry area that will, it is hoped, accommodate megayachts in the 180- to 300-foot class. Rybovich hopes to invest approximately $150 million to retrofit its existing marina facilities in the Marine District North area to accommodate the needs of the superyacht class of ships. The specialized repair and retrofit needs of this size of yacht, requires infrastructure, facilities, and ancillary development that will be increasingly difficult to meet at the Rybovich West Palm Beach boatyard. The average daily employment at the future expanded working waterfront facility in Riviera Beach is, according to Rybovich, expected to generate 2,500 to 3,000 jobs.

**Total Economic Benefit**

Based upon the development program below and the projected boatyard and marina operations, the Riviera Beach Marina Village project is estimated to yield the economic impacts illustrated in Table 14.

<table>
<thead>
<tr>
<th>Impact Summary*</th>
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<tbody>
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<td>New Jobs</td>
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</table>

- Housing – 1,614 dwelling units
- Retail – 422,000 square feet (marine-related uses/retail)
- Office/Industrial – 137,500 square feet (marine industry/boatyard operations)
- Hotel – 110 rooms

1. Estimate of the annual increase in Palm Beach County’s Gross Regional Output

Table 14: Riviera Beach Total Economic Benefit.

Riviera Beach’s waterfront includes a substantial concentration of the County’s working waterfront uses.

Riviera Beach Marina Village

**Development Stage** – Formative

**Challenges**
- Negotiating strong public/private sector partnerships
- Public sector investment and buy-in
- Tertiary office submarket
- Nominal retail leasing activity
- Uneven industrial leasing patterns
- Weak real estate market/economy

**Opportunities**
- Private sector investment
- Prime real estate
- Access to waterfront
- Deep-water port

**Catalytic Potential** - High

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**Treasure Coast Regional Planning Council**

Indian River - St. Lucie - Martin - Palm Beach

186
West Palm Beach

“Waterfront Commons” is a comprehensive public realm development project which aims to reconnect the City’s downtown with its mile-long waterfront. On the City’s project website, the City indicates it “intends to build a world-class amenity that will enhance the beauty and utility of the waterfront and create a spectacular civic space.” To date, local, state, and federal funding secured to help implement the project total more than $36 million. Of that total, approximately $5 million has already been spent to rebuild the City’s seawall along Lake Worth. The project is on a fast-track for implementation, and build-out of the first phase is anticipated by the end of 2009. Critical project elements include a highly flexible space known as the “Palm,” a grand-scale “City Commons,” the “Great Lawn” to host festivals and special events, the “Lake Pavilion,” the reconfiguration of Flagler Drive, and more. Programming at the Waterfront Commons includes performance space, market events, community events, and interactive facilities.

The transformative power of this project is high in that it:

1) re-establishes an important connection between the City’s downtown and its waterfront which was historically intact;
2) creates a destination for cultural tourism; and
3) establishes clearly articulated public realm space.

Total Economic Benefit

Based upon a $36 million capital investment to implement the project, the total economic benefit provided by the West Palm Beach Waterfront Commons project is illustrated in Table 15.
West Palm Beach Marina Village

Project Overview

Development Stage – Implementation

Challenges
Tie-in to downtown West Palm Beach

Opportunities
• Transformative project.
• Re-establishes connection of downtown and waterfront
• Promotes/ enhances cultural tourism
• Built-in revenue sources

Catalytic Potential – High

Generalized future land use map designations for the properties within the West Palm Beach marina village

Downtown West Palm Beach, pictured above, offers the highest development intensity of any of the marina villages on the ICW in Palm Beach County.

West Palm Beach Marina Village

Total Economic Benefit

Table 15: West Palm Beach Total Economic Benefit.

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1. Estimate of the annual increase in Palm Beach County’s Gross Regional Output

Downtown West Palm Beach, pictured above, offers the highest development intensity of any of the marina villages on the ICW in Palm Beach County.

Impact Summary*

<table>
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1. Estimate of the annual increase in Palm Beach County’s Gross Regional Output
Boynton Beach

The “Intracoastal Waterway” project reflects a long-standing desire on the part of the City of Boynton Beach and the Boynton Beach Community Redevelopment Agency to develop a true downtown, live-work destination. To this end, the public investments provided thus far to jump-start the overall development of this 30 acre+ mixed-use community have been significant and have stimulated significant subsequent private sector investment. In March 2006, for example the CRA purchased the Boynton Harbor Marina located on the Intracoastal waterway. The now public marina is a key anchor linking the downtown area to the water and provides a unique waterfront destination activity node. The CRA has purchased additional land along the waterfront to enhance public access, recreational opportunities and provide additional parking. Approximately $25 million in public sector investments have helped to attract over $100 million in private sector investment to date. CRA officials suggest hundreds of full-time jobs will be created at build-out.

The core elements of this waterfront redevelopership master plan include:

- Improving public access
- Creating a destination
- Improving infrastructure
- Preserving traditional marine industries
- Upgrading boater services
- Protecting the natural environment
Two major private sector developments have been implemented on east Boynton Beach Boulevard – the completed Marina Village project and the Promenade, which is currently under construction. These developments will add much-needed housing to this downtown core. Marina Village is slated to develop approximately 387 units and the Promenade is slated to develop 400 units. The City has an array of economic incentives to promote community revitalization of its downtown core including workforce housing and façade improvement programs.

Important challenges and opportunities are identified below which provide context for the continued development of the Boynton Beach Marina Village. Importantly, the City and CRA have focused on developing the marina village as a family-friendly mixed-use entertainment district. This clarity of vision will help to drive the implementation plan forward.
The potential economic benefits of the build-out at this marina village is limited to the redevelopment area indicated on the map on the preceding page, which represents approximately 42 acres. The estimated economic benefits (see Table 16) are based upon a proposed development program of 379 condominium units and 36,000 square feet of new commercial/retail facilities.

**Development Stage** – Developing

**Challenges**
- Tertiary office market
- Critical mass of downtown housing/residents is missing
- Excess office space inventory and slow absorption
- Lack of town center / City identity

**Opportunities**
- CRA/City economic incentive package
- Robust workforce housing program
- Significant public sector infrastructure investment program

**Catalytic Potential** – Medium / High

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**Impact Summary**

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</table>

1. Estimate of the annual increase in Palm Beach County’s Gross Regional Output

*Table 16: Boynton Beach Total Economic Benefit.*
KEY FINDINGS AND RECOMMENDATIONS

The study has identified a number of key findings in the preceding analysis that examined the ICW corridor from a macro perspective and at the smaller unit of analysis – the marina village. Along the Intracoastal Waterway as a whole, the importance of preserving and enhancing the working waterfront as well as commercial and recreational uses was noted. Within the tighter focus area represented at each of the economically-focused marina villages, the analysis presented opportunities and challenges that would need to be addressed to realize each of the unique development/redevelopment visions proposed. Chief among these issues is striking the right balance between the desire for public access to the Intracoastal and the upland and water-dependent needs of marine industries at working waterfronts. The following recommendations are intended to support and enhance the economic development potential of the Intracoastal Waterway as a whole and the economic base surrounding the marina villages.

Improve Understanding and Enhancement of the Marine Industries Cluster

- Identify and examine key industry sectors that could comprise a marine-industries cluster.
- Initiate a county-wide effort to track the number and classifications of marine-related jobs (by North American Industry Classification System [NAICS] Code) over multiple years to develop a better understanding of this job sector.
- Encourage the marine industries be officially recognized and adopted as a cluster to be cultivated within Palm Beach County and the Region.
- Undertake a detailed marine industries cluster study to determine the strength and growth potential of the cluster.

Support a Highly Skilled and Educated Marine Industries Workforce

- Support regional workforce initiatives designed to assess marine industries workforce readiness and use that information to expand training opportunities for current and future employees.
- Consider creating a region-wide funding mechanism to support the development of specifically targeted marine industry job training programs.
- Develop incentives for marine industry job creation, including:
  - Hands-on internship and apprenticeship programs; and
  - Hands-on training workshops (on-site and off-site) to introduce potential employees to marine industry opportunities.

Adopt "No Net Loss" Policy to Discourage Conversion from Marine Industry to Other Uses

- Support continued efforts at the state, regional, and local level to preserve and enhance working waterfronts including:
  - Direct purchase of key waterfront property by a local government;
  - Sale of development rights to a local government or other non-profit entity, thereby reducing the property tax burden; and
Compilation of working water fronts inventory in Palm Beach County and establishment a “no net loss policy,” which would prohibit the rezoning of such property to residential or other non-supportive use.

**Adopt Programs to Preserve & Enhance Working Waterfronts**

- Create a deferred property tax program for working waterfront property.
- Consider developing conditional permitting or rezoning options for working waterfront property. This would allow redevelopment only if it maintains or provides public access or retention/expansion of specific waterfront uses.
- Create a new working waterfront zoning overlay or district which would add special provisions to the underlying zoning category.
- Explore the creation of a commission to coordinate and implement all public policy and strategic projects for key urban waterfront areas.
- Evaluate benefits of pursuing “working waterfronts” designation from State of Florida.

**Support a Megayacht Industry**

- Create a “megayacht mile” corridor along the Intracoastal Waterway in central Palm Beach County to facilitate the repair/outfitting of megayachts at key locations.
- Support dredging activities from Blue Heron Bridge to West Palm Beach to accommodate megayacht operations in and along the ICW corridor.

**Develop a Capital Improvements Program**

- Prioritize key capital investments along the Intracoastal Waterway that would generate the greatest economic and fiscal benefits for Palm Beach County and the local governing jurisdictions.
- Develop an Intracoastal Waterway capital improvements program to support the development of strategic projects.

**Form an ICW Management/Marketing Entity**

- Consider the creation of a “Palm Beach County Intracoastal Waterway Commission” to coordinate and implement all public policy and strategic projects for key urban waterfront areas. The “Commission” would also have primary responsibility for:
  - Developing a common marketing theme;
  - Promotion and communication;
  - Thematic signage and common amenity features;
  - Coordination with water taxi and upland transit networks;
  - Advocating for project funding and approval with various public and private entities; and
  - Special events coordination.