

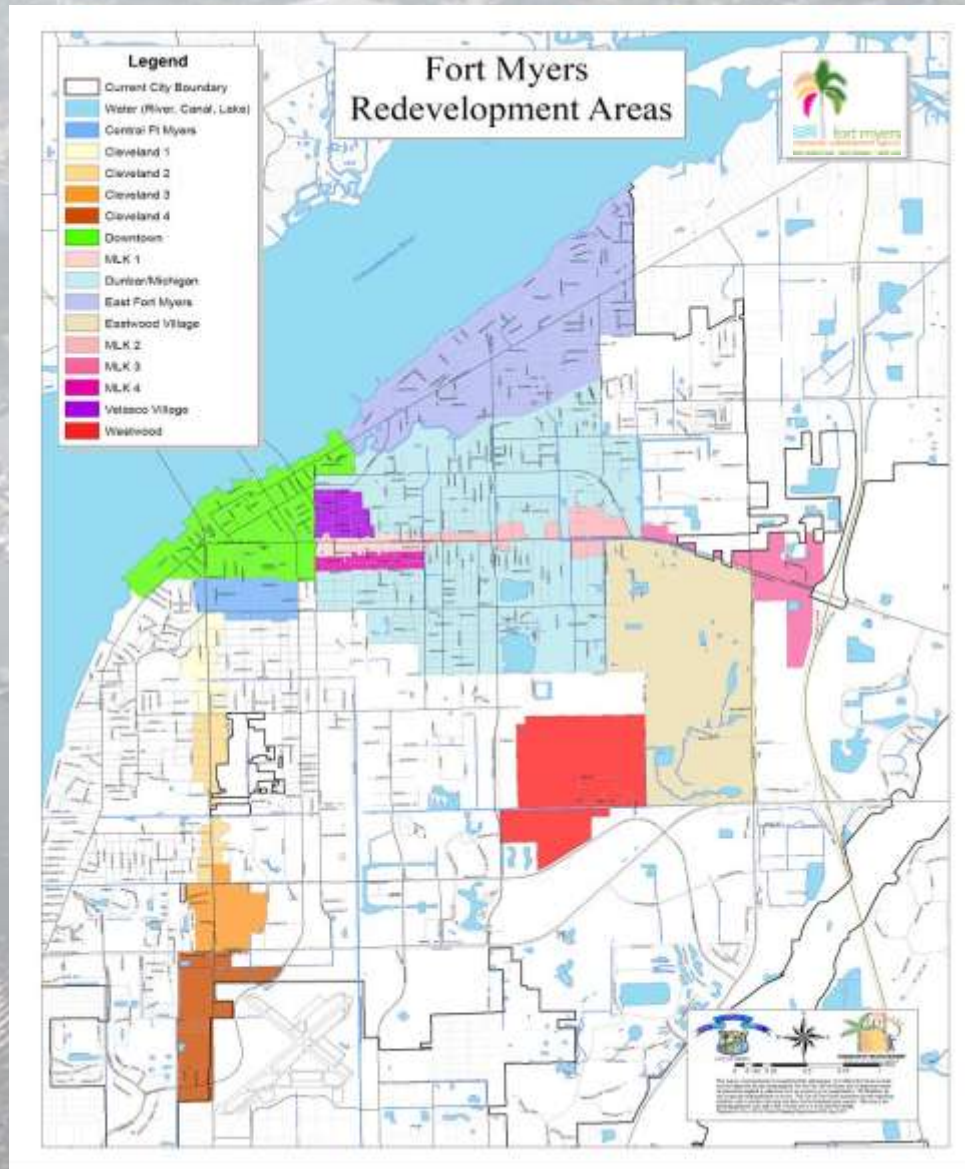
An aerial photograph of a city, likely Fort Myers, Florida, showing a large marina with many boats on the left, and a dense urban area with various buildings and streets on the right. The image is slightly faded to serve as a background for the text.

# **“So You Want a Grocery Store...”**

**Florida Redevelopment Association  
2011 Annual Conference**

**Don Paight  
Fort Myers CRA Executive Director**

# REDEVELOPMENT AREAS



**The CRA oversees 14 redevelopment areas within the City of Fort Myers...most of them are underserved by grocery stores!**

# **DOWNTOWN MASTER PLAN**

- **2003 Master Plan by Andres Duany strongly encouraged the recruitment of a grocery store to serve the existing 1,500 residential units and to help attract developers and buyers for new residential development. *GOAL – 10,000 residents.***
- **By 2006, the red hot housing market and the Plan’s increased height and density provisions had resulted in permits for over 3,400 new residential units.**
- **One of the first questions by prospective buyers – “Where do we shop for groceries?”**

# INITIAL RECRUITMENT EFFORTS

- **CRA – “We would like Publix to build a full service 40,000 sq. ft. grocery store in our downtown.”**
- **Publix – “How many people live downtown and do you have control of a site?”**
- **CRA – “About 2,200 people live downtown but we hope to have 10,000 when the projects that are in the works are completed, and we don’t control a site”**
- **Publix – “Come back when the units are complete and occupied and you have a site”**

# **REFINED RECRUITMENT TECHNIQUE**

- **Identify an appropriately zoned site with adequate land area and ingress and egress.**
- **Determine who builds the Publix in our area.**
- **Create an attractive incentive program.**
- **Obtain current data on the number of residential units that are completed or under construction and pre-sold.**
- **Determine the size of the downtown workforce.**



An aerial photograph of a city waterfront, likely Tampa, Florida. The image shows a large marina with numerous boats docked along the water's edge. Several large, modern buildings are visible, including a prominent red-brick building with a flat roof. The city extends inland with a dense grid of streets and buildings. The overall scene is a mix of urban development and waterfront infrastructure.

# **SW FLORIDA PUBLIX DEVELOPER**

- Regency Realty Group. Inc - Tampa

# **INCENTIVE PROGRAM**

- **Rent subsidy – term and amount to be determined through negotiations.**
- **Funding Source – Downtown Tax Incremental Revenue (area-wide, not site specific).**
- **Desired return on investment – mixed-use development following Smart Code, long term (25 year) lease, influence on center design, full service 40,000 +/- sq. ft grocery.**



# MARKET DATA

- **Existing Downtown Redevelopment Area residents – approximately 1,500 units @ 1.8 = 2,700.**
- **Units under construction and presold – 1,200 units @ 2.0 = 2,400.**
- **Additional units permitted but not yet under construction – 2,200 @ 2.0 = 4,400**
- **Total projected population from existing, under construction and permitted units – 9,500.**

# MARKET DATA

- **Downtown workforce – approximately 7,000**
- **Distance from downtown to other Publix – 3.5 miles to new full service store. 1.5 miles to 1960's vintage market serving primarily low income neighborhood.**

# NEW RESIDENTIAL DEVELOPMENT

- Beau Rivage
- St. Tropez & Riviera
- High Point Place
- Oasis (Towers 1 and 2)
- Alta Mar

**Total new units = 1,200+**



# **NEGOTIATING THE DEAL SITE CONTROL**

- **Plaza Fort Myers, LLC acquired the 12.5 acre vacant shopping center in 2003 with plans to develop 660 residential units (1,096,122 sq. ft.), 84,928 sq. ft. of retail space, and 39,630 sq. ft. of office space.**
- **In 2005, the CRA approached Plaza Fort Myers about including a Publix grocery in the project as this was the only viable site.**
- **The sale of 3.8 acres of the 12.5 acre site significantly impacted the developers return on investment (ROI).**

# **SITE CONTROL** (Continued)

- **ROI for full development scenario - \$70.5 million (15.4%)**
- **ROI with reduced development necessitated by 3.8 acre land sale - \$18.7 million (6.9%)**
- **Amount needed to achieve a 15% ROI on revised project - \$22 million.**

# **SOLUTION TO SITE CONTROL AND LEASE WITH PUBLIX**

- **TIF Rebate granted to Plaza Fort Myers developer in the amount of \$23.5 million over 14 years as inducement to revise project to sell 3.8 acres to Regency for a Publix.**
- **Developers TIF rebate includes \$600,000 per year for 5 years (\$3,000,000 total) to Regency for Publix rent subsidy.**
- **Publix agreed to 25 year lease and design concessions.**

# THE FINISHED PRODUCT

- **39,393 sq. ft. full service Publix**
- **200 space parking lot**
- **15,723 sq. ft of retail liner space**
- **5 residential townhouse liner buildings**







McGREGOR

ALTAMONT

VICTORIA





# CLEVELAND AVENUE REDEVELOPMENT AREA

- Unintended consequence of Publix opening downtown was the closing of the Cleveland Ave (U.S. 41) store serving the low income Central Fort Myers neighborhoods.
- CRA worked with the center owners to recruit a full service discount grocer. *Save a Lot* was targeted.

# INCENTIVE PACKAGE

- **\$10,000 Development Assistance Grant to property owner.**
- **\$50,000 Façade and Landscape grant to property owner for parking lot, lighting and landscape improvements. (Later increased to \$100,000).**
- **\$50,000 Façade Improvement grant to Save a Lot for façade, lighting and sign improvements.**

# Save a lot

food stores



**Now Open**  
Save a lot food stores  
great food. great prices. great people.

Coca-Cola  
2 LITERS  
\$1.00

BACK BY POPULAR DEMAND!

6  
\$1.00

29

\$1.00 / \$1.00









produce



9 9 3949 9

Michigan Apples

Michigan Apples  
U.S. FRESH APPLES  
Michigan Apples  
Michigan Apples  
Michigan Apples  
Michigan Apples

Independent  
Golden Delicious Apples  
Michigan Apples





exclusive brands.  
taste great.  
priced right.

total basket savings  
**\$ 5 2 5 8**

**Save-A-Lot**  
**\$ 8 2 2 2**

compared to  
**Publix Supermarket**  
**\$ 1 3 4 8 0**

**Save  
a lot**  
food stores  
great food. great prices. great people.

fresh meat

