Longboat Key, Florida
Economic and Market Analysis

Prepared For:
THE TOWN OF LONGBOAT KEY, FLORIDA
501 Bay Isles Road
Longboat Key, FL 34228

FLORIDA
ECONOMIC
ADVISORS
Real Estate & Corporate Economics

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Executive Summary

- This report addresses economic and market factors affecting the growth and development potential of the Longboat Key Town Center, located in the Bay Isles area of the island (Sarasota County).
- The long-term forecast horizon for this analysis extends to the year 2040, with onsite development projections extending to the year 2030.
- The ultimate objective of the study is to establish reasonable long-range absorption forecasts for the Town Center.
- A multi-phase methodology was employed to establish these property absorption forecasts. The major components of this methodology include (1) the establishment of long-range economic and development projections for Manatee and Sarasota counties, (2) an economic profile of the Town of Longboat Key, and (3) a case study assessment of barrier island communities in the southeastern United States. The case study review evaluates community characteristics, performance, and factors that contribute to the success of these locales.
- These three methodological components serve as the framework for developing an onsite absorption program that not only reflects the projected economic conditions within the local area, but also frames the Town Center's future development potential relative to the ultimate desires of the community.
- The 2014-2040 economic and development forecasts for Manatee County are as follows:
  - Population growth: 191,900 persons
  - 53.1 % of population growth will occur in under-35 age cohort
  - Employment growth: 100,840 net jobs
  - Housing starts: 71,838 housing units
- The 2014-2040 economic and development forecasts for Sarasota County are as follows:
  - Population growth: 114,120 persons
  - 51.9 % of population growth will occur in age 55+ cohort
  - Employment growth: 94,690 net jobs
  - Housing starts: 67,054 housing units
- Longboat Key has a permanent population of 6,825 persons, and a seasonal resident base which adds a full-time equivalent of 12,000 to 14,000 residents. The median age of permanent residents is 71.1 years.
- The average income of households on Longboat Key is $122,959.
- Seasonal residents increase the island's functional population to 22,000 persons during the peak winter visitor months.
- Permanent population growth has been negligible in Longboat key over the past 20 years.
- The island's businesses employ approximately 2,000 persons.

Executive Summary (con't.)

- The town's existing development inventory is estimated at 8,630 residential dwelling units, 725 hotel units, 479,298 square feet of retail, office, and mixed use commercial, and 306,598 square feet of recreational, institutional, civic, and government uses.
- Development on the island was minimal during the 1999-2013 period, save the Publix shopping center and CVS drug store located in the Town Center/Bay Isles area (2012).
- New development coming online within the town includes the Hilton Resort, Aria and Infinity Condominiums, the Longboat Key Club Hotel expansion, and 23 new single-family residences.
- Longboat Key's permanent and seasonal residents generate considerable demands for retail space. The majority of these demands are presently met off the island. One nearby shopping district of note that captures a portion of this demand is St. Armand's Circle.
- An important question facing the Town and its residents is whether or not they would prefer to see some small share of the commercial uses currently located in St. Armand's Circle, Sarasota, or Bradenton, be developed on the island. There is ample consumer spending power to support numerous uses. The potential opportunity costs of bringing more commercial to the island, include increased traffic congestion, noise, and parking issues; though these effects may be somewhat mitigated by reducing the number of trips required off-island in order to find services and goods.
- The case study analysis profiles the following barrier island communities:
  - Marco Island: Collier County, FL
  - Sanibel & Captiva Island: Lee County, FL
  - St. Simons Island: Glynn County, GA
  - Hilton Head Island: Beaufort County, SC

Barrier Island Comparison Matrix

	Longboat Key	Marco Island	Sanibel/ Captiva	St. Simons Island	Hilton Head Island
Permanent Population	6,959	17,079	7,249	12,644	38,075
Seasonal Population / Annual Visitors	12,000 - 14,000 seasonals peak season	24,000 seasonals peak season; 1.7 million visitors	18,000 seasonals peak season; 3.1 million visitors	1.84 million visitors	16,625 year round seasonals; 2.64 million visitors
Attendant Employment	1,645	5,912	3,986	5,003	21,017
Average HH Income	$122,959	$91,845	$115,981	$90,673	$95,542
Median Age	71.1	65.1	65.6	53.6	52.5
Household Size	1.75	1.96	1.87	2.05	2.16
Store Sales	$51.8 million	$341.7 million	$252.0 million	$407.2 million	$1.38 billion
Household Spending	$230.1 million	$457.0 million	$229.8 million	$347.3 million	$987.3 million
Underserved Market?	Yes	Yes	No	No	No

- Case study analysis indicates that Longboat Key allows for more consumer dollars to escape the local marketplace than any of the comparable barrier island communities studied.
- In addition, case studies indicate that the comparable barrier island communities in general have more well-defined and diverse activity centers than Longboat Key.
- Based on the aforementioned factors, FEA forecasts for Longboat Key Town Center development potential (to year 2030) are as follows:
  - High: 150 High Density DUs; 200,000 square feet commercial/retail; 50,000 square feet professional office; 50,000 square feet civic/institutional
  - Medium: 100 High Density DUs; 150,000 square feet commercial/retail; 35,000 square feet professional office; 35,000 square feet civic/institutional
  - Low: 70 High Density DUs; 100,000 square feet commercial/retail; 20,000 square feet professional office; 20,000 square feet civic/institutional.

1.0: Study Introduction and Outline

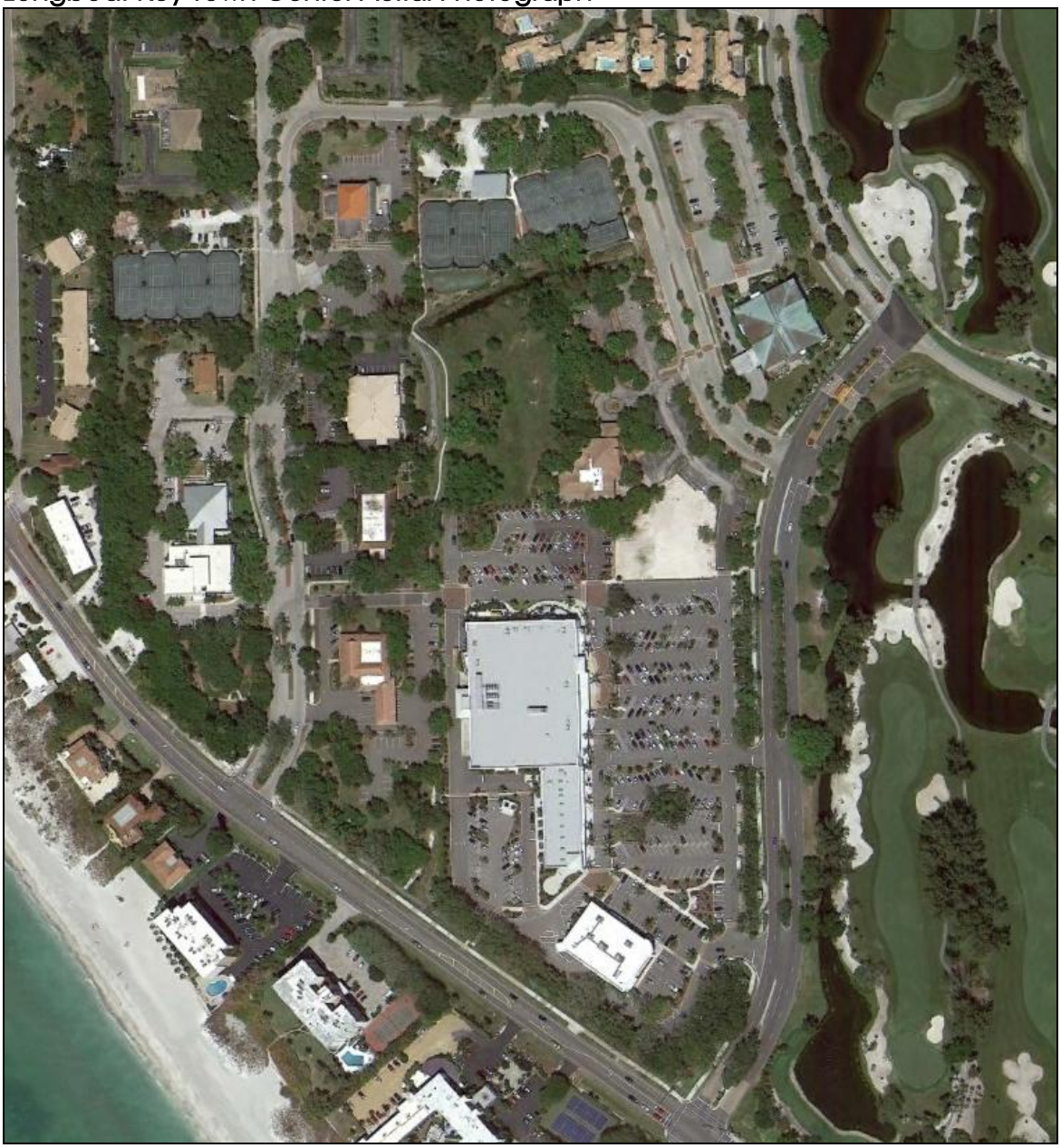
The following study addresses factors affecting the growth and development potential on the barrier island town of Longboat Key, Florida. Longboat Key is located on the Gulf of Mexico, within Manatee and Sarasota counties, in west central Florida. Specifically, the study considers economic and market factors that are expected to impact development opportunities for Longboat Key's town center, over a long-range forecast horizon.

Longboat Key Aerial Photograph

Longboat Key's Town Center is located within the Sarasota County portion of the town, on the southern half of the island. Most of the town center property is located inside an area that includes the major north-south arterial road named Gulf of Mexico Drive, and collector loop roads named Bay Isles Road and Bay Isles Parkway. While this area is already home to a number of existing retail, office, civic, and institutional uses, sufficient vacant land exists to potentially master plan the undeveloped portions of this locale in a manner that creates positive linkages with

existing uses, in order to help establish a legitimate shop/work/play/live central core that has not previously existed within this community.

Longboat Key Town Center Aerial Photograph



This study's research methodology and objectives can essentially be categorized in 4 principal areas:

(1) An overview of historic and forecasted economic conditions for the area market, providing a sub-regional perspective of economic activity which frames the subsequent micro-level analyses.

(2) A review of existing conditions in the surrounding local market, in order to determine the Town Center's competitive position within its principal trade area.

(3) A case study of barrier island communities in the southeastern United States, for the purposes of benchmarking success attributes and performance potential for Longboat Key and the Town Center.

(4) Projections of project absorption.

The report includes 5 sections. Section 2 discusses economic activity within the sub-regional area of Manatee County and Sarasota County, and provides an overview of historical and projected economic conditions influencing development within this area. Section 3 provides a profile of local activity, including economic and demographic trends, as well as residential and nonresidential development activity.

Section 4 provides a case study analysis of barrier island communities in the southeastern United States, profiling project features and absorption history which can serve as planning guides and/or benchmarks for Longboat Key and the Town Center.

Finally, Section 5 offers concluding remarks on market and development potential for the Longboat Key Town Center, while presenting absorption projections under three separate growth scenarios.

All tables, charts, forecasts, and conclusions presented in this report are based on information provided by public and private sector sources that FEA deems to be reliable. FEA makes no warranty, express or implied, regarding the accuracy of data provided in this report. Future economic conditions not theorized in this analysis could substantially impact the rate and nature of economic development within the local and regional area; as a result, forecasted outcomes may significantly deviate from those offered in this report.

2.0: Overview of Area Economic Conditions

2.1 The Area Marketplace

A market area is defined in the Dictionary of Real Estate Terms, Fourth Edition as "*a geographic region from which one can expect primary demand for a specific product or service provided at a fixed location*." For the Town of Longboat Key, this area would include the Florida counties of Manatee and Sarasota. The island town falls within both of these counties.

Identifying economic development opportunities and market potential for Longboat Key requires an understanding of the principal elements driving the county economies of Manatee and Sarasota. These elements include permanent population growth, seasonal population, tourism, and job formation within the major industry sectors that serve these counties' residents and visitors.

2.2 Manatee County Growth Patterns, 1980 to 2014

Over the past quarter century Manatee County has established itself as one of west central Florida's most rapidly expanding and diversifying economies. Manatee County's economic infrastructure is supported in large part by the presence of corporate headquarters, healthcare facilities, a strong tourism industry, and a residential sector that is beginning to rebound from the effects of the national housing market collapse and recession. With a December 2014 unemployment rate of 5.0 percent, Manatee County enjoys a lower jobless rate than the state and nation as a whole. Manatee County's largest private employers include Beall's, Manatee Memorial Hospital, Tropicana Products, Blake Medical Center, Publix Supermarkets, SYSCO-West Florida, Hoveround Corporation, Westminster Communities of Bradenton, IMG Academies, and Manatee Glens. These organizations employ more than 8,800 individuals locally, representing 6.1 percent of all jobs within the county. From 1980 through 2014, population growth within Manatee County accounted for 1.94 percent of state growth or 195,230 persons. This reflects average population growth of 5,742 persons per year. During the 1980 – 2014 period 103,430 net new jobs were created in the county, comprising 1.77 percent of Florida's employment growth. An average of 3,042 jobs per year have been added to the County economy since 1980.

Fig. 1: Manatee County Population Growth by Age 1980-2014

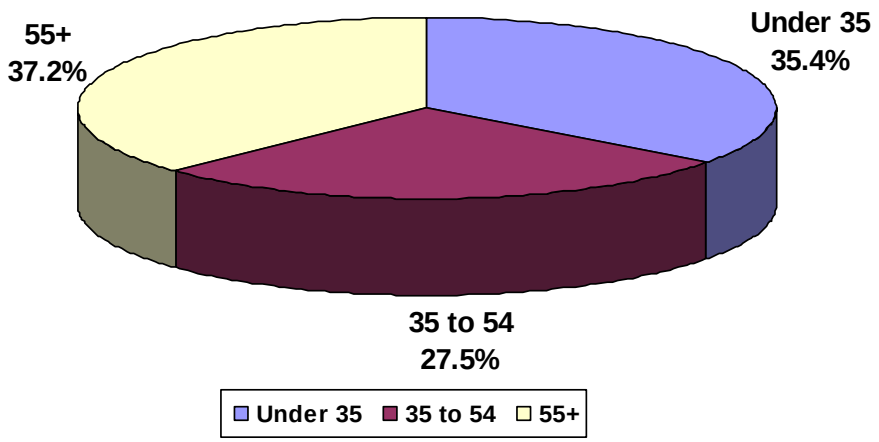


Table 2.1: Manatee County Economic Profile Growth 1980-2014	1980	1990	2000	2014	2020	2030	2040
Total Population (Thousands)	150.32	213.56	265.64	345.55	385.13	457.66	537.44
Age Under 5 Years	7.85	13.18	14.99	18.97	21.51	27.31	34.04
5 to 9 Years	8.29	12.09	15.44	19.77	21.30	26.56	33.06
10 to 14 Years	9.05	10.98	15.79	20.34	23.65	27.43	34.25
15 to 19 Years	9.90	10.56	14.14	18.98	22.16	26.82	33.48
20 to 24 Years	9.68	11.06	12.06	17.96	20.39	27.64	32.59
25 to 29 Years	9.59	14.08	13.60	18.19	21.07	27.30	33.12
30 to 34 Years	8.65	14.94	15.51	17.87	20.66	25.75	33.46
35 to 39 Years	7.10	13.43	17.89	17.29	20.27	24.96	31.49
40 to 44 Years	6.07	12.01	18.34	19.16	19.22	24.19	29.70
45 to 49 Years	6.09	9.81	16.94	20.49	19.87	23.10	27.90
50 to 54 Years	7.41	8.67	16.08	23.34	22.29	21.80	26.93
55 to 59 Years	9.09	9.58	14.66	23.75	25.70	23.00	26.12
60 to 64 Years	10.82	13.63	14.54	24.11	27.28	26.56	25.13
65 to 69 Years	12.46	17.15	15.65	25.73	27.32	31.68	27.79
70 to 74 Years	11.53	15.88	17.29	21.43	28.13	32.26	31.62
75 to 79 Years	8.49	12.49	14.99	15.42	20.45	26.66	31.69
80 to 84 Years	4.99	8.16	9.98	11.52	12.41	20.74	24.94
85 Years and Over	3.25	5.86	7.75	11.22	11.46	13.89	20.15
Median Age of Population	44.09	42.60	43.62	46.06	45.63	43.07	40.54
Caucasian Population	n.a.	185.94	215.33	248.06	261.36	276.82	282.16
African-American Population	n.a.	16.28	22.05	31.18	34.17	39.01	43.15
Native American Population	n.a.	0.44	0.57	0.72	0.72	0.71	0.66
Asian and Pacific Islander Population	n.a.	1.22	2.74	6.65	7.50	8.66	9.45
Hispanic Population	2.95	9.68	24.97	58.93	81.37	132.45	202.03
Total Employment (Thousands)	61.08	96.53	161.84	164.51	183.86	221.00	265.35
Farm	2.77	3.84	5.04	4.14	4.23	4.35	4.44
Forestry, Fishing, & Other	1.35	3.29	3.94	2.74	3.02	3.54	4.13
Mining	0.10	0.15	0.19	0.50	0.52	0.54	0.56
Utilities	0.23	0.29	0.24	0.29	0.29	0.29	0.28
Construction	6.20	5.97	10.13	10.13	12.18	16.39	21.82
Manufacturing	7.92	11.84	15.47	8.88	9.03	9.21	9.28
Wholesale Trade	1.48	2.41	4.53	4.31	4.81	5.72	6.72
Retail Trade	10.05	16.16	21.75	18.77	19.74	21.22	22.47
Transportation & Warehousing	1.40	1.78	2.34	2.64	3.03	3.78	4.66
Information	0.42	0.93	1.87	1.78	2.06	2.62	3.29
Finance & Insurance	3.77	3.96	5.18	9.17	10.60	13.35	16.63
Real Estate, Rental & Lease	5.30	5.56	6.31	11.25	12.37	14.38	16.56
Professional & Tech Services	1.06	2.95	6.63	9.64	10.72	12.68	14.87
Management & Enterprises	0.25	0.68	1.85	3.07	3.40	3.98	4.58
Administrative & Waste Services	2.94	7.63	26.94	12.33	13.44	15.30	17.14
Educational Services	0.13	0.35	0.87	3.54	4.77	7.75	12.37
Health Care & Social Assistance	2.47	6.87	14.69	18.71	21.75	27.59	34.42
Arts, Entertainment & Recreation	0.74	1.64	3.24	6.29	7.83	11.16	15.72
Accomodation & Food Services	2.32	5.12	8.37	11.95	13.31	15.78	18.53
Other Services	1.78	4.88	9.67	11.47	13.60	17.85	23.08
Federal Civilian Government	0.43	0.98	1.24	0.75	0.71	0.63	0.56
Federal Military Government	0.40	0.65	0.59	0.67	0.68	0.69	0.69
State and Local Government	7.61	8.62	10.76	11.48	11.80	12.24	12.57
Total Earnings (Millions 2009$)	1,764.17	2,929.92	5,856.68	6,501.31	7,631.04	9,945.22	12,932.11
Per Capita Income (2009$)	23,158.00	29,338.00	37,538.00	39,918.00	43,229.00	51,595.00	62,983.00
Avg. Household Income (2009$)	54,824.00	67,518.00	86,518.00	93,505.00	100,588.00	123,147.00	155,656.00
Per Capita Income (Current$)	10,184.00	19,785.00	31,204.00	43,657.00	55,326.00	92,750.00	160,950.00
Avg. Household Income (Current$)	24,110.00	45,534.00	71,921.00	102,264.00	128,735.00	221,376.00	397,771.00
Retail Sales Per Household (2009$)	28,036.00	26,572.00	29,803.00	31,749.00	33,359.00	37,805.00	43,648.00
Number of Households (Thousands)	62.84	91.67	113.17	145.88	163.90	190.25	216.11
Persons Per Household	2.36	2.29	2.29	2.34	2.32	2.38	2.47
Households With Money Income (Thousands)	62.84	91.67	113.17	145.88	163.90	190.25	216.11
Less than $10,000 (2009$)	n.a.	7.01	6.99	10.00	10.17	9.62	8.19
$10,000 - $29,999	n.a.	13.08	13.08	18.78	19.10	18.06	15.37
$30,000 - $44,999	n.a.	14.86	15.71	19.13	19.47	18.40	15.67
$45,000 - $59,999	n.a.	17.72	19.41	22.92	23.32	22.05	18.77
$60,000 - $74,999	n.a.	13.78	15.66	20.09	23.52	24.47	20.83
$75,000 - $99,999	n.a.	8.10	10.91	14.92	18.54	26.41	28.39
$100,000 - $124,999	n.a.	8.04	12.61	16.55	20.57	29.44	44.97
$125,000 - $149,999	n.a.	4.12	7.74	9.08	11.29	16.15	24.71
$150,000 - $199,999	n.a.	1.41	3.35	5.33	6.63	9.48	14.51
$200,000 or more	n.a.	2.09	3.92	4.63	5.75	8.23	12.59

Data Sources: Woods & Poole Economics, Inc.

Figure 1 presents a summary graphic of population growth by age within Manatee County. From 1980 to 2014, growth was split relatively evenly between the under-35 and 55+ age groups. 35.4 percent of county population growth occurred in the under-35 age cohort, while 37.2 percent occurred in the 55+ age cohort. 27.5 percent of Manatee's population increase occurred in 35-54 cohort. Growth in the 35-54 age group is largely attributable to the expanding economy and labor force since 1980, influencing the formation of many new family households. The 55+ cohort increase has resulted from the internal aging of the baby boom population, and a sustained in-migration of retirees to the County.

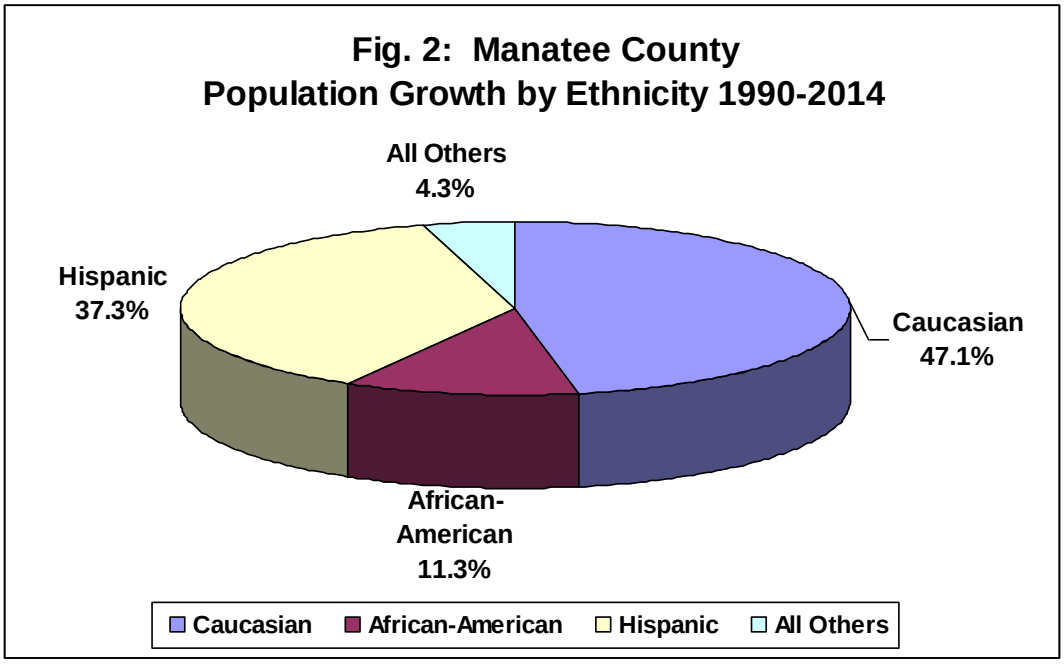
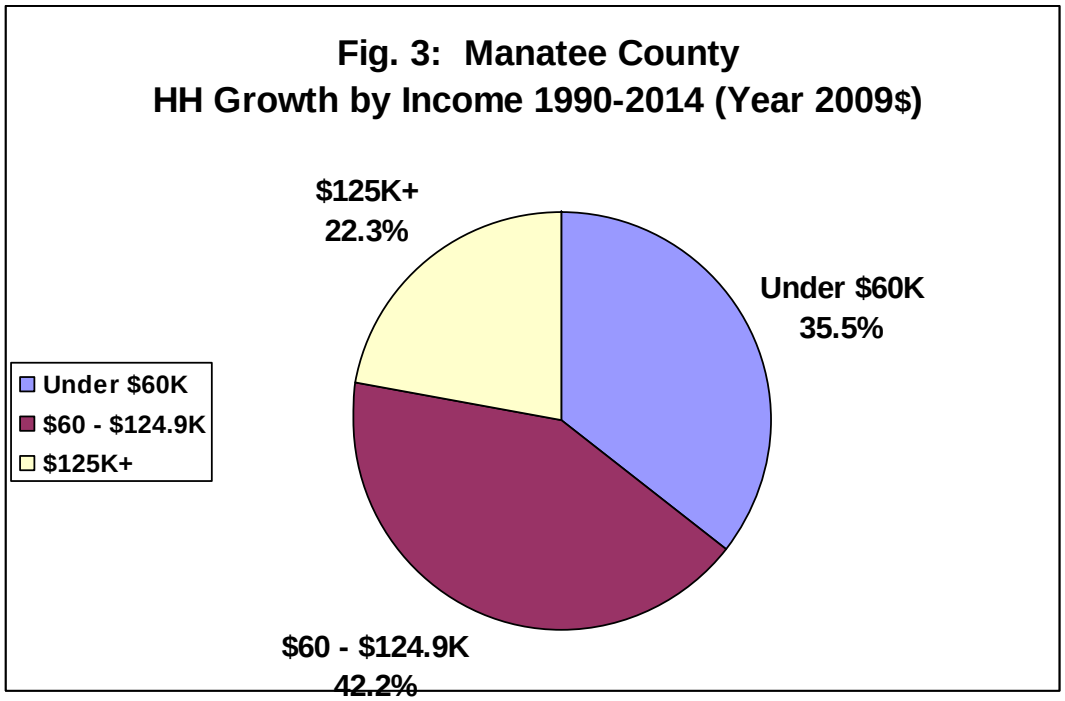


Figure 2 presents the profile of county population growth by race/ethnic status. The number of Caucasian residents in Manatee County increased from 185,940 in 1990 to 248,060 in 2014. During the same period, the county's African-American population expanded from 16,280 to 31,180. The county's Hispanic cohort grew from 9,680 in 1990 to 58,930 residents in 2014. The Asian/Pacific Islander population also increased by 5,440 residents from 1990 to 2014. Presently, non-Caucasian residents account for 28 percent of Manatee County's population.

The profile of growth in households by income status is presented in Figure 3. From 1990 to 2014, households with inflation-adjusted incomes of greater than $125,000 per year accounted for 22.3

percent of the County's household growth. Middle to upper-middle income households, those in the $60,000 to $124,999 annual income range, were responsible for 42.2 percent of this growth. Households with incomes of less than $60,000 comprised 35.5 percent of the county's household formation during this 1990-2014 period.

In inflation adjusted dollars, Manatee County's average household income has increased by 71 percent since 1980. 2014 estimates report county average household income at $93,505.

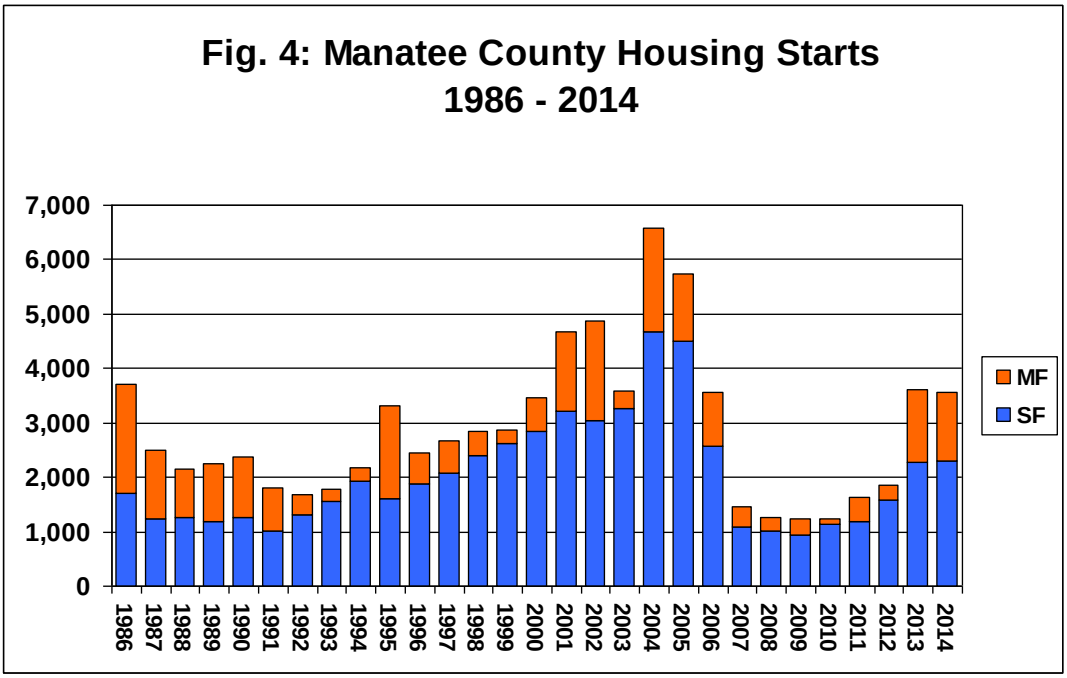


Since 1980, the median age of Manatee County residents has increased slightly, by 1.97 years. This reflects a lower aging of the population base than the state or nation as whole, and is largely attributable to the growth of family households within interior portions of Manatee, such as Lakewood Ranch. Increases in the number of retiree-aged, "empty nester" households within Manatee County has resulted in a lower persons per household estimate state and national averages. The 2010 County estimate of 2.34 persons per household is lower than the state estimate of 2.46 and the U.S. estimate of 2.56.

After a moderate upswing in the mid-1980's driven by multifamily construction, Manatee County's single family housing market expanded at steady and consistent pace for the 15-year period of

1991 - 2005. At the peak of the housing bubble, annual county starts approached and exceeded the 6,000 unit mark. The residential sector in Manatee County did begin to contract well in advance of the national and state collapse, as the County experienced starts declines in each year from 2006 through 2009, where annual construction in Manatee reached a low of 1,227 units. Since this time, Manatee has experienced a resurgence in residential starts, achieving 5 consecutive years of positive growth in new construction, with total starts activity averaging 3,600 units per year for the past two years.

Since 1986, 71.6 percent of all residential construction in Manatee County was single family in nature. Peak years of multifamily construction included 1986 (2,001 units), 1995 (1,718 units), 2002 (1,830 units) and 2004 (1,922 units).



60.4 percent of the net job growth (62,500 jobs) in Manatee County during the 1980-2014 period has occurred in service industries. This share of service sector employment growth is similar to other urban economies in Florida since 1980. Growth in the county's service and retail sectors has actually accounted for a combined 68.9 percent share of Manatee's total job increase over the previous 34 years.

It is not surprising that, with an economy influenced so heavily by tourism, population growth, and demographic changes, local

industry sectors that are positioned to serve this diverse and changing population segment (i.e., healthcare, accommodation and food services) show the largest shares of employment increase.

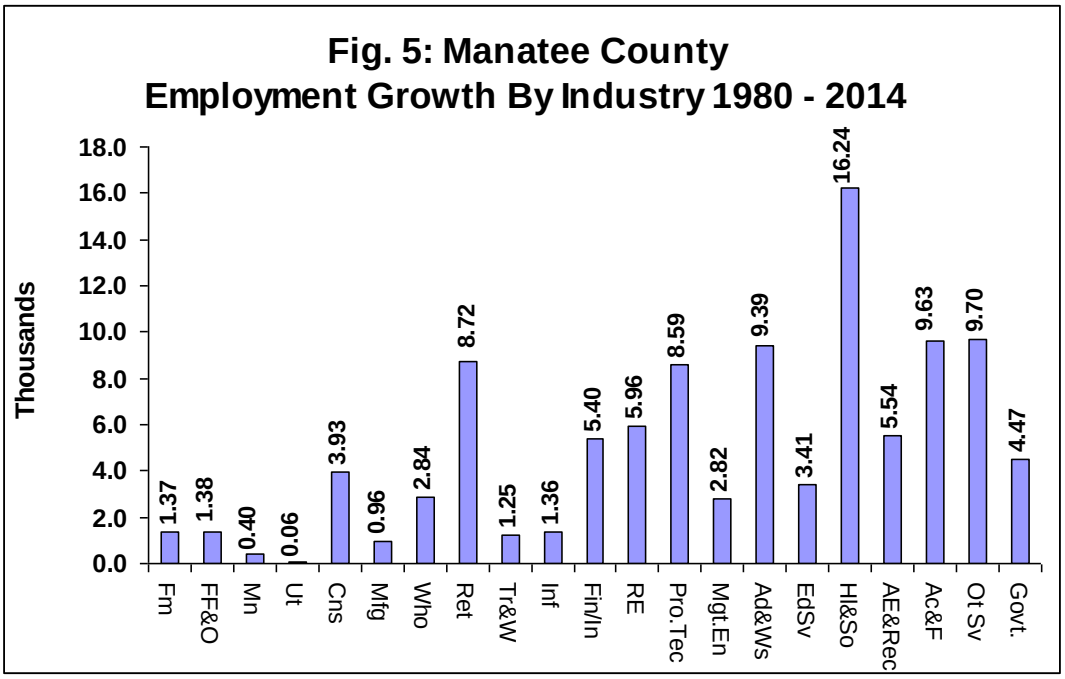
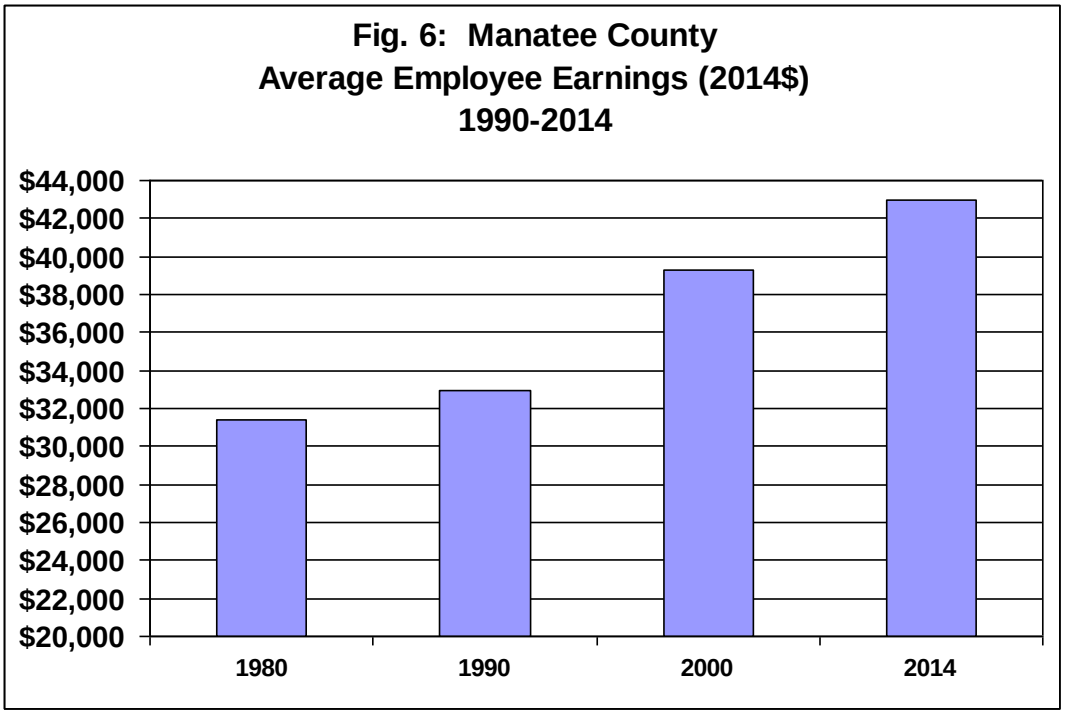


Fig. 5(a)
Industry Sector Abbreviations

Fm = Farm	RE = Real Estate, Rental & Lease
FF&O = Forestry, Fishing, & Other	Pro.Tec = Professional & Tech Services
Mn = Mining	Mgt.En = Management & Enterprises
Ut = Utilities	Ad&Ws = Administrative & Waste Services
Cns = Construction	EdSv = Educational Services
Mfg = Manufacturing	Hl&So = Health Care & Social Assistance
Who = Wholesale Trade	AE&Rec = Arts, Entertainment & Recreation
Ret = Retail Trade	Ac&F = Accomodation & Food Services
Tr&W = Transportation & Warehousing	Ot Sv = Other Services
Inf = Information	Govt = Government
Fin/In = Finance & Insurance	

Average earnings in Manatee County, when adjusted for inflation, have increased by 36.8 percent since 1980. The 2014 average employee wage in Manatee County was $38,308[1], 12.1 percent lower than the state average.

[1] In Year 2014 dollars.



2.3 Manatee County Growth Forecasts, 2014 to 2040

The long-range forecasts presented for Manatee County reflect a local economy that will continue to expand at a significant and consistent pace out to year 2040. These forecasts are dependent upon the area's future success in responding to market forces specific to the county's economic geography. While the coastal economy of western Manatee County is heavily influenced by tourism and seasonal residents, the interior areas of Manatee should be impacted more significantly by expansion of the "permanent resident" economy, driven by increases in retiree and working-aged family households.

Over the 2010 – 2040 period, Manatee County population growth is expected to account for 2.36 percent of state growth, or 191,900 persons. The county will see 100,840 net new jobs created over the next 26 years, which will equate to 1.82 percent of Florida's projected employment increase to the year 2040.

Table 2.2: Manatee County Economic Profile Growth 2014-2040	1980	1990	2000	2014	2020	2030	2040
Total Population (Thousands)	150.32	213.56	265.64	345.55	385.13	457.66	537.44
Age Under 5 Years	7.85	13.18	14.99	18.97	21.51	27.31	34.04
5 to 9 Years	8.29	12.09	15.44	19.77	21.30	26.56	33.06
10 to 14 Years	9.05	10.98	15.79	20.34	23.65	27.43	34.25
15 to 19 Years	9.90	10.56	14.14	18.98	22.16	26.82	33.48
20 to 24 Years	9.68	11.06	12.06	17.96	20.39	27.64	32.59
25 to 29 Years	9.59	14.08	13.60	18.19	21.07	27.30	33.12
30 to 34 Years	8.65	14.94	15.51	17.87	20.66	25.75	33.46
35 to 39 Years	7.10	13.43	17.89	17.29	20.27	24.96	31.49
40 to 44 Years	6.07	12.01	18.34	19.16	19.22	24.19	29.70
45 to 49 Years	6.09	9.81	16.94	20.49	19.87	23.10	27.90
50 to 54 Years	7.41	8.67	16.08	23.34	22.29	21.80	26.93
55 to 59 Years	9.09	9.58	14.66	23.75	25.70	23.00	26.12
60 to 64 Years	10.82	13.63	14.54	24.11	27.28	26.56	25.13
65 to 69 Years	12.46	17.15	15.65	25.73	27.32	31.68	27.79
70 to 74 Years	11.53	15.88	17.29	21.43	28.13	32.26	31.62
75 to 79 Years	8.49	12.49	14.99	15.42	20.45	26.66	31.69
80 to 84 Years	4.99	8.16	9.98	11.52	12.41	20.74	24.94
85 Years and Over	3.25	5.86	7.75	11.22	11.46	13.89	20.15
Median Age of Population	44.09	42.60	43.62	46.06	45.63	43.07	40.54
Caucasian Population	n.a.	185.94	215.33	248.06	261.36	276.82	282.16
African-American Population	n.a.	16.28	22.05	31.18	34.17	39.01	43.15
Native American Population	n.a.	0.44	0.57	0.72	0.72	0.71	0.66
Asian and Pacific Islander Population	n.a.	1.22	2.74	6.65	7.50	8.66	9.45
Hispanic Population	2.95	9.68	24.97	58.93	81.37	132.45	202.03
Total Employment (Thousands)	61.08	96.53	161.84	164.51	183.86	221.00	265.35
Farm	2.77	3.84	5.04	4.14	4.23	4.35	4.44
Forestry, Fishing, & Other	1.35	3.29	3.94	2.74	3.02	3.54	4.13
Mining	0.10	0.15	0.19	0.50	0.52	0.54	0.56
Utilities	0.23	0.29	0.24	0.29	0.29	0.29	0.28
Construction	6.20	5.97	10.13	10.13	12.18	16.39	21.82
Manufacturing	7.92	11.84	15.47	8.88	9.03	9.21	9.28
Wholesale Trade	1.48	2.41	4.53	4.31	4.81	5.72	6.72
Retail Trade	10.05	16.16	21.75	18.77	19.74	21.22	22.47
Transportation & Warehousing	1.40	1.78	2.34	2.64	3.03	3.78	4.66
Information	0.42	0.93	1.87	1.78	2.06	2.62	3.29
Finance & Insurance	3.77	3.96	5.18	9.17	10.60	13.35	16.63
Real Estate, Rental & Lease	5.30	5.56	6.31	11.25	12.37	14.38	16.56
Professional & Tech Services	1.06	2.95	6.63	9.64	10.72	12.68	14.87
Management & Enterprises	0.25	0.68	1.85	3.07	3.40	3.98	4.58
Administrative & Waste Services	2.94	7.63	26.94	12.33	13.44	15.30	17.14
Educational Services	0.13	0.35	0.87	3.54	4.77	7.75	12.37
Health Care & Social Assistance	2.47	6.87	14.69	18.71	21.75	27.59	34.42
Arts, Entertainment & Recreation	0.74	1.64	3.24	6.29	7.83	11.16	15.72
Accomodation & Food Services	2.32	5.12	8.37	11.95	13.31	15.78	18.53
Other Services	1.78	4.88	9.67	11.47	13.60	17.85	23.08
Federal Civilian Government	0.43	0.98	1.24	0.75	0.71	0.63	0.56
Federal Military Government	0.40	0.65	0.59	0.67	0.68	0.69	0.69
State and Local Government	7.61	8.62	10.76	11.48	11.80	12.24	12.57
Total Earnings (Millions 2009$)	1,764.17	2,929.92	5,856.68	6,501.31	7,631.04	9,945.22	12,932.11
Per Capita Income (2009$)	23,158.00	29,338.00	37,538.00	39,918.00	43,229.00	51,595.00	62,983.00
Avg. Household Income (2009$)	54,824.00	67,518.00	86,518.00	93,505.00	100,588.00	123,147.00	155,656.00
Per Capita Income (Current$)	10,184.00	19,785.00	31,204.00	43,657.00	55,326.00	92,750.00	160,950.00
Avg. Household Income (Current$)	24,110.00	45,534.00	71,921.00	102,264.00	128,735.00	221,376.00	397,771.00
Retail Sales Per Household (2009$)	28,036.00	26,572.00	29,803.00	31,749.00	33,359.00	37,805.00	43,648.00
Number of Households (Thousands)	62.84	91.67	113.17	145.88	163.90	190.25	216.11
Persons Per Household	2.36	2.29	2.29	2.34	2.32	2.38	2.47
Households With Money Income (Thousands)	62.84	91.67	113.17	145.88	163.90	190.25	216.11
Less than $10,000 (2009$)	n.a.	7.01	6.99	10.00	10.17	9.62	8.19
$10,000 - $29,999	n.a.	13.08	13.08	18.78	19.10	18.06	15.37
$30,000 - $44,999	n.a.	14.86	15.71	19.13	19.47	18.40	15.67
$45,000 - $59,999	n.a.	17.72	19.41	22.92	23.32	22.05	18.77
$60,000 - $74,999	n.a.	13.78	15.66	20.09	23.52	24.47	20.83
$75,000 - $99,999	n.a.	8.10	10.91	14.92	18.54	26.41	28.39
$100,000 - $124,999	n.a.	8.04	12.61	16.55	20.57	29.44	44.97
$125,000 - $149,999	n.a.	4.12	7.74	9.08	11.29	16.15	24.71
$150,000 - $199,999	n.a.	1.41	3.35	5.33	6.63	9.48	14.51
$200,000 or more	n.a.	2.09	3.92	4.63	5.75	8.23	12.59

Data Sources: Woods & Poole Economics, Inc.

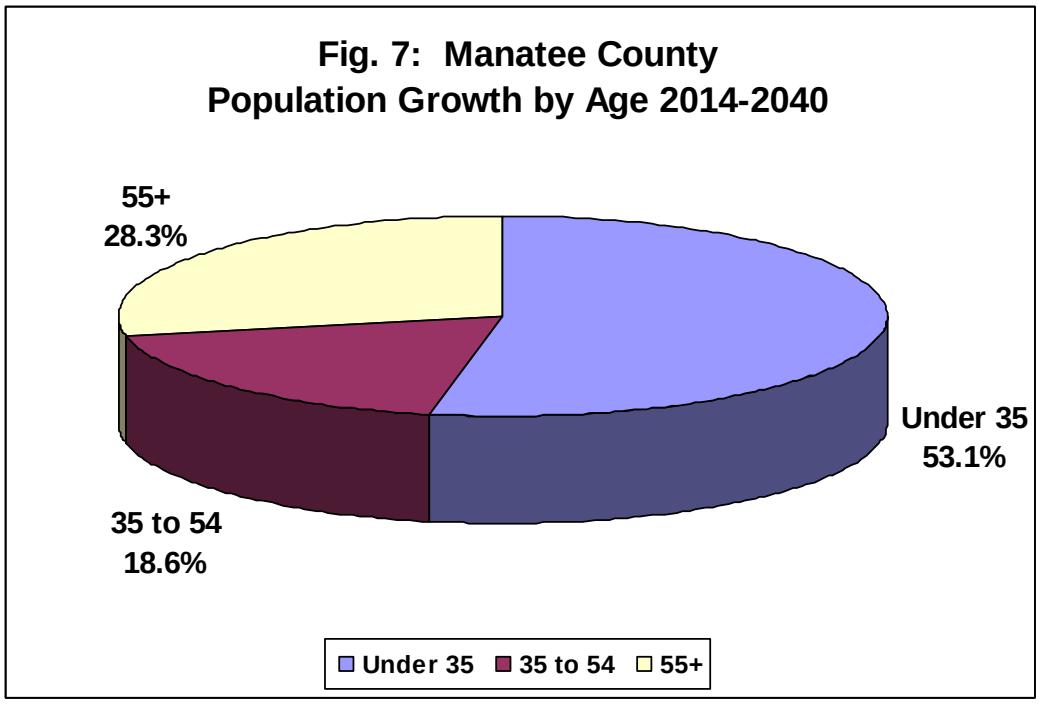
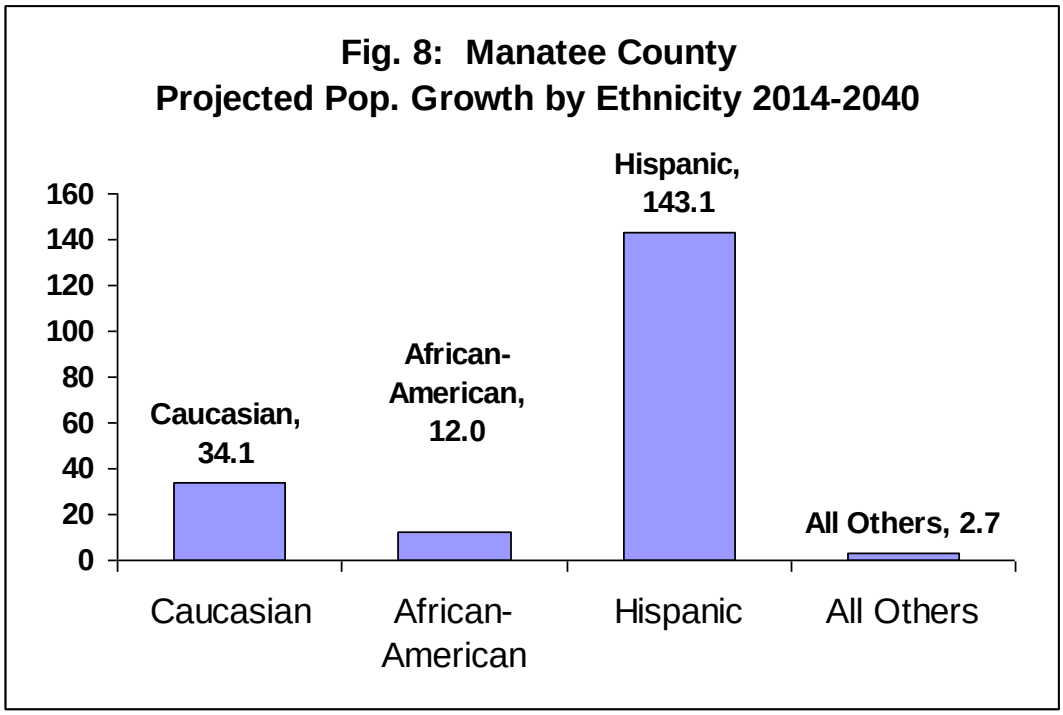
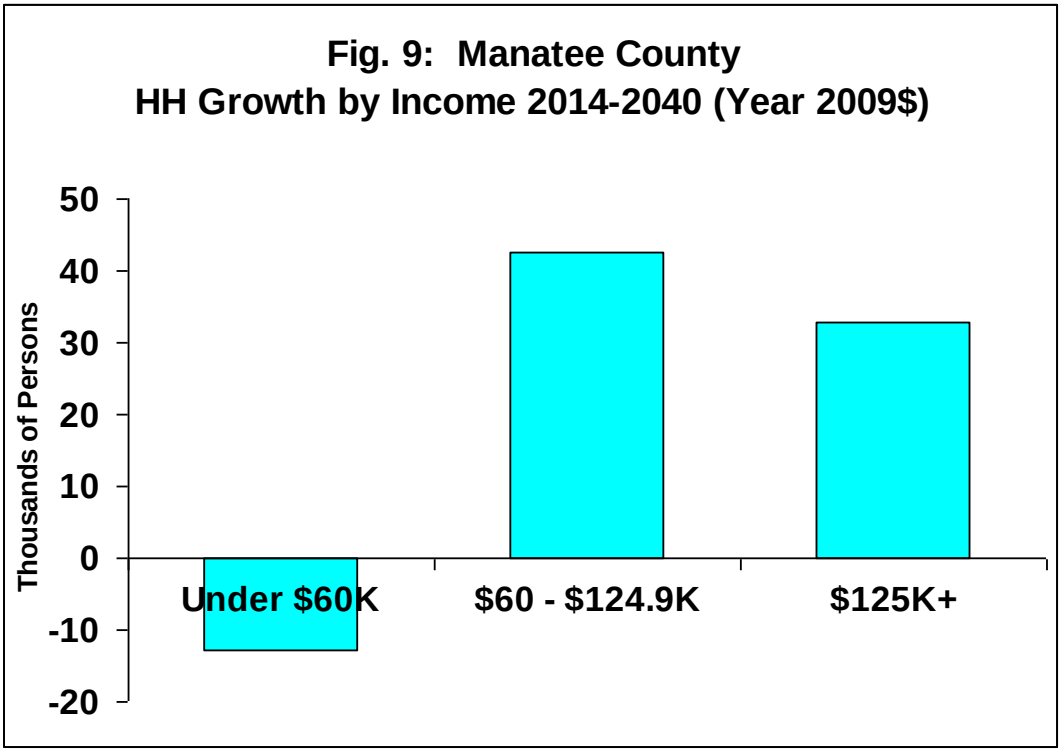


Figure 7 indicates a "youth movement" trend within the local population base. The 20-year historic growth in Manatee's family household cohort, along with continued development of master-planned communities within the county's interior areas is expected to expand the under-35 population segment. Long-range forecasts indicate that 53.1 percent of Manatee County's 2014 – 2040 population growth will occur in the under-35 age cohort. Retiree-aged householders (the 55+ segment) are expected to comprise 28.3 percent of the long-range growth in new county households, while the 35-54 cohort is projected to account for 18.6 percent of Manatee's population growth to 2040.

The interpretation of population projections by age within the county is simplified when forecasts of population increase by ethnicity are evaluated. Figure 8 presents a significant shift in the county's population growth by race and ethnic status. The long range trends for Manatee County suggest an increasingly diverse community in terms of racial and ethnic composition. Over the next 26 years, the Hispanic segment is anticipated to expand by nearly 143,100 persons, and the Caucasian population is expected to realize significantly lower growth rates (34,100 persons) during this period. The African American population in Manatee County is expected to expand by 12,000 persons over the 2014-2040 horizon. The aggregate population of other ethnic cohorts (Asian, Pacific

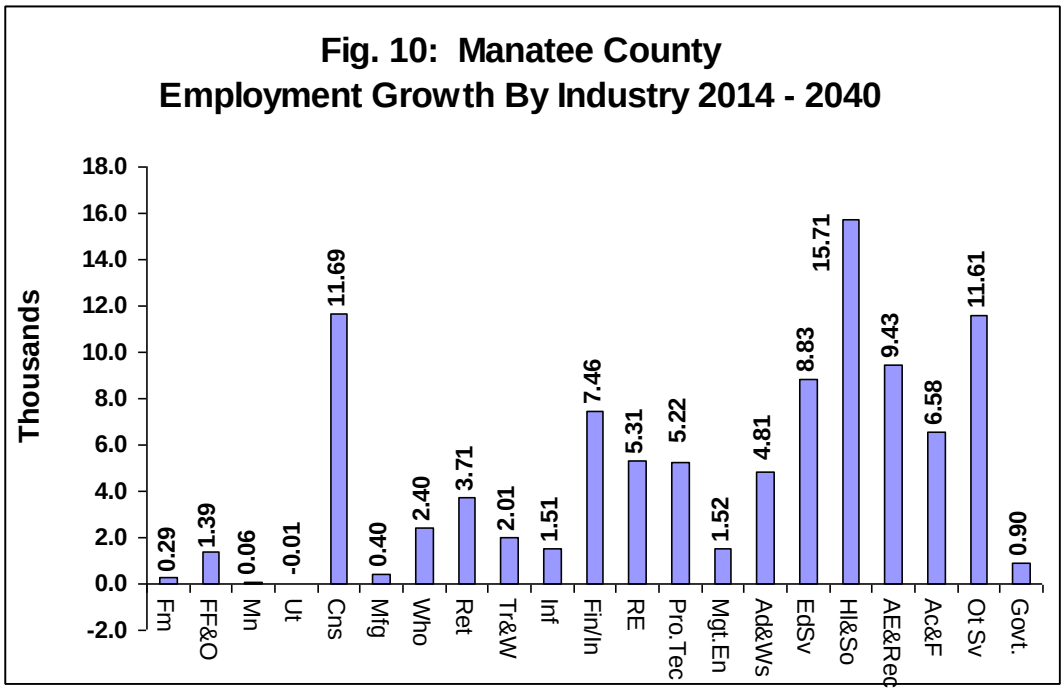
Islander, Native American, etc.) is forecast to increase by 2,700 persons over this 26-year period in the county.





Forecasted household growth will be dominated by middle and upper income segments, as the local economy matures and is supported by industry sectors that pay at or above-average wages.

The 28-year historic trend of annual housing starts for Manatee County reflects an average starts pace of 2,825 units per year. The 26-year forecasts of household formation suggest county growth of 2,700 occupied units per year. A forecasted long-range annual average of 2,763 starts per year for Manatee County would be consistent with these trends, although we would expect to see cycles of both above and below average starts over the long-range forecast horizon.



In it's gradual evolution to a diverse and balanced local economy, Manatee County added 0.53 jobs for every new resident during the 1980-2014 period. This industry expansion shifted the employment/population ratio from a suburban-level 0.406 in 1980, to a more urbanized 0.476 by 2010. The 26-year projections indicate that Bay County will continue to add approximately 0.53 new jobs for each new resident, creating an even more urbanized local economy by 2040, with an employment/population ratio of 0.494.

68.03 percent of the forecasted employment increase (48,440 jobs by 2040) in Manatee County is expected to occur in the following four industry sectors: Healthcare & Social Assistance (15,710),

Construction (11,690), "Other" Services (11,610) and Arts, Entertainment, & Recreation (9,430). Other industry sectors forecasted to post significant job growth over the next 26 years include Educational Services, and Finance, Insurance, & Real Estate.

2.4 Sarasota County Growth Patterns, 1980 to 2014

Sarasota County ranks 14th out of Florida's 67 counties in terms of population. Similar to its northern neighbor, Sarasota County has a diverse economic profile whose coastal areas are heavily influenced by tourist and seasonal resident activity, and an interior comprised of retiree and working-aged family households along with a majority of the county's industry base. Sarasota County has 4 incorporated municipalities, which include the communities of North Port, Venice, Sarasota, and the southern portion of Longboat Key. Sarasota, with a 2014 population of 52,584[2], serves as the county seat for Sarasota County, and presently represents its largest economic center. Sarasota County's December 2014 jobless rate was 4.9 percent, reflecting a lower percentage of unemployed than Florida (5.4 percent) and the nation as a whole (5.4 percent). The July statistics were quite encouraging, as the county's unemployment rate was 0.7 percentage points lower than the same month one year ago.

Major private industry in Sarasota County is represented by diverse mix of manufacturing, retail, and service organizations. The 10 largest private sector employers in Sarasota County include PGT Industries, Publix Supermarkets, Venice Regional Medical Center, FCCI Insurance Group, Sun Hydraulics Corporation, Goodwill Industries, Tervis Tumbler, Sunset Automotive Group, Doctors Hospital of Sarasota, and Pines of Sarasota. These organizations employ over 8,100 individuals, accounting for 3.6 percent of all jobs within the county. From 1980 through 2014, population growth within Sarasota County accounted for 1.9 percent of state growth, or 190,500 persons. This equates to an average population growth of 5,603 persons per year. During the 1980 – 2014 period, 125,520 net new jobs were created in the county, comprising 2.15 percent of Florida's employment growth. An average of 3,692 jobs per year have been added to the County economy since 1980.

[2] Source: University of Florida Bureau of Economic and Business Research, "2014 Estimates of Population".

Table 2.3: Sarasota County Economic Profile Growth 1980-2014	1980	1990	2000	2014	2020	2030	2040
Total Population (Thousands)	204.56	279.75	327.17	395.06	421.62	466.09	509.18
Age Under 5 Years	7.89	13.43	12.82	14.93	15.70	17.21	18.84
5 to 9 Years	9.01	12.74	14.83	15.81	16.60	18.16	19.94
10 to 14 Years	10.96	12.07	16.13	18.13	18.28	19.86	21.67
15 to 19 Years	12.59	12.39	14.41	18.04	18.62	19.62	21.52
20 to 24 Years	11.99	12.20	11.30	17.13	17.39	18.45	20.14
25 to 29 Years	12.09	15.79	13.10	16.91	19.79	21.00	22.44
30 to 34 Years	10.90	17.54	16.02	16.83	19.26	22.23	23.21
35 to 39 Years	9.52	17.30	19.85	16.63	19.32	24.26	25.29
40 to 44 Years	8.22	16.17	21.73	19.53	18.43	23.25	26.64
45 to 49 Years	8.36	13.89	21.29	22.31	20.16	22.38	28.08
50 to 54 Years	10.51	12.26	20.97	27.38	24.03	21.66	27.19
55 to 59 Years	13.76	13.88	20.72	28.91	29.92	24.20	26.65
60 to 64 Years	17.32	20.27	21.29	30.98	33.60	29.99	26.52
65 to 69 Years	20.32	26.03	23.38	35.52	36.47	39.62	31.69
70 to 74 Years	17.93	23.97	26.10	32.18	39.52	43.16	38.96
75 to 79 Years	12.47	19.02	23.89	24.61	31.25	38.33	42.99
80 to 84 Years	6.75	12.18	16.10	18.47	20.67	31.74	36.50
85 Years and Over	3.98	8.63	13.24	20.76	22.62	30.98	50.91
Median Age of Population	50.38	48.58	50.52	53.97	55.58	56.16	54.93
Caucasian Population	n.a.	259.75	295.38	332.90	348.29	371.08	389.23
African-American Population	n.a.	12.06	13.85	19.42	20.47	22.49	24.74
Native American Population	n.a.	0.47	0.69	0.78	0.77	0.77	0.73
Asian and Pacific Islander Population	n.a.	1.42	2.87	6.24	6.94	7.95	8.94
Hispanic Population	2.77	6.04	14.38	35.72	45.16	63.79	85.53
Total Employment (Thousands)	99.07	150.34	190.03	224.58	244.61	280.37	319.27
Farm	0.48	0.71	0.58	0.42	0.44	0.47	0.49
Forestry, Fishing, & Other	0.19	0.26	0.37	0.33	0.36	0.42	0.49
Mining	0.15	0.21	0.22	0.69	0.71	0.75	0.78
Utilities	0.74	0.93	0.61	0.46	0.46	0.46	0.45
Construction	10.66	13.63	15.02	13.76	15.38	18.34	21.63
Manufacturing	5.80	7.70	8.57	6.21	6.31	6.43	6.48
Wholesale Trade	2.64	3.95	4.25	5.42	6.17	7.58	9.22
Retail Trade	15.11	23.83	26.97	25.08	26.19	27.81	29.10
Transportation & Warehousing	1.76	2.22	2.32	3.23	3.38	3.61	3.81
Information	1.48	2.59	3.75	3.45	3.82	4.50	5.23
Finance & Insurance	8.04	8.63	10.87	16.80	18.88	22.70	26.98
Real Estate, Rental & Lease	7.76	8.34	9.11	18.67	20.50	23.79	27.36
Professional & Tech Services	4.27	8.18	12.33	18.23	20.32	24.16	28.47
Management & Enterprises	0.11	0.20	0.37	1.03	1.25	1.72	2.34
Administrative & Waste Services	4.65	8.57	20.27	17.56	20.76	27.08	34.79
Educational Services	0.55	1.05	1.76	4.33	5.44	7.84	11.09
Health Care & Social Assistance	8.64	16.55	23.71	30.89	32.84	35.87	38.54
Arts, Entertainment & Recreation	2.83	5.00	6.93	9.46	10.35	11.91	13.54
Accomodation & Food Services	7.21	12.75	14.65	16.76	17.85	19.64	21.40
Other Services	5.48	10.36	14.26	16.73	17.48	18.58	19.47
Federal Civilian Government	0.71	0.97	0.94	1.11	1.24	1.47	1.71
Federal Military Government	0.52	0.83	0.70	0.76	0.77	0.78	0.78
State and Local Government	9.30	12.87	11.47	13.22	13.72	14.48	15.13
Total Earnings (Millions 2009$)	2,782.20	4,623.51	7,198.02	8,500.66	9,755.44	12,215.60	15,224.30
Per Capita Income (2009$)	28,406.00	40,544.00	48,237.00	52,651.00	57,759.00	71,125.00	89,471.00
Avg. Household Income (2009$)	64,007.00	88,575.00	103,168.00	111,598.00	120,813.00	150,923.00	194,406.00
Per Capita Income (Current$)	12,492.00	27,343.00	40,098.00	57,583.00	73,922.00	127,858.00	228,638.00
Avg. Household Income (Current$)	28,148.00	59,734.00	85,761.00	122,052.00	154,620.00	271,308.00	496,793.00
Retail Sales Per Household (2009$)	31,721.00	34,739.00	37,148.00	35,338.00	36,910.00	41,403.00	47,298.00
Number of Households (Thousands)	89.95	126.31	150.55	184.24	199.39	217.53	232.32
Persons Per Household	2.25	2.18	2.13	2.11	2.09	2.12	2.17
Households With Money Income (Thousands)	89.95	126.31	150.55	184.24	199.39	217.53	232.32
Less than $10,000 (2009$)	n.a.	7.26	7.46	11.91	11.57	10.22	8.12
$10,000 - $29,999	n.a.	14.19	15.21	22.23	21.60	19.08	15.16
$30,000 - $44,999	n.a.	17.13	18.04	21.46	20.85	18.42	14.64
$45,000 - $59,999	n.a.	22.71	25.37	32.04	31.13	27.50	21.85
$60,000 - $74,999	n.a.	19.46	21.25	25.66	28.55	26.91	21.39
$75,000 - $99,999	n.a.	11.88	14.08	18.97	22.91	30.42	28.65
$100,000 - $124,999	n.a.	12.90	16.14	20.85	25.19	34.09	48.80
$125,000 - $149,999	n.a.	9.14	11.59	11.94	14.42	19.52	28.27
$150,000 - $199,999	n.a.	3.15	5.95	6.15	7.43	10.06	14.57
$200,000 or more	n.a.	4.39	6.57	5.82	7.03	9.51	13.77

Data Sources: Woods & Poole Economics, Inc.

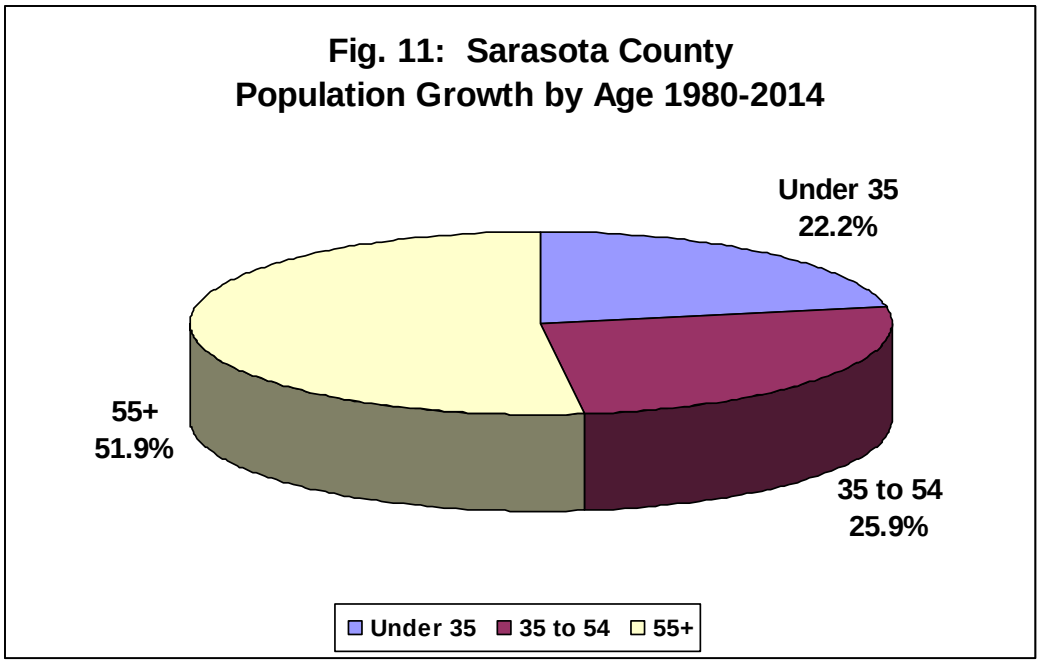


Figure 11 presents a summary graphic of population growth by age within Sarasota County. From 1980 to 2014, growth in the retiree-aged cohort dominated population increase within the county. 51.9 percent of county population growth occurred in the 55+ age cohort, 25.9 percent in the 35-54 cohort, and 22.2 percent in the under-35 cohort.

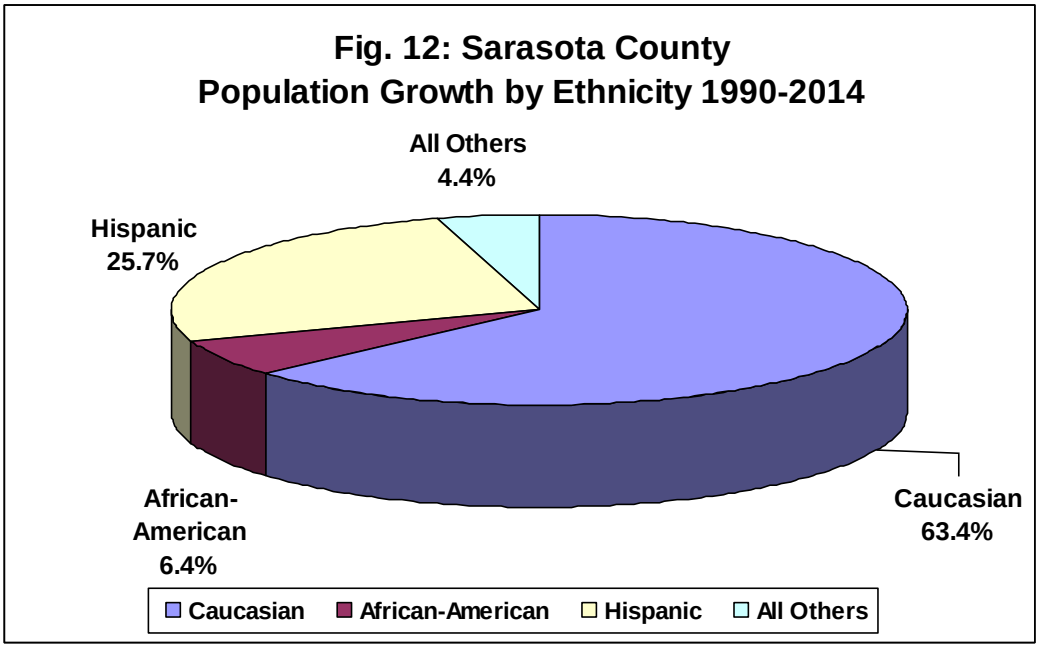
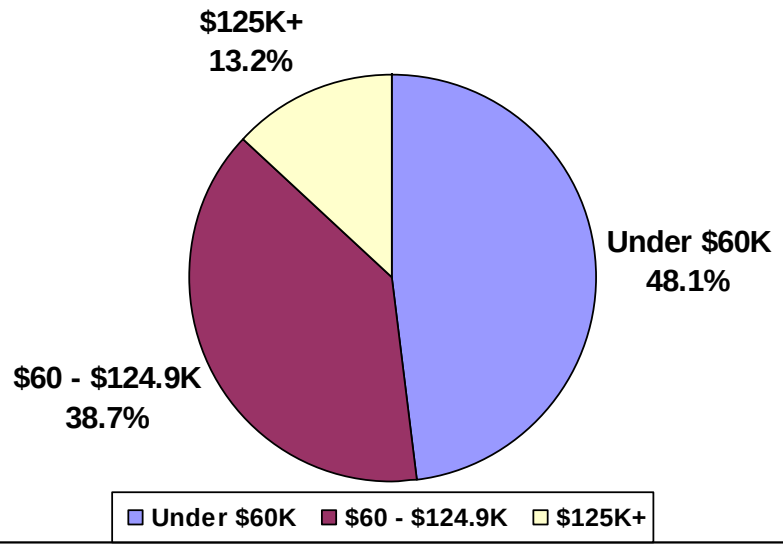


Figure 12 represents the profile of county population growth by race/ethnic status. The Caucasian population in Sarasota County increased from 259,750 in 1990 to 332,900 in 2014. During this same period, the county's African-American population increased from 12,060 to 19,420. Although the county's Hispanic population increased by six-fold during the 1990-2014 period, this cohort remains relatively modest, representing only 9 percent of the county's current residents. Caucasians presently account for 84.3 percent of Sarasota's population.

The profile of growth in households by income status is presented in Figure 13. From 1990 to 2014, households with inflation-adjusted incomes[3] of less than $60,000 per year accounted for 48.1 percent of the county's household growth. Middle to upper-middle income households, those in the $60,000 to $124,999 annual income range, held a noticeable but smaller share of growth at 38.7 percent. Upper-income households (those with annual incomes of $125,000 or more) comprised 13.2 percent of the county's household formation from during this 24-year period. In inflation adjusted dollars, Sarasota County's average household income has increased by 74.4 percent since 1980.

Fig. 13: Sarasota County
HH Growth by Income 1990-2014 (Year 2009$)

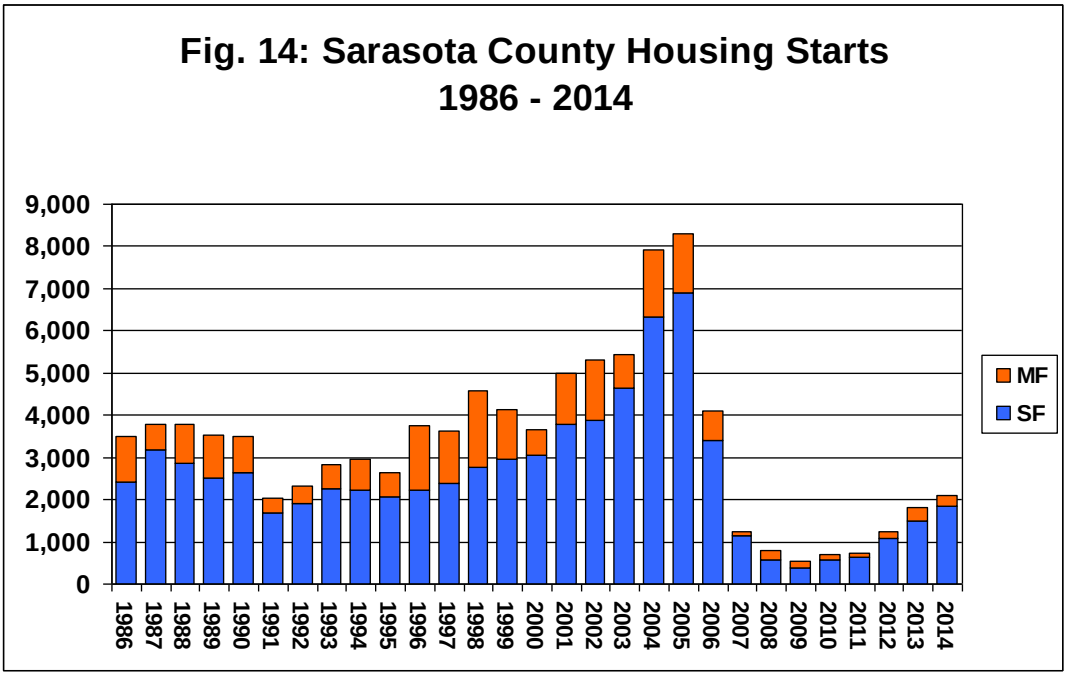


[3] In Year 2009 dollars. Source: Woods and Poole Economics, Inc.

Due to the higher growth in retiree-aged and empty nester households, Sarasota County's persons per household estimate of 2.11 remains lower than neighboring Manatee County (2.34) and the state as a whole (2.46). Household sizes in Sarasota County have been declining over time. Since 1980, Sarasota County's average household size has contracted by 0.14 persons.

After a solid 13-year starts performance between 1986 and 1999 (3,356/yr. average), Sarasota's County's housing market surged during the early and mid 2000s. At the peak of the housing bubble, annual county starts approached and exceeded the 8,000 unit mark. The residential sector in Sarasota County did begin to contract well in advance of the national and state collapse, as the County experienced starts declines in each year from 2006 through 2009, where annual construction in Sarasota reached a low of 536 units.

Sarasota County's residential market also suffered the impacts of the national recession and housing market collapse beginning in 2008. There has been a modest "rebound" in new home construction over the past 3 years, with annual delivery of 1,242 (2012), 1,815 (2013), and 2,093 (2014) units, respectively. These rates are still well below pre-2007 levels.



64 percent of the net job growth (80,330 jobs) in Sarasota County during the 1980-2014 period has occurred in the services sector. This share of service employment growth is generally consistent with other urban economies in Florida. Growth in services and retail has actually accounted for a combined 71.9 percent share of Sarasota's total job increase over the previous 34 years. Sarasota County's industry sectors that have accounted for the largest shares of employment growth over the last 34 years include the following: Healthcare & Social Assistance, Professional & Technical Services, Administrative & Waste Services, "Other" Services, and Real Estate.

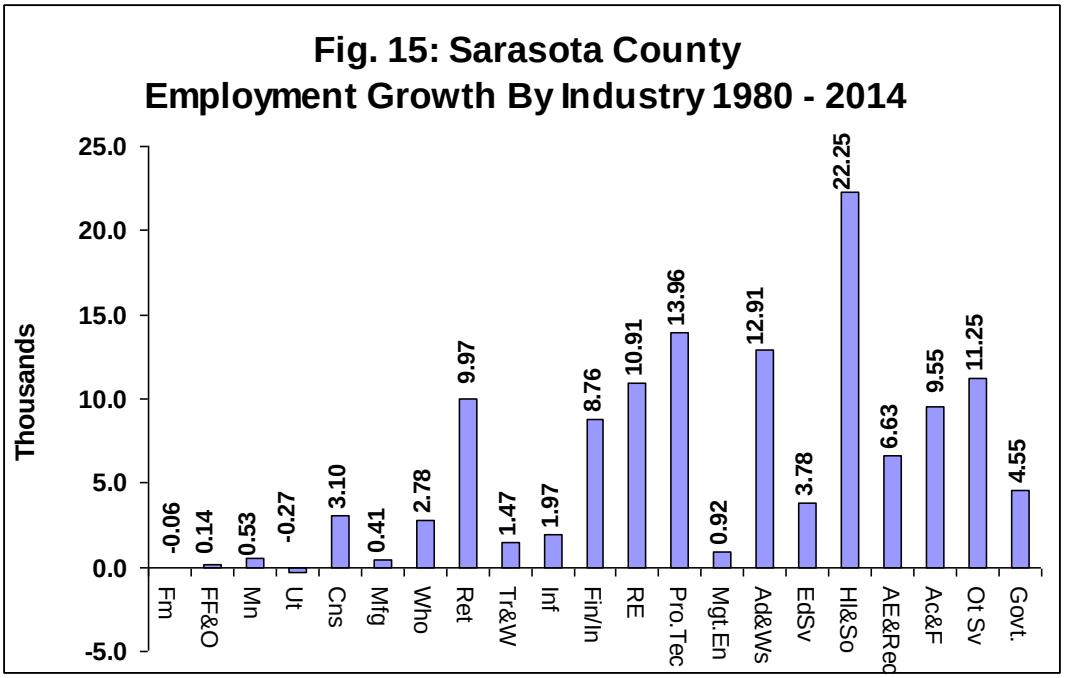
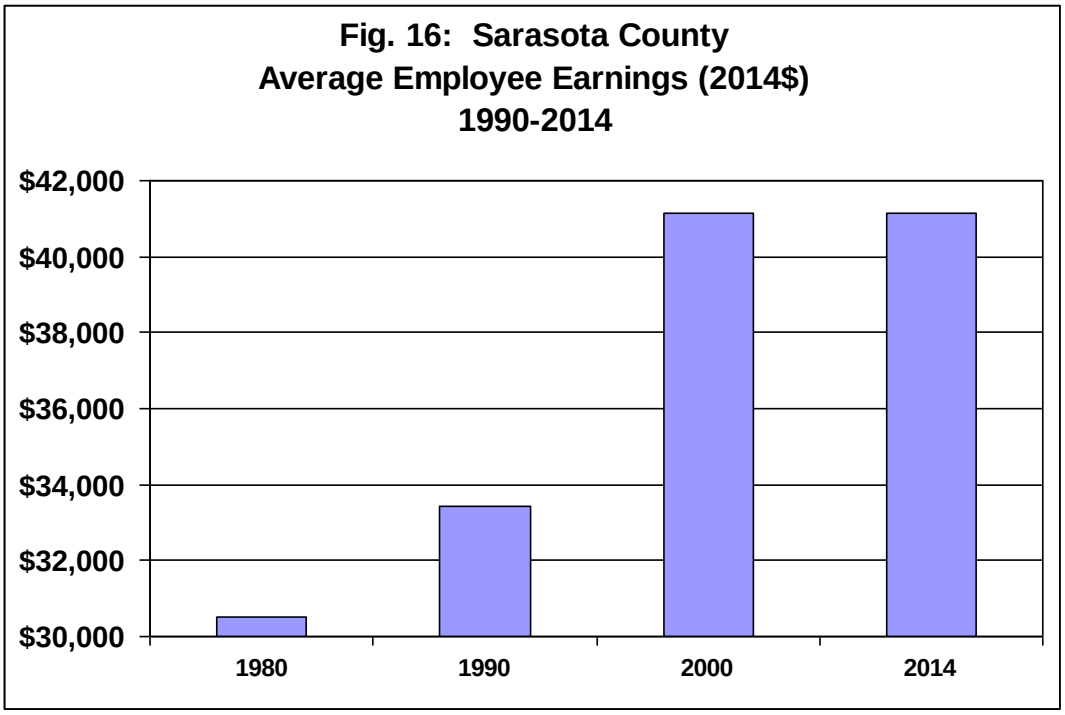


Fig. 15(a)
Industry Sector Abbreviations

Fm = Farm
FF&O = Forestry, Fishing, & Other
Mn = Mining
Ut = Utilities
Cns = Construction
Mfg = Manufacturing
Who = Wholesale Trade
Ret = Retail Trade
Tr&W = Transportation & Warehousing
Inf = Information
Fin/In = Finance & Insurance
RE = Real Estate, Rental & Lease
Pro.Tec = Professional & Tech Services
Mgt.En = Management & Enterprises
Ad&Ws = Administrative & Waste Services
EdSv = Educational Services
Hl&So = Health Care & Social Assistance
AE&Rec = Arts, Entertainment & Recreation
Ac&F = Accomodation & Food Services
Ot Sv = Other Services
Govt = Government

Average earnings in Sarasota County, when adjusted for inflation, have increased by 34.8 percent since 1980. The 2014 average employee wage in Sarasota County was $40,952[4], 6.1 percent lower than the state average.



2.5 Sarasota County Growth Forecasts, 2014 to 2040

The long-range forecasts presented for Sarasota County reflect a local economy that will continue to expand, albeit at a slightly more conservative pace than the previous 34 years. Similar to its northern neighbor (Manatee), Sarasota's future economic prospects depend upon its ability to timely and accurately respond to market forces influencing specific subareas within the county's overall economic landscape. Western Sarasota County is heavily influenced by tourism and seasonal residents. The interior of the county will continue to remain the location of choice for moderate income retiree and family households, as well as its central business district (CBD). Over the 2014 – 2040 period, Sarasota County's population growth will account for 1.4 percent of state growth, or 114,120 persons. The county will see 94,690 net new jobs created over the next 26 years, which will equate to 1.71 percent of Florida's projected employment increase to the year 2040.

[4] In Year 2014 dollars.

Table 2.4: Sarasota County Economic Profile Growth 2014-2040	1980	1990	2000	2014	2020	2030	2040
Total Population (Thousands)	204.56	279.75	327.17	395.06	421.62	466.09	509.18
Age Under 5 Years	7.89	13.43	12.82	14.93	15.70	17.21	18.84
5 to 9 Years	9.01	12.74	14.83	15.81	16.60	18.16	19.94
10 to 14 Years	10.96	12.07	16.13	18.13	18.28	19.86	21.67
15 to 19 Years	12.59	12.39	14.41	18.04	18.62	19.62	21.52
20 to 24 Years	11.99	12.20	11.30	17.13	17.39	18.45	20.14
25 to 29 Years	12.09	15.79	13.10	16.91	19.79	21.00	22.44
30 to 34 Years	10.90	17.54	16.02	16.83	19.26	22.23	23.21
35 to 39 Years	9.52	17.30	19.85	16.63	19.32	24.26	25.29
40 to 44 Years	8.22	16.17	21.73	19.53	18.43	23.25	26.64
45 to 49 Years	8.36	13.89	21.29	22.31	20.16	22.38	28.08
50 to 54 Years	10.51	12.26	20.97	27.38	24.03	21.66	27.19
55 to 59 Years	13.76	13.88	20.72	28.91	29.92	24.20	26.65
60 to 64 Years	17.32	20.27	21.29	30.98	33.60	29.99	26.52
65 to 69 Years	20.32	26.03	23.38	35.52	36.47	39.62	31.69
70 to 74 Years	17.93	23.97	26.10	32.18	39.52	43.16	38.96
75 to 79 Years	12.47	19.02	23.89	24.61	31.25	38.33	42.99
80 to 84 Years	6.75	12.18	16.10	18.47	20.67	31.74	36.50
85 Years and Over	3.98	8.63	13.24	20.76	22.62	30.98	50.91
Median Age of Population	50.38	48.58	50.52	53.97	55.58	56.16	54.93
Caucasian Population	n.a.	259.75	295.38	332.90	348.29	371.08	389.23
African-American Population	n.a.	12.06	13.85	19.42	20.47	22.49	24.74
Native American Population	n.a.	0.47	0.69	0.78	0.77	0.77	0.73
Asian and Pacific Islander Population	n.a.	1.42	2.87	6.24	6.94	7.95	8.94
Hispanic Population	2.77	6.04	14.38	35.72	45.16	63.79	85.53
Total Employment (Thousands)	99.07	150.34	190.03	224.58	244.61	280.37	319.27
Farm	0.48	0.71	0.58	0.42	0.44	0.47	0.49
Forestry, Fishing, & Other	0.19	0.26	0.37	0.33	0.36	0.42	0.49
Mining	0.15	0.21	0.22	0.69	0.71	0.75	0.78
Utilities	0.74	0.93	0.61	0.46	0.46	0.46	0.45
Construction	10.66	13.63	15.02	13.76	15.38	18.34	21.63
Manufacturing	5.80	7.70	8.57	6.21	6.31	6.43	6.48
Wholesale Trade	2.64	3.95	4.25	5.42	6.17	7.58	9.22
Retail Trade	15.11	23.83	26.97	25.08	26.19	27.81	29.10
Transportation & Warehousing	1.76	2.22	2.32	3.23	3.38	3.61	3.81
Information	1.48	2.59	3.75	3.45	3.82	4.50	5.23
Finance & Insurance	8.04	8.63	10.87	16.80	18.88	22.70	26.98
Real Estate, Rental & Lease	7.76	8.34	9.11	18.67	20.50	23.79	27.36
Professional & Tech Services	4.27	8.18	12.33	18.23	20.32	24.16	28.47
Management & Enterprises	0.11	0.20	0.37	1.03	1.25	1.72	2.34
Administrative & Waste Services	4.65	8.57	20.27	17.56	20.76	27.08	34.79
Educational Services	0.55	1.05	1.76	4.33	5.44	7.84	11.09
Health Care & Social Assistance	8.64	16.55	23.71	30.89	32.84	35.87	38.54
Arts, Entertainment & Recreation	2.83	5.00	6.93	9.46	10.35	11.91	13.54
Accomodation & Food Services	7.21	12.75	14.65	16.76	17.85	19.64	21.40
Other Services	5.48	10.36	14.26	16.73	17.48	18.58	19.47
Federal Civilian Government	0.71	0.97	0.94	1.11	1.24	1.47	1.71
Federal Military Government	0.52	0.83	0.70	0.76	0.77	0.78	0.78
State and Local Government	9.30	12.87	11.47	13.22	13.72	14.48	15.13
Total Earnings (Millions 2009$)	2,782.20	4,623.51	7,198.02	8,500.66	9,755.44	12,215.60	15,224.30
Per Capita Income (2009$)	28,406.00	40,544.00	48,237.00	52,651.00	57,759.00	71,125.00	89,471.00
Avg. Household Income (2009$)	64,007.00	88,575.00	103,168.00	111,598.00	120,813.00	150,923.00	194,406.00
Per Capita Income (Current$)	12,492.00	27,343.00	40,098.00	57,583.00	73,922.00	127,858.00	228,638.00
Avg. Household Income (Current$)	28,148.00	59,734.00	85,761.00	122,052.00	154,620.00	271,308.00	496,793.00
Retail Sales Per Household (2009$)	31,721.00	34,739.00	37,148.00	35,338.00	36,910.00	41,403.00	47,298.00
Number of Households (Thousands)	89.95	126.31	150.55	184.24	199.39	217.53	232.32
Persons Per Household	2.25	2.18	2.13	2.11	2.09	2.12	2.17
Households With Money Income (Thousands)	89.95	126.31	150.55	184.24	199.39	217.53	232.32
Less than $10,000 (2009$)	n.a.	7.26	7.46	11.91	11.57	10.22	8.12
$10,000 - $29,999	n.a.	14.19	15.21	22.23	21.60	19.08	15.16
$30,000 - $44,999	n.a.	17.13	18.04	21.46	20.85	18.42	14.64
$45,000 - $59,999	n.a.	22.71	25.37	32.04	31.13	27.50	21.85
$60,000 - $74,999	n.a.	19.46	21.25	25.66	28.55	26.91	21.39
$75,000 - $99,999	n.a.	11.88	14.08	18.97	22.91	30.42	28.65
$100,000 - $124,999	n.a.	12.90	16.14	20.85	25.19	34.09	48.80
$125,000 - $149,999	n.a.	9.14	11.59	11.94	14.42	19.52	28.27
$150,000 - $199,999	n.a.	3.15	5.95	6.15	7.43	10.06	14.57
$200,000 or more	n.a.	4.39	6.57	5.82	7.03	9.51	13.77

Data Sources: Woods & Poole Economics, Inc.

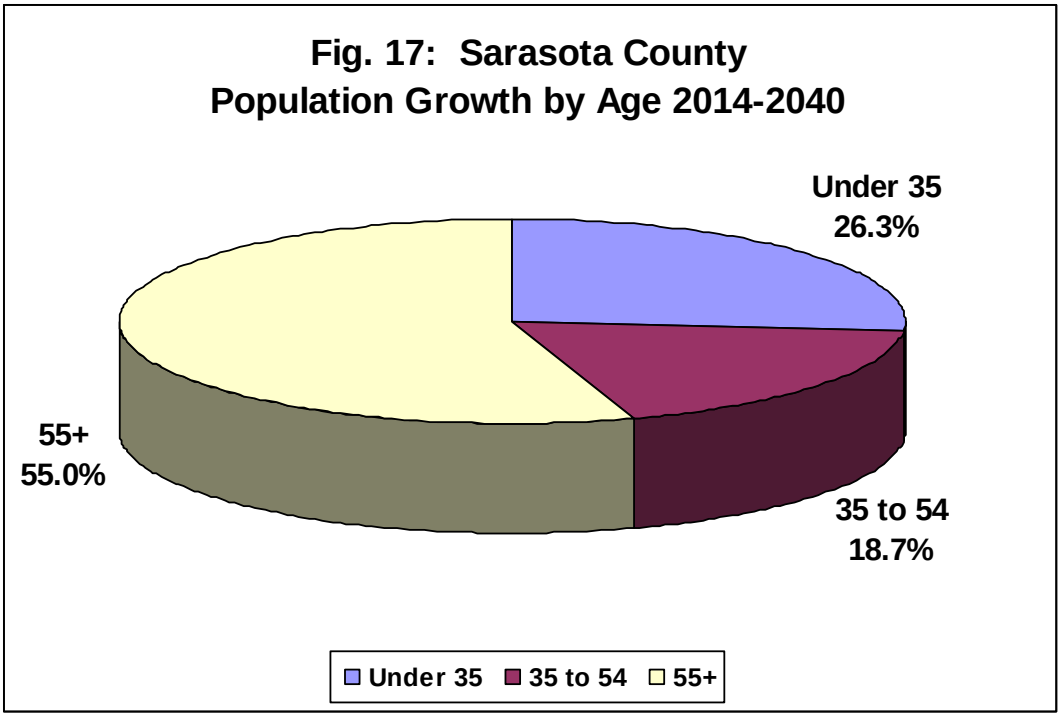
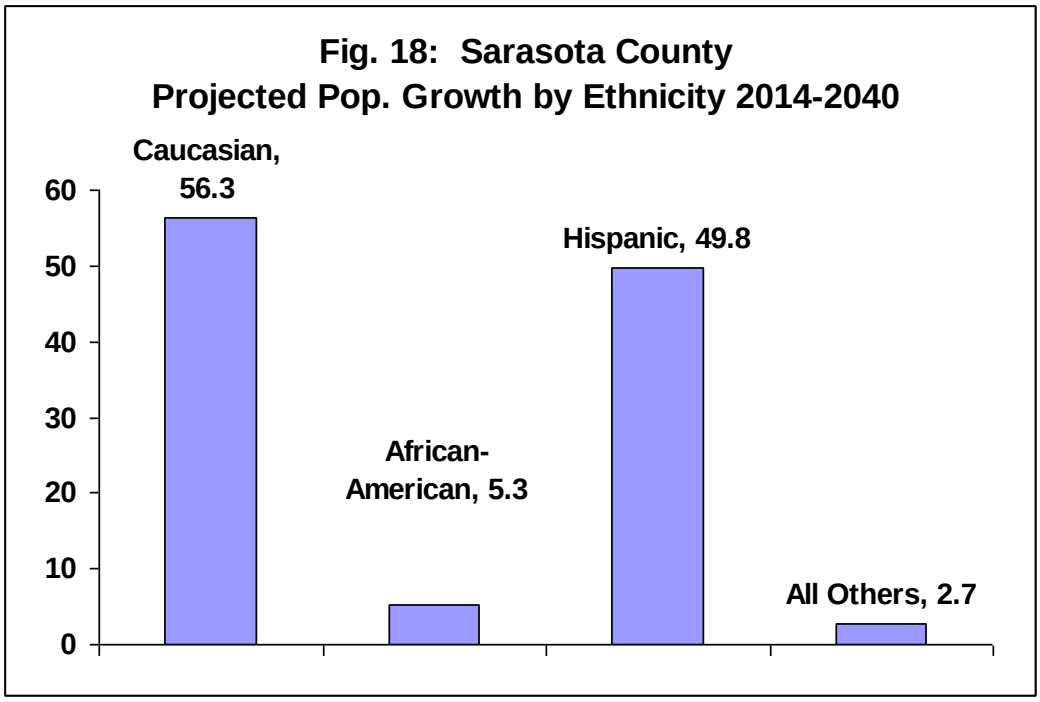
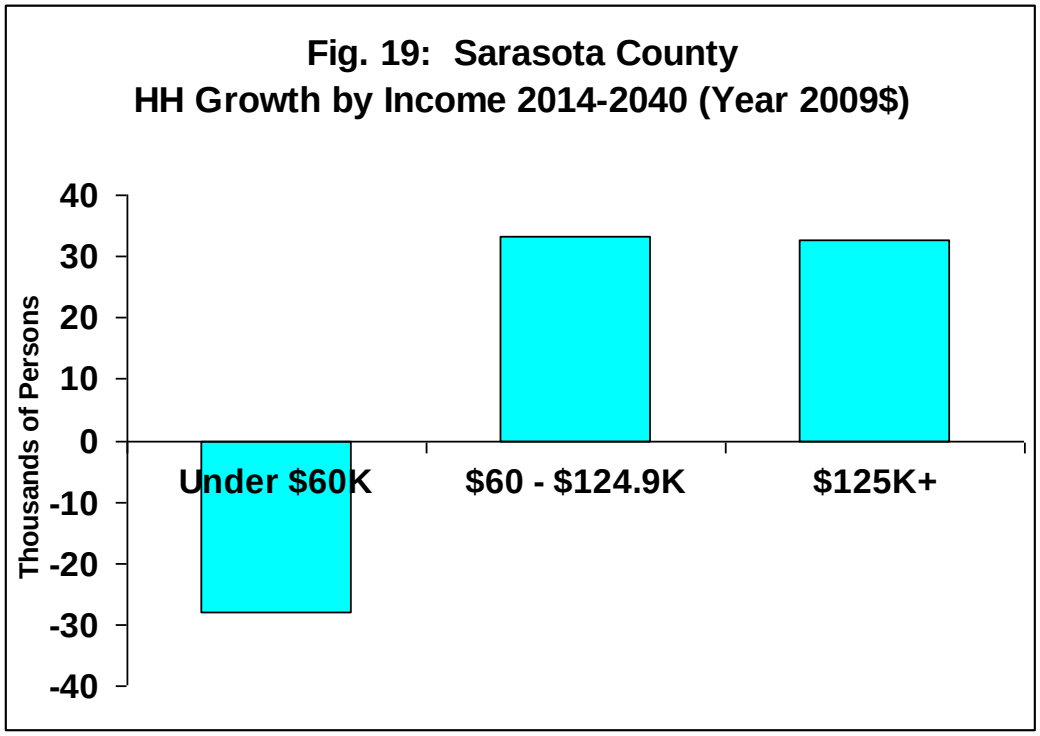


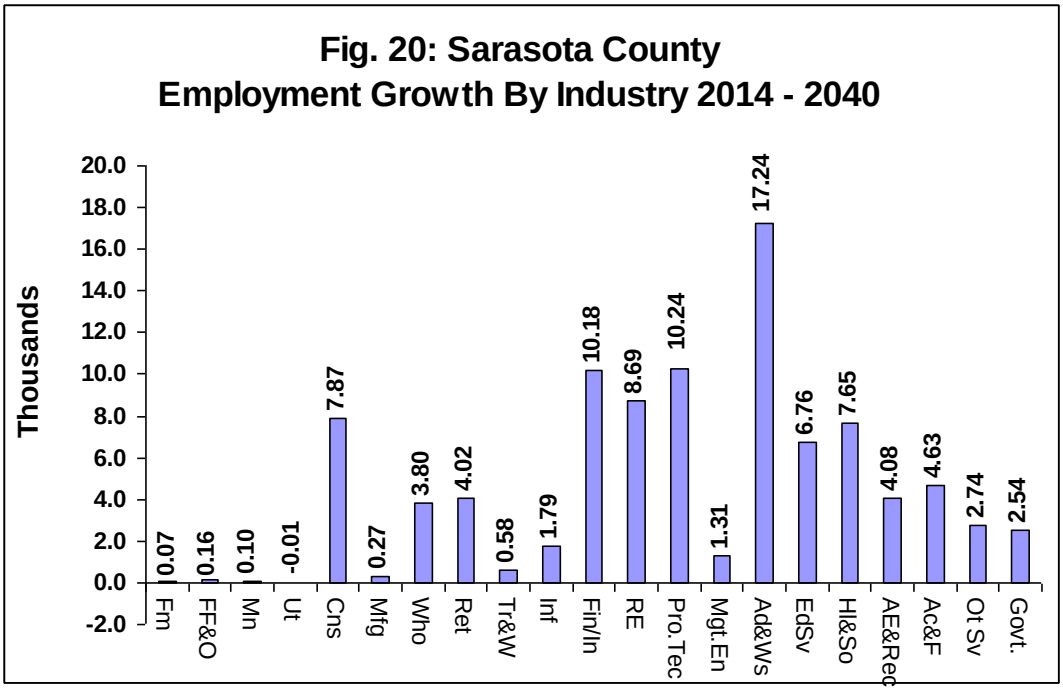
Figure 17 illustrates the significant changes forecast for the age structure of Sarasota County's population. 55.0 percent of 2010-2040 population growth in Sarasota County is expected to occur in the 55+ age cohort. 26.3 percent of county population growth will occur in the under-35 age group, while 18.7 percent of growth will occur in the 35-54 cohort.

The long-range projections for Sarasota County indicate that the Caucasian cohort will account for 49.4 percent of population growth from 2014 to 2040. This is a modest decline from the 1980 - 2014 growth share (63.4 percent). Hispanics will comprise 43.6 percent of the projected resident increase, while African Americans are anticipated to make up just 4.7 percent of 2014-2040 county population growth. The 2040 population of Sarasota County is expected to be 76.4 percent Caucasian, less than the 84.3 percent share in 2014.





Forecasted household growth will occur in upper income categories, as services and financial sector growth is expected to expand. More than two-thirds of 2014 - 2040 job growth is anticipated to occur in the financial and service sectors.



The 28 year historic trend of annual housing starts for Sarasota County reflects an average starts pace of 3,307 units per year. The 26 year forecasts of household formation suggest county growth of 1,850 occupied units per year. A forecasted long-range annual average of 2,579 starts per year for Sarasota County would be consistent with these trends, although we would expect to see cycles of both above and below average starts over the long-range forecast horizon.

During the 1989-2014 period, Sarasota County added 0.66 jobs for every new county resident. This expansion increased the county employment/population ratio from 0.48 in 1980 to 0.57 by 2014. The 30-year projections indicate that Sarasota County will add 0.83 jobs for each new resident, creating a local economy by 2040 with an employment/population ratio of 0.63. This 2040 employment/population ratio is expected to exceed state averages, and indicates a trend of continued urbanization and industry expansion.

2.6 Final Comments on Manatee and Sarasota Growth Forecasts

The long-range forecasts presented in this report for Manatee and Sarasota Counties are based on widely accepted information sources and forecasting methodologies, and are generally consistent with projections developed by other credible entities.

With this understanding, we should recognize that all long-range economic projections are subject to error, particularly in later years of the forecast horizon. It is impossible to perfectly foresee all economic development activities that will occur within a region over a period of 25 to 30 years, and numerous future events in the local, state, or national economy could materially alter the trajectory of growth within a county or metropolitan area. Therefore, the study authors wish to emphasize that the county-level growth projections (including residential and nonresidential development) presented in this report do not represent an assertion of absolute fact for the economic future of Manatee or Sarasota Counties. More accurately stated, the forecasts represent a baseline scenario of future growth, given our knowledge of the area, and our expectations for change in the regional, state, and national economies. It is entirely possible that economic expansion in this region could rapidly accelerate, or sharply decline, due to events that cannot be accurately predicted at this time. The economic reality of business cycles, whether they be regional or macroeconomic cycles, is that expansion and contraction will occur. The never-ending challenge for economic analysts, is predicting exactly when these expansionary and contractionary periods will happen, how long they will last, and what causes them.

3.0: Longboat Key Economic Profile

3.1 Introduction

This section of the report identifies elements of activity within the local marketplace that are likely to influence development opportunities at the Longboat Key Town Center. The evaluation begins with an assessment of demographic and economic conditions on the island, including population, housing, visitor, and employment characteristics. This assessment is followed by an analysis of development inventory (residential, commercial/retail, office, industrial, civic) for the town. Finally, a retail demand and supply assessment is conducted, which shows demand potential and estimated leakage outside of the island.

3.2 Local Area Economic & Demographic Trends

The Gulf barrier island town of Longboat Key is one of only four municipalities in Florida[5] whose boundaries stretch across two counties (Manatee and Sarasota). This 10-mile long island has a land area of 4.13 square miles, and is located due south of Anna Maria Island and Bradenton Beach, and due north of Lido Beach and St. Armand's Key.

Longboat Key has an estimated 2014 permanent population of 6,825 persons[6], and a seasonal resident base which adds a full-time equivalent of 12,000 to 14,000 additional residents, increasing the island's functional population to 22,000 persons during the peak visitor months of December, January, and February.

From 2000 through 2014, the permanent population of Longboat Key decreased by 8.4 percent. 2014 estimates from Nielsen Claritas place the permanent population of the island at 6,959, residing in 3,969 households. This reflects a current population density of 1,685 persons per square mile. The median age of the Town's permanent population is estimated at 71.1 years.

Year 2019 forecasts project the island with a permanent population of 7,142 persons, 4,119 households, and 9,132 housing units. These

[5] Marineland (St. Johns and Flagler Counties), Flagler Beach (Flagler and Volusia Counties), and Fanning Springs (Gilchrist and Levy Counties) are the other incorporated areas in Florida whose jurisdictional boundaries stretch across two counties.

[6] Source: University of Florida Bureau of Economic and Business Research, "2014 Estimates of Population". Information supplied by the Nielsen Claritas database estimates a 2014 permanent population of 6,959.

projections suggest minimal growth within the town over the next five years. However, Longboat Key is already heavily developed and densely populated, leaving little room for future net expansion of the residential sector.

2014 estimates indicate that households on the island have a median annual income of $81,294, and an average annual income of $122,959. Five year forecasts suggest that income of households on Longboat Key will rise to a $86,669 median and $129,778 average by 2019. 42 percent of Longboat Key's permanent resident households have annual household incomes of $100,000 or higher. In fact, nearly one in five of the Town's households have annual incomes equal to or exceeding $200,000. Despite this concentration of affluence, it should be noted that 38.3 percent of Town's households have annual incomes[7] of less than $50,000.

Longboat Key's current housing stock is heavily weighted towards higher density housing products. 27.6 percent of the units on the island are single family, while 68.8 percent are multifamily. 3.7 percent of units are classified as "mobile home" or "other". The overall housing stock on the island is relatively mature by Florida standards, with a median year built of 1981. Slightly less than 40 percent of the island's occupied housing units are owner-occupied, indicative of a substantial second-home inventory.

The U.S. Bureau of the Census Censtats business database reports presence of 234 establishments on the island that employ 2,002 persons with annual aggregate earnings of $64.03 million. Of these 234 businesses within the trade area, 37 percent (86) are in either the real estate industry or allied with professional, scientific, or technical service enterprises. Only 6.4 percent of the Town's businesses are retail establishments.

For those residents residing on Longboat Key who are employed (*regardless of whether or not their work is on or off the island*), over half (53.1 percent) work in the high-wage industries of Finance/Insurance/Real Estate, Health Care, and Professional/Scientific Services. 2014 estimates indicate that 1,645 of the island's residents are currently employed.

[7] Income estimates include the following revenue sources: Earned income (wages), interest, dividends, rental income, Social Security, SSI, retirement income, and cash public assistance. Source: U.S. Bureau of the Census, American Community Survey.

Table 3.1: Longboat Key, Florida Economic Trends

	2000	%	2014	%	2019 (proj.)	%
Population	7,602		6,959		7,142	
Households	4,280		3,969		4,119	
Average Household Size	1.78		1.75		1.73	
Families	2,844		2,584		2,670	
Housing Units	8,834	100.0%	8,951	100.0%	9,132	100.0%
Single Family	2,308	26.1%	2,468	27.6%	2,473	27.1%
Multifamily	6,231	70.5%	6,154	68.8%	6,313	69.1%
Mobile Home, Other	295	3.3%	329	3.7%	346	3.8%
Median Year Structure Built	1978		1981		1982	
Median Age of Population	67.8		71.1		71.9	
Median HH Income	$90,598		$81,294		$86,669	
Average HH Income	$143,465		$122,959		$129,778	
Household Income Distribution						
HH Income < $15,000	266	6.2%	394	9.9%	371	9.0%
HH Income $15,000-$24,999	346	8.1%	344	8.7%	332	8.1%
HH Income $25,000-$34,999	206	4.8%	292	7.4%	293	7.1%
HH Income $35,000-$49,999	416	9.7%	491	12.4%	485	11.8%
HH Income $50,000-$74,999	568	13.3%	357	9.0%	382	9.3%
HH Income $75,000-$99,999	468	10.9%	423	10.7%	421	10.2%
HH Income $100,000-$124,999	503	11.8%	360	9.1%	390	9.5%
HH Income $125,000-$149,999	279	6.5%	287	7.2%	302	7.3%
HH Income $150,000-$199,999	287	6.7%	306	7.7%	335	8.1%
HH Income $200,000-$249,999	190	4.4%	161	4.1%	197	4.8%
HH Income $250,000-$499,999	281	6.6%	356	9.0%	370	9.0%
HH Income $500,000+	378	8.8%	198	5.0%	241	5.9%
Resident Employment by Industry:						
Accommodation/Food Services	153	8.0%	161	9.8%	159	9.4%
Administrative/Support/Waste Management	79	4.1%	48	2.9%	48	2.8%
Agriculture/Forestry/Fishing/Hunting/Mining	0	0.0%	1	0.1%	4	0.2%
Entertainment/Recreation	79	4.1%	47	2.9%	48	2.8%
Construction	90	4.7%	26	1.6%	28	1.7%
Educational Services	103	5.4%	103	6.3%	108	6.4%
Finance/Insurance/Real Estate/Rental/Lease	321	16.8%	327	19.9%	335	19.8%
Health Care & Social Assistance	112	5.9%	216	13.1%	224	13.2%
Information	16	0.8%	9	0.5%	10	0.6%
Management of Companies	0	0.0%	1	0.1%	1	0.1%
Total Manufacturing	136	7.1%	84	5.1%	89	5.3%
Other Services (exlcudes Public Administration)	56	2.9%	87	5.3%	92	5.4%
Professional, Scientific/Tech, Admin.	321	16.8%	338	20.5%	341	20.1%
Public Administration	83	4.3%	58	3.5%	63	3.7%
Retail Trade	198	10.4%	63	3.8%	63	3.7%
Transportation, Warehousing, & Utilities	58	3.0%	41	2.5%	49	2.9%
Wholesale Trade	108	5.6%	35	2.1%	33	1.9%
TOTAL	1,913	100.0%	1,645	100.0%	1,695	100.0%

Sources: Nielsen Claritas, Florida Economic Advisors, LLC

3.3 Longboat Key Development Inventory

An analysis of parcel records from the Property Appraiser databases of both Manatee and Sarasota counties indicate that the Town of Longboat Key has a modest development inventory that has only marginally expanded over the past 20 years. The town's existing development inventory is estimated at 8,630 residential dwelling units, 725 hotel units, 479,298 square feet of retail, office, and mixed use commercial, and 306,598 square feet of recreational, institutional, civic, and government uses.

38 percent (770 units) of the town's single family housing stock is located in the island's northern area, within Manatee County. The remaining 62 percent (1,252 units) is in the Sarasota County portion of the island. 94 percent of the town's single family housing stock and 99 percent of its multifamily stock was constructed prior to 2004, indicative of a community that has reached a functional ceiling with regards to residential construction.

33 percent of the town's commercial inventory (retail, office, mixed use) is located in the Manatee portion of the town, while the remaining 67 percent is located in the southern Sarasota county portion of the island. In fact, the only relevant commercial development which has occurred on Longboat Key in the past 22 years has been in the Bay Isles town center area (Sarasota County portion), which includes the redeveloped Publix shopping center and CVS Pharmacy. There is a moderate amount of commercial space that is presently vacant within the central and northern portions of the island.

No recreational, institutional, or civic structures have been developed on Longboat Key since 1998. The town's total inventory of recreational, civic, and institutional space is 243,702 square feet. 70 percent of this development exists within the Sarasota County portion of the island.

The Town's government headquarters are located in the Town Center area immediately north of Bay Isles Road. Total vertical development devoted to government use within the Town is 62,896 square feet, with 71 percent of this space in the southern half of the island. No new governmental facilities have been constructed on the island since 2003.

Table 3.2: Longboat Key, Florida Development Inventory

	Prior to 1983	1984-1988	1989-1993	1994-1998	1999-2003	2004-2008	2009-2013	TOTAL
Single Family								
Manatee	523	38	50	47	57	34	21	770
Sarasota	645	129	157	163	84	58	16	1,252
TOTAL	**1,168**	**167**	**207**	**210**	**141**	**92**	**37**	**2,022**
Multifamily								
Manatee	2,335	98	90	4	17	44	9	2,597
Sarasota	2,324	530	446	510	191	10	0	4,011
TOTAL	**4,659**	**628**	**536**	**514**	**208**	**54**	**9**	**6,608**
Hotel Condo								
Manatee	163	0	0	0	0	0	0	163
Sarasota	562	0	0	0	0	0	0	562
TOTAL	**725**	**0**	**0**	**0**	**0**	**0**	**0**	**725**
Retail								
Manatee	64,306	0	0	0	0	0	0	64,306
Sarasota	72,586	11,251	11,346	0	0	0	0	95,183
TOTAL	**136,892**	**11,251**	**11,346**	**0**	**0**	**0**	**0**	**159,489**
Mxd Use/Office								
Manatee	21,923	71,755	0	0	0	0	0	93,678
Sarasota	93,002	40,710	11,346	0	0	0	81,073	226,131
TOTAL	**114,925**	**112,465**	**11,346**	**0**	**0**	**0**	**81,073**	**319,809**
Recreational								
Manatee	0	0	7,440	0	0	0	0	7,440
Sarasota	62,536	80,337	0	216	0	0	0	143,089
TOTAL	**62,536**	**80,337**	**7,440**	**216**	**0**	**0**	**0**	**150,529**
Institutional/Civic								
Manatee	28,049	0	38,385	0	0	0	0	66,434
Sarasota	11,978	14,761	0	0	0	0	0	26,739
TOTAL	**40,027**	**14,761**	**38,385**	**0**	**0**	**0**	**0**	**93,173**
Government								
Manatee	7,956	0	0	0	10,314	0	0	18,270
Sarasota	20,938	23,688	0	0	0	0	0	44,626
TOTAL	**28,894**	**23,688**	**0**	**0**	**10,314**	**0**	**0**	**62,896**

Single Family and Multifamily are measured in Dwelling Units (DUs)

Hotel Condo is measured in Units

Retail, Mxd Use/Office, Recreational, Institutional/Civic, and Government is measured in square footage (sq. ft.)

Sources:

Manatee County Property Appraiser

Sarasota County Property Appraiser

Tindale-Oliver and Associates, Inc.

Florida Economic Advisors, LLC

3.4 Commercial/Retail Assessment: Retail Center Characteristics

The Urban Land Institute, in its "Dollars and Cents of Shopping Centers" publication, provides category-based classifications of modern shopping centers, outlining center size and store mix characteristics that define a center's type and function. These classifications and associated characteristics are outlined in this section.

As the shopping center evolved, **5 basic types** emerged, each distinctive in its own function: the **convenience**, the **neighborhood**, the **community**, the **regional**, and the **super regional**. In all cases, a shopping center's type and function are determined by its major tenant or tenants and the size of the trade area; they are never based solely on the area of the site or the square footage of the structure.

A **convenience center** provides for the sale of personal services and convenience goods similar to those of a neighborhood center. It contains a minimum of 3 stores, with a gross leasable area ("GLA") of up to 30,000 square feet. Instead of being anchored by a supermarket, a convenience center usually is anchored by some other type of personal/convenience service such as a minimarket.

A **neighborhood center** provides for the sale of convenience goods (foods, drugs, and sundries) and personal services (laundry and dry cleaning, barbering, shoe repairing, etc.) for the day-to-day living needs of the immediate neighborhood. It is built around the supermarket as the principal tenant and typically contains a GLA of about 60,000 square feet. In practice, it may range in size from 30,000 to 100,000 square feet.

In addition to the convenience goods and personal services offered by the neighborhood center, a **community center** provides a wider range of soft lines (wearing apparel for men, women, and children), and hard lines (hardware and appliances). The community center makes merchandise available in a greater variety of sizes, styles, colors, and prices. Many centers are built around a junior department store, variety store, super drugstore, or discount department store as the major tenant, in addition to a supermarket. Although a community center does not have a full line department store, it may have a strong specialty store or stores. Its typical size is about 150,000 square feet, but in practice, it may range from 100,000 to 500,000 or more square feet. Centers that fit

the general profile of a community center but contain more than 250,000 square feet are classified as **super community centers**. In some cases, these centers contain more than 1 million square feet. As a result, the community center is the most difficult to estimate for size and pulling power.

A **power center** is a type of super community center. It contains category specific, off-price anchors of 20,000 or more square feet. These anchors typically emphasize hard goods such as consumer electronics, sporting goods, office supplies, home furnishings, home improvement goods, bulk foods, drugs, health and beauty aids, toys, and personal computer hardware/software. They tend to have narrowly focused but deeply merchandised category offerings together with more broadly merchandised, price oriented warehouse club and discount department stores. Anchors in power centers typically occupy 85 percent or more of the total GLA.

A **regional center** provides general merchandise, apparel, furniture, and home furnishings in depth and variety, as well as a range of services and recreational facilities. It is built around 1 or 2 full line department stores of generally not less than 50,000 square feet. Its typical size is about 500,000 square feet of GLA; in practice, it may range from 250,000 to more than 900,000 square feet. The regional center provides services typical of a business district yet not as extensive as those of the super regional center.

A **super regional center** offers extensive variety in general merchandise, apparel, furniture, and home furnishings, as well as a variety of services and recreation facilities. It is built around 3 or more full-line department stores generally of not less than 75,000 square feet each. The typical size of a super regional center is about 1 million square feet of GLA. In practice, the size ranges from about 500,000 to more than 1.5 million square feet.

3.5 Retail Center Trade Areas

The ULI "Shopping Center Development Handbook" contains a detailed discussion of shopping center trade area analysis that outlines the complexities involved in the assessment of appropriate retail trade areas. The following paragraphs include excerpts of this text discussion.

"The character of a prospective retail trade area and the nature of the competition in it shape the character of a shopping center,

including type, quality, and tone. The trade area traditionally is the geographic area that provides the majority of the steady customers necessary to support a shopping center.

As new shopping centers do not create buying power, they must attract existing customers from their trade areas and capture a portion of the new buying power as those areas grow. Hence, the extent of the area from which a new center can be expected to draw the most significant number of its customers - whether residents, workers, tourists, or business travelers - must first be established. Within a shopping center's trade area, customers closest to the site affect the center most strongly, with their influence diminishing gradually as the distance increases. Trade areas are usually divided into 3 categories or zones of influence, although the following general guidelines describing these categories vary depending on the type of center and other factors."

A center's *primary trade area* is the geographical area from which the center derives its largest share of repeat sales. This area typically extends to 1.5 miles for neighborhood centers, 3 to 5 miles for community and super community centers, and 8 to 12 miles for regional centers. Driving time within the primary trade area ranges correspondingly from 5 to 30 minutes, and 70 to 80 percent of the center's regular customers are drawn from this area.

The *secondary trade area* generates 15 to 20 percent of the total sales of an average shopping center. The extent of the secondary trade area is heavily influenced by the existence of similar centers nearby, and, as a result, the extent of secondary trade areas varies widely, depending on the center's type and size, and the competition. For the largest centers, it may extend 3 to 7 miles beyond the primary trade area.

The *tertiary* or fringe trade area is the broadest area from which consumers may be drawn. A small but sometimes significant share of a center's customers - particularly for large specialty centers, downtown centers, off-price centers, and entertainment centers, may be drawn from tourists and other travelers who do not live in the market at all. Although customers who live in the tertiary trade area must travel greater distances, they may be attracted to a center because it is more accessible or it offers unusual goods, greater parking, more stores, better value, or higher quality merchandise than closer centers. For the largest centers, driving

time from the tertiary market area to the site can be an hour or more, extending 15 miles beyond the primary trade area in major metropolitan markets. In much smaller markets, however, it may extend 50 miles or more.

The competitive relationships among retail areas largely control the movement of shoppers in an urban area, and this situation can vary widely. Natural barriers such as lakes, rivers, hills, parks, and other open space or undevelopable land, as well as man-made barriers (which may be psychological) such as railroads, freeways, and large institutions, can act as boundaries to the trade area.

3.6 Current Retail Purchasing Potential and Net Demand Estimation

According to estimates generated by Nielsen Claritas, the 3,969 households on Longboat Key spend $230.1 million annually on purchases at retail stores and eating/drinking establishments. This is represented in Table 3.3, in the "demand" column. *Demand* represents household consumer spending, by store classification. The "typical" household on the island spends $57,984 per year on items at these various retailers.

Table 3.3: The Town of Longboat Key
Retail Demand and Supply by Store Classifcation

	Demand	Supply	Net	Sq, Ft. Need at $400/SF
Total Retail Sales & Eating, Drinking Places	$230,139,857	$51,757,465	$178,382,392	445,956
Total Retail Sales	$168,557,544	$23,866,649	$144,690,895	361,727
Motor Vehicle & Parts Dealers-441	$31,060,151	$2,977,322	$28,082,829	70,207
Furniture & Home Furnishings Stores-442	$5,091,140	$515,213	$4,575,927	11,440
Electronics & Appliances Stores-443	$3,647,144	$399,638	$3,247,506	8,119
Building Material, Garden Equip Stores -444	$24,119,760	$2,366,271	$21,753,489	54,384
Food & Beverage Stores-445	$20,823,220	$10,913,041	$9,910,179	24,775
Health & Personal Care Stores-446	$15,202,932	$1,402,278	$13,800,654	34,502
Gasoline Stations-447	$13,546,365	$0	$13,546,365	33,866
Clothing & Clothing Accessories Stores-448	$8,671,258	$3,591,561	$5,079,697	12,699
Sporting Gds, Hobby, Book, Music Stores-451	$3,591,238	$140,668	$3,450,570	8,626
General Merchandise Stores-452	$20,496,174	$832,204	$19,663,970	49,160
Miscellaneous Store Retailers-453	$5,001,322	$728,453	$4,272,869	10,682
Non-Store Retailers-454	$17,306,840	$0	$17,306,840	43,267
Foodservice & Drinking Places-722	$17,431,978	$22,058,198	($4,626,220)	(11,566)
GAFO	$44,150,335	$5,832,618	$38,317,717	95,794

Sources: Nielsen Claritas, Florida Economic Advisors, LLC

Note: A lone BP gas station exists on the extreme southern end of the island, but did not provide sales data accessible to the NCI reporting system.

The "supply" column in Table 3.3 represents estimates of the current annual sales activity that occurs at retailers located on the island. These estimates indicate that a total volume of $51.7 million in sales activity occurs at Longboat Key businesses.

If household retail spending (demand) exceeds the retail store sales volume (supply) on the island, it indicates that a portion of household retail spending is being met outside of Longboat Key, and therefore the Town would be considered as having greater demand for retail commerce than available supply. If household spending is less than store sales volume, then the island would have greater retail supply than household demand, therefore suggesting an oversaturated retail market.

In Longboat Key, households are spending $178.4 million more on retail, eating, and drinking, than is being transacted in local stores and restaurants. This is suggestive of a market that has insufficient inventories of existing retail space to meet the current trade area household demand. If the $178,382,392 spending "gap" estimate is divided by an average store sales volume of $400 per square foot, it indicates that local households actually demand 445,956 more square feet of retail space than is presently being supplied on the island. Specific store types within this trade area that appear to have the greatest near-term potential include general merchandise (department) stores, health and personal care stores, supermarkets, home & building supply stores, and automotive dealers.

It should also be noted that this demand estimate does not include the additional needs generated by the 12,000 - 14,000 seasonal households on the island. Factoring in these part-time residents would result in total square footage needs of roughly 2x the magnitude of those generated by full-time households alone.

With this magnitude of retail deficit on the island, the logical question then becomes *why hasn't there been more retail developed and supported on the island?* There are moderate inventories of vacant retail center space on Longboat Key, particularly in the northern portion of the island. If the town is so deficient in shopping inventory, how are the purchasing needs of island residents and visitors being met?

A large component of this question can be answered by the existence of *St. Armand's Circle*, the entertainment and shopping district located immediately south of Longboat, on St. Armand's Key

at Lido Beach. *St. Armand's Circle* is comprised of nearly 120 specialty retail shops, restaurants, and businesses that serve residents throughout the region. St. Armand's circle is less than 5 miles south of the Longboat Key Town Center, and has the following business profile:

Beauty Salons/Spas

1. Aquasandz Nails and Spa
2. Green Ginger Hair Designs
3. Les Ciseaux Salon, Day Spa and Salon
4. Nail Capitol Salon
5. The Met Fashion House, Day Salon and Spa
6. The Salon at St. Armands
7. Cristobal's Massage

Casual and Fine Dining

8. 15 South Ristorante Enoteca
9. Blu Kozina LLC
10. Café L'Europe
11. Cha Cha Coconuts
12. Columbia Restaurant
13. Crab and Fin
14. Daquiri Deck
15. La Malinche Mexican Restaurant
16. Lynches Pub and Grub
17. Madison Avenue Café and Deli
18. New Pass Grille on the Circle
19. Ristorante Le Colonne
20. Shore Diner
21. Surf Shack Coastal Kitchen
22. Taste of Italy
23. That's Fresh Organic Juice Bar
24. Tommy Bahama Restaurant and Bar
25. Venezia

Computers/Internet

26. InterServe Internet Services, Inc.

Fashion

27. Binjara Traders, Inc.
28. Boston Proper
29. Breezin'Up
30. Brighton Collectibles
31. Casa Smeralda

32. Chico's
33. Cotton Club
34. Crazy Shirts
35. Designer Copies Store LLC
36. Destination Florida
37. Dream Weaver
38. European Alterations by Toni & Toni too Boutique
39. Everything but Water
40. Foxy Lady on South Boulevard
41. Foxy Lady West
42. Fresh Produce
43. Influence Men
44. Island Pursuit
45. Ivory Coast
46. Just Cruzin
47. Lady Pulitzer
48. Little Bo-tique
49. Marcello Sport
50. Oh My Gauze
51. Patchington
52. Planet
53. Renee Fashions
54. Sahara
55. Sea Maiden
56. Soma Intimates
57. Terra Nova
58. Tommy Bahama, Inc.
59. White House/Black Market

Financial/Attorney

60. Lawrence Residential Funding
61. Wells Fargo Bank, NA

Footwear

62. Addison Craig
63. Charleston Shoe Co.
64. Flip Flop Shops
65. Martini Import Shoes
66. Sperry Topsider
67. The Walking Company

Galleries

68. St. Armands Art Gallery
69. The Stadium Gallery

70. Wyland Galleries

Gift & Specialty Shops

71. Bennington Tobacconist
72. Columbia Gift Shop
73. Décor de France
74. FantaSea Coastal Home
75. Florida Olive Oil Company
76. Just Because
77. Naples Soap Company
78. Pepper Palace
79. St. Armands Antiques and Gifts
80. Tervis Store
81. The Giving Tree Gallery
82. The Peanut Shop of Sarasota
83. The Perfect Find
84. The Spice & Tea Exchange
85. The Tube Dude
86. Touch of Africa

Ice Cream/Confections

87. Ben & Jerry's
88. Big Olaf Creamery
89. Kilwin's Chocolates and Ice Cream
90. Le Maracon – French Pastries
91. Settimi's Gelatto
92. The Fudge Factory

Jewelers

93. Alexander Fine Jewelers
94. Armel Jewelers
95. Dana Tyler
96. I Do Diamond Ring Botique
97. Jewelry by Cole
98. McCarver & Moser
99. Otto Jewelry & Service, Inc.
100. People's Pottery
101. Queen's Wreath Jewels
102. Simona Jewelry
103. Summer's Jewelry and Accessories
104. Tilden Ross
105. Uniquity

Medical/Dental

106. Age Vital Pharmacy
107. Tarpon Shores Dental

Real Estate

108. RE/MAX Alliance
109. RE/MAX Platinum
110. Coldwell Banker
111. Hanly & Associates
112. Michael Saunders & Co.
113. My Realty
114. Ocean Real Estate LLC
115. Tropical Sarasota Realty

Travel

116. Go Touch Down Travel & Tours
117. St. Armands Travel

For residents of Longboat Key, they benefit from having this shopping and entertainment district close to home, while avoiding the customary pitfalls of having it located on the island itself (i.*e. additional traffic congestion, parking and noise concerns*). The prevailing question for the Town and its residents, is whether or not they would like to see any portion of St. Armands' (*or Sarasota's, or Bradenton*'s) shops and businesses on the island itself, even if only on a very limited scale. There is little debate that the income exists to support them.

4.0: Case Study Profiles: Barrier Island Communities

4.1 Introduction

This report section profiles development trends and economic activity for four barrier island communities in the southeastern United States. These communities include:

- Marco Island (Collier County, FL)
- Sanibel/Captiva Island (Lee County, FL)
- St. Simons Island (Glynn County, GA)
- Hilton Head Island (Beaufort County, SC)

These four communities share basic characteristics that can be considered similar or generally consistent with Longboat Key. These characteristics include, but are not limited to:

- Barrier Island
- Location (Southeastern United States)
- Climate
- Popular destination for seasonal residents and visitors
- Less than a 1-hour drive from a mid-major urban area
- Above-average permanent resident incomes
- Small permanent population relative to number of seasonal residents and annual visitors

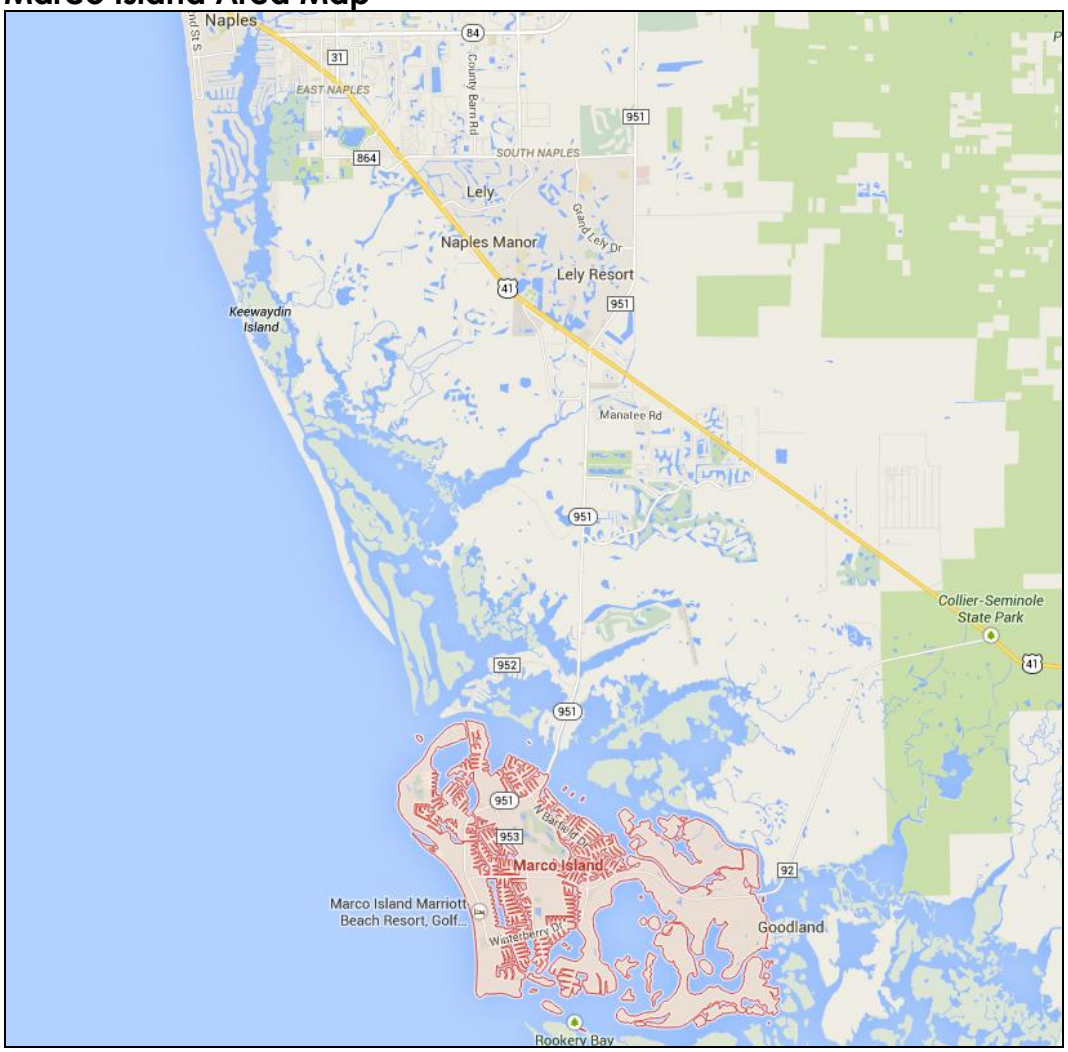
The purpose of this case study analysis is to provide practical perspective on economic conditions in these locales that may or may not be similar to what Longboat Key is presently experiencing. These economic conditions include demographic composition, business activity and employment, and demands for commercial inventory within the island communities. This sort of "lessons learned" analysis from observation of other locales should help to provide practical parameters regarding the types of economic activities that may (or may not) be supportable on Longboat Key, ultimately assisting the Town and its residents in the formation of a sustainable master plan for its Town Center area.

All economic and land use data collected for the comparable locales has been obtained from public and private sources that are consistent with the source types utilized in the assemblage of economic and development information for the Town of Longboat Key.

4.2 Marco Island (Collier County, FL)

Located 35 minutes south of Naples, Florida, Marco Island is a very popular tourist and seasonal resident destination in southwest Florida. This 22.78 square mile (12.1 square mile land area) barrier island is the largest and most northern of southwest Florida's 10,000 Islands region, which extends southward to Cape Sable. Marco Island's major amenities include its well-recognized beaches, eco-tourism activities (*including boating, fishing and bird watching*), an artisan community, and upscale shopping and dining.

Marco Island Area Map



Marco Island has an estimated 2014 permanent population of 16,607 persons[8], and a seasonal resident base which adds a full-

[8] Source: University of Florida Bureau of Economic and Business Research, "2014 Estimates of Population". Information supplied by the Nielsen Claritas database estimates a 2014 permanent population of 17,079.

time equivalent of 24,000 additional residents, increasing the island's functional population to 40,000 persons during the peak winter season. Annual visitation to the Paradise Coast region (Naples/Marco Island/Everglades) is estimated at 1.7 million[9].

From 2000 through 2014, the permanent population of Marco Island increased by 8.4 percent. 2014 estimates from Nielsen Claritas place the permanent population of the island at 17,079, residing in 8,720 households. This reflects a current population density of 1,411 persons per square mile. The median age of the Town's permanent population is estimated at 65.1 years.

Year 2019 forecasts project the island with a permanent population of 18,013 persons, 9,336 households, and 17,784 housing units. These projections suggest modest growth on the island over the next five years. 2014 estimates indicate that households on the island have a median annual income of $56,926, and an average annual income of $91,845. 25.8 percent of Marco Island's permanent resident households have annual household incomes of $100,000 or higher, while 45.4 percent of island's households have annual incomes of less than $50,000. Marco Island's current housing stock is weighted towards higher density housing products. 38.6 percent of the units on the island are single family, while 60.5 percent are multifamily. 0.9 percent of units are classified as "mobile home" or "other". The overall housing stock on the island is generally newer than that seen on Longboat Key, with a median year built of 1987.

The U.S. Bureau of the Census Censtats business database reports presence of 712 establishments on the island that employ 5,912 persons with annual aggregate earnings of $178.1 million. Of these 712 businesses on the island, 24.8 percent (173) are in either the real estate industry or allied with professional, scientific, or technical service enterprises. 13.9 percent of the island's businesses are retail establishments.

For those persons residing on Marco Island who are employed (*regardless of whether or not their work is on or off the island*), 19.6 percent work in the Accommodation/Food Services sector, 15.6 percent work in retail trade, and 13.3 percent work in Finance, Insurance, and Real Estate. 2014 estimates indicate that 6,258 of the island's residents are currently employed.

[9] Source: Naples, Marco Island, & Everglades Convention & Visitors Bureau

Table 4.1: Marco Island, Florida Economic Trends

	2000	%	2014	%	2019 (proj.)	%
Population	14,987		17,079		18,013	
Households	7,221		8,720		9,336	
Average Household Size	2.07		1.96		1.93	
Families	5,229		5,908		6,312	
Housing Units	14,998	100.0%	17,784	100.0%	18,419	100.0%
Single Family	5,623	37.5%	6,872	38.6%	7,136	38.7%
Multifamily	9,260	61.7%	10,752	60.5%	11,118	60.4%
Mobile Home, Other	115	0.8%	160	0.9%	165	0.9%
Median Year Structure Built	1984		1987		1988	
Median Age of Population	60.1		65.1		66.3	
Median HH Income	$60,284		$56,926		$55,780	
Average HH Income	$89,736		$91,845		$90,870	
Household Income Distribution						
HH Income < $15,000	600	8.3%	722	8.3%	769	8.2%
HH Income $15,000-$24,999	692	9.6%	1050	12.0%	1146	12.3%
HH Income $25,000-$34,999	713	9.9%	807	9.3%	941	10.1%
HH Income $35,000-$49,999	1,027	14.2%	1379	15.8%	1449	15.5%
HH Income $50,000-$74,999	1,450	20.1%	1451	16.6%	1570	16.8%
HH Income $75,000-$99,999	850	11.8%	1059	12.1%	1099	11.8%
HH Income $100,000-$124,999	542	7.5%	682	7.8%	704	7.5%
HH Income $125,000-$149,999	358	5.0%	279	3.2%	299	3.2%
HH Income $150,000-$199,999	368	5.1%	439	5.0%	459	4.9%
HH Income $200,000-$249,999	252	3.5%	167	1.9%	174	1.9%
HH Income $250,000-$499,999	275	3.8%	400	4.6%	425	4.6%
HH Income $500,000+	130	1.8%	285	3.3%	301	3.2%
Resident Employment by Industry:						
Accommodation/Food Services	917	16.6%	1225	19.6%	1305	19.6%
Administrative/Support/Waste Management	222	4.0%	395	6.3%	413	6.2%
Agriculture/Forestry/Fishing/Hunting/Mining	16	0.3%	92	1.5%	109	1.6%
Entertainment/Recreation	297	5.4%	184	2.9%	191	2.9%
Construction	414	7.5%	439	7.0%	471	7.1%
Educational Services	240	4.4%	193	3.1%	201	3.0%
Finance/Insurance/Real Estate/Rental/Lease	961	17.4%	842	13.5%	884	13.3%
Health Care & Social Assistance	386	7.0%	378	6.0%	406	6.1%
Information	105	1.9%	64	1.0%	72	1.1%
Management of Companies	0	0.0%	12	0.2%	11	0.2%
Total Manufacturing	166	3.0%	327	5.2%	348	5.2%
Other Services (exlcudes Public Administration)	232	4.2%	358	5.7%	378	5.7%
Professional, Scientific/Tech, Admin.	359	6.5%	450	7.2%	470	7.1%
Public Administration	106	1.9%	160	2.6%	173	2.6%
Retail Trade	674	12.2%	974	15.6%	1039	15.6%
Transportation, Warehousing, & Utilities	253	4.6%	90	1.4%	94	1.4%
Wholesale Trade	162	2.9%	75	1.2%	79	1.2%
TOTAL	5,510	100.0%	6,258	100.0%	6,644	100.0%

Sources: Nielsen Claritas, Florida Economic Advisors, LLC

According to estimates generated by Nielsen Claritas, the 8,720 households on Marco Island spend $457 million annually on purchases at retail stores and eating/drinking establishments. This is represented in Table 4.2, in the "demand" column. *Demand* represents household consumer spending, by store classification. The "typical" household on the island spends $52,408 per year on items at these various retailers.

Table 4.2: Marco Island, Florida
Retail Demand and Supply by Store Classifcation

	Demand	Supply	Net	Sq. Ft. Need @ $400/SF
Total Retail Sales & Eating, Drinking Places	$456,999,554	$341,723,623	$115,275,931	288,190
Total Retail Sales	$334,875,072	$186,400,963	$148,474,109	371,185
Motor Vehicle & Parts Dealers-441	$57,652,244	$6,855,579	$50,796,665	126,992
Furniture & Home Furnishings Stores-442	$8,912,215	$28,472,498	($19,560,283)	(48,901)
Electronics & Appliances Stores-443	$6,917,829	$3,368,659	$3,549,170	8,873
Building Material, Garden Equip Stores -444	$44,688,925	$14,078,550	$30,610,375	76,526
Food & Beverage Stores-445	$47,200,079	$22,429,702	$24,770,377	61,926
Health & Personal Care Stores-446	$29,526,740	$26,248,423	$3,278,317	8,196
Gasoline Stations-447	$31,242,632	$29,351,269	$1,891,363	4,728
Clothing & Clothing Accessories Stores-448	$15,750,022	$18,715,823	($2,965,801)	(7,415)
Sporting Gds, Hobby, Book, Music Stores-451	$6,606,547	$3,891,876	$2,714,671	6,787
General Merchandise Stores-452	$42,452,446	$13,089,169	$29,363,277	73,408
Miscellaneous Store Retailers-453	$10,222,288	$14,249,584	($4,027,296)	(10,068)
Non-Store Retailers-454	$33,703,105	$5,649,831	$28,053,274	70,133
Foodservice & Drinking Places-722	$36,460,873	$82,392,875	($45,932,002)	(114,830)
GAFO	$85,663,609	$72,929,785	$12,733,824	31,835

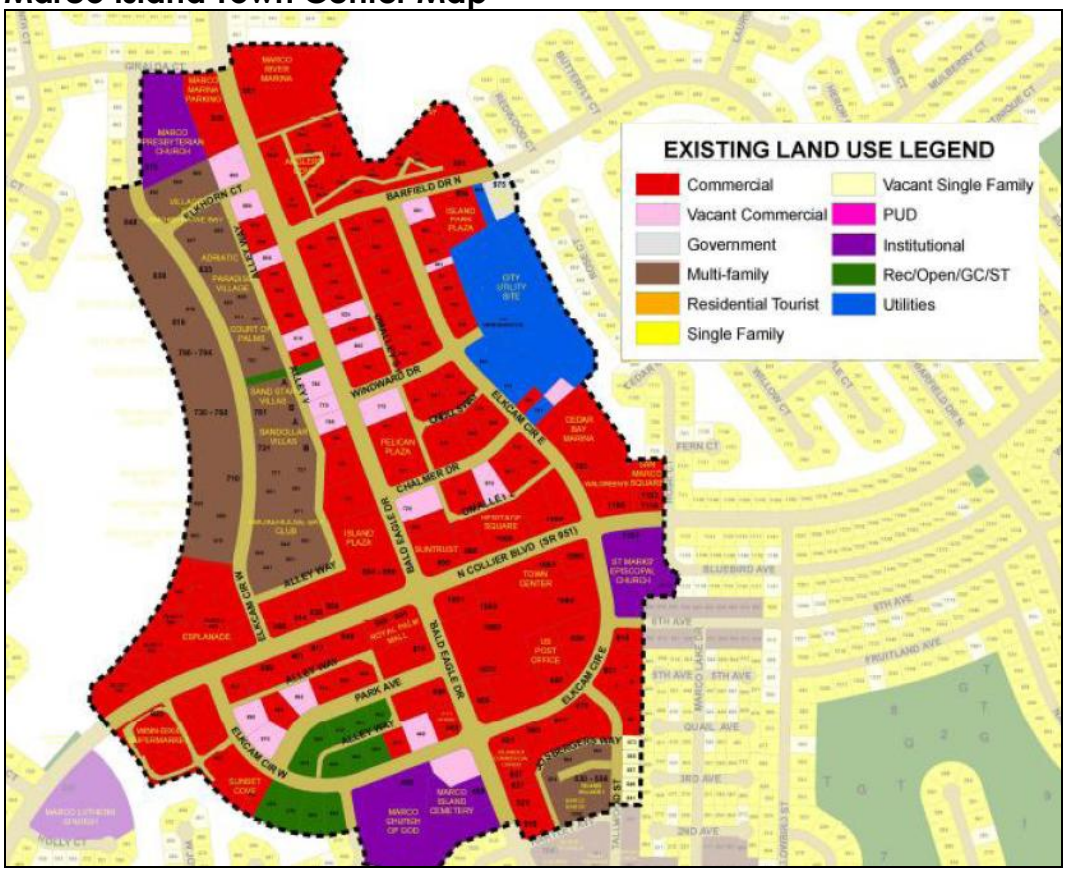
Sources: Nielsen Claritas, Florida Economic Advisors, LLC

On Marco Island, households are spending $115.3 million more on retail, eating, and drinking, than is being transacted in local stores and restaurants. This is suggestive of a market that has insufficient inventories of existing retail space to meet the current trade area household demand, and very similar to the market conditions on Longboat Key. If the $115,275,931 spending "gap" estimate is divided by an average store sales volume of $400 per square foot, it indicates that local households actually demand 288,190 more square feet of retail space than is presently being supplied on the island. Specific store types within this trade area that appear to have the greatest near-term potential include general merchandise (department) stores, supermarkets, home & building supply stores, and automotive dealers.

It should also be noted that this demand estimate does not include the additional needs generated by tourists and the 24,000 seasonal households on the island. Factoring in these part-time residents would result in total square footage needs that are likely to exceed 2x the magnitude of those generated by full-time households alone.

The primary activity centers on Marco Island (and concentrations of nonresidential activity) can be found in the following locations: The Esplanade Shoppes on North Collier Boulevard, and Marco Walk on South Collier Boulevard. These activity centers house a mix of retail, restaurant, office, and service uses. In addition, the City of Marco Island initiated a finding of necessity and redevelopment plan for the city's Town Center during 2009-2010, setting the stage for a repositioning of uses to create a true live/work/play core for the island.

Marco Island Town Center Map

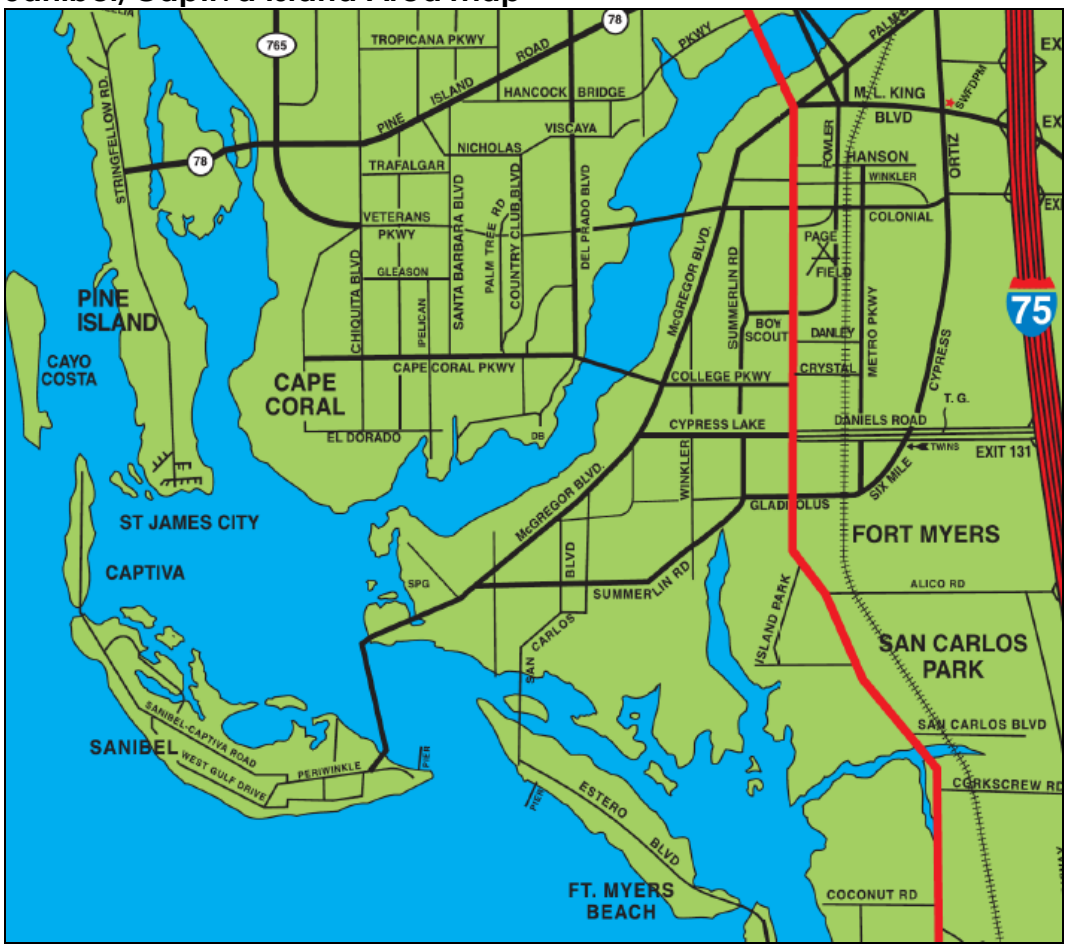


4.3 Sanibel/Captiva Island (Lee County, FL)

Located 30 minutes west of Fort Myers, Florida, Sanibel and Captiva Islands are the most well-known and frequently visited barrier islands on the west coast of Florida. More than half of the 18.41 square miles of land area within Sanibel/Captiva is protected for environmental preservation either by government or private foundation ownership. Sanibel/Captiva's major amenities include its world famous beaches, eco-tourism activities (*including boating,*

fishing, hiking, shelling, and bird watching), outdoor sports (tennis, golf), an artisan community, and historically significant buildings/sites.

Sanibel/Captiva Island Area Map



Sanibel/Captiva has an estimated 2014 permanent population of 7,249 persons, and a seasonal resident base which adds a full-time equivalent of 18,000 additional residents, increasing the island's functional population to 25,000+ persons during the peak winter season. Annual visitation to the island is estimated at 3.1 million[10].

From 2000 through 2014, the permanent population of Sanibel/Captiva increased by 12.5 percent. The 7,249 permanent residents on the island live in 3,821 households. This reflects a current population density of 394 persons per square mile. The median age of the Town's permanent population is estimated at 65.6 years.

[10] Source: Naples, Marco Island, & Everglades Convention & Visitors Bureau

Year 2019 forecasts project the island with a permanent population of 7,554 persons, 4,039 households, and 9,707 housing units. These projections suggest modest growth on the island over the next five years. 2014 estimates indicate that households on the island have a median annual income of $74,095, and an average annual income of $115,981. 39 percent of Sanibel/Captiva's permanent resident households have annual household incomes of $100,000 or higher, while 37.1 percent of the island's households have annual incomes of less than $50,000. Sanibel/Captiva's current housing stock is relatively balanced between lower density and higher density housing products. 51.0 percent of the units on the island are single family, while 46.2 percent are multifamily. 2.9 percent of units are classified as "mobile home" or "other". The overall housing stock on the island is slightly older than that seen on Longboat Key, with a median year built of 1979.

The U.S. Bureau of the Census Censtats business database reports presence of 404 establishments on the island that employ 3,986 persons with annual aggregate earnings of $108 million. Of these 712 businesses on the island, 18.8 percent of the island's businesses are retail establishments, and 16.6 percent are in the Accommodation and Food Services sector.

For those persons residing on Sanibel/Captiva who are employed (*regardless of whether or not their work is on or off the island*), 13.2 percent work in the Accommodation/Food Services sector, 11.5 percent work in Educational Services, 11.5 work in Health Care and Social Assistance, and 22.7 percent work in Finance, Insurance, and Real Estate. 2014 estimates indicate that 2,461 of the island's residents are currently employed.

Table 4.3: Sanibel-Captiva Island, Florida Economic Trends

	2000	%	2014	%	2019 (proj.)	%
Population	6,443		7,249		7,554	
Households	3,243		3,821		4,039	
Average Household Size	1.99		1.87		1.84	
Families	2,256		2,509		2,640	
Housing Units	8,225	100.0%	9,462	100.0%	9,707	100.0%
Single Family	4,384	53.3%	4,822	51.0%	4,975	51.3%
Multifamily	3,591	43.7%	4,368	46.2%	4,445	45.8%
Mobile Home, Other	250	3.0%	272	2.9%	287	3.0%
Median Year Structure Built	1980		1979		1980	
Median Age of Population	60.3		65.6		66.7	
Median HH Income	$78,477		$74,095		$83,029	
Average HH Income	$115,930		$115,981		$125,922	
Household Income Distribution						
HH Income < $15,000	214	6.6%	181	4.7%	166	4.1%
HH Income $15,000-$24,999	237	7.3%	299	7.8%	275	6.8%
HH Income $25,000-$34,999	219	6.8%	372	9.7%	336	8.3%
HH Income $35,000-$49,999	358	11.0%	566	14.8%	569	14.1%
HH Income $50,000-$74,999	521	16.1%	511	13.4%	537	13.3%
HH Income $75,000-$99,999	399	12.3%	401	10.5%	425	10.5%
HH Income $100,000-$124,999	253	7.8%	331	8.7%	357	8.8%
HH Income $125,000-$149,999	252	7.8%	215	5.6%	265	6.6%
HH Income $150,000-$199,999	281	8.7%	359	9.4%	381	9.4%
HH Income $200,000-$249,999	191	5.9%	152	4.0%	219	5.4%
HH Income $250,000-$499,999	192	5.9%	291	7.6%	315	7.8%
HH Income $500,000+	92	2.8%	143	3.7%	194	4.8%
Resident Employment by Industry:						
Accommodation/Food Services	410	18.7%	326	13.2%	347	13.4%
Administrative/Support/Waste Management	72	3.3%	25	1.0%	27	1.0%
Agriculture/Forestry/Fishing/Hunting/Mining	17	0.8%	4	0.2%	7	0.3%
Entertainment/Recreation	56	2.6%	89	3.6%	93	3.6%
Construction	167	7.6%	67	2.7%	70	2.7%
Educational Services	64	2.9%	283	11.5%	303	11.7%
Finance/Insurance/Real Estate/Rental/Lease	283	12.9%	558	22.7%	573	22.2%
Health Care & Social Assistance	122	5.6%	283	11.5%	298	11.5%
Information	62	2.8%	57	2.3%	60	2.3%
Management of Companies	0	0.0%	3	0.1%	0	0.0%
Total Manufacturing	104	4.7%	154	6.3%	161	6.2%
Other Services (exlcudes Public Administration)	102	4.7%	89	3.6%	94	3.6%
Professional, Scientific/Tech, Admin.	205	9.3%	195	7.9%	204	7.9%
Public Administration	84	3.8%	65	2.6%	69	2.7%
Retail Trade	287	13.1%	214	8.7%	227	8.8%
Transportation, Warehousing, & Utilities	103	4.7%	22	0.9%	24	0.9%
Wholesale Trade	55	2.5%	27	1.1%	29	1.1%
TOTAL	2,193	100.0%	2,461	100.0%	2,586	100.0%

Sources: Nielsen Claritas, Florida Economic Advisors, LLC

According to estimates generated by Nielsen Claritas, the 3,821 households on Sanibel/Captiva spend $229 million annually on purchases at retail stores and eating/drinking establishments. This is represented in Table 4.4, in the "demand" column. *Demand* represents household consumer spending, by store classification. The "typical" household on the island spends $60,141 per year on items at these various retailers.

Table 4.4: Sanibel Island/Captiva Island, Florida
Retail Demand and Supply by Store Classifcation

	Demand	Supply	Net	Sq. Ft. Need @ $400/SF
Total Retail Sales & Eating, Drinking Places	$229,800,783	$252,044,327	($22,243,544)	(55,609)
Total Retail Sales	$167,524,830	$100,860,554	$66,664,276	166,661
Motor Vehicle & Parts Dealers-441	$31,173,281	$3,965,638	$27,207,643	68,019
Furniture & Home Furnishings Stores-442	$4,821,080	$2,343,798	$2,477,282	6,193
Electronics & Appliances Stores-443	$3,626,244	$388,766	$3,237,478	8,094
Building Material, Garden Equip Stores -444	$22,875,012	$14,043,276	$8,831,736	22,079
Food & Beverage Stores-445	$21,777,585	$13,917,478	$7,860,107	19,650
Health & Personal Care Stores-446	$13,873,062	$2,584,854	$11,288,208	28,221
Gasoline Stations-447	$14,499,379	$2,037,279	$12,462,100	31,155
Clothing & Clothing Accessories Stores-448	$8,838,076	$29,682,420	($20,844,344)	(52,111)
Sporting Gds, Hobby, Book, Music Stores-451	$3,521,404	$4,958,725	($1,437,321)	(3,593)
General Merchandise Stores-452	$20,732,130	$5,230,610	$15,501,520	38,754
Miscellaneous Store Retailers-453	$5,064,258	$8,064,599	($3,000,341)	(7,501)
Non-Store Retailers-454	$16,723,319	$13,643,111	$3,080,208	7,701
Foodservice & Drinking Places-722	$18,158,878	$104,406,919	($86,248,041)	(215,620)
GAFO	$44,117,075	$46,776,854	($2,659,779)	(6,649)

Sources: Nielsen Claritas, Florida Economic Advisors, LLC

On Sanibel/Captiva, households are spending roughly equivalent sum (slightly less) on retail, eating, and drinking, than is being transacted in local stores and restaurants. This is suggestive of a retail market inventory that is being supported to some degree by seasonals and visitors, differing somewhat from the market conditions on Longboat Key.

If the $22,243,544 spending "gap" estimate is divided by an average store sales volume of $400 per square foot, it indicates that local households actually demand 55,609 less square feet of retail space than is presently being supplied on the island. However, there are specific store categories on the island that appear to have the near-term potential for supportability. These include general merchandise (department) stores, health and personal care stores, supermarkets, home & building supply stores, and automotive dealers. Of course, environmental and land availability considerations would remove some of these uses from further development consideration.

It should also be noted that this demand estimate does not include the additional needs generated by the 3.1 million tourists and the 18,000 seasonal households on the island. Factoring in these part-time residents would result in total square footage demands beyond 2x the magnitude of those generated by full-time households alone.

The primary activity centers in Sanibel/Captiva (and concentrations of nonresidential activity) can be found in two principal locations:

- Sanibel: Periwinkle Way corridor, southeast tip of island
- Captiva: South Seas Plantation Road, northern tip of island

4.4 St. Simons Island (Glynn County, GA)

Located 15 minutes east of Brunswick, St. Simons Island is Georgia's most frequently visited and extensively developed barrier island. It is the largest of Georgia's four Atlantic barrier islands popularly known as the "Golden Isles". St. Simons offers a myriad of natural and historic coastal amenities. The Manhattan-sized island (16.6 square miles), well known for its coastal marshes and historically significant sites and buildings, also boasts world-class golf courses and boating/fishing activities.

1.84 million[11] annual tourists visit St. Simons island to not only experience its amenities, but also to attend its numerous festivals and events that are held on the island throughout the year.

St. Simons Island has an estimated 2014 permanent population of 12,644 persons residing in 6,110 households, for an average household size of 2.05 persons per household. From 2000 through 2014, the permanent population of St. Simons decreased by 4.3 percent. This reflects a current population density of 762 persons per square mile. The median age of the community's permanent population is estimated at 53.6 years.

Year 2019 forecasts project the island with a permanent population of 12,740 persons, 6,183 households, and 10,345 housing units. These projections suggest minimal growth on the island over the next five years.

2014 estimates indicate that households on the island have a median annual income of $65,504, and an average annual income of $90,673. Five year forecasts suggest that income of households on St. Simons will rise to a $66,442 median and $91,977 average by 2019.

St. Simons Island's current housing stock is heavily weighted towards lower density housing products. 68.2 percent of the units on the island are single family, while 28.9 percent are multifamily. 2.9 percent of units are classified as "mobile home" or "other". The overall housing stock on the island is generally newer than that seen on Longboat Key, with a median year built of 1986.

32.8 percent of permanent resident households on St. Simons Island have annual household incomes of $100,000 or higher, while 40.8

[11] Source: Golden Isles Convention & Visitors Bureau

percent of island's households have annual incomes of less than $50,000.

The U.S. Bureau of the Census Censtats business database reports presence of 708 establishments on the island that employ 5,003 persons with annual aggregate earnings of $138.6 million. Of these 708 businesses, 17.2 percent (122) are retail establishments, and another 17.2 percent (122) are in professional, scientific, or technical service enterprises.

For those residing on St. Simons Island who are employed (*regardless of whether or not their work is on or off the island*), 20.5 percent work in the Accommodation/Food Services sector, 12.3 percent work in Health/Social Care, 8.6 percent work in retail trade, and 8.5 percent work in educational services. 2014 estimates indicate that 6,294 of the island's residents are currently employed.

Table 4.5: St. Simons Island, Georgia Economic Trends

	2000	%	2014	%	2019 (proj.)	%
Population	13,209		12,644		12,740	
Households	6,143		6,110		6,183	
Average Household Size	2.13		2.05		2.04	
Families	3,768		3,655		3,712	
Housing Units	8,559	100.0%	10,262	100.0%	10,345	100.0%
Single Family	5,933	69.3%	7,000	68.2%	7,068	68.3%
Multifamily	2,525	29.5%	2,962	28.9%	2,978	28.8%
Mobile Home, Other	101	1.2%	300	2.9%	299	2.9%
Median Year Structure Built	1980		1986		1987	
Median Age of Population	46.4		53.6		55.2	
Median HH Income	$58,947		$65,504		$66,422	
Average HH Income	$79,279		$90,673		$91,977	
Household Income Distribution						
HH Income < $15,000	511	8.3%	377	6.2%	374	6.0%
HH Income $15,000-$24,999	547	8.9%	549	9.0%	566	9.2%
HH Income $25,000-$34,999	614	10.0%	623	10.2%	619	10.0%
HH Income $35,000-$49,999	983	16.0%	946	15.5%	940	15.2%
HH Income $50,000-$74,999	1,235	20.1%	903	14.8%	902	14.6%
HH Income $75,000-$99,999	875	14.2%	705	11.5%	743	12.0%
HH Income $100,000-$124,999	591	9.6%	713	11.7%	707	11.4%
HH Income $125,000-$149,999	280	4.6%	495	8.1%	490	7.9%
HH Income $150,000-$199,999	202	3.3%	292	4.8%	309	5.0%
HH Income $200,000-$249,999	151	2.5%	159	2.6%	165	2.7%
HH Income $250,000-$499,999	139	2.3%	273	4.5%	282	4.6%
HH Income $500,000+	66	1.1%	75	1.2%	86	1.4%
Resident Employment by Industry:						
Accommodation/Food Services	813	11.9%	1290	20.5%	1305	20.5%
Administrative/Support/Waste Management	200	2.9%	386	6.1%	390	6.1%
Agriculture/Forestry/Fishing/Hunting/Mining	12	0.2%	7	0.1%	7	0.1%
Entertainment/Recreation	194	2.8%	166	2.6%	166	2.6%
Construction	373	5.5%	311	4.9%	312	4.9%
Educational Services	797	11.7%	535	8.5%	546	8.6%
Finance/Insurance/Real Estate/Rental/Lease	736	10.8%	479	7.6%	479	7.5%
Health Care & Social Assistance	611	9.0%	776	12.3%	797	12.5%
Information	175	2.6%	181	2.9%	182	2.9%
Management of Companies	0	0.0%	2	0.0%	0	0.0%
Total Manufacturing	524	7.7%	289	4.6%	297	4.7%
Other Services (exlcudes Public Administration)	384	5.6%	299	4.8%	302	4.7%
Professional, Scientific/Tech, Admin.	491	7.2%	405	6.4%	409	6.4%
Public Administration	548	8.0%	298	4.7%	300	4.7%
Retail Trade	718	10.5%	543	8.6%	550	8.6%
Transportation, Warehousing, & Utilities	135	2.0%	181	2.9%	183	2.9%
Wholesale Trade	108	1.6%	146	2.3%	147	2.3%
TOTAL	6,819	100.0%	6,294	100.0%	6,372	100.0%

Sources: Nielsen Claritas, Florida Economic Advisors, LLC

According to estimates generated by Nielsen Claritas, the 6,110 households on St. Simons Island spend $347.3 million annually on purchases at retail stores and eating/drinking establishments. This is represented in Table 4.6, in the "demand" column. The "typical" household on the island spends $56,837 per year on items at these various retailers.

Table 4.6: St. Simons Island, Georgia
Retail Demand and Supply by Store Classifcation

	Demand	Supply	Net	Sq. Ft. Need @ $400/SF
Total Retail Sales & Eating, Drinking Places	$347,274,929	$407,260,533	($59,985,604)	(149,964)
Total Retail Sales	$254,287,693	$283,571,089	($29,283,396)	(73,208)
Motor Vehicle & Parts Dealers-441	$51,451,233	$7,935,042	$43,516,191	108,790
Furniture & Home Furnishings Stores-442	$6,266,890	$7,454,036	($1,187,146)	(2,968)
Electronics & Appliances Stores-443	$5,354,511	$226,365	$5,128,146	12,820
Building Material, Garden Equip Stores -444	$31,825,694	$91,774,149	($59,948,455)	(149,871)
Food & Beverage Stores-445	$33,509,243	$70,066,400	($36,557,157)	(91,393)
Health & Personal Care Stores-446	$18,506,150	$26,974,199	($8,468,049)	(21,170)
Gasoline Stations-447	$25,700,639	$15,627,150	$10,073,489	25,184
Clothing & Clothing Accessories Stores-448	$12,716,120	$14,813,290	($2,097,170)	(5,243)
Sporting Gds, Hobby, Book, Music Stores-451	$5,351,463	$23,152,677	($17,801,214)	(44,503)
General Merchandise Stores-452	$31,716,027	$13,268,960	$18,447,067	46,118
Miscellaneous Store Retailers-453	$7,722,826	$11,913,769	($4,190,943)	(10,477)
Non-Store Retailers-454	$24,166,897	$365,052	$23,801,845	59,505
Foodservice & Drinking Places-722	$27,832,718	$56,022,478	($28,189,760)	(70,474)
GAFO	$65,154,518	$67,666,966	($2,512,448)	(6,281)

Sources: Nielsen Claritas, Florida Economic Advisors, LLC

In St. Simons Island, there is actually $60 million dollars (*nearly 150,000 square feet*[12]) more of retail and restaurant activity on the island, than local households can support on an annual basis. The "excess supply" suggests that visitors are supporting the additional retail activity on the island, at orders of magnitude much higher than that presently seen in Longboat Key.

The primary activity centers in St. Simons Island (and concentrations of nonresidential activity) can be found in four principal locations: (1) Pier Village and Mallery Street, (2) Retreat Village, (3) Redfern Village and Longview Plaza, and (4) Frederica/Shops at Sea Island. Each of these activity centers houses a mix of retail, restaurant, office, and service uses. Many of the community's civic uses can be found within in and along the Mallery Street and Frederica activity centers.

[12] At $400 per square foot.

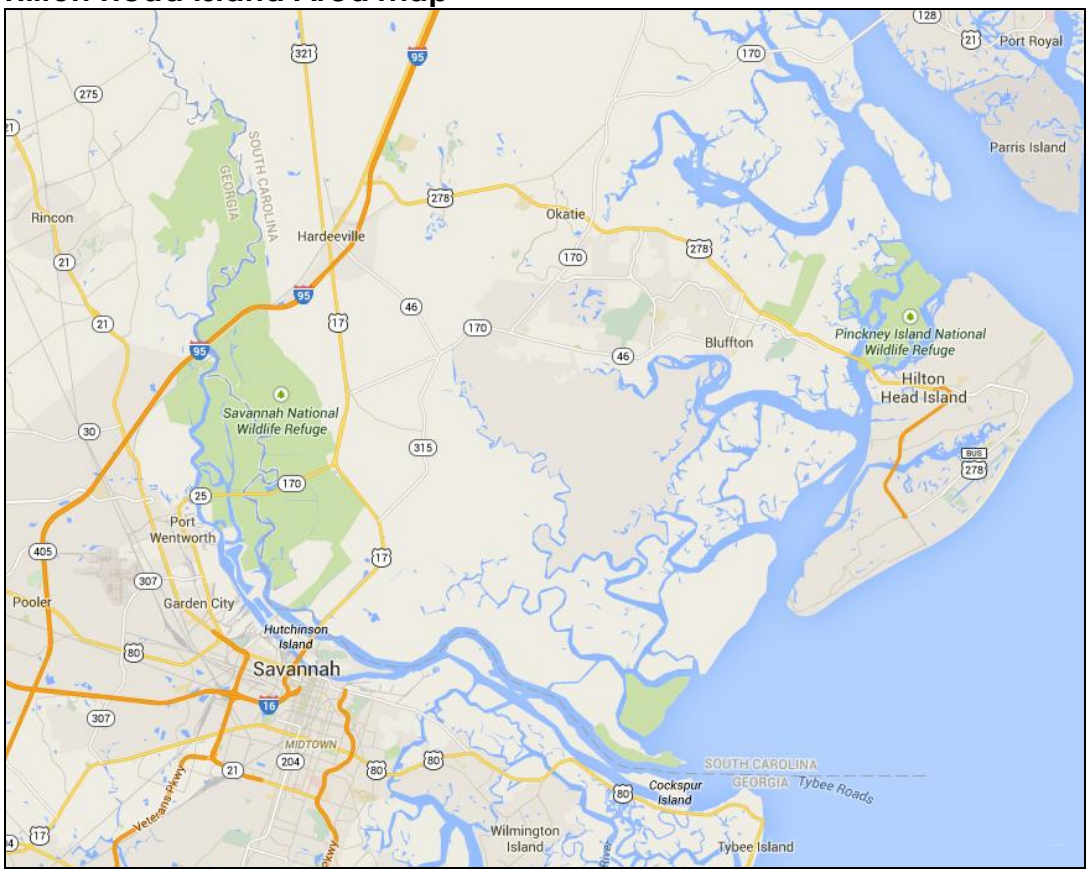
Map of St. Simons Island and Activity Centers

4.5 Hilton Head Island (Beaufort County, SC)

Located 45 minutes northeast of Savannah, Georgia, Hilton Head Island is one of the most popular resort communities in the Southeastern United States. This 42.05 square mile barrier island located in South Carolina's low country offers visitors a diverse mix of

environmental, ecological, and historic amenities, in addition to internationally-acclaimed venues for outdoor sports such as golf, tennis, and boating.

Hilton Head Island Area Map



2.64 million[13] annual tourists visit Hilton Head Island every year. In addition, nearly half of the island's 34,336 housing units are second (seasonal) homes. Second-home owners in Hilton Head typically live in their residence 50 days a year, while renting out their residence for an additional 100 days per year and letting non-paying guests stay for an additional 15 days. In total, the 17,000 +/- second-home residences on the island are occupied by a household for 45 percent of the year, increasing the island's population from it's permanent resident estimate of 38,075 to a "functional" year-round resident population of 54,700.

Hilton Head's 2014 permanent population of 38,075 persons resides in 17,541 households, for an average household size of 2.16 persons per household. From 2000 through 2014, the permanent population

[13] Source: Hilton Head Island Visitor & Convention Bureau

of Hilton Head increased by 12.3 percent. This reflects a current permanent population density of 905.4 persons per square mile, and a functional population density of 1,300 persons per square mile . The median age of the community's permanent population is estimated at 52.5 years.

Year 2019 forecasts project the island with a permanent population of 39,843 persons, 18,654 households, and 35,453 housing units. These projections suggest modest growth on the island over the next five years.

2014 estimates indicate that households on the island have a median annual income of $67,052, and an average annual income of $95,542. Five year forecasts suggest that income of households on Hilton Head will rise to a $71,027 median and $101,996 average by 2019.

Hilton Head Island's current housing stock is relatively balanced between lower density and higher density housing products. 51.8 percent of the units on the island are single family, while 45.4 percent are multifamily. 2.8 percent of units are classified as "mobile home" or "other". The overall housing stock on the island is generally newer than that seen on Longboat Key, with a median year built of 1987.

30.5 percent of permanent resident households on Hilton Head Island have annual household incomes of $100,000 or higher, while 37.2 percent of island's households have annual incomes of less than $50,000.

The U.S. Bureau of the Census Censtats business database reports presence of 2,081 establishments on the island that employ 21,017 persons with annual aggregate earnings of $695.1 million. Nearly half of businesses fall within the four industry sectors: Retail (12.9%), professional, scientific, or technical service enterprises (12.3%), real estate (11.2%), and accommodation & food services (11.3%).

Table 4.7: Hilton Head Island, South Carolina Economic Trends

	2000	%	2014	%	2019 (proj.)	%
Population	33,898		38,075		39,843	
Households	14,468		17,541		18,654	
Average Household Size	2.31		2.16		2.13	
Families	9,949		11,329		12,043	
Housing Units	24,739	100.0%	34,336	100.0%	35,453	100.0%
Single Family	14,236	57.5%	17,777	51.8%	18,392	51.9%
Multifamily	9,709	39.2%	15,604	45.4%	16,052	45.3%
Mobile Home, Other	794	3.2%	955	2.8%	1,009	2.8%
Median Year Structure Built	1986		1987		1987	
Median Age of Population	46.4		52.5		52.7	
Median HH Income	$61,978		$67,052		$71,027	
Average HH Income	$86,625		$95,542		$101,996	
Household Income Distribution						
HH Income < $15,000	838	5.8%	1218	6.9%	1199	6.4%
HH Income $15,000-$24,999	1,159	8.0%	1536	8.8%	1500	8.0%
HH Income $25,000-$34,999	1,533	10.6%	1881	10.7%	1891	10.1%
HH Income $35,000-$49,999	2,305	15.9%	1886	10.8%	1879	10.1%
HH Income $50,000-$74,999	2,923	20.2%	3298	18.8%	3398	18.2%
HH Income $75,000-$99,999	1,997	13.8%	2372	13.5%	2502	13.4%
HH Income $100,000-$124,999	1,169	8.1%	1725	9.8%	1917	10.3%
HH Income $125,000-$149,999	810	5.6%	1004	5.7%	1210	6.5%
HH Income $150,000-$199,999	764	5.3%	898	5.1%	1092	5.9%
HH Income $200,000-$249,999	368	2.5%	450	2.6%	570	3.1%
HH Income $250,000-$499,999	352	2.4%	866	4.9%	959	5.1%
HH Income $500,000+	253	1.7%	407	2.3%	537	2.9%
Resident Employment by Industry:						
Accommodation/Food Services	1991	13.1%	3068	18.2%	3194	18.2%
Administrative/Support/Waste Management	820	5.4%	1198	7.1%	1232	7.0%
Agriculture/Forestry/Fishing/Hunting/Mining	41	0.3%	179	1.1%	191	1.1%
Entertainment/Recreation	892	5.9%	643	3.8%	664	3.8%
Construction	2425	16.0%	1325	7.9%	1383	7.9%
Educational Services	779	5.1%	870	5.2%	912	5.2%
Finance/Insurance/Real Estate/Rental/Lease	1626	10.7%	1542	9.2%	1594	9.1%
Health Care & Social Assistance	1056	7.0%	1455	8.6%	1541	8.8%
Information	461	3.0%	153	0.9%	156	0.9%
Management of Companies	0	0.0%	0	0.0%	0	0.0%
Total Manufacturing	589	3.9%	877	5.2%	927	5.3%
Other Services (exlcudes Public Administration)	486	3.2%	832	4.9%	869	4.9%
Professional, Scientific/Tech, Admin.	1021	6.7%	1398	8.3%	1457	8.3%
Public Administration	379	2.5%	435	2.6%	460	2.6%
Retail Trade	1936	12.7%	2205	13.1%	2301	13.1%
Transportation, Warehousing, & Utilities	301	2.0%	357	2.1%	381	2.2%
Wholesale Trade	385	2.5%	286	1.7%	298	1.7%
TOTAL	15,188	100.0%	16,823	100.0%	17,560	100.0%

Sources: Nielsen Claritas, Florida Economic Advisors, LLC

For those residents on Hilton Head Island who are employed (*regardless of whether or not their work is on or off the island*), 18.2 percent work in the Accommodation/Food Services sector, 13.1 percent work in retail trade, and 9.2 percent work in Finance, Insurance, and Real Estate. 2014 estimates indicate that 16,823 of the island's residents are currently employed.

According to estimates generated by Nielsen Claritas, the 17,541 households on Hilton Head Island spend $987.3 million annually on purchases at retail stores and eating/drinking establishments. This is represented in Table 4.8, in the "demand" column. The "typical" household on the island spends $56,282 per year on items at these various retailers.

Table 4.8: Hilton Head Island, South Carolina
Retail Demand and Supply by Store Classifcation

	Demand	Supply	Net	Sq. Ft. Need @ $400/SF
Total Retail Sales & Eating, Drinking Places	$987,259,016	$1,377,922,216	($390,663,200)	(976,658)
Total Retail Sales	$719,002,790	$785,676,556	($66,673,766)	(166,684)
Motor Vehicle & Parts Dealers-441	$137,904,034	$32,661,851	$105,242,183	263,105
Furniture & Home Furnishings Stores-442	$18,504,182	$44,251,526	($25,747,344)	(64,368)
Electronics & Appliances Stores-443	$15,455,545	$30,065,776	($14,610,231)	(36,526)
Building Material, Garden Equip Stores -444	$91,413,477	$78,469,827	$12,943,650	32,359
Food & Beverage Stores-445	$96,554,617	$179,831,540	($83,276,923)	(208,192)
Health & Personal Care Stores-446	$54,209,571	$53,980,894	$228,677	572
Gasoline Stations-447	$69,540,186	$52,907,119	$16,633,067	41,583
Clothing & Clothing Accessories Stores-448	$37,045,512	$153,632,004	($116,586,492)	(291,466)
Sporting Gds, Hobby, Book, Music Stores-451	$15,422,457	$12,892,606	$2,529,851	6,325
General Merchandise Stores-452	$91,659,783	$70,055,938	$21,603,845	54,010
Miscellaneous Store Retailers-453	$21,710,381	$25,447,718	($3,737,337)	(9,343)
Non-Store Retailers-454	$69,583,045	$51,479,757	$18,103,288	45,258
Foodservice & Drinking Places-722	$79,423,756	$264,090,192	($184,666,436)	(461,666)
GAFO	$188,832,470	$328,155,468	($139,322,998)	(348,307)

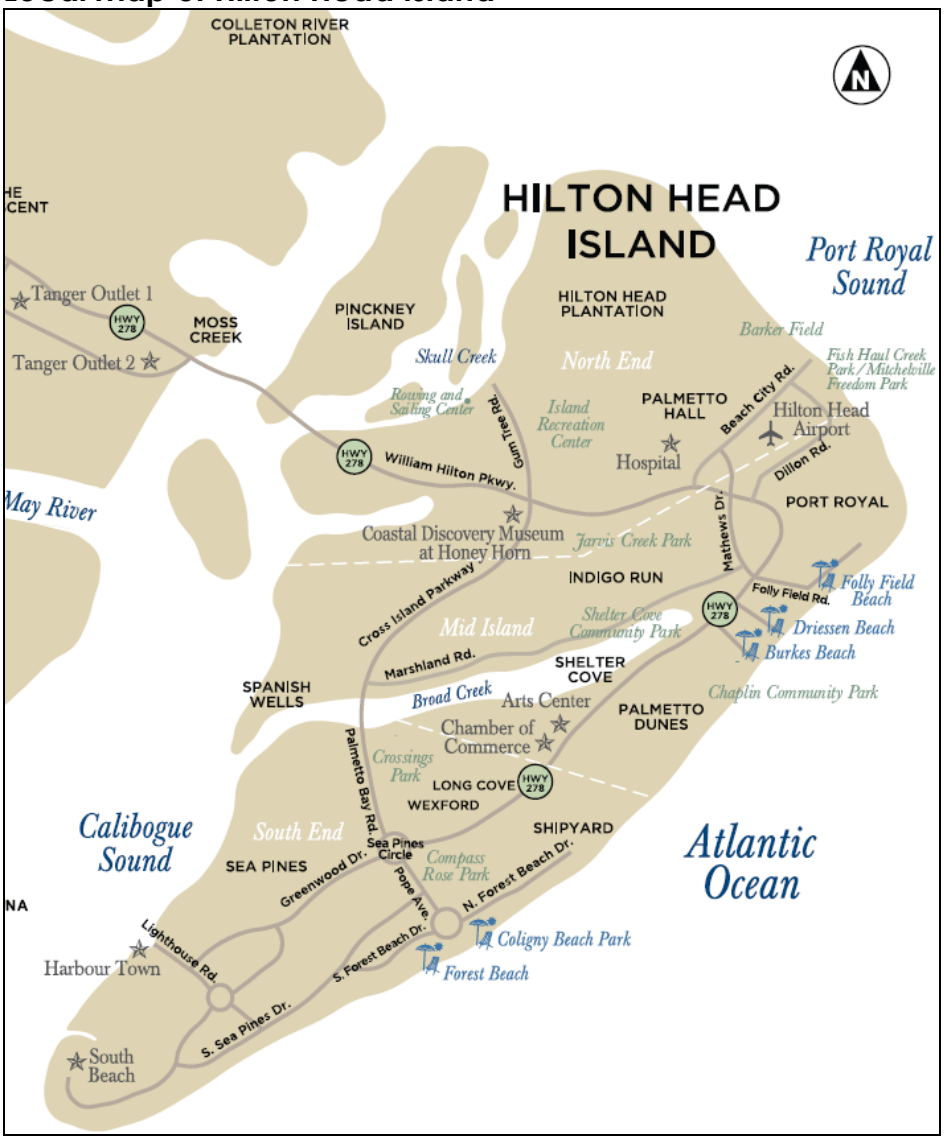
Sources: Nielsen Claritas, Florida Economic Advisors, LLC

In Hilton Head Island, there is actually $390 million dollars (*nearly 1 million square feet*[14]) more of retail and restaurant activity on the island, than local households can support on an annual basis. The "excess supply" suggests that the 2.6 million annual visitors and 16,600+ FTE "seasonal" households are actually supporting greater than 50 percent of the island's retail activity. This is not the case with Longboat Key. Retail inventories on Longboat are so modest, they can be supported almost wholly by the permanent resident population.

[14] At $400 per square foot.

The primary activity centers in Hilton Head Island (and concentrations of nonresidential activity) can be found in four principal locations: (1) Harbor Town at Sea Pines, (2) Shelter Cove, (3) Palmetto Bay Road/Pope Avenue, and (4) North End/Airport district by Hilton Head Plantation. Each of these activity centers houses a mix of retail, restaurant, office, and service uses. Many of the community's civic uses can be found within the North End/Airport and Palmetto Bay/Pope activity centers.

Local Map of Hilton Head Island



5.0: Study Conclusions and Absorption Estimates

Given the attractiveness of Longboat Key as a premier Florida barrier island community, the affluence of its permanent residents, and the projected growth of the Manatee and Sarasota Counties, there is little reason to question the economic strength of this island community for many years to come. What Longboat lacks in residential expansion, it more than makes up for in visitor appeal and consumer purchasing potential. Comparing Longboat with similar island communities reveals an important and actionable fact: Millions of Longboat dollars leave the island for other markets (St. Armands, Sarasota, Bradenton) - much more so than we see in the comparable communities. All four communities observed surpass Longboat in their ability to (a) concentrate a mix of uses on their island that draw visitors in, keep residents at home and (b) prevent large amounts of local dollars from leaving the island for other markets.

The question that Town officials and residents face is not so much one of opportunity or potential, but one of choice: ***How much (or how little) do you want on your island?*** Is it more desirable to drive off the island for most of your shopping, services, and entertainment, in order to avoid the problems that come from growth and development, or would you like to see more of these options available close to home; even if it comes at the expense of drawing more outsiders to your town? Would you consider a modest addition of market rate multifamily housing, knowing that a small share of the town's households are not in the elite wealth and income categories? Also, can you support a mixed-use development form that will promote destination-based activities, avoiding the past vacancy issues experienced by poorly designed and improperly anchored strip centers on the island?

Given these considerations, FEA has developed a series of high, medium, and low series forecasts for development potential at the Longboat Key Town Center. The development projections, taking into consideration local economic potential to year 2030, are presented on page 67 of this report. The "high" series projections assume a more liberal position on development intensities from the Town and its residents. The "low" series projections assume that the community will continue its position of favoring minimal new development. Each of the development inventories outlined within the three forecast scenarios are expected to be easily supportable within the Town, over the next 15 years.

High Development Scenario (to 2030)

- Residential: 150 high density dwelling units (10+ du/acre)
- Commercial/Retail: 200,000 square feet (potential uses include specialty retail, restaurant, grocery, general merchandise, health and personal care stores, small 1-2 screen cinema anchor, home supply stores)
- Office: 50,000 square feet (includes mostly professional office consisting of medical office, accounting, legal, banking, real estate, and business services)
- Civic/Institutional: 50,000 square feet (potentially includes places of worship, history center, performing arts center/bandshell, art gallery)

Medium Development Scenario (to 2030)

- Residential: 100 high density dwelling units (10+ du/acre)
- Commercial/Retail: 150,000 square feet (potential uses include specialty retail, restaurant, grocery, general merchandise, health and personal care stores, small 1-2 screen cinema anchor, home supply stores)
- Office: 35,000 square feet (includes mostly professional office consisting of medical office, accounting, legal, banking, real estate, and business services)
- Civic/Institutional: 35,000 square feet (potentially includes places of worship, history center, performing arts center/bandshell, art gallery)

Low Development Scenario (to 2030)

- Residential: 70 high density dwelling units (10+ du/acre)
- Commercial/Retail: 100,000 square feet (potential uses include specialty retail, restaurant, grocery, general merchandise, health and personal care stores, small 1-2 screen cinema anchor, home supply stores)
- Office: 20,000 square feet (includes mostly professional office consisting of medical office, accounting, legal, banking, real estate, and business services)
- Civic/Institutional: 20,000 square feet (potentially includes places of worship, history center, performing arts center/bandshell, art gallery)