

Economic Development Market Feasibility Study: Analysis and Results

City of North Port

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ABOUT CAMOIN ASSOCIATES

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin Associates has had the opportunity to serve economic development organizations and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus), and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to projects in 32 states and garnered attention from national media outlets including Marketplace (NPR), Crain’s New York Business, Forbes magazine, The New York Times, and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. We are based in Saratoga Springs, NY, with regional offices in Portland, ME; Boston, MA; Richmond, VA; and Brattleboro, VT. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on Twitter [@camoinassociate](https://twitter.com/camoinassociate) and on [Facebook](#).

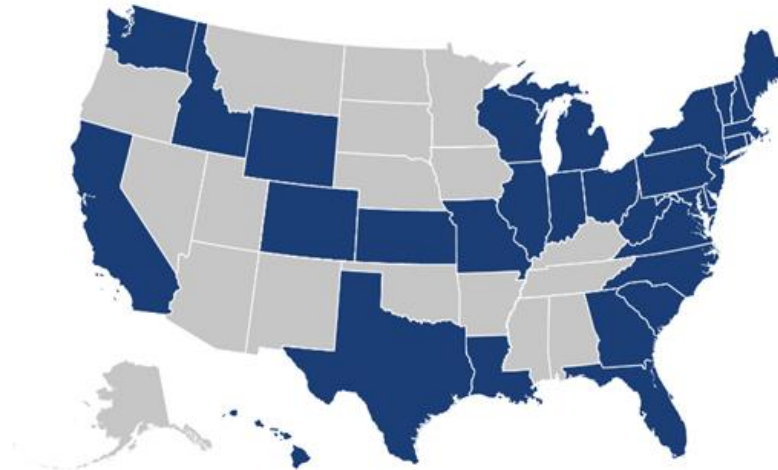
THE PROJECT TEAM

Jim Damicis
Senior Vice President

Alex Tranmer
Senior Project Manager

Tom Dworetzky
Director of Research

Andy Marzo
Analyst



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MARKET ANALYSIS CONCLUSIONS

Introduction

The City of North Port commissioned Camoin to conduct an Economic Development Market Feasibility Study. The study encompassed demographic data analysis, real estate market analysis, 1-on-1 interviews, focus groups, and consensus-building among city staff to determine appropriate strategies that will help the city reach its economic development goals and reflect values important to the City of North Port. This portion of the report contains market findings, an Action Plan Matrix, and the results of the fiscal benefit potential analysis. The recommendations in this section are supported by Appendices I-V.

Key Findings

Over the last ten years, North Port accounted for over 20% of Sarasota County’s population growth and 2.5% of job growth. In the early 2000s, the population center of the county began to shift south towards North Port, but jobs did not expand proportionately with the population. Over the last decade, North Port has been able to grow its job base relative to its population growth, which is a positive trend.

North Port is a net exporter of jobs. Nearly 90% of the city’s workforce commutes to other locations in the region for work. This ratio is not conducive to creating a dynamic community. The proportion of out commuters is extremely high compared to other communities. The workers leaving North Port every morning represent business potential and unique talent and skillsets that could be fostered within the city if the commercial or industrial density existed to support these jobs.

Industry data, stakeholder interviews and market research point to opportunities for North Port to grow and diversify its industry base. While the market indicates opportunity for North Port, the city’s ability to prepare itself for these economic and market shifts will require targeted efforts on site readiness and workforce development efforts.

The pipeline of shovel ready sites is limited, especially for the light industrial manufacturing sector. While North Port contains vast swaths of land, much of this is not connected into the city’s water and waste systems, a barrier to attracting development. Although there is market demand for uses that fit within the city’s profile, market factors alone are not likely to catalyze the private sector to take on utility build out. Success will require public private partnership models.

Examining the value that public utilities could bring to the city’s tax rolls demonstrates that the Panacea development area generates the most “bang” for the City’s investment. For every \$1 spent on infrastructure, the City would add between \$58 and \$290 of taxable assessed value to its tax rolls that would generate annual property tax revenue and pay one-time impact fees. The Gateway development area would add \$11-\$57 of taxable value per \$1 of infrastructure investment. The Springs would likely be the least lucrative from a fiscal perspective, generating \$4-\$43 of taxable value per \$1 of investment. More on this analysis can be found on pg. 13.

Beyond direct municipal return on investment, the City should consider the “opportunity cost” of not acting to prepare for the type of development desired. Recent development trends in the city and immediate region indicate that single-family residential is the most financially feasible type of development in today’s market. Therefore, without infrastructure investments and/or policy changes

that facilitate and preserve land for desired commercial and industrial development, the City's remaining developable land supply will continue to be consumed by single-family homes. Some types of higher-value development, such as a mixed-use downtown or Class A office space, may not yet be viable in the market as private ventures. However, as North Port becomes increasingly attractive as a place to invest, the City should take steps to ensure that well-situated plots of land remain available to accommodate such investment when the market is ready.

The City's Comprehensive Plan acknowledges the need to plan and fund infrastructure that supports existing and future business. Goal 4 states that the city will "inventory and develop infrastructure to meet existing and future needs of businesses and the public." The policies within the goal go on to prioritize growth in Activity Centers and note that the city will "identify and implement capital improvement projects to address infrastructure deficiencies."

Market research and recent events demonstrate that if the city provides a product that is shovel ready, there is active interest in the Sarasota County region for development that will create jobs and generate tax revenue for the city. This in turn provides funds for quality-of-life elements that make the city an enjoyable place to reside.

Using data and visualizations to showcase the region's workforce in key occupations and skill sets are critical for attracting businesses in target sectors. North Port's existing workforce and growing population is a positive economic sign. North Port's resident workers hold positions in Office and Administrative Support, Sales,

Healthcare, and a variety of others. Currently, these residents most often leave the city and support the regional economy in other employment bases. Leveraging the skillsets of these workers and targeting the subsectors that will thrive are attractive value propositions when coupled with data on real estate opportunities.

The business and development climate in North Port is not viewed favorably but does show signs of improvement. Municipal staff turnover and an unclear vision for the future of impact fees contribute to a negative experience working with the city. There are collaborations and ongoing conversations to ameliorate this perception and can be celebrated and promoted.

A centralized downtown at an appropriate scale of development would transform perceptions of the city, provide opportunities for residents and visitors to spend money locally, and generate economic activity and job opportunities in industries thriving in the aftermath of COVID-19. While there is an imperative to support business activity through coordination of planning, land use, public works, utilities, and economic development, there is further opportunity for North Port to generate economic activity by attracting the development of a live/work/play environment or a centralized downtown. A public-private partnership is a common way to enable this type of development.

Economic Development Imperatives for North Port

While economic development activities include capacity building, marketing, business development and many other specialized tactics, there are three imperatives for the city moving forward in its economic development endeavors.

<p>1.</p> <p>Identify sites that require investment to increase competitiveness.</p>	<p>2.</p> <p>Determine funding structure and develop infrastructure to support business development on key sites.</p>	<p>3.</p> <p>Align local workforce training with the key sectors most likely to be successful in North Port.</p>
<p>Status</p> <ul style="list-style-type: none"> • Sites identified through planning process. • Sarasota EDC study will further refine or add options. • Ongoing conversations with landowners can help identify properties in the pipeline. 	<p>Status</p> <ul style="list-style-type: none"> • Range of options identified, along with additional opportunities to explore. • Initial discussion with City departments. 	<p>Status</p> <ul style="list-style-type: none"> • Key industry sectors identified. • Analysis studies current availability of critical workforce skills.

ACTION PLAN MATRIX

The following strategies will help the city advance action items related to the priority areas that are well-suited to expand North Port’s commercial base. The action items also support the work of the Economic Development Division and its collaboration with other city departments as well as regional organizations.

Themes	Action Items	Priority Level
Planning/Land Use/Infrastructure	Codify sites/areas for commercial or industrial development in the Comprehensive Plan and other relevant planning documents.	High
	Continue advocating and working with city departments to advance shovel-ready sites.	High
	Continue broadband advocacy and expansion to ensure that broadband is available to priority sites.	High
	Develop strategies for financing infrastructure to meet future business needs based on traditional and alternative methods.	High
	Pursue land assembly in targeted areas. Monitor open space/conserved land in relation to expected development.	Medium Medium
Business Development	Continue to collaborate with regional partners to target attraction efforts to traded sectors that align with regional targets -- -manufacturing, cleantech, life sciences.	High
	Identify and develop pipeline of projects that support environmental resiliency.	High
	Prioritize three factors for business development --- shovel ready sites, infrastructure build out and workforce alignment --- with key sectors.	High
	Work with Sarasota EDC to expand available labor market data for the city and region - -- specifically skills and current openings.	Medium
	Continue advancing goals for formalizing Business Retention and Expansion. Approach resiliency and sustainable development as part of North Port's competitiveness.	Medium Medium

Role of Economic Development in the City	Pursue formal adoption of the economic development plan by the City Commission.	High
	Maintain regular communication with department heads on economic development goals as it pertains to their departments. Establish a standard recording mechanism for these conversations.	High
Marketing North Port	Develop "opportunity profiles" for priority sites/areas for targeted marketing purposes.	High
	Ensure priority sites (and others, as relevant) are submitted and updated on Sarasota EDC's website.	Medium
	Post opportunity profiles under Economic Development on the city's website and promote through Sarasota EDC network.	Medium
	Use current marketing channels to highlight existing businesses in the target industries.	Low
	Market Opportunity Zones to Opportunity Exchange and beyond.	Low
Placemaking	Use data to "tell the story" that North Port is a growing, young community with a bustling economy in Southwest Florida.	Medium
	Prioritize catalyzing a "live/work/play" mixed use development through a public private partnership.	Medium
	Market the Braves and Warm Mineral Springs, other cultural and recreational options, and outdoor quality of life assets to support young workers/families, and businesses.	Medium

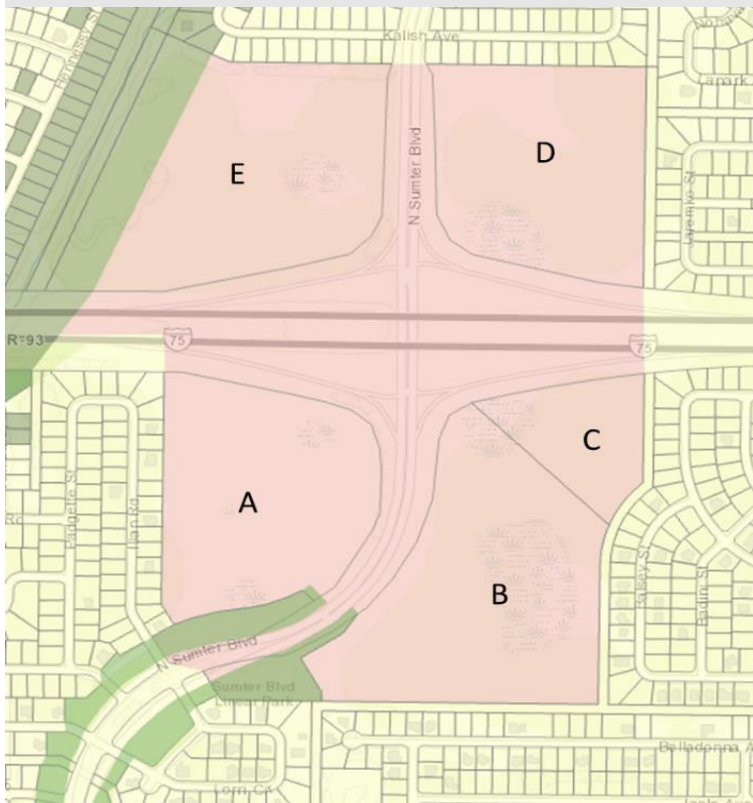
DEVELOPMENT SCENARIOS AND FISCAL BENEFIT ANALYSIS

In addition to a market feasibility analysis, Camoin Associates conducted a fiscal benefit potential analysis on five study areas in the city. The areas that were studied as part of this analysis were derived from a series of conversations with department leaders at the City and Camoin’s own real estate market analysis. These sites are particularly important to unlocking potential commercial/industrial growth in the city. The characteristics of the sites, the size of the parcels, and the proximity to other businesses and transportation assets qualify these areas as optimal locations for commercial/industrial development. Yet, to unlock this potential, a degree of site readiness is needed to entice the developer community. The highest potential sites are those that will have the most impact on tax revenue generation and employment generation for North Port. In general, these will be large sites, served by infrastructure, on major roads, with industrial or commercial zoning, that can accommodate target industry(ies) and that have motivated owners. Sites were also checked with the city’s database of Scrub Jays to ensure no ecologically sensitive areas would be compromised. The following table demonstrates the land use types and industry sectors that show the greatest potential for success in North Port, along with how the target sectors fit within North Port’s economy. *Note that Appendix VII contains updates to the analysis specific to Panacea, known as Innovation Park as of 2022.*

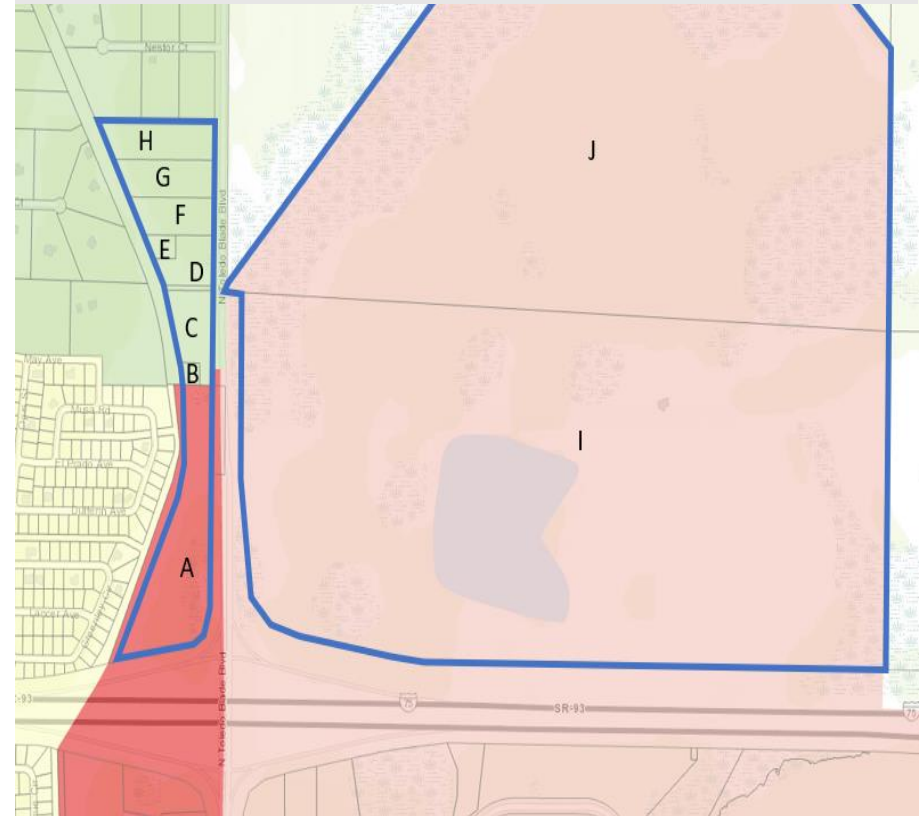
TARGET SECTORS / DESIRED USES	SITE CONSIDERATIONS	CONTRIBUTIONS TO THE CITY
FLEX SPACE / GENERAL INDUSTRIAL/ MANUFACTURING	Medium to large site, proximity to I-75, electric, water (potential high capacity), sewer, gas, telecommunications	This sector captures regional target industries that are innovative and high contributors to gross regional product. Building off existing supply chains and capitalizing on market demand will help these industries expand.
DISTRIBUTION & LOGISTICS	Large site, proximity to I-75, electric, water, sewer, gas, telecommunications	With access to I-75, North Port is well situated geographically to support these industries.
HOTEL / TOURISM AMENITIES	Medium site, proximity to attractions, proximity to Route 41 & I-75, electric, water, sewer, gas, telecommunications	With Warm Mineral Springs and CoolToday Park, North Port’s regional destinations will continue to flourish and contribute to the economy as related uses are built up to support those entities. This could include hotels, retail, restaurants, related attractions and more. The businesses that support the tourism economy are also elements that can contribute to quality of life for residents.
CENTRALIZED DOWNTOWN COMMERCIAL DISTRICT	Proximity to customer base, proximity to Route 41 & I-75, electric, water, sewer, gas, telecommunications	Developing a mixed use, centralized downtown would be transformative for the city. This type of development would not only contribute to the diversity of the economy but also foster an environment that supports creative, tech-related, and professional service jobs. A vibrant downtown would also serve to attract workforce.

Maps of Study Areas

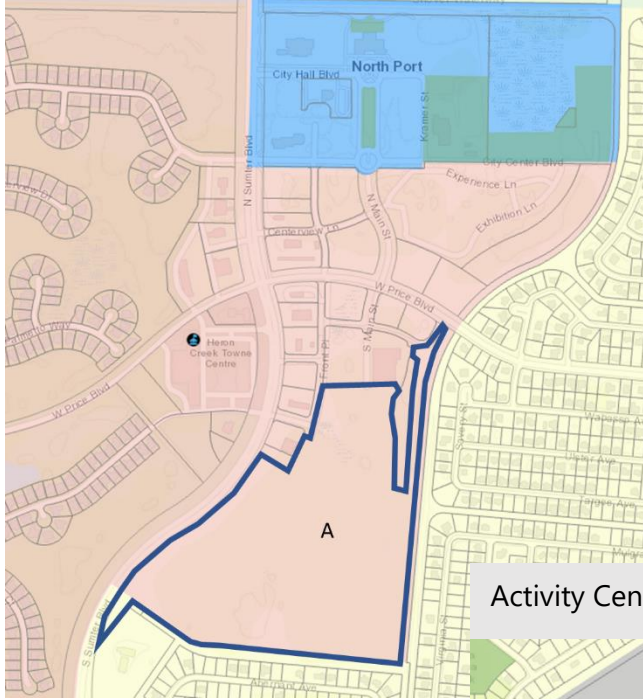
Activity Center 3 - Gateway "North" (Parcels E and D) & Gateway "South" (Parcels A,B,C)



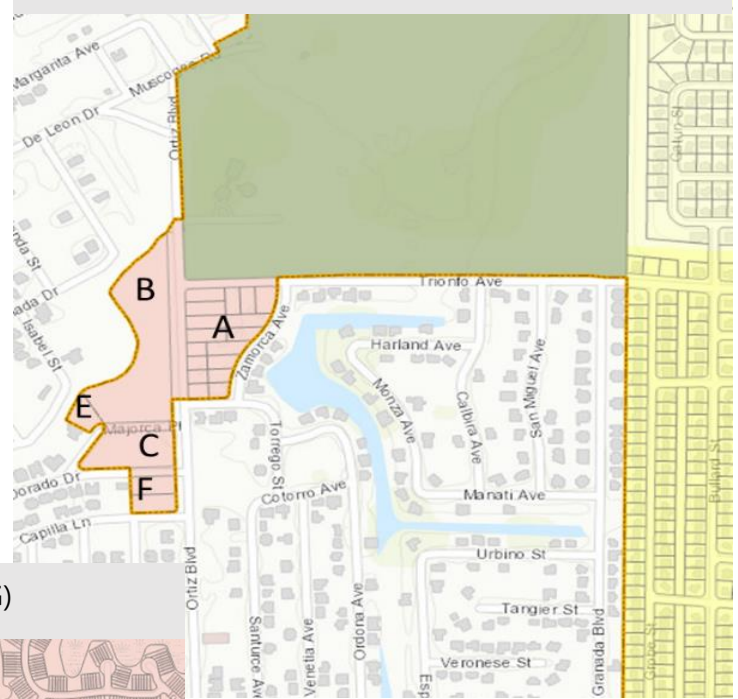
Activity Center 4 - Panacea "Northeast" (Parcels I and J) & Panacea "Northwest" (Parcel A)



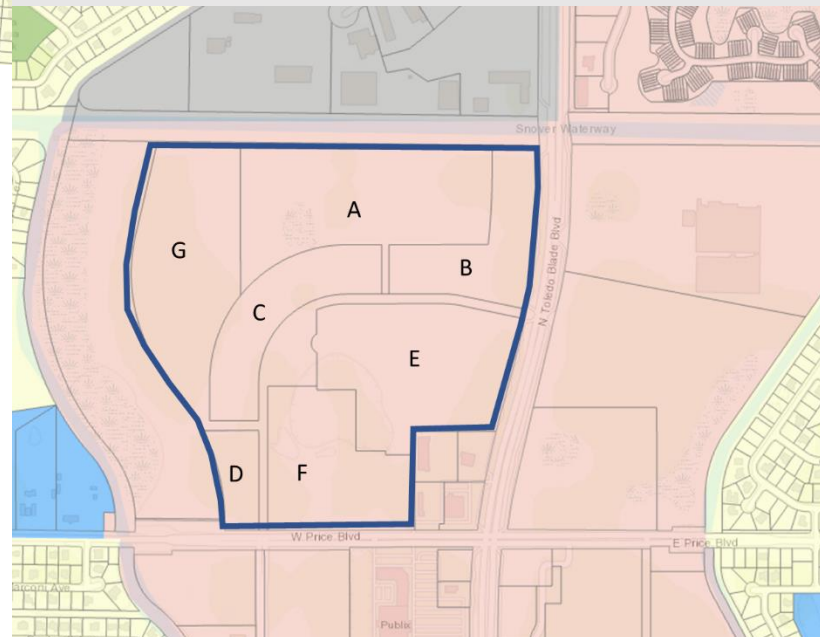
Activity Center 2 - Heron Creek (Parcel A)



Activity Center 7 - The Springs (Parcels A,B,C,E,F)



Activity Center 5 - Midway (Parcels A,B,C,D,E,F,G)



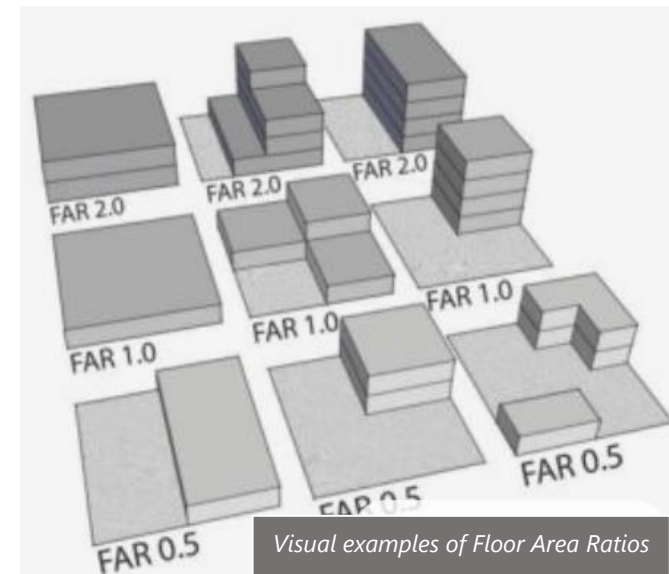
Methodology

A fiscal benefit potential analysis was conducted on each of the priority development areas¹ to estimate the amount of revenue that could be generated for the City upon full buildout of each site. The analysis considers both one-time revenue from impact fees and recurring annual property tax revenue. It is meant to provide an order-of-magnitude estimate of fiscal benefits to be generated for North Port that can be considered against the cost of infrastructure improvements and other expenses that would be incurred to unlock the development potential of these sites. While only City-specific revenues are considered here, it is acknowledged that new development in North Port would also generate fiscal benefits for Sarasota County, the Sarasota County School District, and other taxing jurisdictions.

The methodology for the fiscal benefit potential analysis is outlined as follows:

1. **Estimate Buildout Potential.** Each priority development area was defined as a group of contiguous or nearly contiguous parcels. The combined area of these parcels composing each development area represents the total land area available for development. A range of floor area ratios (FARs) were applied to total land area to estimate the amount of building area that could be supported in each development area.

- ◆ For development areas within the Gateway and Panacea activity centers, a “low” FAR of 0.1 was applied and a “high” FAR of 0.5 was applied. This range of FARs would be typical for suburban-style, low to moderate density commercial and industrial development.
- ◆ The Heron Creek and Midway development areas have been identified for potential downtown-style development with a mix of uses at a medium level of density. Accordingly, we assumed a “low” FAR of 0.5 and a “high” FAR of 1.0.
- ◆ The Springs development area could potentially accommodate a wide range of development densities, ranging from low density that is consistent with surrounding residential uses to medium density that allow enough development to establish the area as a destination tourism node within the City. Therefore, the FARs modeled for The Springs ranged from 0.1 to 1.0.



¹ This includes one or multiple sites, dependent on the area.

Note that a detailed site analysis was not conducted as part of this exercise. In some cases, development areas may have considerable wetlands or undevelopable areas requiring mitigation. However, the range of FARs used is conservative (low) to account for the possible presence of these physical impediments to development. Across the development areas, we estimate total buildout potential of approximately 12 million to 30 million square feet of new development.

Buildout Potential by Development Area						
Development Area	Land Area (Acres)	Land Area (SF)	FAR - Low	FAR - High	Buildout (SF) - Low	Buildout (SF) - High
Gateway	128	5,568,664	0.1	0.5	556,866	2,784,332
South	61	2,655,237	0.1	0.5	265,524	1,327,619
North	67	2,913,427	0.1	0.5	291,343	1,456,714
Panacea	507	22,075,367	0.5	1	11,037,684	22,075,367
NE	493	21,457,167	0.5	1	10,728,584	21,457,167
NW	14	618,200	0.5	1	309,100	618,200
Heron Creek	62	2,684,907	0.1	0.5	268,491	1,342,454
Midway	113	4,927,215	0.1	0.5	492,722	2,463,608
The Springs	13	579,232	0.1	1.0	57,923	579,232
Total	823	35,835,385			12,413,685	29,244,992

2. **Assign use types.** For each development area, we allocated total buildout potential to various use types based on market demand, site location, surrounding uses, and the use types permitted in each activity center per the City’s Unified Land Development Code (ULDC). Commercial and industrial uses were prioritized over residential uses as appropriate. Heron Creek, Midway, and The Springs all were allocated significant residential components, since housing would complement commercial uses and increase the financial feasibility of each development overall.

Use Breakdown by Development Area (Allocation of Building Area Square Footage)										
Development Area	Low Density Residential	Medium Density Residential	High Density Residential	General Office	Retail / Services	Restaurant	Medical Office	Hotel	Manufacturing / General Industrial	Warehouse / Distribution
Gateway - South	0%	0%	0%	25%	25%	20%	20%	10%	0%	0%
Gateway - North	0%	0%	0%	25%	25%	20%	20%	10%	0%	0%
Panacea - NE	0%	0%	0%	20%	0%	0%	0%	0%	30%	50%
Panacea - NW	0%	0%	0%	20%	20%	20%	20%	0%	20%	0%
Heron Creek	0%	25%	25%	10%	15%	15%	0%	10%	0%	0%
Midway	0%	35%	35%	10%	10%	10%	0%	0%	0%	0%
The Springs	0%	30%	0%	0%	25%	25%	0%	20%	0%	0%

Note: This allocation of uses is based on square footage of buildout (and not land area) and is consistent with market demand and site compatibility for each development area. It was developed in consultation with the City and is generally consistent with current City development regulations and/or adjustments that are anticipated as part of the City’s forthcoming Comprehensive Plan. This breakdown is intended to be illustrative; actual allowable buildout may vary.

3. Estimate Assessed Value and Annual Property Tax Revenue. Based on a review of construction costs for the North Port region from RS Means and assessed values for existing structures in the City, we developed an average assessed value per square foot for each use type. This considers only real property value and excludes any personal property value. These factors were applied to estimated square footage of buildout (low and high) by use type for each development area. This resulted in a range of estimated total taxable assessed values by development area. North Port’s City current (2021) millage rate of 3.7667 was applied to these assessed values to estimate annual property tax revenues at full buildout for the city. Property tax revenues would phase in overtime as each area is built out, and the applicable millage rate would vary from year to year.

Across development areas, new taxable assessed value at full buildout could range from approximately \$700 million to \$2.3 billion. This would represent an increase of 14% to 44% in the City’s total taxable assessed value.

Annual real property tax revenues to the City of North Port resulting from this new value could range from \$2.7 million per year to \$8.6 million per year. This does not include new tax revenue generated for other taxing jurisdictions.

Estimated Assessed Value per SF of Real Property by Use Type	
Use Type	Assessed Value per SF
Medium Density Residential	\$ 100
High Density Residential	\$ 150
General Office	\$ 100
Retail/Services	\$ 100
Restaurant	\$ 120
Medical Office	\$ 170
Hotel	\$ 100
Manufacturing / General Industrial	\$ 85
Warehouse / Distribution	\$ 85

Estimated Taxable Assessed Value and Property Tax Revenue at Full Buildout

Development Area	Estimated Taxable Assessed Value		Estimated Annual Property Tax Revenue	
	Low	High	Low	High
Gateway	\$ 65,710,235	\$ 328,551,176	\$ 247,511	\$ 1,237,554
South	\$ 34,378,439	\$ 171,892,193	\$ 129,493	\$ 647,466
North	\$ 31,331,797	\$ 156,658,983	\$ 118,017	\$ 590,087
Panacea	\$ 195,932,370	\$ 979,661,848	\$ 738,018	\$ 3,690,092
NE	\$ 188,823,070	\$ 944,115,348	\$ 711,240	\$ 3,556,199
NW	\$ 7,109,300	\$ 35,546,500	\$ 26,779	\$ 133,893
Heron Creek	\$ 155,053,379	\$ 310,106,759	\$ 584,040	\$ 1,168,079
Midway	\$ 294,401,108	\$ 588,802,216	\$ 1,108,921	\$ 2,217,841
The Springs	\$ 6,081,936	\$ 60,819,360	\$ 22,909	\$ 229,088
Total	\$ 717,179,028	\$ 2,267,941,359	\$ 2,701,398	\$ 8,542,655

4. **Estimate One-Time Impact Fee Revenue.** Estimated impact fee revenue was calculated based on full buildout by use type in each development area. Impact fees for each use type were generalized by averaging the more specific use types listed in the City’s schedule of impact fees (fee schedule effective as of February 10, 2021).² The impact fee revenues calculated for this analysis should be considered approximate and only used for planning purposes. These revenues reflect City specific fees; additional County impact fees would also apply.

Total one-time impact fees paid to the City could range from \$49 million to \$147 million over the course of buildout for each development area.

Use Type	Total Impact Fees per 1,000 SF (North Port)
Medium Density Residential	\$ 5,417
High Density Residential	\$ 5,437
General Office	\$ 6,117
Retail / Services	\$ 10,125
Restaurant	\$ 30,961
Medical Office	\$ 15,722
Hotel	\$ 2,710
Manufacturing / General Industrial	\$ 2,021
Warehouse / Distribution	\$ 1,867

Source: Generalized from City of North Port Impact Fee Schedule

Development Area	Low	High
Gateway	\$ 7,611,163	\$ 38,055,815
<i>South</i>	<i>\$ 3,982,027</i>	<i>\$ 19,910,133</i>
<i>North</i>	<i>\$ 3,629,136</i>	<i>\$ 18,145,682</i>
Panacea	\$ 6,731,853	\$ 33,659,267
<i>NE</i>	<i>\$ 5,928,875</i>	<i>\$ 29,644,374</i>
<i>NW</i>	<i>\$ 802,978</i>	<i>\$ 4,014,892</i>
Heron Creek	\$ 13,101,009	\$ 26,202,018
Midway	\$ 20,987,774	\$ 41,975,548
The Springs	\$ 720,475	\$ 7,204,748
Total	\$ 49,152,274	\$ 147,097,396

5. **Estimate New Job Creation.** Applying average square-feet-per-job multipliers for each use type, we calculated an estimated number of on-site jobs that would be created in each development area based on use assumptions. New jobs located in these development areas could range from approximately 4,800 under the lower buildout scenario to 18,200 under the higher buildout scenario. This would represent an increase of about 47% to 178% over North Port’s current jobs base of approximately 10,200 jobs.

² Note that this Fee Schedule does not include Water and Wastewater Capacity Fees. Those fees would be collected in addition to what is calculated in Step 4.

Findings

In assessing which infrastructure projects to proceed with, the City can consider the cost of each project relative to the amount of new developable land that would be unlocked and new buildout that could be supported because of having public sewer and water access. Three of the five priority development areas would require some level of sewer and water investment to realize their full development potential and optimize fiscal benefits and new job creation within the City. Water and sewer construction costs are intended to be conceptual estimates that may vary based on characteristics of individual sites. The estimates include the cost to run water and sewer lines to the site but do not include onsite work.

- ◆ Gateway – Extension of sewer and water along Sumter Boulevard to serve Gateway South parcels would cost an estimated \$3.9 million. Further extending utilities northward across I-75 to serve Gateway North parcels would cost an additional \$1.9 million, for a total cost of \$5.8 million. *(Estimates derived from conversations with Utilities)*
- ◆ Panacea – Extension of sewer and water along Toledo Blade Boulevard to serve parcels north of I-75 would cost an estimated \$3.38 million. *(Refer to Appendix VII for an update to the return-on-investment analysis for Panacea, now known as Innovation Park.)*
- ◆ The Springs – Extension of utilities to serve The Springs would cost an estimated \$1.4 million. *(Estimates derived from Preliminary Order of Magnitude Costs from April 2019, adjusted for inflation.)*

Examining the ratio of potential new assessed value at full buildout to the cost to extend utilities to each development area is one way to analyze costs and benefits of undertaking an infrastructure project. As shown in the table, extending utilities to the Panacea development area generates the most “bang” for the City’s investment given the relatively short distance over which utilities would need to be extended and the large amount of land that would be unlocked for development. For every \$1 spent on infrastructure, the City would add between \$58 and \$290 of taxable assessed value to its tax rolls that would generate annual property tax revenue and pay one-time impact fees. Utility extensions to Gateway South would add \$9-\$44 of taxable assessed value per \$1 of infrastructure investment. Considered as a single project, Gateway South and North would add \$11-\$57 of taxable value per \$1 of infrastructure investment. The Springs would likely be the least lucrative from a fiscal perspective, generating \$4-\$43 of taxable value per \$1 of investment.

Estimated Job Creation by Use

Use Type	Type	
	Est. Square Feet per Job	
General Office	600	
Retail / Services	920	
Restaurant	560	
Medical Office	550	
Hotel	2,500	
Manufacturing / General Industrial	1,500	
Warehouse / Distribution	1,500	

Source: US Energy Information Administration

Estimated Job Creation

Development Area	Low	High
Gateway	807	4,035
<i>South</i>	422	2,111
<i>North</i>	385	1,924
Panacea	1,946	9,732
<i>NE</i>	1,860	9,298
<i>NW</i>	87	434
Heron Creek	856	1,712
Midway	1,118	2,237
The Springs	46	462
Total	4,774	18,178

Development Area	Estimated Cost to Extend Water/Sewer	Estimated New Taxable Assessed Value (Potential at Full Buildout)		New Taxable Assessed Value per \$1 of New Water/Sewer Investment	
		Low	High	Low	High
Gateway South	\$ 3,900,000	\$ 34,378,439	\$ 171,892,193	\$ 9	\$ 44
Gateway South and North	\$ 5,800,000	\$ 65,710,235	\$ 328,551,176	\$ 11	\$ 57
Panacea (North of 75)	\$ 3,380,000	\$ 195,932,370	\$ 979,661,848	\$ 58	\$ 290
The Springs	\$ 1,410,785	\$ 6,081,936	\$ 60,819,360	\$ 4	\$ 43

Next Steps

Working to advance the build out of these study areas in a way that is fiscally responsible and contributes to North Port’s economic vibrancy is a lofty goal that will take coordination across City Commissioners, City departments, and regional entities. In addition to strategies presented in the Action Plan Matrix, next steps include:

- **Continue to develop relationships with property owners.** As market opportunities arise, it is critical that the city has a point of contact for study areas that have development potential.
- **Advance plans for utility build out.** While complete build out of utilities is unrealistic based on the other many priorities of the city, continuing to seek partnerships and innovative funding strategies will ensure the city can capitalize on market opportunities for residents and businesses.
- **Consider purchasing parcels in study areas to retain site control.** This option would be best suited for the study areas in Heron Creek or Midway where the city could retain control of the land and develop marketing materials to demonstrate the potential for each of these sites.

Site Specific Considerations

- **Heron Creek/Midway:** The effort to develop a mixed-use downtown is not likely to solely be driven by the private sector and will require the city to work with a developer to envision the opportunity. Communicating with available data, visuals and other success stories in the city will help to advance this concept.
- **The Springs:** Developing a tourism node on the west side of the city will capture the visitors of CoolToday Park and Warm Mineral Springs. Continuing to focus on elements that will foster this node will support the city’s destination development and support the individual businesses that thrive on visitation. While the cost to build out utilities to the parcels in The Springs is relatively high due to the limited total buildout potential on the small parcels, the overall contributions to the city’s economy are valuable. With the overlap of the federal Opportunity Zone, marketing these opportunities to relevant investor audiences could support development on the parcels indicated on pg. 8 and potentially enhance offerings onsite at Warm Mineral Springs. See the Action Plan Matrix for more.

APPROACH TO FINANCING UTILITY AND INFRASTRUCTURE PROJECTS

The City maintains a 5-year Capital Improvement Plan (CIP) that lays out the anticipated expenditures for capital projects across the city in that time frame. The most current plan is 2021-2025. This plan must align with the Comprehensive Plan and future planning needs. Projects may be added or taken off the CIP by the City Commission over the life span of the plan. To finance large scale infrastructure projects, the city relies on a combination of taxes, fees, grants, and debt financing. Financing packages are highly dependent on the project at hand and will be formulated by the parties involved in the development project. Unlocking the potential in the study areas will greatly depend on the ability of the City to explore and advance financing packages.

Capital projects will likely still rely on the components that the city has used before, and there is potential to explore alternative financing methods. Each source offers a strength and a weakness, and the appropriate outcome will be based on the political, community, and fiscal climate. More detail on each of these methods can be found in Appendix V.

Traditional Methods of Local Infrastructure Financing		
	Strengths	Challenges
Taxation	<ul style="list-style-type: none"> General taxes employ large tax bases and generally predictable tax revenues. Special tax revenues protect local infrastructure projects from competition from other uses of funds during the annual appropriation process. 	<ul style="list-style-type: none"> Some consider general taxes (such as local sales tax) to be regressive, citing that they may impose a larger cost burden on low-income populations. These may face considerable public resistance and take longer to get funding approved. Some special revenue fund sources may be volatile and unpredictable, leaving municipalities to find other funds if sources do not meet expectations. Earmarking special funds may restrict future flexibility in the annual appropriation process.
User Charges	<ul style="list-style-type: none"> Recovers partial or full costs of the consumed government services through end-users. Can be used to influence consumers' choices to align with broader strategic planning and goals. 	<ul style="list-style-type: none"> Some consider that user charges to be regressive, citing they may impose a larger cost burden on low income populations.
Capital Reserves and Fund Balances	<ul style="list-style-type: none"> Preserves flexibility in future operating and capital budgets by avoiding debt financing. 	<ul style="list-style-type: none"> Raising adequate reserves for large projects can take time and dedicated resources across multiple administrations.

Federal/State/County Grants	<ul style="list-style-type: none"> Allow for access to additional capital and enable local governments to fund needed capital projects. 	<ul style="list-style-type: none"> Can sometimes be less stable and predictable, making it harder for municipalities to do long-term capital planning. Can have their own policy goals and priorities in designing grant programs. Often restrict what recipients can use funding for. Don't provide funding for long term maintenance, potentially leading to a larger burden on local governments to set up appropriate funds to maintain infrastructure.
Loan Financing	<ul style="list-style-type: none"> Can be used if a municipality has limited access to the municipal bond market or can't afford the costs of a municipal bond issuance. 	<ul style="list-style-type: none"> Higher cost of capital than municipal bond financings due to higher interest rates and less favorable terms for municipalities.
GO Bond Financing	<ul style="list-style-type: none"> Exempt from federal income taxes, municipalities can obtain lower interest rates compared to loan financings significantly reducing the debt costs of issuing bonds. 	<ul style="list-style-type: none"> Can be subject to constitutional debt limits. Require voter approval. Impose a debt obligation on future taxpayers and limit budget flexibility in future years.
Revenue Bond Financing	<ul style="list-style-type: none"> Most revenue bonds are not subject to constitutional debt limits. They do require a public vote. 	<ul style="list-style-type: none"> Higher risk than GO Bonds due to the uncertainty of generated revenues, which makes the cost of capital higher for municipalities.

Alternative Methods of Municipal Financing

Alternative financing methods include similar concepts or components of traditional infrastructure funding and financing but structures them in an innovative or alternative way. Often, alternative financing strategies incorporate creative strategies to raise new funding sources or embrace financial arrangements such as public private partnerships (P3s) to fund infrastructure. See Appendix V for greater detail on each alternative financing method.

New Funding Sources	Financing Strategies	Other Partnerships
New Taxation	Public Private Partnerships	Sarasota County
Value Capture	<ul style="list-style-type: none"> Design-Build (DB) 	Southwest Florida Regional Planning Council
<ul style="list-style-type: none"> Impact Fees 	<ul style="list-style-type: none"> Design-Build-Operate-Maintain (DBOM) 	Florida Power and Light
<ul style="list-style-type: none"> Special Assessment Districts 	<ul style="list-style-type: none"> Design-Build-Finance-Operate-Maintain (DBFOM) 	
<ul style="list-style-type: none"> Tax Increment Financing 		

APPENDIX I – V

Appendix I: Workforce Alignment with Target Industries

Appendix II: Economic Inventory

Appendix III: Real Estate Inventory Report

Appendix IV: Interview Themes

Appendix V: Infrastructure Funding Approaches

Appendix VI: Acknowledgements

APPENDIX I – WORKFORCE ALIGNMENT WITH TARGET INDUSTRIES

Background

To identify common occupations and workforce feasibility trends in North Port and the surrounding region, the top ten occupations by total jobs within three industry clusters were identified and analyzed. These industry clusters include:

- ◆ Hospitality and Tourism
- ◆ Distribution and Logistics
- ◆ Light Industrial, Manufacturing, and Construction

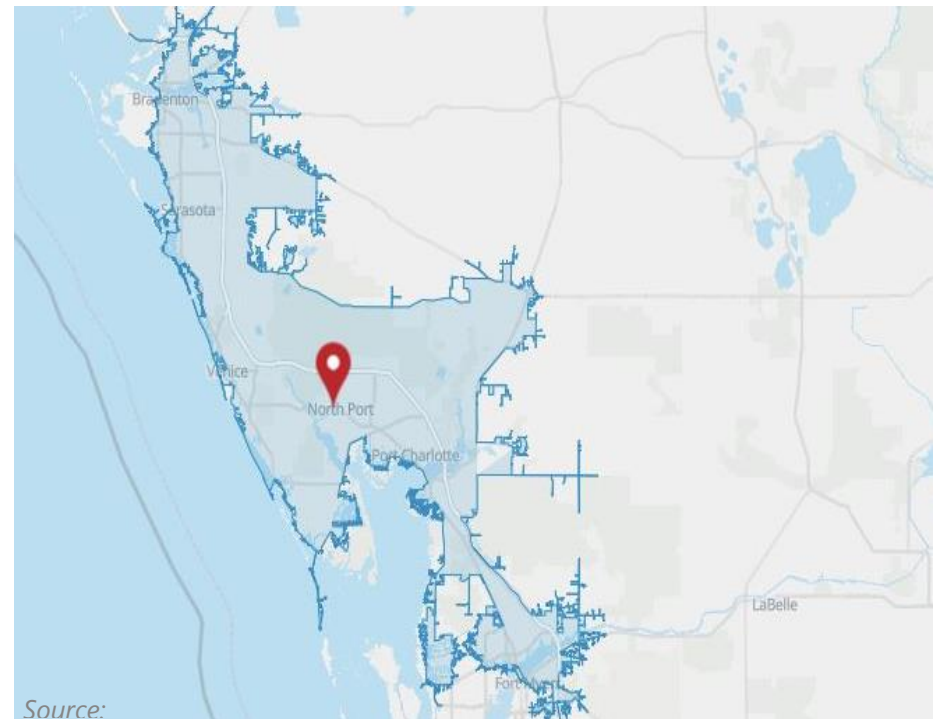
Each industry cluster is made up of multiple industries within each focus area. For example, the hospitality and tourism industry cluster is made up of occupations in industries such as spectator sports, scenic sightseeing and transportation, traveler accommodation, and personal care services, etc.

The distribution and logistics industry cluster is made up of occupations in industries such as general freight trucking, freight transportation arrangement, warehousing, and storage, etc.

The light industrial, manufacturing, and construction industry cluster is made up of occupations within industries such as food and beverage manufacturing, pharmaceutical and medicine manufacturing, residential and non-residential construction, medical equipment manufacturing, etc.

In addition to looking at industry trends in North Port, the city's laborshed (a region within a 60-minute drive time) was also analyzed to get a regional perspective on workforce and industry alignment.

NORTH PORT, FL LABORSHED (60MIN DRIVE-TIME)



Hospitality and Tourism Industry Cluster

Summary of Top 10 Occupations - Hospitality & Tourism				
	 2020 Jobs	 Concentration	 Median Earnings	 Educational Completions
North Port, FL	530	1.09	\$16.22/hr	0
North Port, FL Laborshed	34,421	1.33	\$14.77/hr	488

JOBS, RESIDENT WORKERS, & NET COMMUTERS

The following tables includes job, resident worker, and commuter data related to the top ten occupations within the hospitality and tourism industry cluster in North Port and North Port’s laborshed. In the table above, “concentration” refers to how prevalent the top 10 occupations in this industry are in North Port compared to other regions across the country. A value over 1 indicates above average concentration of occupations. Educational completions refers to the number of degrees conferred in programs relevant to the industry.

Resident worker data are presented in terms of where workers live rather than where they work. For example, though North Port has 58 exercise trainers and group fitness instructors living in the city, there are only 26 exercise trainers and group fitness instructors working within the city, with the remaining 32 commuting outside the city for work. These data are helpful in demonstrating workforce availability and helping companies and communities locate the talent they need.

- ◆ Office clerks were the most common occupation in North Port, corresponding with the occupation’s presence across a variety of tourism and hospitality industries. Secretaries and administrative assistants (except legal/medical/and executive), hairdressers, hairstylists, and cosmetologists; chief executives; and exercise trainers and group fitness instructors are other examples of top occupations in the industry cluster in North Port.
- ◆ The top ten occupations in the hospitality and tourism industry cluster in North Port represent 3% of jobs within these occupations in North Port’s laborshed.
- ◆ Approximately 60% of North Port’s resident workers were commuting outside of the city for work.
- ◆ At \$16.22/hr the cost of labor in North Port is below the national median of \$17.14/hr.

North Port, FL Laborshed Top 10 Occupations - Hospitality & Tourism			
Occupation Description	2020 Jobs	2020 Resident Workers	2020 Net Commuters
Waiters and Waitresses	7,752	9,452	(1,700)
Landscaping and Groundskeeping Workers	5,652	5,633	19
General and Operations Managers	5,609	6,038	(430)
Maintenance and Repair Workers, General	4,208	4,631	(423)
Maids and Housekeeping Cleaners	3,283	4,319	(1,037)
Receptionists and Information Clerks	2,983	3,520	(536)
Hairdressers, Hairstylists, and Cosmetologists	2,231	2,315	(84)
Amusement and Recreation Attendants	1,253	1,340	(87)
Exercise Trainers and Group Fitness Instructors	937	1,049	(112)
Massage Therapists	513	592	(79)
Total	34,421	38,889	(4,468)

Source: EMSI




North Port, FL Top 10 Occupations - Hospitality & Tourism				
Occupation Description	2020 Jobs	Percent of 2020 Laborshed Jobs	2020 Resident Workers	2020 Net Commuters
Office Clerks	226	3%	630	(404)
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	143	3%	420	(277)
Hairdressers, Hairstylists, and Cosmetologists	71	3%	132	(61)
Chief Executives	27	3%	63	(36)
Exercise Trainers and Group Fitness Instructors	26	3%	58	(32)
Massage Therapists	16	3%	35	(18)
Manicurists and Pedicurists	12	4%	17	(5)
Writers and Authors	<10	<1%	<10	N/A
Sound Engineering Technicians	<10	<1%	0	N/A
Photographers	<10	<1%	11	N/A
Total	530	3%	1,371	(841)

Source: EMSI

EDUCATION AND EXPERIENCE




The following figures include job, education, and experience data related to the top ten occupations within the hospitality and tourism industry cluster in North Port and North Port’s laborshed.

- ◆ The most common occupations in North Port and North Port’s laborshed require minimal formal education or work experience.
- ◆ Only one occupation in North Port (chief executives) and one occupation in North Port’s laborshed (general and operations managers) require a degree from a postsecondary educational institution.

North Port, FL Top 10 Occupations - Hospitality & Tourism			
	2020 Jobs 	Education 	Experience 
Office Clerks	226	High school diploma or equivalent	None
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	143	High school diploma or equivalent	None
Hairdressers, Hairstylists, and Cosmetologists	71	Postsecondary nondegree award	None
Chief Executives	27	Bachelor's degree	5 years or more
Exercise Trainers and Group Fitness Instructors	26	High school diploma or equivalent	None
Massage Therapists	16	Postsecondary nondegree award	None
Manicurists and Pedicurists	12	Postsecondary nondegree award	None
Writers and Authors	<10	Bachelor's degree	None
Sound Engineering Technicians	<10	Postsecondary nondegree award	None
Photographers	<10	High school diploma or equivalent	None





Source: EMSI

North Port, FL Laborshed Top 10 Occupations - Hospitality & Tourism

	2020 Jobs 	Education 	Experience 
Waiters and Waitresses	7,752	No formal educational credential	None
Landscaping and Groundskeeping Workers	5,652	No formal educational credential	None
General and Operations Managers	5,609	Bachelor's degree	5+ years
Maintenance and Repair Workers, General	4,208	High school diploma or equivalent	None
Maids and Housekeeping Cleaners	3,283	No formal educational credential	None
Receptionists and Information Clerks	2,983	High school diploma or equivalent	None
Hairdressers, Hairstylists, and Cosmetologists	2,231	Postsecondary nondegree award	None
Amusement and Recreation Attendants	1,253	No formal educational credential	None
Exercise Trainers and Group Fitness Instructors	937	High school diploma or equivalent	None
Massage Therapists	513	Postsecondary nondegree award	None

Source: EMSI

Distribution and Logistics

Summary of Top 10 Occupations - Distribution and Logistics				
	 2020 Jobs	 Concentration	 Median Earnings	 Educational Completions
North Port, FL	568	0.75	\$20.56/hr	0
North Port, FL Laborshed	31,868	0.99	\$14.63/hr	0

JOBS, RESIDENT WORKERS, & NET COMMUTERS

The following tables includes job, resident worker, and commuter data related to the top ten occupations within the distribution and logistics industry cluster in North Port and North Port’s laborshed. In the table above, “concentration” refers to how prevalent the top ten occupations in this industry are in North Port compared to other regions across the country. A value over 1 indicates above average concentration of occupations. Educational completions refers to the number of degrees conferred in programs relevant to the industry.

- ◆ Laborers and freight, stock, and material movers were the most common occupation in the industry cluster in North Port. First-line supervisors of office and administrative support workers; heavy and tractor-trailer truck drivers; sales representatives, wholesale and manufacturing, except technical and scientific products; and sales representatives of services, except advertising, insurance, financial services are other examples of top occupations in North Port’s distribution and logistics industry cluster.
- ◆ The top ten occupations in the distribution and logistics industry cluster in North Port represent 2% of jobs within these occupations in North Port’s laborshed.
- ◆ Approximately 65% of North Port’s resident workers were commuting outside of the city for work.
- ◆ At \$20.44/hr the cost of labor in North Port is below the national median of \$22.68/hr.

North Port, FL Top 10 Occupations - Distribution & Logistics				
Occupation Description	2020 Jobs	Percent of 2020 Laborshed Jobs	2020 Resident Workers	2020 Net Commuters
Laborers and Freight, Stock, and Material Movers, Hand	112	2%	346	(234)
First-Line Supervisors of Office and Administrative Support Workers	104	3%	282	(178)
Heavy and Tractor-Trailer Truck Drivers	91	3%	220	(129)
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	69	2%	226	(157)
Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	66	3%	189	(124)
Accountants and Auditors	52	2%	154	(102)
Chief Executives	27	3%	63	(36)
First-Line Supervisors of Transportation and Material Moving Workers, Except Aircraft Cargo Handling Supervisors	23	2%	61	(37)
Billing and Posting Clerks	20	2%	84	(64)
Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	<10	<1%	32	N/A
Total	568	2%	1,657	(1,089)

Source: EMSI




North Port, FL Laborshed Top 10 Occupations - Distribution & Logistics			
Occupation Description	2020 Jobs	2020 Resident Workers	2020 Net Commuters
Customer Service Representatives	6,006	7,702	(1,696)
Laborers and Freight, Stock, and Material Movers, Hand	5,807	5,376	432
Stockers and Order Fillers	5,693	5,970	(276)
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	3,810	3,438	372
Heavy and Tractor-Trailer Truck Drivers	3,279	3,278	1
Light Truck Drivers	2,722	2,354	368
Packers and Packagers, Hand	1,669	1,566	103
Shipping, Receiving, and Inventory Clerks	1,157	1,154	3
First-Line Supervisors of Transportation and Material Moving Workers, Except Aircraft Cargo Handling Supervisors	963	882	82
Industrial Truck and Tractor Operators	761	703	58
Total	31,868	32,422	(554)

Source: EMSI

EDUCATION AND EXPERIENCE




The following includes job, education, and experience data related to the top ten occupations within the distribution and logistics industry cluster in North Port and North Port’s laborshed.

- ◆ The most common occupations in North Port and North Port’s laborshed in the distribution and logistics industry cluster require minimal formal education or work experience.

North Port, FL Top 10 Occupations - Distribution & Logistics			
	2020 Jobs 	Education 	Experience 
Laborers and Freight, Stock, and Material Movers, Hand	112	No formal educational credential	None
First-Line Supervisors of Office and Administrative Support Workers	104	High school diploma or equivalent	Less than 5 years
Heavy and Tractor-Trailer Truck Drivers	91	Postsecondary nondegree award	None
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	69	High school diploma or equivalent	None
Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	66	High school diploma or equivalent	None
Accountants and Auditors	52	Bachelor's degree	None
Chief Executives	27	Bachelor's degree	5+ years
First-Line Supervisors of Transportation and Material Moving Workers, Except Aircraft Cargo Handling Supervisors	23	High school diploma or equivalent	Less than 5 years
Billing and Posting Clerks	20	High school diploma or equivalent	None
Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	<10	Bachelor's degree	None





Source: EMSI

North Port, FL Laborshed Top 10 Occupations - Distribution and Logistics

	2020 Jobs 	Education 	Experience 
Customer Service Representatives	6,006	High school diploma or equivalent	None
Laborers and Freight, Stock, and Material Movers, Hand	5,807	No formal educational credential	None
Stockers and Order Fillers	5,693	High school diploma or equivalent	None
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	3,810	High school diploma or equivalent	None
Heavy and Tractor-Trailer Truck Drivers	3,279	Postsecondary nondegree award	None
Light Truck Drivers	2,722	High school diploma or equivalent	None
Packers and Packagers, Hand	1,669	No formal educational credential	None
Shipping, Receiving, and Inventory Clerks	1,157	High school diploma or equivalent	None
First-Line Supervisors of Transportation and Material Moving Workers, Except Aircraft Cargo Handling Supervisors	963	High school diploma or equivalent	5+ years
Industrial Truck and Tractor Operators	761	No formal educational credential	None

Source: EMSI

Light Industrial, Manufacturing, and Construction

Summary of Top 10 Occupations - Light Industrial, Manufacturing, and Construction				
	 2020 Jobs	 Concentration	 Median Earnings	 Educational Completions
North Port, FL	1,080	1.12	\$18.04/hr	0
North Port, FL Laborshed	38,440	1.13	\$17.70/hr	396

JOBS, RESIDENT WORKERS, & NET COMMUTERS

The following tables includes job, resident worker, and commuter data related to the top ten occupations within the light industrial, manufacturing, and construction industry cluster in North Port and North Port’s laborshed. In the table above, “concentration” refers to how prevalent the top ten occupations in this industry are in North Port compared to other regions across the country. A value over 1 indicates above average concentration of occupations. Educational completions refers to the number of degrees conferred in programs relevant to the industry.

- ◆ Office clerks were the most common occupation in North Port, corresponding with the occupation’s presence across a variety of tourism and hospitality industries. Construction laborers, general operations managers, carpenters, and laborers and freight, stock, and material movers are other examples of top occupations in the industry cluster in North Port.
- ◆ The top ten occupations in the light industrial, manufacturing, and construction industry cluster in North Port represent 3% of jobs within these occupations in North Port’s laborshed.
- ◆ Approximately 60% of North Port’s resident workers were commuting outside of the city for work.
- ◆ At \$18.04/hr the cost of labor in North Port is below the national median of \$19.19/hr.

North Port, FL Top 10 Occupations - Light Industrial, Manufacturing, & Construction				
Occupation Description	2020 Jobs	Percent of 2020 Laborshed Jobs	2020 Resident Workers	2020 Net Commuters
Office Clerks	226	3%	630	(404)
Construction Laborers	165	3%	347	(183)
General and Operations Managers	155	3%	410	(255)
Carpenters	144	4%	261	(117)
Laborers and Freight, Stock, and Material Movers, Hand	112	2%	346	(234)
First-Line Supervisors of Construction Trades and Extraction Workers	90	4%	187	(97)
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	69	2%	226	(157)
Construction Managers	49	4%	92	(42)
Miscellaneous Assemblers and Fabricators	39	1%	203	(163)
Molding, Coremaking, and Casting Machine Setters, Operators, and Tenders, Metal and Plastic	30	10%	36	(6)
Total	1,080	3%	2,737	(1,658)

Source: EMSI




North Port, FL Laborshed Top 10 Occupations - Light Industrial, Manufacturing, & Construction			
Occupation Description	2020 Jobs	2020 Resident Workers	2020 Net Commuters
Office Clerks	7,997	8,562	(565)
Laborers and Freight, Stock, and Material Movers, Hand	5,807	5,376	432
General and Operations Managers	5,609	6,038	(430)
Construction Laborers	4,860	4,959	(99)
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	3,810	3,438	372
Carpenters	3,507	3,564	(57)
Miscellaneous Assemblers and Fabricators	2,682	2,335	348
First-Line Supervisors of Construction Trades and Extraction Workers	2,455	2,541	(86)
First-Line Supervisors of Production and Operating Workers	1,017	990	27
Welders, Cutters, Solderers, and Brazers	696	679	18
Total	38,440	38,480	(41)

Source: EMSI

EDUCATION AND EXPERIENCE




The following includes job, education, and experience data related to the top ten occupations within the light industrial, manufacturing, and construction industry cluster in North Port and North Port’s laborshed.

- ◆ The most common occupations in North Port and North Port’s laborshed in the distribution and logistics industry cluster require minimal formal education or work experience.

North Port, FL Top 10 Occupations - Light Industrial, Manufacturing, & Construction			
	2020 Jobs 	Education 	Experience 
Office Clerks	226	High school diploma or equivalent	None
Construction Laborers	165	No formal educational credential	None
General and Operations Managers	155	Bachelor's degree	5+ years
Carpenters	144	High school diploma or equivalent	None
Laborers and Freight, Stock, and Material Movers, Hand	112	No formal educational credential	None
First-Line Supervisors of Construction Trades and Extraction Workers	90	High school diploma or equivalent	5+ years
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	69	High school diploma or equivalent	None
Construction Managers	49	Bachelor's degree	None
Miscellaneous Assemblers and Fabricators	39	High school diploma or equivalent	None
Molding, Coremaking, and Casting Machine Setters, Operators, and Tenders, Metal and Plastic	30	High school diploma or equivalent	None

Source: EMSI

North Port, FL Laborshed Top 10 Occupations - General Light Industrial, Manufacturing, & Construction

	 2020 Jobs	 Education	 Experience
Office Clerks	7,997	High school diploma or equivalent	None
Laborers and Freight, Stock, and Material Movers, Hand	5,807	No formal educational credential	None
General and Operations Managers	5,609	Bachelor's degree	5+ years
Construction Laborers	4,860	No formal educational credential	None
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	3,810	High school diploma or equivalent	None
Carpenters	3,507	High school diploma or equivalent	None
Miscellaneous Assemblers and Fabricators	2,682	High school diploma or equivalent	None
First-Line Supervisors of Construction Trades and Extraction Workers	2,455	High school diploma or equivalent	5+ years
First-Line Supervisors of Production and Operating Workers	1,017	High school diploma or equivalent	Less than 5 years
Welders, Cutters, Solderers, and Brazers	696	High school diploma or equivalent	None

Source: EMSI

Economic Inventory

Submitted to:
City of North Port, FL

PREPARED BY:



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KEY TAKEAWAYS

Industry data, stakeholder interviews, and market research point to the opportunities for North Port to grow and diversify its industry base. While the market indicates opportunity for North Port, the city's ability to prepare itself for these economic and market shifts will require targeted efforts on site readiness, which includes build out of utilities.

Over the last 10 years, North Port accounted for over 20% of Sarasota County's population growth and 2.5% of job growth. In the early 2000s, the population center of the county began to shift south towards North Port, but jobs did not expand in line with the population. Over the last decade, North Port has been able to grow its job base more in line with its population growth, which is a positive trend. Continuing to nurture job creating industries will help the city reach a population to jobs ratio that is in line with the county.

Showcasing the city's sizeable workforce as an opportunity for growing or attracting new companies will be a key message for business development. North Port's workforce and growing population are a positive economic sign. North Port's resident workers include positions in Office and Administrative Support, Sales, Healthcare, and a variety of other positions. Currently, these residents most often leave the city and support the regional economy in other employment bases. Leveraging the skillsets of these workers and targeting which subsectors will thrive could be an attractive value proposition for the city.

Supporting business growth will require a holistic view of economic development that includes workforce, housing, and building a sense of place. North Port's housing boom geographical location between the employment centers of Sarasota and Bradenton and along the I-75 corridor make it an ideal "bedroom community" location. While the city has a claim to many new housing opportunities, its case for growing as an employment center will need to include solutions to transportation, workforce training, business resources and generally building a definable sense of place that will stand out among the region's competitors.

While the city offers a range of more traditional economic development assets - efforts to develop and support a dynamic downtown will be essential to attracting workforce as remote-work becomes ubiquitous. North Port does not offer a distinct "sense of place" like the City of Venice or the City of Sarasota, which will make it a challenge to attract professionals or tech entrepreneurs who want to build their business ventures around a certain lifestyle.

The Wellen Park development, as well as other smaller redevelopments, is an opportunity to reframe the perceptions of North Port and what it can offer in terms of a "live/work/play" environment. Recent developments have capitalized on market trends that support health and wellness, walkability, and community meeting spots. These notable developments are an opportunity to show that North Port has a range of modern housing options that can attract business owners or employees who want North Port's quality of life with dynamic communities.

North Port generally has adequate space for development; however, sites are not shovel ready. Without the appropriate space and infrastructure to expand, relocate, or start-up, business development will be slow to occur in North Port. Activity Centers 1, 2, 5, 7 are generally well served by utilities. There are ongoing conversations at the City about the build-out of utilities to accommodate residential growth and to support

business development in key locations in the Activity Centers. Additional analysis and input through this planning process will help Camoin identify which Activity Centers show the greatest potential, based on anticipated industry growth. The subsequent real estate analysis will determine the characteristics of regional sites that North Port is competing with and what market factors the city can leverage to boost its standing in the regional market.

North Port’s largest industries like government, retail trade, and construction, are “non-tradable sectors,” meaning they do not introduce new spending into the economy. Rather those industries circulate money within the community. North Port’s substantial population growth has fueled a construction industry cluster that includes everything from interior design to cement to lumber and furniture production. There may be opportunities to expand other manufacturing subsectors based on this strength in construction, especially with the availability of land in the Activity Centers. Other industry opportunities that will be further investigated in additional research and follow up include warehousing and logistics or medical equipment manufacturing. Additionally, support for sectors that will help grow the city’s sense of place and vibrancy will also contribute to the North Port’s attractiveness to workforce and businesses, including arts, entertainment, and recreation.

The market shifts around COVID-19 and working from home will have lasting impacts on how and where businesses decide to do operate. An October Gallup poll found that a third of the American workforce was “always” working remotely, and another quarter said they were working remotely “sometimes.”^[1] Adjusting expectations for office workers and the growth of home-based businesses will be critical to include in the Unified Land Development Code review process to ensure that code regulations are in line with shifting workforce dynamics.

^[1] <https://www.areadevelopment.com/workplace-trends/Q4-2020/expanded-incentives-support-growth-in-remote-work.shtml>

DATA TRENDS & ECONOMIC IMPLICATIONS: SOCIOECONOMIC TRENDS

DATA TRENDS

- ◆ North Port's population grew by 46,200 residents (a 213% change) from 2000 to 2020 while North Port added 2,000 jobs over that same time (a 25% change).
- ◆ Population growth has significantly outpaced job growth in North Port over the last two decades. In 2000, North Port had about 3 residents to every 1 job, while in 2020 that number increased to 7 residents to every 1 job. That's over twice the rate of Sarasota County and the Regional Study Area.
- ◆ Existing jobs in North Port are primarily concentrated in the Government, Retail Trade, and Construction industries. These industries are key contributors to North Port's gross regional product and economy.
- ◆ North Port has seen job growth of approximately 8% over the last five years.
- ◆ With a median age of 45yrs, North Port has a younger population than Sarasota County (57ys).
- ◆ North Port is a net exporter of jobs and has over 10 times as many workers commuting in-or-out of the City, compared to those that both live and work in North Port.



ECONOMIC IMPLICATIONS

- ◆ High levels of local and regional population growth in recent decades coupled with a young existing workforce indicate a strong existing and future workforce for industries to draw from.
- ◆ There are limited job opportunities for high skill regional workers in North Port.
- ◆ There is competition from the regional workforce that holds higher educational attainment levels.
- ◆ There is opportunity to leverage regional assets and workforce within the Healthcare and Social Assistance industry.
- ◆ The growth in the construction industry coupled with population projections may present increased opportunities for industry growth.

DATA TRENDS & ECONOMIC IMPLICATIONS: HOUSEHOLD INCOMES AND HOUSING STOCK

DATA TRENDS

- ◆ Median household income in North Port (\$60,850) is slightly lower than Sarasota County, but slightly higher than the region.
- ◆ North Port's housing stock is relatively new, with most units being built between 2000 and 2010.
- ◆ The median sale price of a single-family residence in North Port in 2020 is \$248,000, which is 18% lower than the median sale price in Sarasota County.
- ◆ The median sale price of a single-family residence in North Port increased from \$170,000 in 2015 to \$248,000 in 2020, a 46% change. The median sale price increased by 36% in Sarasota County from 2015 to 2020.



ECONOMIC IMPLICATIONS

- ◆ Lower housing prices compared to the region make North Port attractive, but if job opportunities are not present then there is risk of losing the associated workforce to the region.
- ◆ Lower housing prices and regionally competitive median household incomes give North Port residents higher purchasing power.
- ◆ Increased future growth in home prices at existing rates may make surrounding communities equally attractive for workforce attraction.

CITY OF NORTH PORT ACTIVITY CENTER OVERVIEW

NAME	Current Uses	Site Readiness / Utility Availability	Vision/Development Opportunities
ACTIVITY CENTER #1 <i>MEDITERRANEA</i>	Older commercial areas, housing, lodging	Utilities generally available	Back office space, waterfront restaurant, 60 acres undeveloped
ACTIVITY CENTER #2 <i>HERON CREEK</i>	Residential, government, recreation, within proximity to a community park and school campus area, near Performing arts center	Utilities available in all four corners	Commercial and residential build-out
ACTIVITY CENTER #3 <i>GATEWAY</i>	No development	No water, no sewer – Coming soon to south side Utilities needed on north side to make development desirable	Property owners open to development on northern portion; utilities may spur development SE quadrant is owned by hospital but no recent development activity, no potential for future buildout
ACTIVITY CENTER #4 <i>PANACEA</i>	Industrial complex at south end, north side contains technical college	Sites are not shovel ready	800,000 SF of industrial entitlement, good fit for manufacturing, light industrial, warehousing, distribution
ACTIVITY CENTER #5 <i>MIDWAY</i>	King Plastic, retail, relatively undeveloped	Served by utilities; current owner and city staff supportive of realignment of road and keeping main access points.	260 residential market rate apartments, future Wawa development
ACTIVITY CENTER #6 <i>THE SHIRE</i>	Master Plan for this area currently underway; one primary property owner; goal to provide direct I-75 access with a new highway interchange	No sewer, electric on NE of I-75, interchange, and utility extension.	Potential to fill gaps in what city can currently offer elsewhere

<p>ACTIVITY CENTER #7 THE SPRINGS</p>	<p>Warm Mineral Springs Complex</p>	<p>Served by limited water and sewer service.</p>	<p>Master Plan completed; To create an internationally recognized wellness center, includes a portion of the Opportunity Zone</p>
<p>ACTIVITY CENTER #8 THE GARDENS</p>	<p>No development</p>	<p>Not served</p>	<p>Office Park or corporate headquarters facility; related housing and recreational opportunities</p>
<p>ACTIVITY CENTER #9 CENTRAL PARC</p>	<p>Ongoing golf course redevelopment</p>	<p>Adjacent to service</p>	<p>Brownfield designation complete; ED would like to see an Art Walk around the water</p>

Higher Education/
Training Institutions



- The Suncoast Technical College
- Charlotte Technical College
- SouthWest Florida Technical Institute
- Florida Southwestern State College
- Florida Gulf Coast University
- New College
- Ringling School of Art and Design
- State College of Florida –Venice

Labor Market Characteristics



- Sizeable workforce
- Within commuting distance of employment centers in Sarasota and Bradenton
- Relatively young population in the region

Regional Economic Development Resources



- North Port Chamber of Commerce
- Sarasota EDC
- Hive co-working space
- CareerSource Suncoast
- Economic Development Ad Valorem Tax Exemption
- Opportunity Zone

Transportation / Location



- Access to 5 airports
- Two exits in I-75, access to U.S. 41
- Access to Sarasota County Area Transit
- Space to grow in multiple Activity Centers
- Proximity to Port Manatee / Port of Tampa
- Located along major route connecting Tampa, Fort Meyers, Miami

Quality of Life

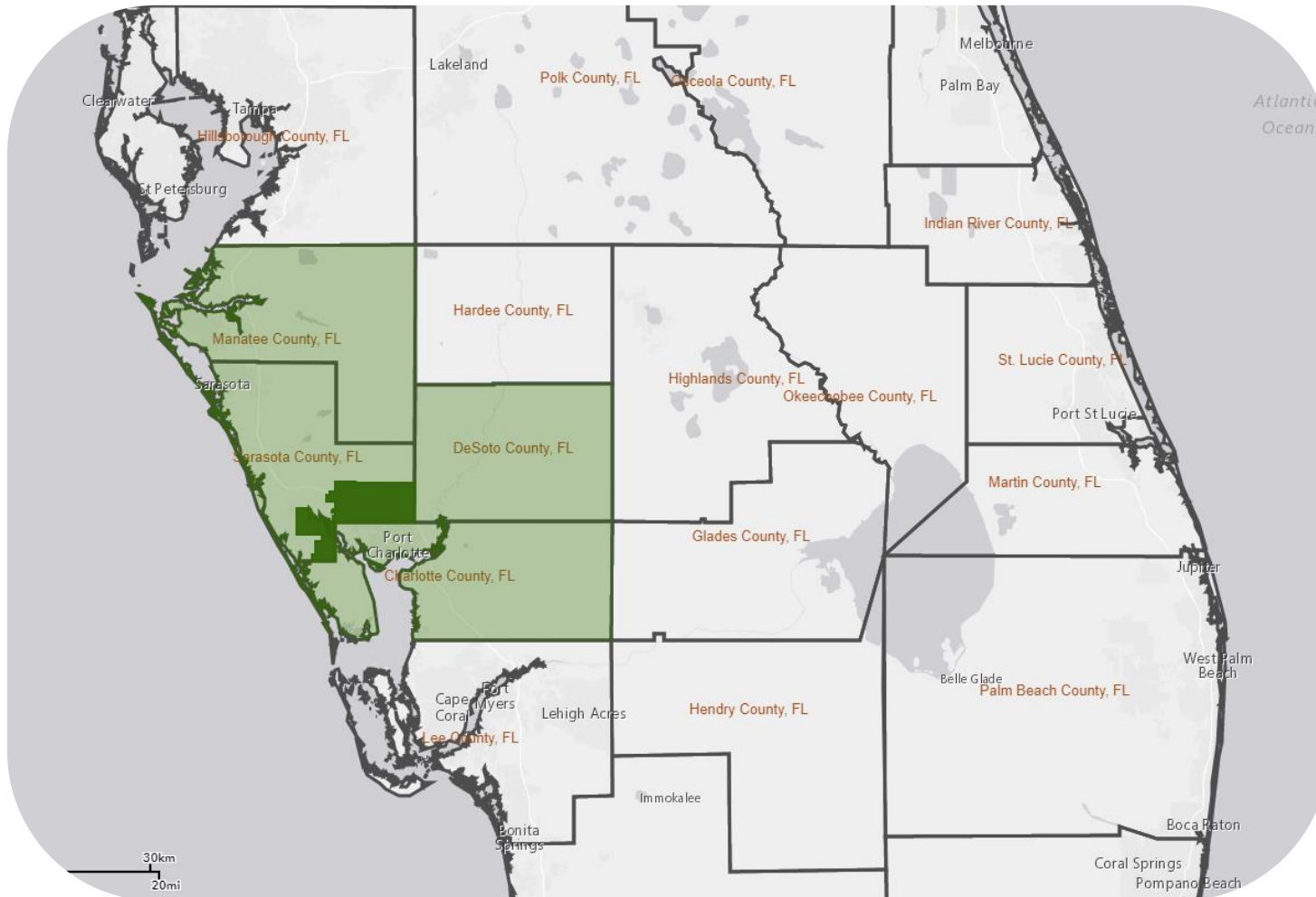


- Warm Mineral Springs
- Affordable homes
- North Port Performance Center
- CoolToday Park
- 20 parks, recreation centers
- Proximity to beaches
- Myakka State Forest
- Orange Hammock Ranch
- Recent private investment in new housing/lifestyle options
- Temperate climate

AREAS OF STUDY

The following analyses were conducted to identify demographic, socioeconomic, business, and industry trends in North Port. In addition to data specific to North Port, data were also collected and analyzed for Sarasota County; a 'Regional Study Area' that includes Sarasota, Manatee, DeSoto, and Charlotte Counties; the State of Florida, and the United States.

REGIONAL STUDY AREA (SARASOTA COUNTY, MANATEE COUNTY, CHARLOTTE COUNTY, & DESOTO COUNTY)



A large, light-colored stone or concrete sign with two pillars on either side. The sign features the text "Welcome to" in a small, serif font, and "North Port" in a large, elegant script font below it. The background shows palm trees and a clear sky.

DEMOGRAPHIC & SOCIOECONOMIC PROFILE

DEMOGRAPHIC AND SOCIOECONOMIC PROFILE: METHODOLOGY

SUMMARY

As part of the initial research for the City of North Port, Camoin 310 gathered and analyzed demographic and socioeconomic data to assess the historic and existing conditions in the region. This information will be used to inform the subsequent steps of the planning process. While the City of North Port was the primary focus of this analysis, other statistics were also included for Sarasota County, the Regional Study Area, the State of Florida, and the United States.

DATA SOURCES

Esri Business Analyst Online (Esri)

Esri is the leading provider of location-driven market insights. It combines demographic, lifestyle, and spending data with map-based analytics to provide market intelligence for strategic decision-making. ESRI uses proprietary statistical models and data from the U.S. Census Bureau, the U.S. Postal Service, and various other sources to present current conditions and project future trends. Esri data are used by developers to maximize their portfolio, retailers to understand growth opportunities, and by economic developers to attract business that fits their community. For more information, visit www.esri.com.

OnTheMap, U.S Census

OnTheMap is a tool developed through the U.S. Census Longitudinal Employer-Household Dynamics (LEHD) program that helps to visualize Local Employment Dynamics (LED) data about where workers are employed and where they live. There are also visual mapping capabilities for data on age, earnings, industry distributions, race, ethnicity, educational attainment, and sex. The OnTheMap tool can be found here, along with links to the documentation: <http://onthemap.ces.census.gov/>.

Florida Office of Economic & Demographic Research (EDR)

The Office of Economic and Demographic Research (EDR) is a research arm of the Florida Legislature principally concerned with forecasting economic and social trends that affect policy making, revenues, and appropriations. More information about EDR can be found here: <http://www.edr.state.fl.us/Content/index.cfm>.

United States Census Bureau Database

The United States Census Bureau is the federal government's largest statistical agency dedicated to providing current facts and figures about America's people, places, and economy. The Census Bureau's mission is to serve as the nation's leading provider of quality data about its people and economy. More information can be found here: <https://data.census.gov/cedsci/>

DEMOGRAPHIC & SOCIOECONOMIC PROFILE: KEY FINDINGS

POPULATION GROWTH

- ◆ North Port's population grew by 213% or approximately 48,600 people from 2000 to 2020, with a majority (75%) of growth occurring between 2000 and 2010.
- ◆ North Port's population grew almost 10x more than the populations of Sarasota and Venice from 2000 to 2020.
- ◆ Population growth rates in Sarasota County and the Regional Study Area were 10-15 percentage points higher than growth in the United States from 2000 to 2020 and are forecasted to outpace national population growth by 5 percentage points or more from 2020 to 2040.
- ◆ North Port accounted for 16% of Sarasota County's population in 2020, but 42% of its population growth since 2000.
- ◆ The average *annual* population percent change in North Port from 2000 to 2020 was 6%, which is 4x larger than the average annual rates in Sarasota County, Regional Study Area, and Florida.

POPULATION CHARACTERISTICS

- ◆ North Port is a younger city compared to the surrounding region, with a median age of 45 years old, but older than the State of Florida and United States.
- ◆ Twenty-five percent of North Port's population is in the retirement age group, as opposed to 40% in Sarasota County. North Port has a larger share of its population in the Working Age (20-54yrs) and Nearing Retirement (55-64yrs) age groups compared to the region.
- ◆ Educational attainment levels in North Port generally align with trends at the regional and state level.

DEMOGRAPHIC & SOCIOECONOMIC PROFILE: KEY FINDINGS

POPULATION CHARACTERISTICS (CONTINUED)

- ◆ The population in North Port is less diverse than the region and state but is similar to the county and region with a majority of the population identifying as white, followed by Hispanic and Black/African American.

COMMUTER CHARACTERISTICS

- ◆ Almost 90% of North Port residents commuted outside of North Port for work, and North Port imported about a third of its workforce from outside communities.

HOUSEHOLD INCOME

- ◆ In 2020, the median household income in North Port is \$60,844, which is slightly below the median income in Sarasota County at \$62,322, and slightly higher than the Regional Study Area at \$58,495.

DEMOGRAPHIC & SOCIOECONOMIC PROFILE: KEY FINDINGS

HOUSING

- ◆ Approximately 60% of North Port’s housing units were built after 2000, with the majority being built between 2000 and 2009.
- ◆ Housing in North Port is primarily owner-occupied.
- ◆ Seasonal, Recreational, or Occasional use housing units represent 9% of North Port’s total housing units and 16% of Sarasota County’s total housing units.
- ◆ North Port is primarily composed of 1-unit (single-family) housing.

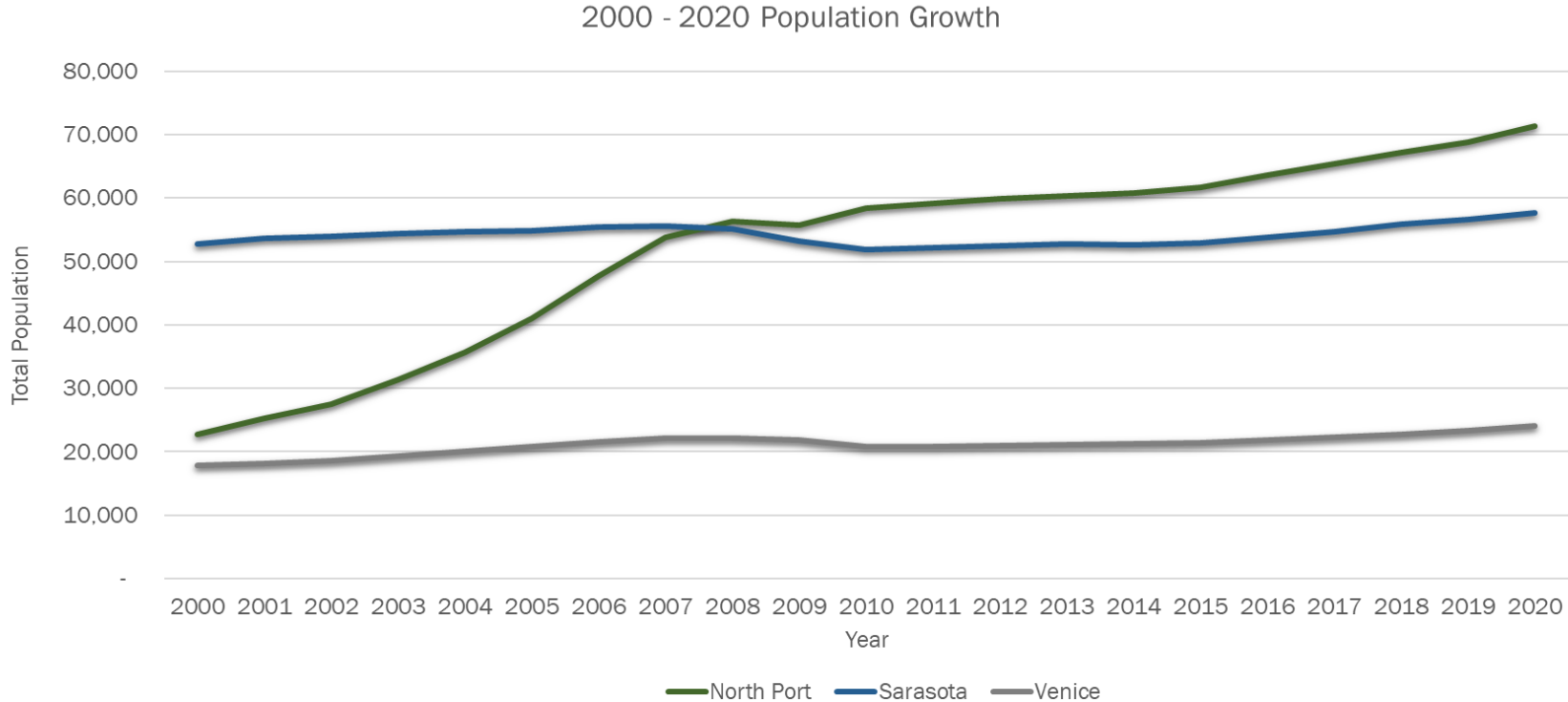
HOME SALES

- ◆ The median sale price of a single-family home in North Port in 2020 is \$248,000, which is 18% lower than the median sale price in Sarasota County.
- ◆ The median sale price of a single-family residence in North Port increased from \$170,000 in 2015 to \$248,000 in 2020, a 46% change. The median sale price increased by 36% in Sarasota County.
- ◆ The 2020 median sale price of a home in Sarasota is just under \$350,000, which is almost 40% higher than the median home sale price in North Port at just under \$250,000.

POPULATION GROWTH: NORTH PORT

The figure below outlines population growth in North Port from 2000 to 2020, in addition to Sarasota and Venice for comparison purposes.

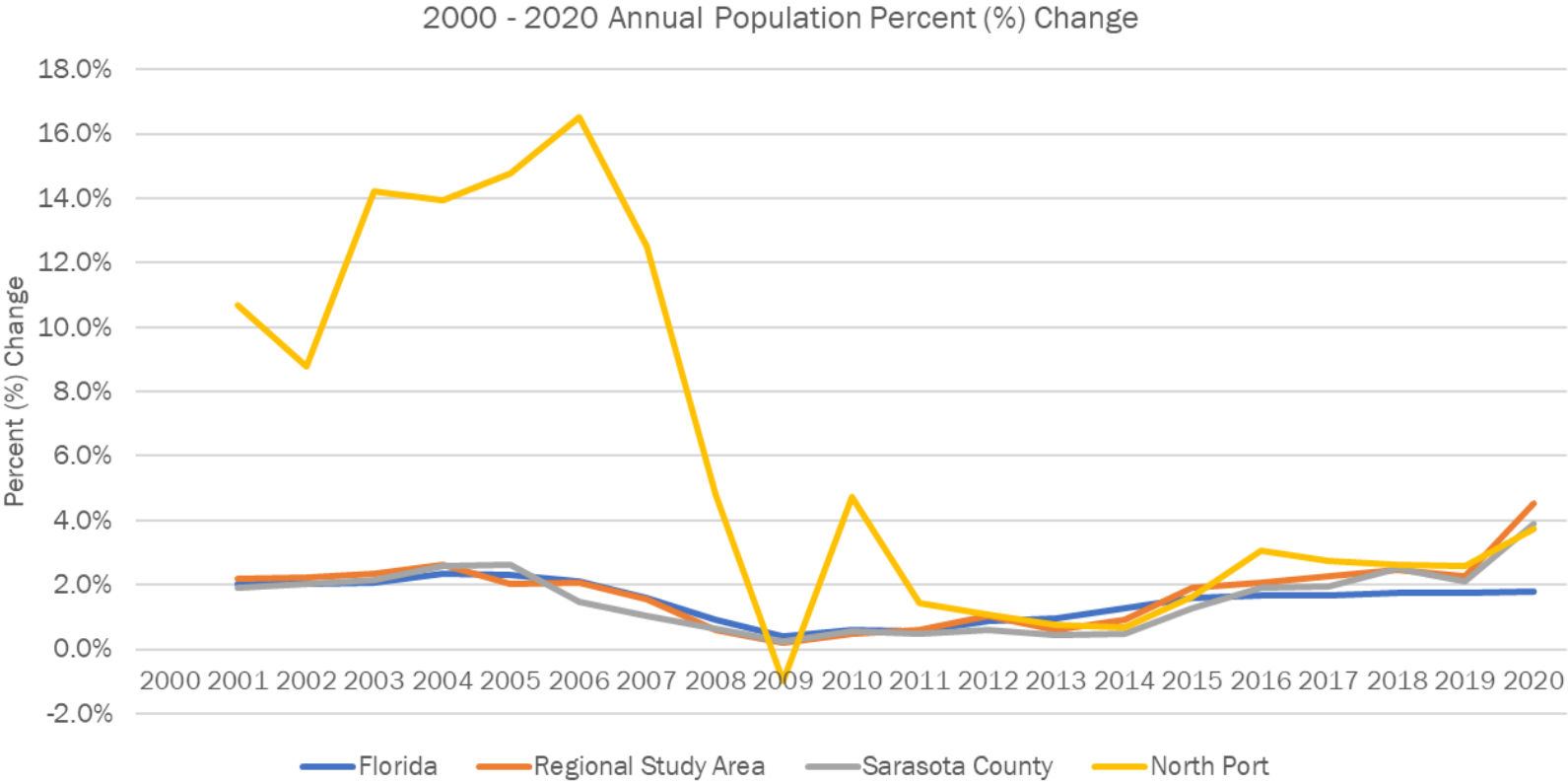
- ◆ North Port’s population grew by 213%, or approximately 48,600 people from 2000 to 2020, with a majority (75%) of growth occurring between 2000 and 2010.



Source: The Florida Office of Economic & Demographic Research

POPULATION GROWTH (ANNUAL PERCENT POPULATION CHANGE): REGIONAL COMPARISON

- ◆ The average annual population percent change in North Port from 2000 to 2020 was 6%, which is 4x larger than the average annual rates in Sarasota County, Regional Study Area, and Florida.
- ◆ North Port accounted for 16% of Sarasota County’s population in 2020, but 42% of its population growth since 2000.



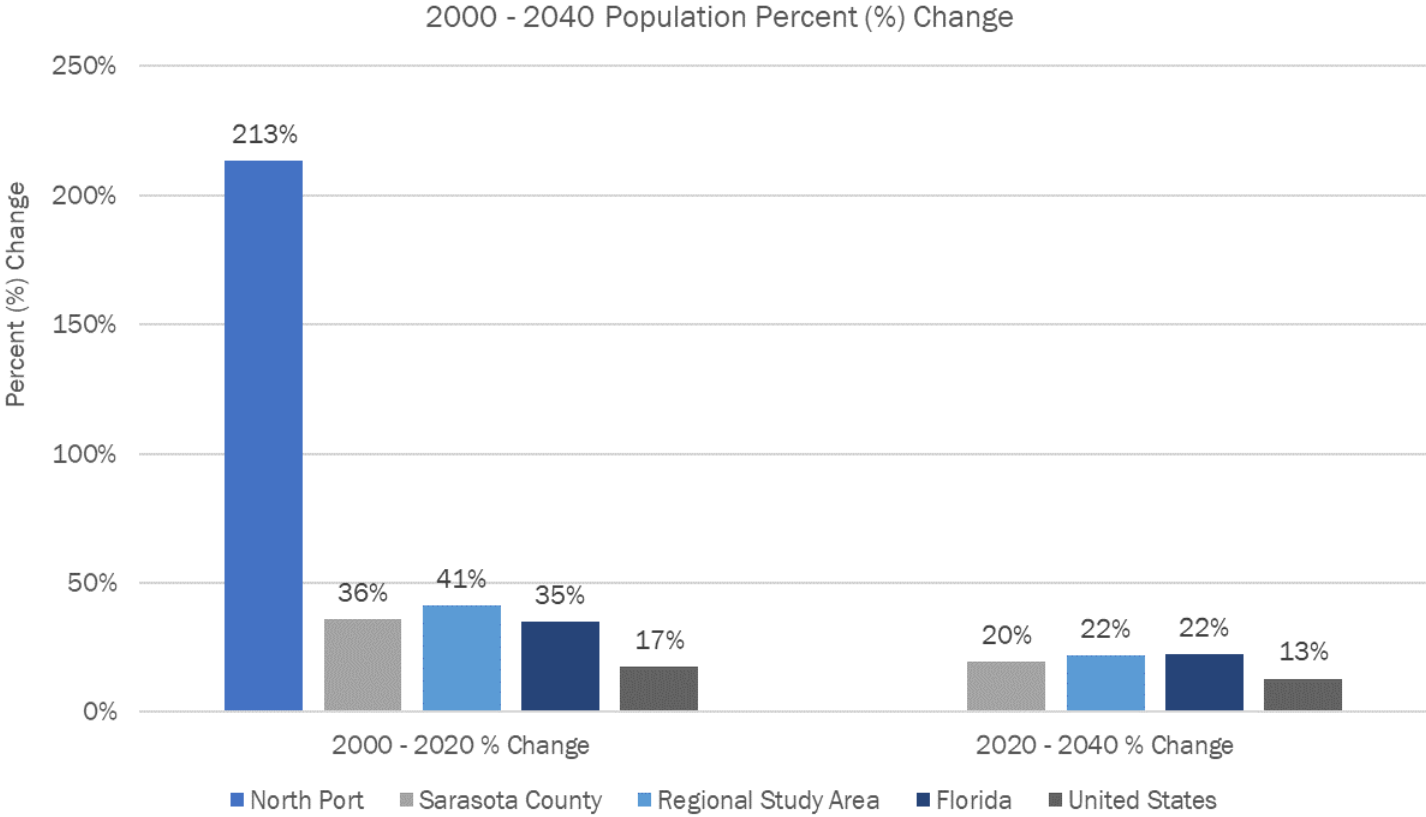
Source: The Florida Office of Economic & Demographic Research

POPULATION GROWTH: REGIONAL COMPARISON

The figure below outlines historic and forecasted regional population growth trends from 2000 to 2040*.

- ◆ Percent population growth rates in Sarasota County and the Regional Study Area were 10-15 percentage points higher than growth in the United States from 2000 to 2020 and are forecasted to outpace national population growth by 5 percentage points or more from 2020 to 2040.

**Note: The Florida Office of Economic & Demographic Research only provides population forecasts on a State and County by County basis.*

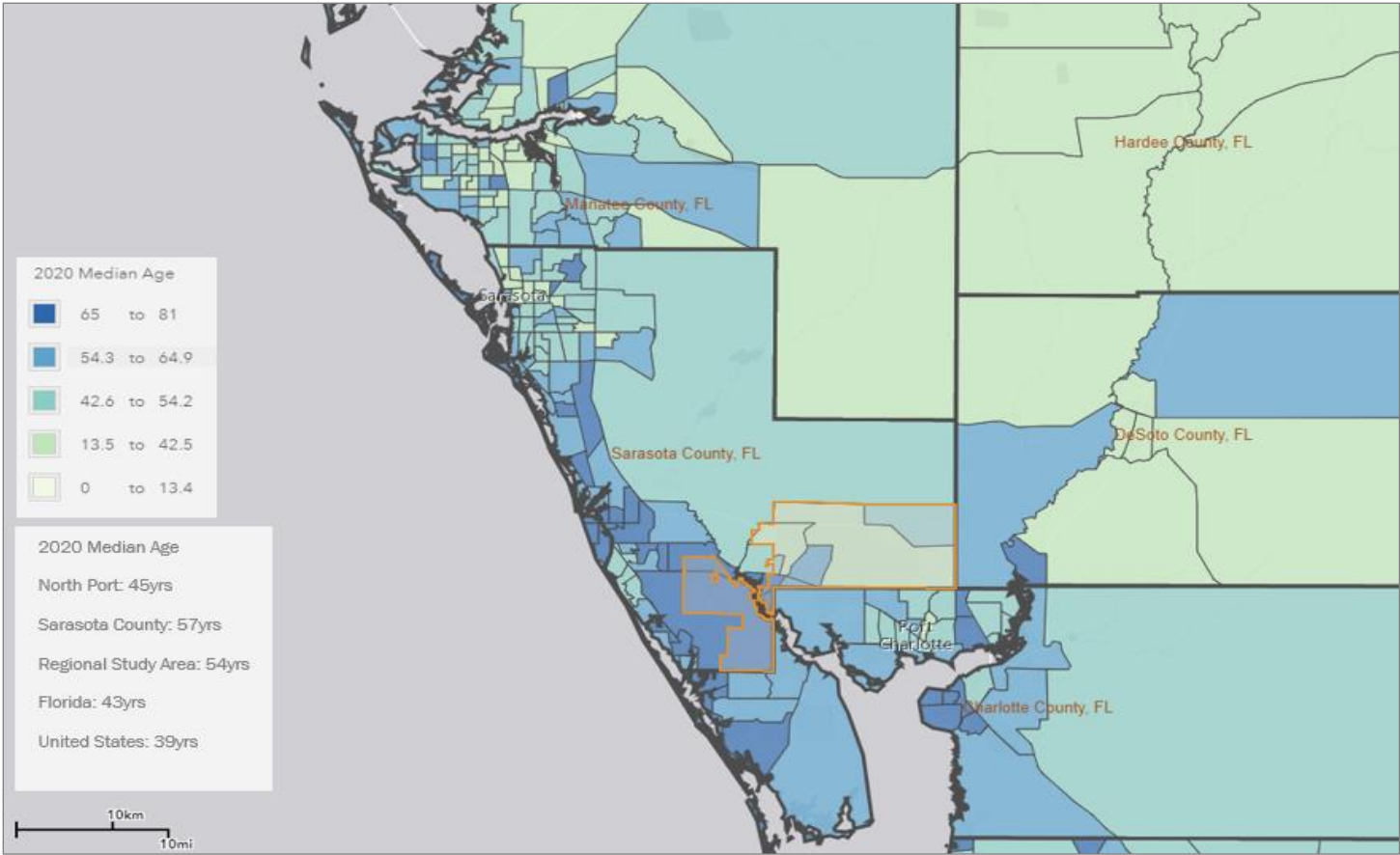


Source: The Florida Office of Economic & Demographic Research

POPULATION CHARACTERISTICS (MEDIAN AGE): REGIONAL COMPARISON

The following heat map outlines median age ranges by census tract within the Regional Study Area.

- ◆ North Port is younger than the surrounding region with a median age of 45, while the median age in Sarasota County and Regional Study Area were 57yrs and 54yrs, respectively.
- ◆ North Port is generally older than the State of Florida and U.S, who have median ages of 43 and 39, respectively.

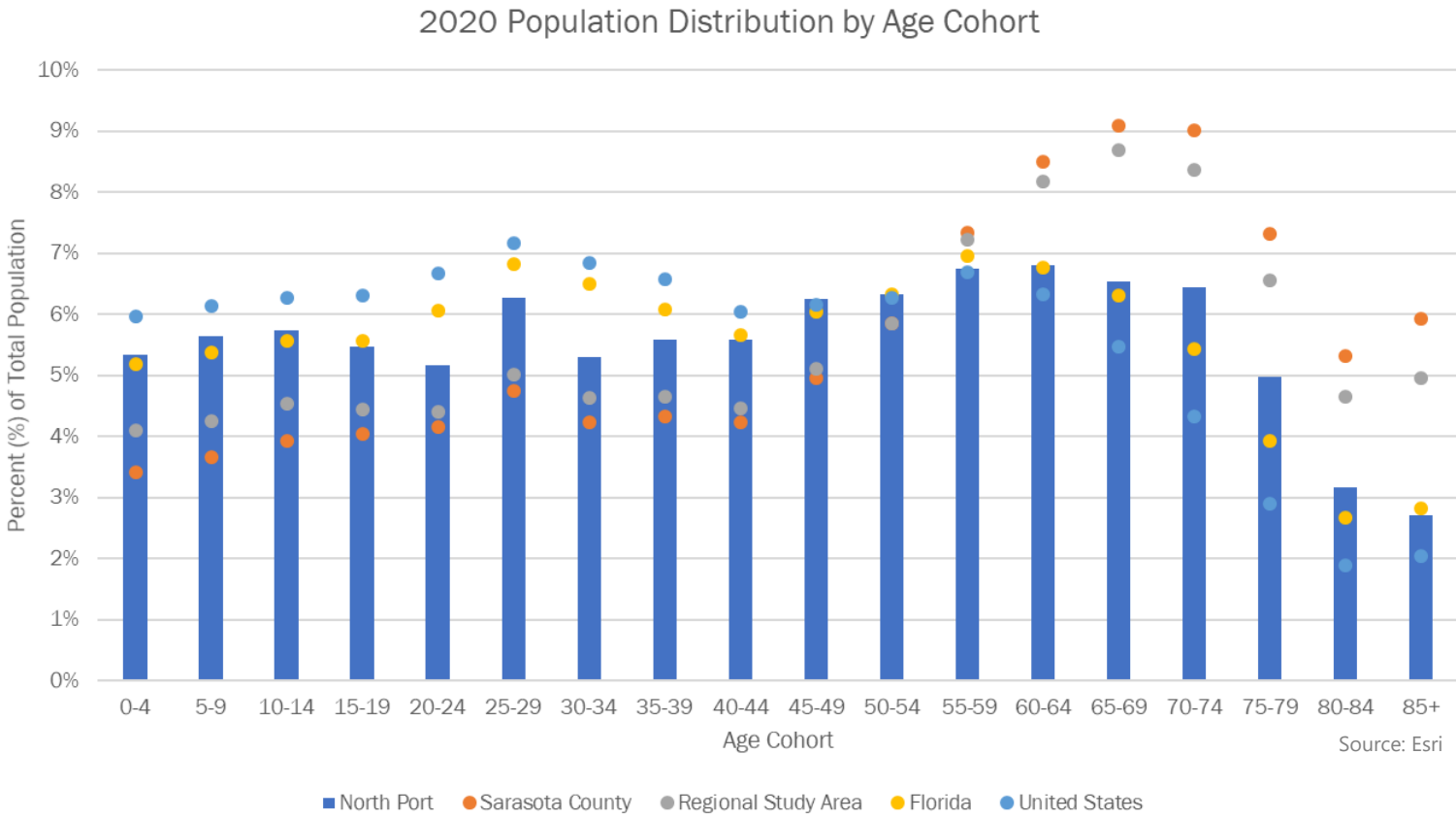


Source: Esri

POPULATION CHARACTERISTICS (AGE DISTRIBUTION): REGIONAL COMPARISON

The following graph outlines age distribution ranges of the 2020 population in North Port, Sarasota County, Regional Study Area, Florida, and the United States.

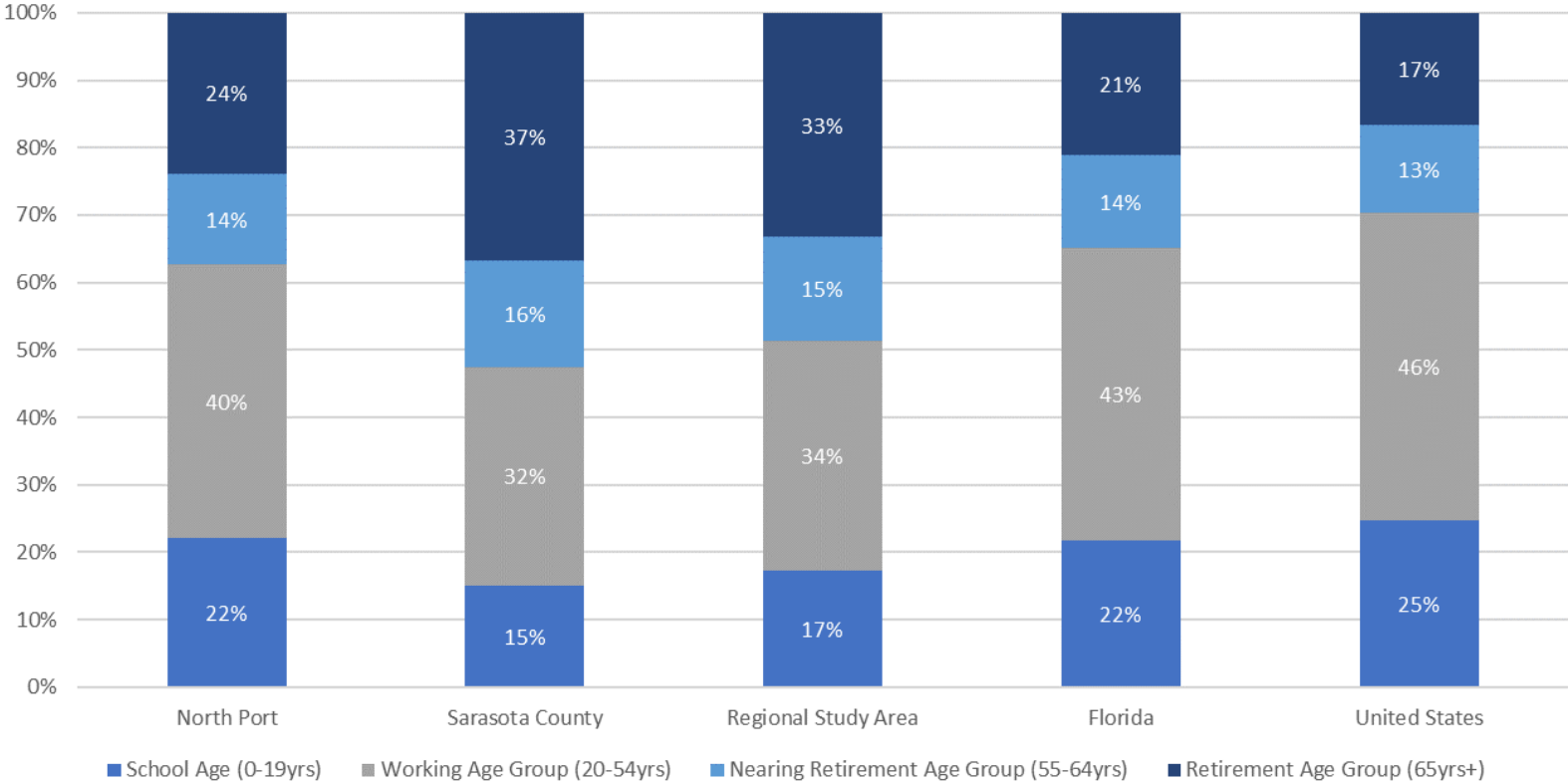
- ◆ North Port differs from its county and regional counter parts with a smaller proportion of its population aged 60yrs and older. However, North Port’s proportion of its population aged 60+ are slightly higher than the State and Nation.



POPULATION CHARACTERISTICS (AGE DISTRIBUTION): REGIONAL COMPARISON

- ◆ Approximately 55% of North Port’s population is in either the working age group (20-54yrs.) or the nearing retirement age group (55-64yrs.).
- ◆ In North Port, about a quarter of the population is in the retirement age group, as opposed to 40% in Sarasota

2020 Population Distribution by Educational/Workforce Cohort



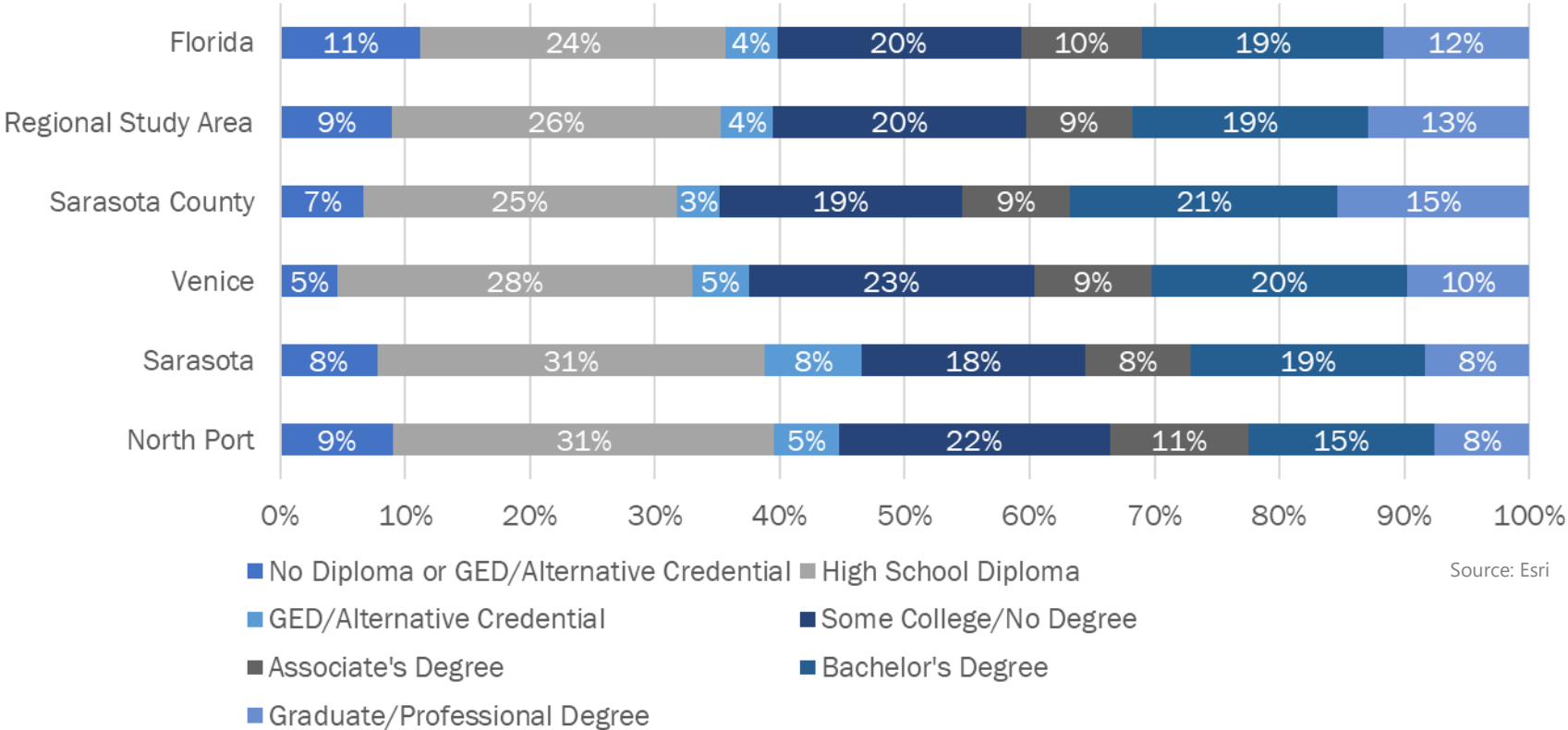
Source: Esri

POPULATION CHARACTERISTICS (EDUCATIONAL ATTAINMENT): REGIONAL COMPARISON

The following figure outlines the 2020 population by highest level of educational attainment level for those aged 25 and over.

- ◆ Educational attainment levels in North Port generally align with trends at the regional and state level, with a slightly lower percent of the population who have achieved a bachelor’s degree or an advanced degree like a PhD or MD .

2020 Population Distribution by Educational Attainment



POPULATION CHARACTERISTICS (RACE DISTRIBUTION): REGIONAL COMPARISON

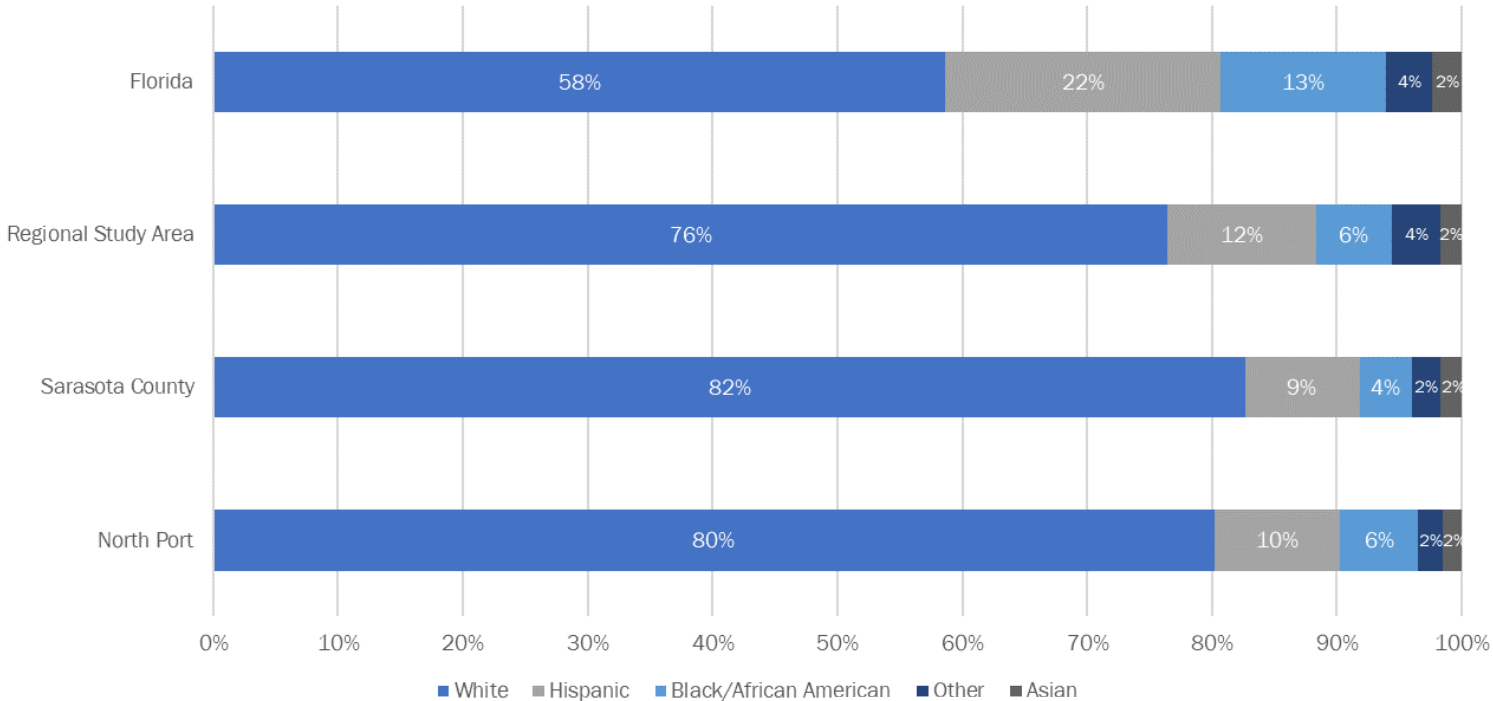
◆ The population in North Port is less diverse than the region and state but is similar to the county and region with a majority of the population identifying as white, followed by Hispanic and Black/African American.

Note:

*The U.S Census defines "Hispanic or Latino" as a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin regardless of race.

*Other includes those who identify as Pacific Islander, American Indian/Alaska Native, or as other race.

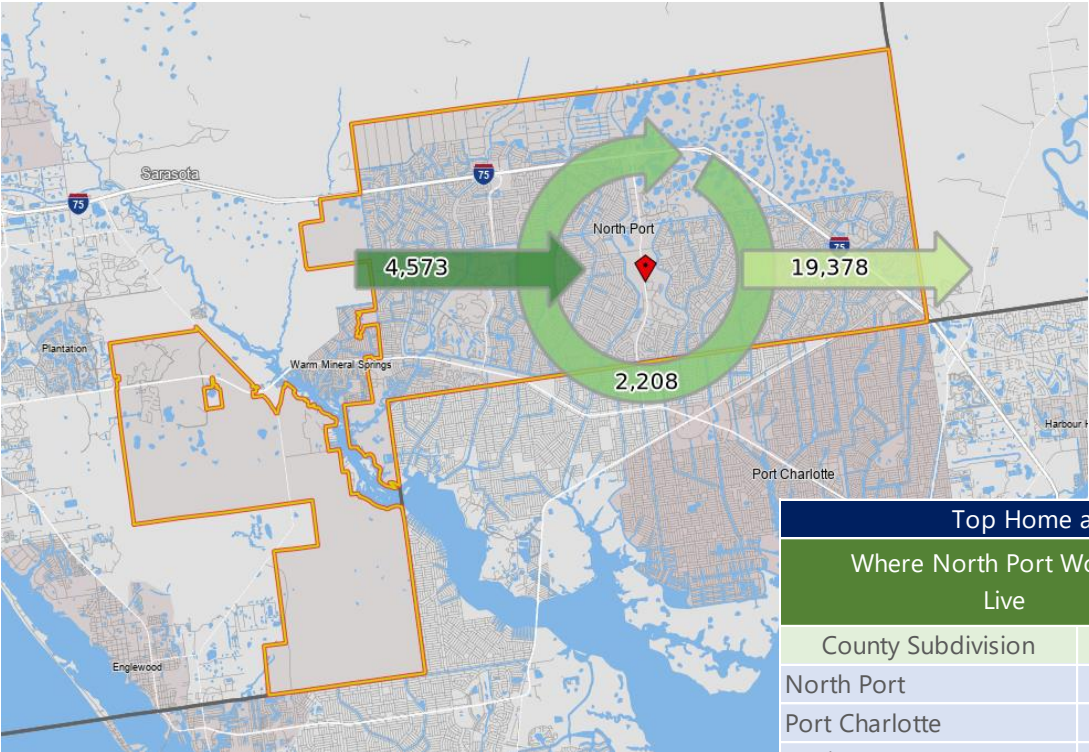
2020 Population Distribution by Race



Source: Esri

COMMUTER TRENDS: NORTH PORT

- ◆ Almost 90% of North Port residents commuted outside of North Port as of 2017.
- ◆ North Port imported about a third of its workforce from outside communities.
- ◆ Other than North Port, Port Charlotte was the top place where North Port workers live and where North Port residents are employed.

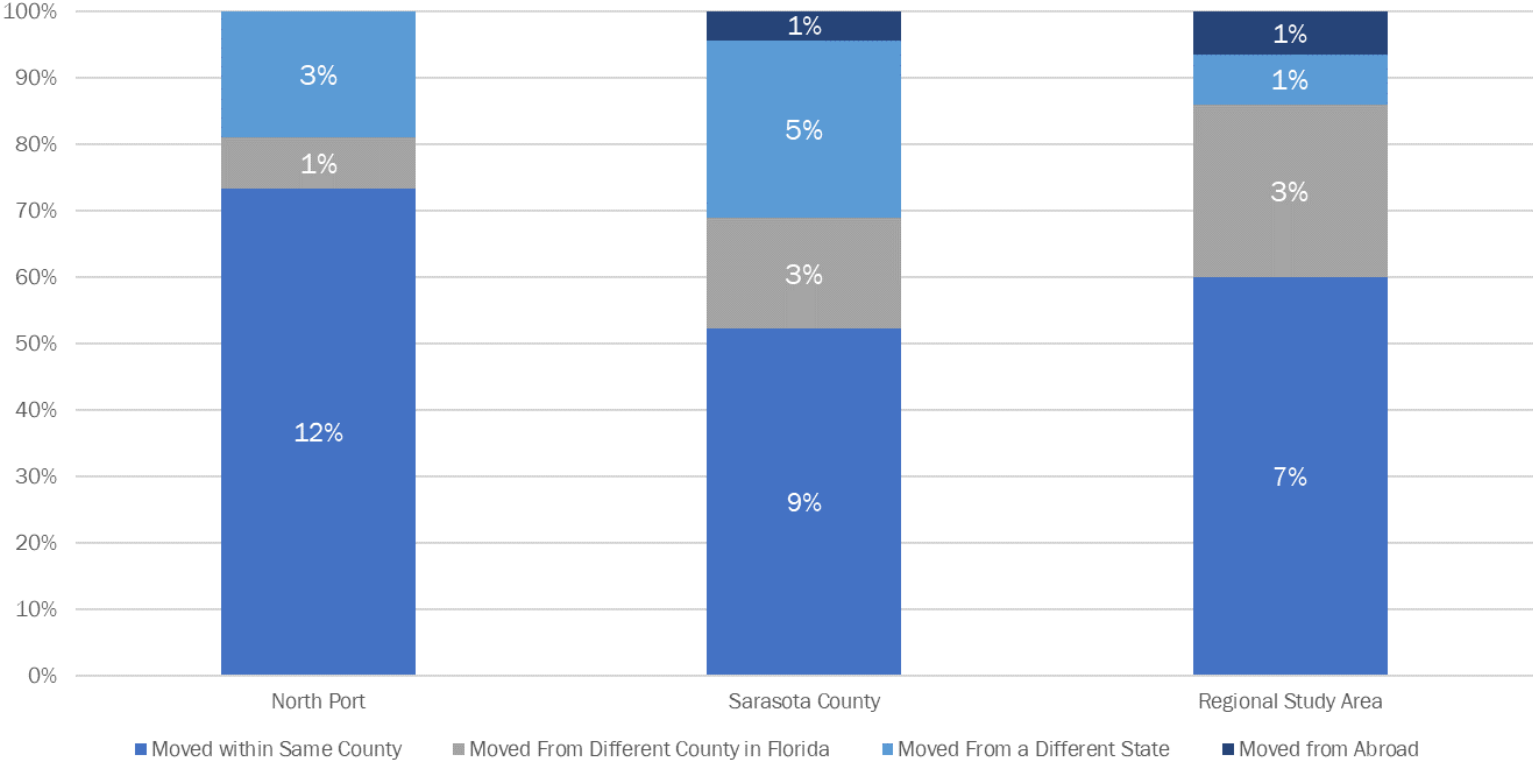


Top Home and Employment Destinations (2017)			
Where North Port Workers Live		Where North Port Residents are Employed	
County Subdivision	Percent (%)	County Subdivision	Percent (%)
North Port	33.8%	Sarasota	18.3%
Port Charlotte	15.8%	Port Charlotte	11.9%
Venice	5.2%	North Port	10.3%
Grove City	3.7%	Venice	9.6%
Sarasota	2.7%	Interior	6.1%
Punta Gorda	2.6%	Punta Gorda	4.8%
Bradenton	2.6%	Bradenton	3.9%
Interior Sarasota County	2.1%	Tampa	3.1%
Cape Coral	1.7%	Grove City	2.1%
Tampa	1.4%	St. Petersburg	1.7%

POPULATION MIGRATION TRENDS: REGIONAL COMPARISON

◆ Looking at geographic mobility trends of those who moved in the last year, a more significant portion of North Port residents (12%) moved from within the county. North Port in general had a smaller draw of new residents from outside of the region compared to the county and region.

Geographic Mobility of Recent Movers

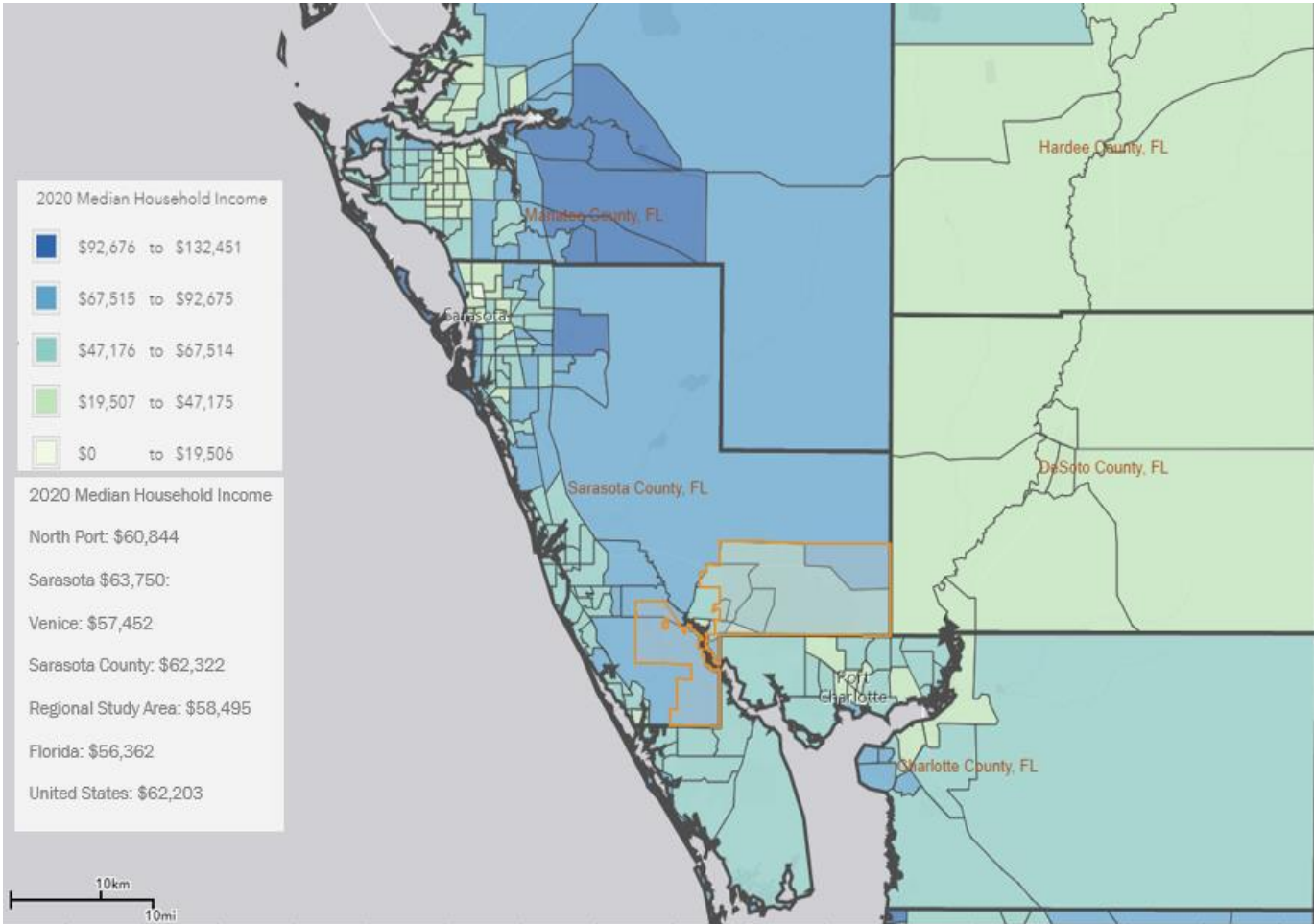


Source: US Census

MEDIAN HOUSEHOLD INCOME: REGIONAL COMPARISON

The following heat map outlines median household incomes by census tracts within the Regional Study Area.

- ◆ In 2020, the median household income in North Port is \$60,844, which is slightly below the median household income in Sarasota County at \$62,322 and slightly higher than the Regional Study Area at \$58,495.

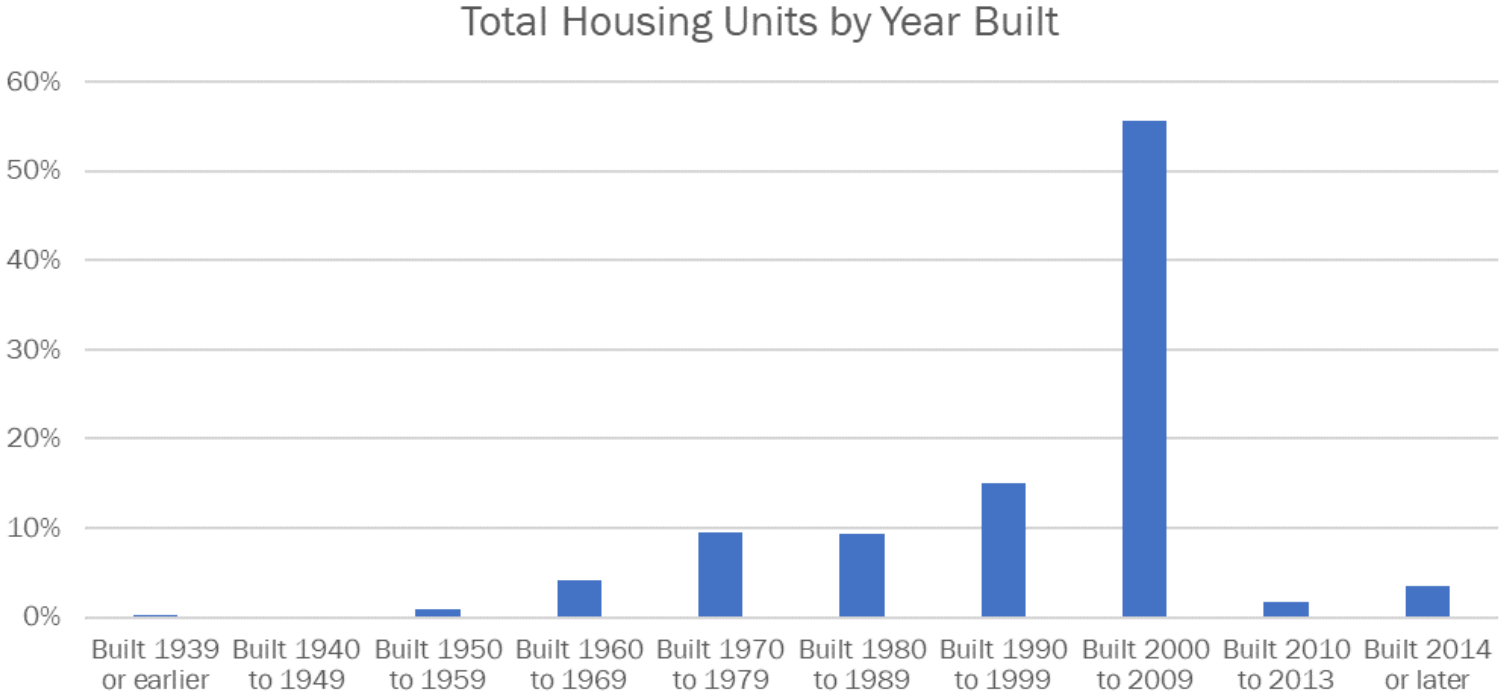


Source: Esri

HOUSING UNITS BY YEAR BUILT: NORTH PORT

The following graph outlines existing 2020 housing units by the year they were built.

- ◆ Approximately 60% of North Port’s housing units were built after 2000, with the majority built between 2000 and 2009.



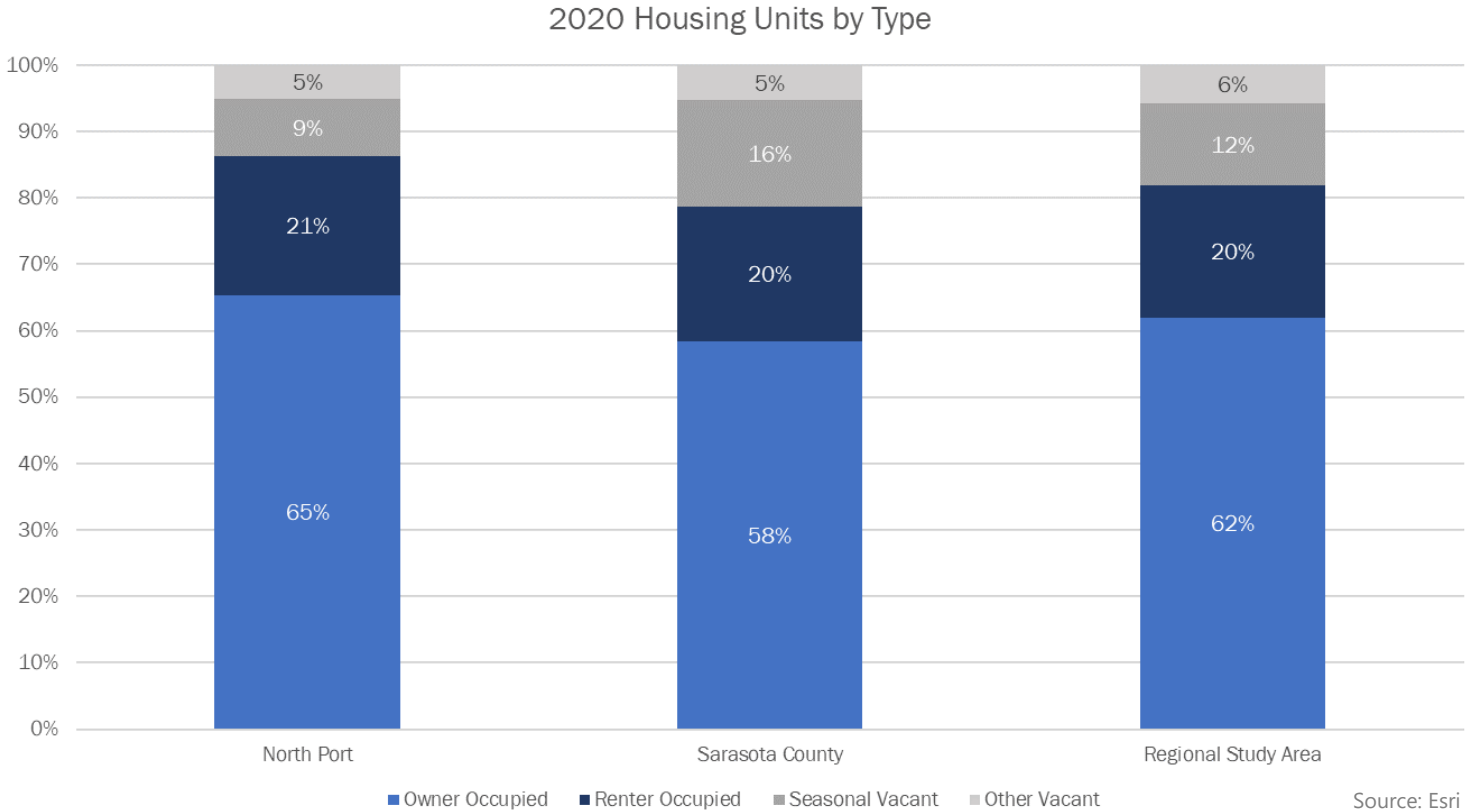
Source: Esri

HOUSING UNITS BY TYPE: NORTH PORT

The following graph outlines 2020 housing units by type in North Port*.

- ◆ Housing in North Port is primarily owner-occupied at 65%.
- ◆ Seasonal, Recreational, or Occasional use housing units represent 9% of North Port’s total housing units, and 16% of Sarasota County’s housing stock.

*Other Vacant housing units include units for sale, units rented but not occupied, units sold but not occupied, and units for rent but not occupied.



HOUSING UNITS BY UNITS IN STRUCTURE: NORTH PORT

- ◆ There are 30,317 households in North Port.
- ◆ Single family homes comprise about three-quarters of the City's housing stock.

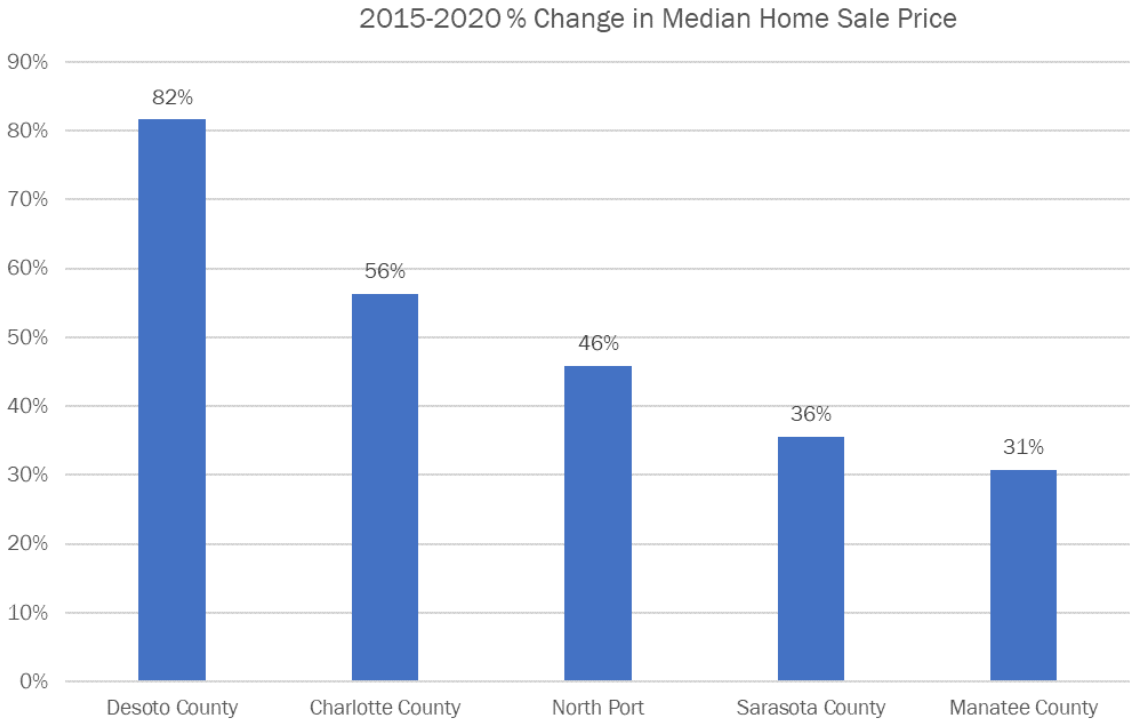
Housing Units By Zoning Category		
Zoning Category	# of Units	% of Units
RSF-2 (Single family, up to 4 units/acre)	22,015	73%
Village	4,459	15%
RSF-3 (Single family, up to 10 units/acre)	1,401	5%
Manufactured Home	906	3%
Agricultural District	765	3%
Multi-Family	652	2%
Planned Community Development	119	0.4%
Total Households	30,317	100%

Source: Esri, Sarasota Property Appraiser

MEDIAN SALE PRICE OF SINGLE-FAMILY HOMES: REGIONAL COMPARISON

The following figure and table outline the median sale price of single-family residences in North Port, Sarasota County, Charlotte County, DeSoto County, and Manatee County from 2015 to 2020.

- ◆ The median sale price of a single-family residence in North Port in 2020 is \$248,000, which is 18% lower than the median sale price in Sarasota County.
- ◆ The median sale price of a single-family residence in North Port increased from \$170,000 in 2015 to \$248,000 in 2020, a 46% change. The median sale price increased by 36% in Sarasota County.



Median Home Sale Price (2015-2020)				
	2015 Median Sale Price	2020 Median Sale Price*	2015-2020 Change	2015-2020 % Change
Desoto County	\$ 98,000	\$ 178,000	\$ 80,000	82%
Charlotte County	\$ 160,000	\$ 250,000	\$ 90,000	56%
North Port	\$ 170,000	\$ 248,000	\$ 78,000	46%
Sarasota County	\$ 222,000	\$ 301,000	\$ 79,000	36%
Manatee County	\$ 260,000	\$ 340,000	\$ 80,000	31%

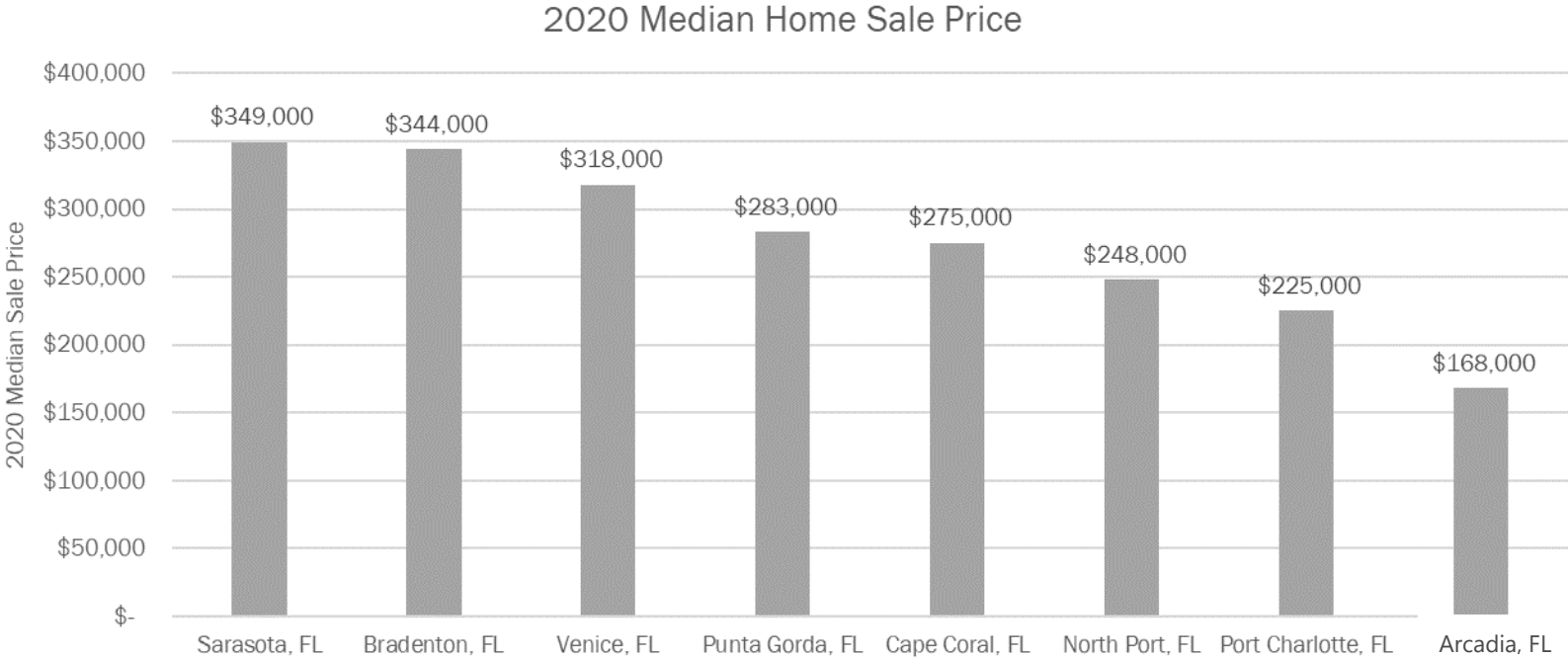
*2020 Median Sale Price as of September 2020.

Source: REDFIN

HOUSING BY MEDIAN SALE PRICE: REGIONAL COMPARISON

The following figure outlines the median sale price of a single-family home in North Port and other sizable communities in the region. Median sale prices in 2020 are as of September.

- ◆ North Port had the third lowest median home sale price of any of the towns/cities analyzed in the region.
- ◆ Sarasota had the highest median home sale price of any of the towns/cities analyzed in the region at just under \$350,000 which is almost 40% higher than the median home sale price in North Port.



Source: REDFIN

INDUSTRY AND OCCUPATION PROFILE

INDUSTRY AND OCCUPATION PROFILE: METHODOLOGY

SUMMARY

As part of the initial research for the City of North Port, Camoin 310 gathered and analyzed industry and economic data to assess the historic and existing conditions in the region. This information will be used to inform the subsequent steps of the planning process. While the City of North Port¹ was the primary focus of this analysis, other statistics were also included for Sarasota County, the Regional Study Area, the State of Florida, and the United States.

This analysis looks at economic activity by industry cluster, as classified in the North American Industry Classification System (NAICS). NAICS are divided into different levels, from 2-digit to 6-digit. 2-digit codes are the broadest industry sector classifications, such as Manufacturing or Health Care and Social Assistance, while 6-digit codes are more detailed sub-industries like Fossil Fuel Electric Power Generation (within Utilities), or Home Health Care Services (within Health Care and Social Assistance). Analyzing various levels of industry data provides a more complete picture of North Port's economy and helps provide additional insight into economic opportunities.

This analysis also looks at economic activity by occupation, as classified in the Standard Occupation Classification (SOC). SOCs are divided into different levels, from 2-digit to 6-digit. 2-digit codes are the broadest occupation classifications, such as Management Occupations and Architecture and Engineering Occupations, while 6-digit codes are more detailed sub-occupations.

DATA SOURCES

Economic Modeling Specialists International (Emsi)

To analyze the industrial makeup of a study area, industry data organized by the North American Industrial Classification System (NAICS) is assessed. EMSI is a proprietary data provider that aggregates economic data from approximately 90 sources. For more information reference: www.economicmodeling.com.

COVID-19

The 2020 industry and occupation data sourced from Emsi in the following sections represent job and occupation data as of Q1 2020, and therefore do not reflect many of the job impacts due to the COVID-19 pandemic in 2020.

¹ Much of the industry analysis utilizes data from EMSI. In this analysis, since data at the City level was unavailable North Port was analyzed by combining the following ZIP-Codes: 34286,34287,34288,34289,34290, and 34291. Note that it does not include ZIP 34293, which is partially in the boundaries of the City of North Port. This portion in North Port is primarily residential but will include future development at Wellen Park as well as the future Braves training facility. State of College of Florida is a key employer that is currently located in the portion in North Port, and therefore are not captured in this data.

INDUSTRY AND OCCUPATION ANALYSIS: KEY FINDINGS

EXISTING JOB AND OCCUPATION TRENDS

- ◆ There are approximately 10,200 jobs in North Port in 2020, with half of all jobs concentrated in 3 sectors: Government (21%), Retail Trade (20%), and Construction (13%). These three industries also contribute the most to North Port's Gross Regional Product (GRP)*.
- ◆ North Port's top occupations include Sales Occupations, Office and Administrative Support Occupations, and Food Preparation and Serving Occupations.
- ◆ Top occupations in North Port by median earnings include management; computer and mathematical; architecture and engineering; and healthcare practitioners and technical occupations
- ◆ The top three industries in Sarasota County and the Regional Study Area by proportion of total employment are: Health Care and Social Assistance; Retail Trade; and Accommodation and Food Services.
- ◆ North Port lags the county, region, and state in the City's percentage of jobs and GRP from the Health Care and Social Assistance industry.
- ◆ The most significant concentrations of jobs in the North Port area are located in and around Sarasota, Port Charlotte, and Englewood.
- ◆ Most jobs in North Port are concentrated along North Toledo Blade Boulevard, South Sumter Boulevard, and Tamiami Trail (Route 41).

*Gross Regional Product (GRP) measures the final market value of all goods and services produced in the region of study. It is also known as the GDP for the region of study

INDUSTRY AND OCCUPATION ANALYSIS: KEY FINDINGS

HISTORIC JOB TRENDS

- ◆ Total jobs in North Port increased by 721 jobs, an 8% increase from 2015 to 2020. This compares to a 7% job increase in Sarasota County, 10% increase in the Regional Study Area, and 11% increase in the State of Florida from 2015 to 2020.
- ◆ North Port's population grew by 46,200 residents (a 213% change) from 2000 to 2020, while North Port added 2,000 jobs over that same time (a 25% change).
- ◆ In 2000, North Port had about 3 residents to every 1 job, while in 2020 that number increased to 7 residents to every 1 job. That's over twice the rate of Sarasota County and the Regional Study Area.
- ◆ Industries with the largest job growth from 2015 to 2020 in North Port included the Construction; Retail Trade; and Accommodation and Food Services industries.
- ◆ The Local Government (excluding Education and Hospitals) industry has a large job presence and has grown significantly in North Port over the last five years. North Port is home to multiple local, county, and federal government employers. Some of the largest offices include: the Sarasota County Health Department, Sarasota County Tax Collections Office, Florida Department of Health, and the Florida Department of Agriculture and Consumer Services.
- ◆ After four years of job decline from 2007 to 2010, North Port, Sarasota County, and the Regional Study Area saw percent job increases that outpaced national growth from 2010 to 2017. North Port, Sarasota County, and the Regional Study Area have since realized less than approximately 2% job growth annually.

INDUSTRY AND OCCUPATION ANALYSIS: KEY FINDINGS

RESIDENT WORKERS AND COMMUTERS

- ◆ North Port had 50% more (16,800 total) resident workers* than total jobs (10,200 total) in 2020, indicating that many of North Port's resident workers commute outside of the City for work.
- ◆ Occupations with the highest number of resident workers compared to total jobs in North Port include: Office and Administrative Support Occupations; Sales and Related Occupations; Food Preparation and Serving Occupations; Healthcare Support Occupations; and Construction and Extraction. Industries that employ these occupation types likely would have a local workforce to draw employees from in North Port.

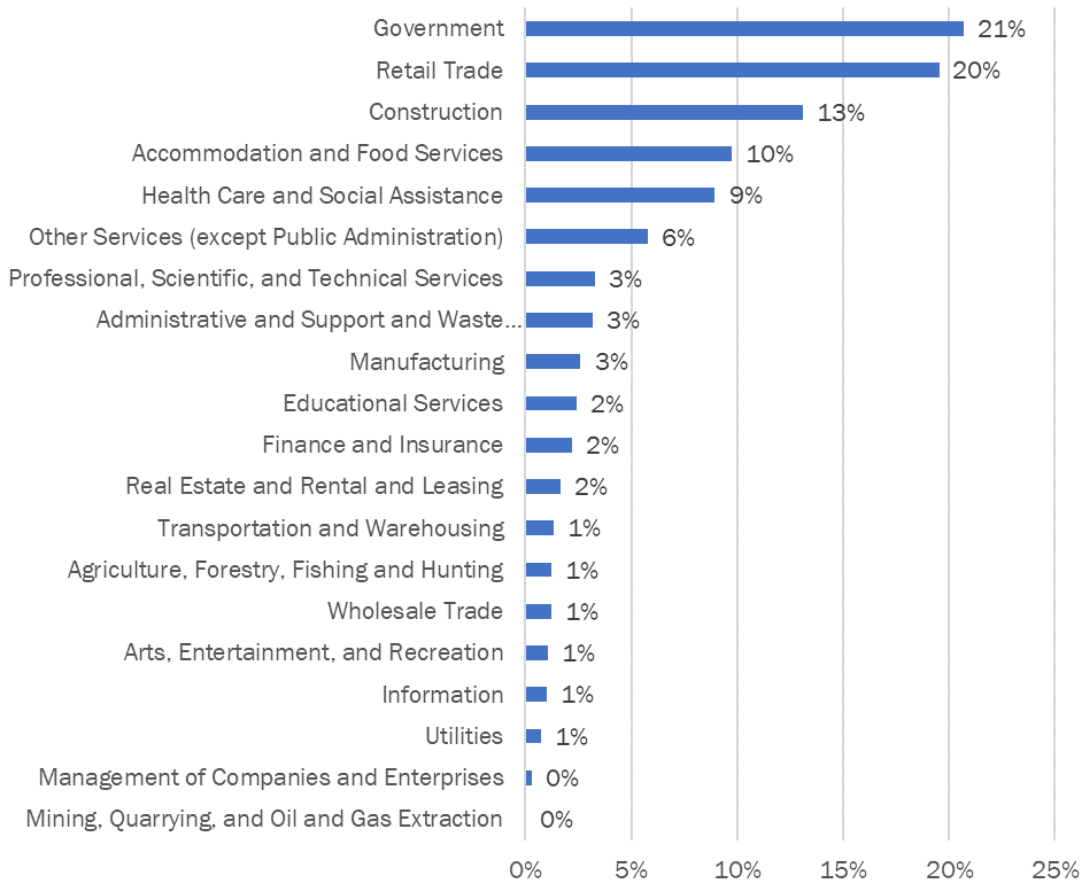
*Resident workers include those who live in North Port and work in or outside of the city boundaries, while total jobs refer to the total jobs located within North Port.

EXISTING JOB TRENDS (2-DIGIT NAICS): NORTH PORT

The figure outline 2020 jobs by industry in North Port.

- ◆ There are approximately 10,200 jobs in North Port in 2020, with a little over 50% of total jobs in the Government (21%), Retail Trade (20%), and Construction (13%) industries.

Percent of Total Jobs by Industry, 2-NAICS (2020)

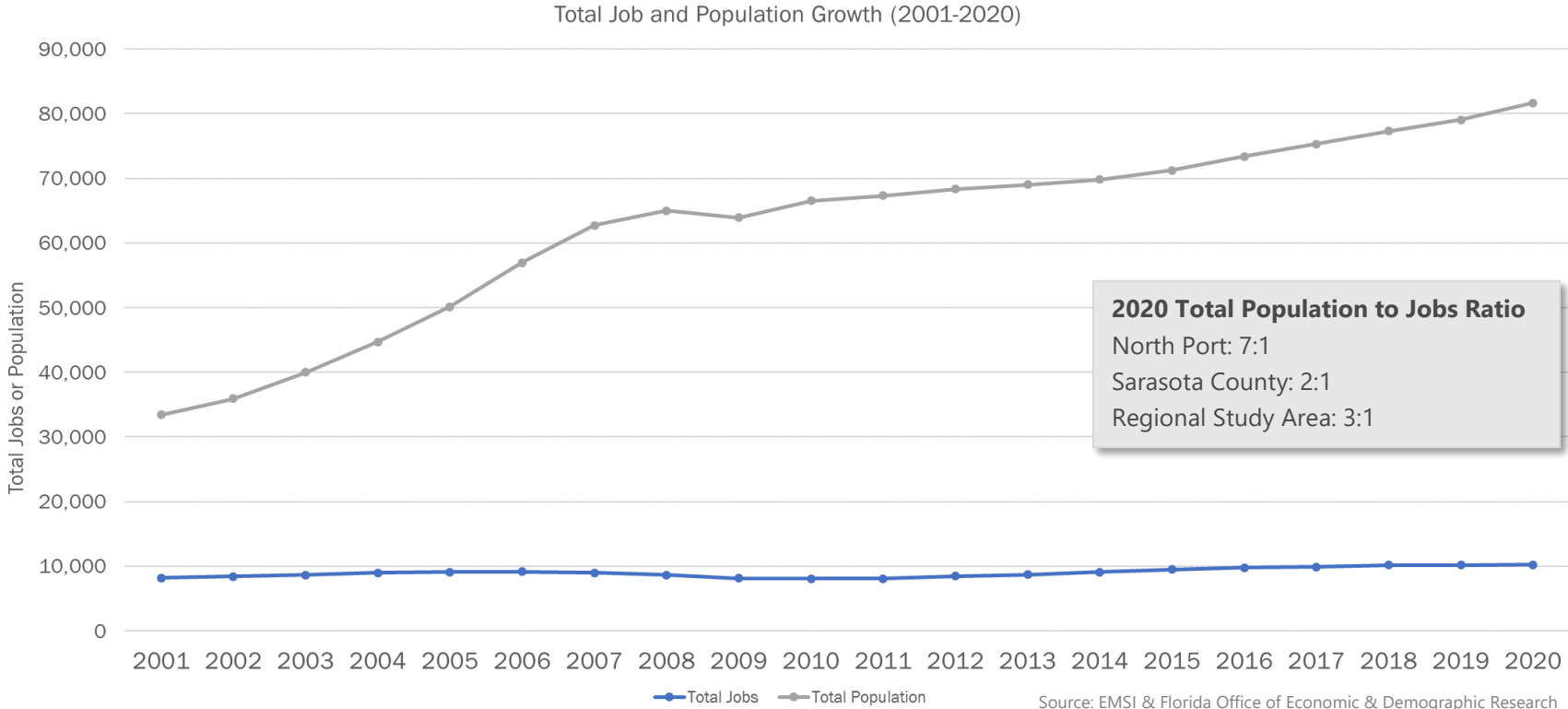


Source: EMSI

Source: EMSI

TOTAL JOB & POPULATION GROWTH: NORTH PORT

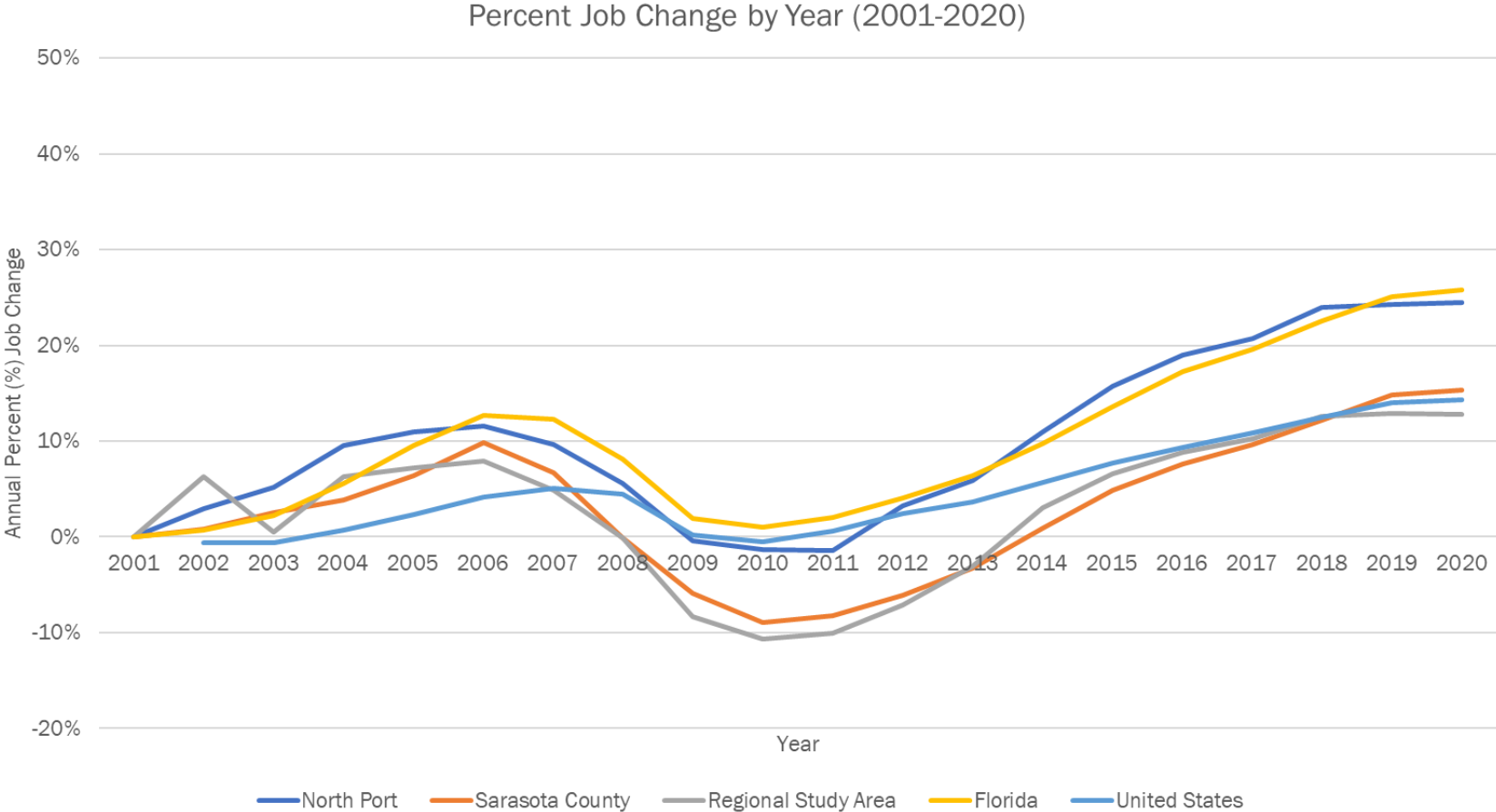
- The figure below combines population and total job growth in North Port from 2001 to 2020.
- ◆ North Port’s population grew by 46,200 residents (a 213% change) from 2000 to 2020 while North Port added 2,000 jobs over that same time (a 25% change).
 - ◆ In 2000, North Port had about 3 residents for every job, while in 2020 that number has increased to 7 residents for every job. That’s over twice the rate of Sarasota County and the Regional Study Area.



HISTORIC JOB TRENDS: REGIONAL COMPARISON

The following figure outlines the annual percent change in total jobs since 2001 by year for North Port, Sarasota County, Regional Study Area, Florida, and United States.

- ◆ North Port experienced less job loss during the Great Recession than their regional counterparts, likely related to their smaller employment base. Since 2010, North Port, Sarasota County, and the Regional Study area generally all began adding jobs at a similar rate, which outpaced in the nation.

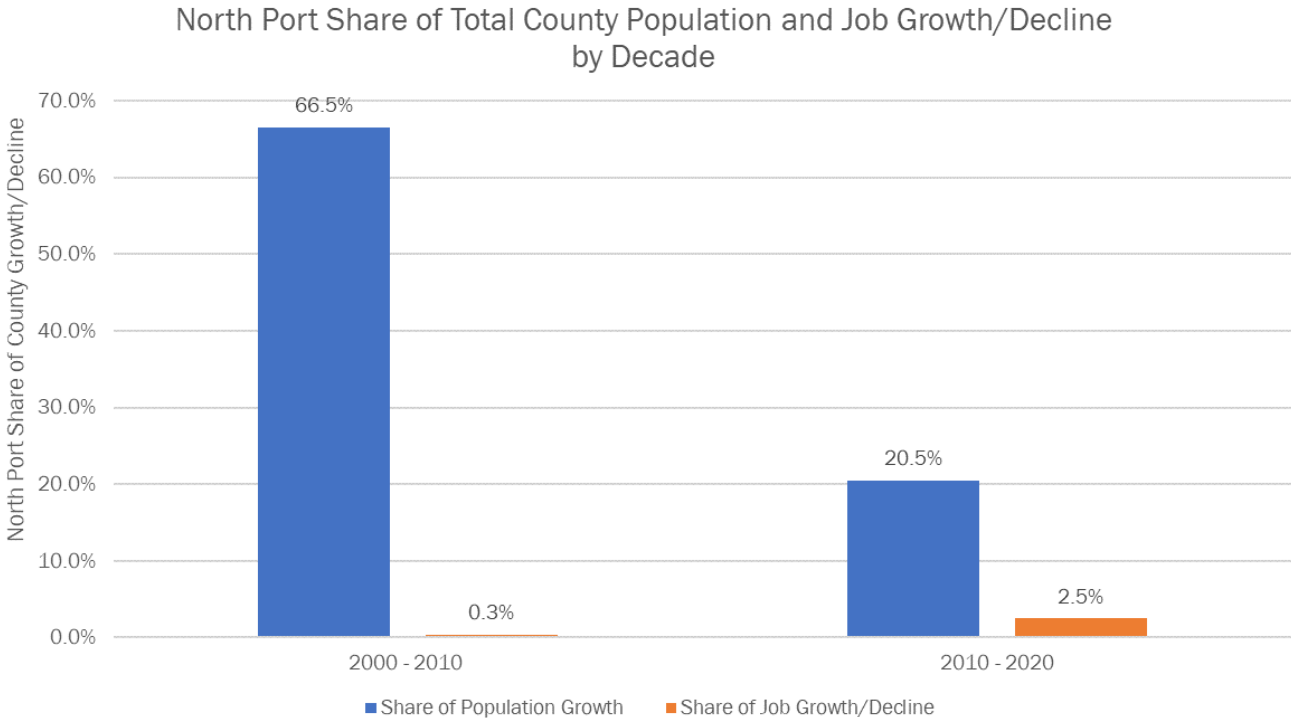


Source: EMSI

HISTORIC JOB TRENDS: REGIONAL COMPARISON

The following figure outlines North Port’s share of Sarasota County’s job and population growth/decline by decade from 2000 to 2020.

- ◆ From 2000 to 2010, both North Port and the County saw overall population growth. North Port accounted for just over 65% of total population growth in the County during this time. From 2010 to 2020, both North Port and the County saw overall population growth as well. North Port accounted for just over 20% of total job growth in the County during this time.
- ◆ From 2000 to 2010, both North Port and the County incurred an overall loss of jobs. North Port accounted for less than 1% of total job declines in the County during this time. From 2010 to 2020, both North Port and the County saw overall job growth. North Port accounted for 2.5% of total job growth in the County during this time.



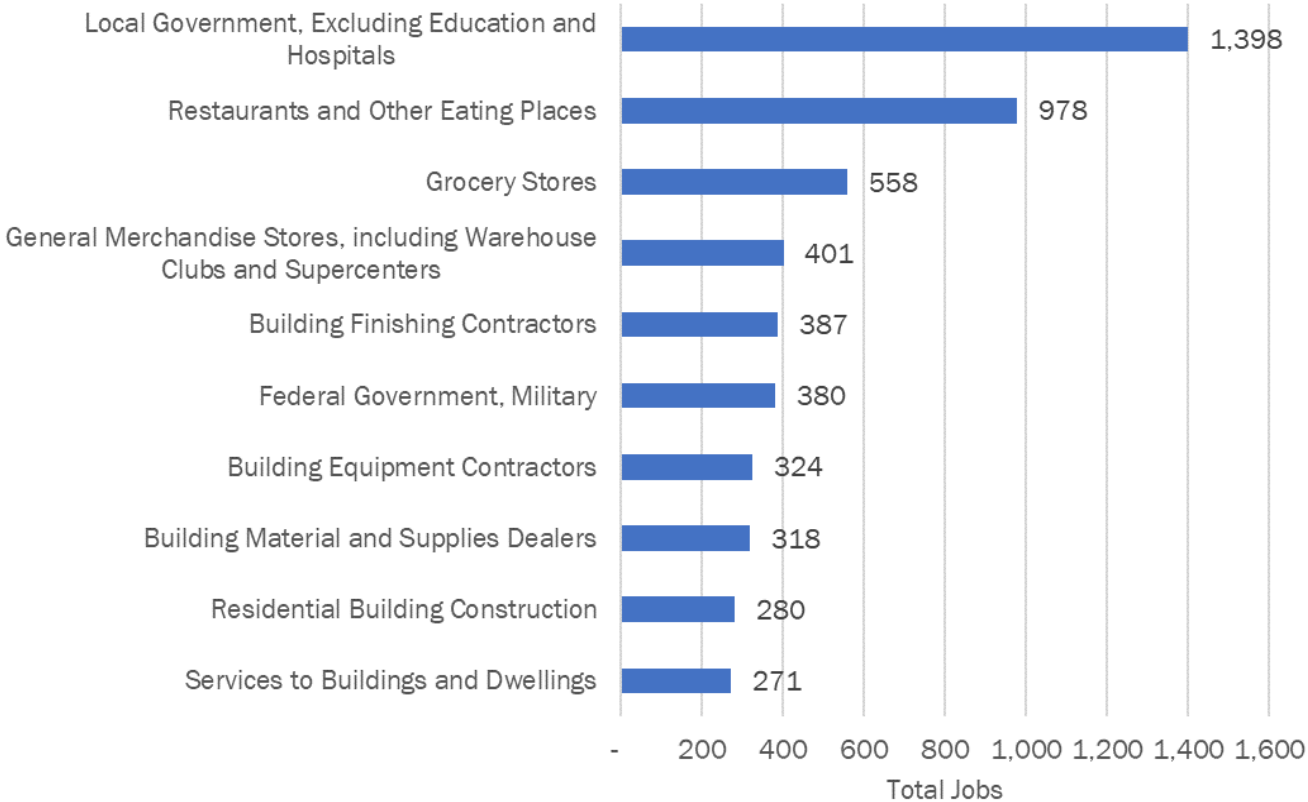
Source: EMSI & Florida Office of Economic & Demographic Research

EXISTING JOB TRENDS (4-DIGIT NAICS): NORTH PORT

The following figure outlines the Top 10 jobs by industry (4-NAICS) in North Port in 2020.

- ◆ The industries below represent just over 50% of total jobs in North Port in 2020.
- ◆ Local Government, Excluding Education and Hospitals industry jobs are connected to the presence of multiple local, county, and federal government employers in North Port.

Top 10 Total Jobs by Industry, 4-NAICS (2020)



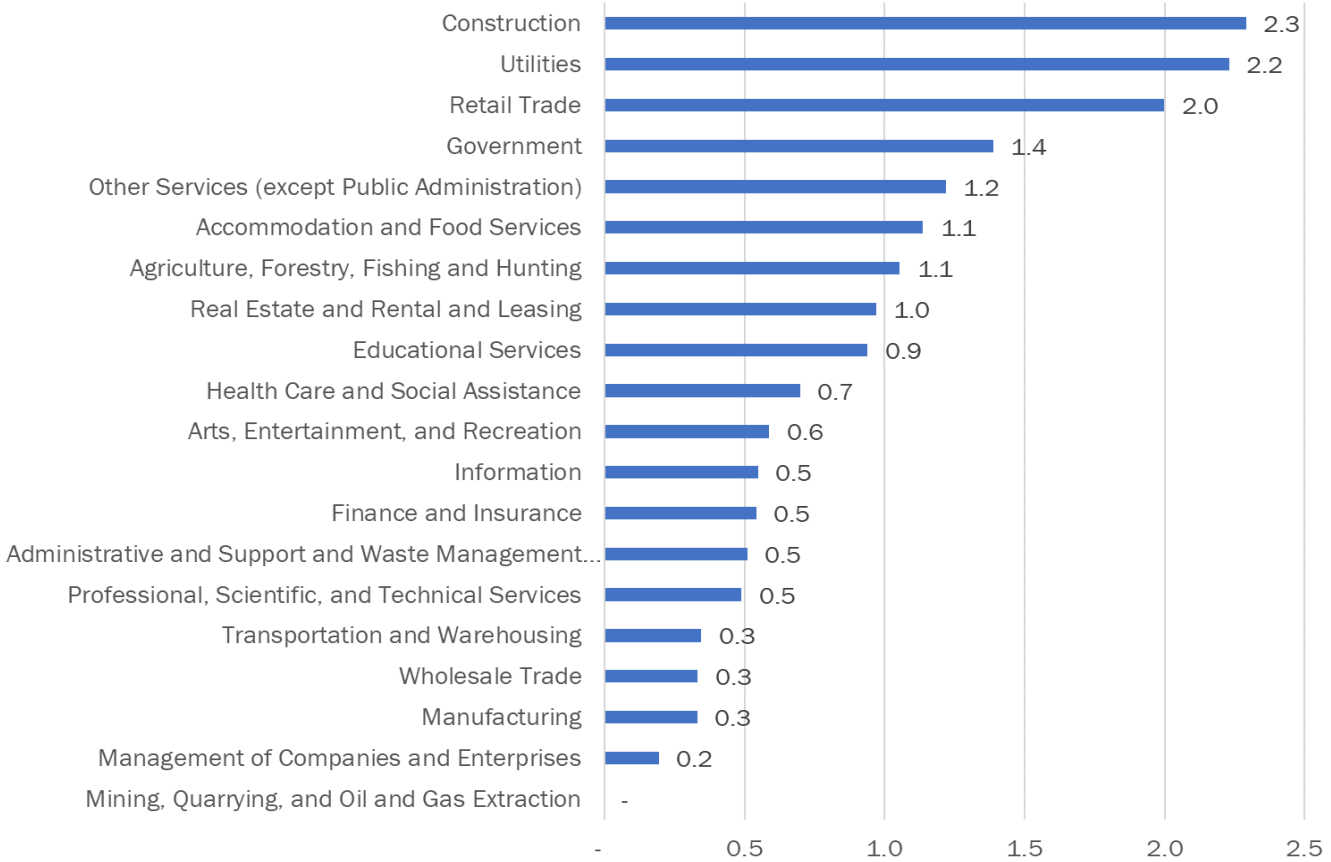
Source: EMSI

JOB CONCENTRATION (2-DIGIT NAICS): NORTH PORT

Location Quotient (LQ) is a way of quantifying how concentrated a particular industry, occupation, or demographic group is in a region as compared to the nation. It can reveal what makes a region “unique.” An LQ of above 1.0 indicates a unique concentration in the region. The following table outlines LQ by industry (2-NAICS) in North Port.

- ◆ North Port’s Construction, Utilities, and Retail Trade industries had the highest location quotients, respectively.

Location Quotient by Industry, 2-NAICS (2020)



Source: EMSI

JOB CONCENTRATION (4-DIGIT NAICS): NORTH PORT

The table to the right outlines the Top 20 industries (4-NAICS) in North Port by Location Quotient.

- ◆ The top industries by location quotient include the following:
 - Used Merchandise Stores;
 - Building Finishing Contractors; and
 - Building Material and Supplies Dealers.

- ◆ Industries that had the highest amount of job growth from 2010 to 2020 include the following:
 - Local Government, Excluding Education and Hospitals;
 - Grocery Stores; and
 - General Merchandise Stores, including warehouse Clubs and Supercenters.

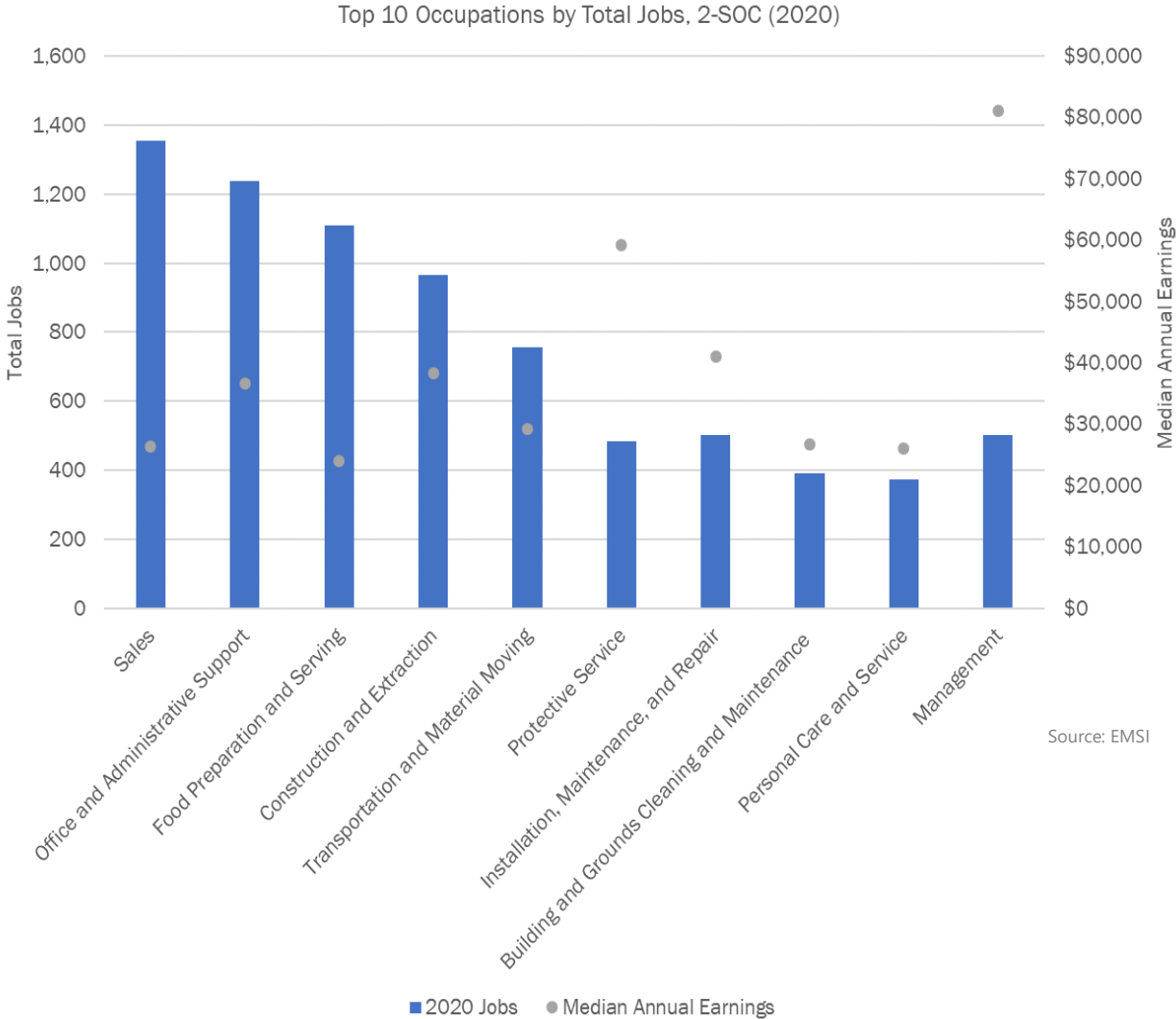
Top Industries by Location Quotient, 4-NAICS (2020)				
NAICS	Description	Location Quotient	2020 Jobs	2010-2020 Change
4533	Used Merchandise Stores	5.5	76	39
2383	Building Finishing Contractors	4.8	387	118
4441	Building Material and Supplies Dealers	4.4	318	83
7111	Performing Arts Companies	4.2	52	31
9039	Local Government, Excluding Education and Hospitals	3.9	1,398	155
4452	Specialty Food Stores	3.7	55	42
2361	Residential Building Construction	3.4	280	94
4451	Grocery Stores	3.3	558	132
4523	General Merchandise Stores, including Warehouse Clubs and Supercenters	3.3	401	130
4511	Sporting Goods, Hobby, and Musical Instrument Stores	3.3	102	37
9012	Federal Government, Military	3.2	380	20
6233	Continuing Care Retirement Communities and Assisted Living Facilities for the Elderly	3.2	189	34
6111	Elementary and Secondary Schools	2.9	214	93
3262	Rubber Product Manufacturing	2.6	22	11
4461	Health and Personal Care Stores	2.5	166	10
1151	Support Activities for Crop Production	2.4	74	29
2381	Foundation, Structure, and Building Exterior Contractors	2.2	158	51
6244	Child Day Care Services	2.2	173	33
4539	Other Miscellaneous Store Retailers	2.1	54	20
2382	Building Equipment Contractors	2.1	324	116

Source: EMSI

TOP EXISTING OCCUPATIONS (2-DIGIT SOC): NORTH PORT

The figure on the right outlines the Top 10 occupations (2-SOC) in North Port by total jobs in 2020, along with their median annual earnings. These 10 occupations are representative of approximately 75% of total jobs in North Port in 2020.

- ◆ North Port’s top occupations include Sales Occupations; Office and Administrative Support Occupations; and Food Preparation and Serving Occupations.
- ◆ Top occupations by median earnings in this group include Management Occupations and Protective Service Occupations.



Source: EMSI

TOP EXISTING OCCUPATIONS (4-DIGIT SOC): NORTH PORT

The top 25 occupations in North Port by 2020 jobs represent 43% of all jobs in North Port in 2020.

- ◆ North Port's top occupations by concentration (LQ) include: Painters, Construction, and Maintenance; Firefighters; and Police and Sheriff Patrol Officers.
- ◆ 80% of the occupations below do not require higher than a high school diploma upon entry.

Top 25 Occupations by Total Jobs, 4-SOC (2020)					
SOC	Description	2020 Jobs	% of 2020 Jobs	2020 Location Quotient	Typical Entry Level Education
41-2031	Retail Salespersons	468	5%	1.72	No formal educational credential
41-2011	Cashiers	408	4%	1.85	No formal educational credential
35-3023	Fast Food and Counter Workers	371	4%	1.48	No formal educational credential
53-7065	Stockers and Order Fillers	237	2%	1.79	High school diploma or equivalent
43-9061	Office Clerks, General	226	2%	1.09	High school diploma or equivalent
55-9999	Military-only occupations	187	2%	3.23	N/A
35-3031	Waiters and Waitresses	185	2%	1.17	No formal educational credential
33-3051	Police and Sheriffs Patrol Officers	168	2%	3.69	High school diploma or equivalent
47-2141	Painters, Construction and Maintenance	168	2%	6.37	No formal educational credential
47-2061	Construction Laborers	165	2%	1.78	No formal educational credential
31-1128	Home Health and Personal Care Aides	160	2%	0.74	High school diploma or equivalent
43-4051	Customer Service Representatives	157	2%	0.86	High school diploma or equivalent
11-1021	General and Operations Managers	155	2%	1.01	Bachelor's degree
41-1011	First-Line Supervisors of Retail Sales Workers	147	1%	1.71	High school diploma or equivalent
47-2031	Carpenters	144	1%	2.11	High school diploma or equivalent
43-6014	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	143	1%	0.95	High school diploma or equivalent
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	131	1%	0.82	No formal educational credential
49-9071	Maintenance and Repair Workers, General	126	1%	1.28	High school diploma or equivalent
35-2014	Cooks, Restaurant	113	1%	1.26	No formal educational credential
53-7062	Laborers and Freight, Stock, and Material Movers, Hand	112	1%	0.59	No formal educational credential
37-2012	Maids and Housekeeping Cleaners	111	1%	1.21	No formal educational credential
43-3031	Bookkeeping, Accounting, and Auditing Clerks	108	1%	1.04	Some college, no degree
33-2011	Firefighters	106	1%	5.19	Postsecondary nondegree award
35-2021	Food Preparation Workers	105	1%	1.93	No formal educational credential
	Total	4,401	43%		

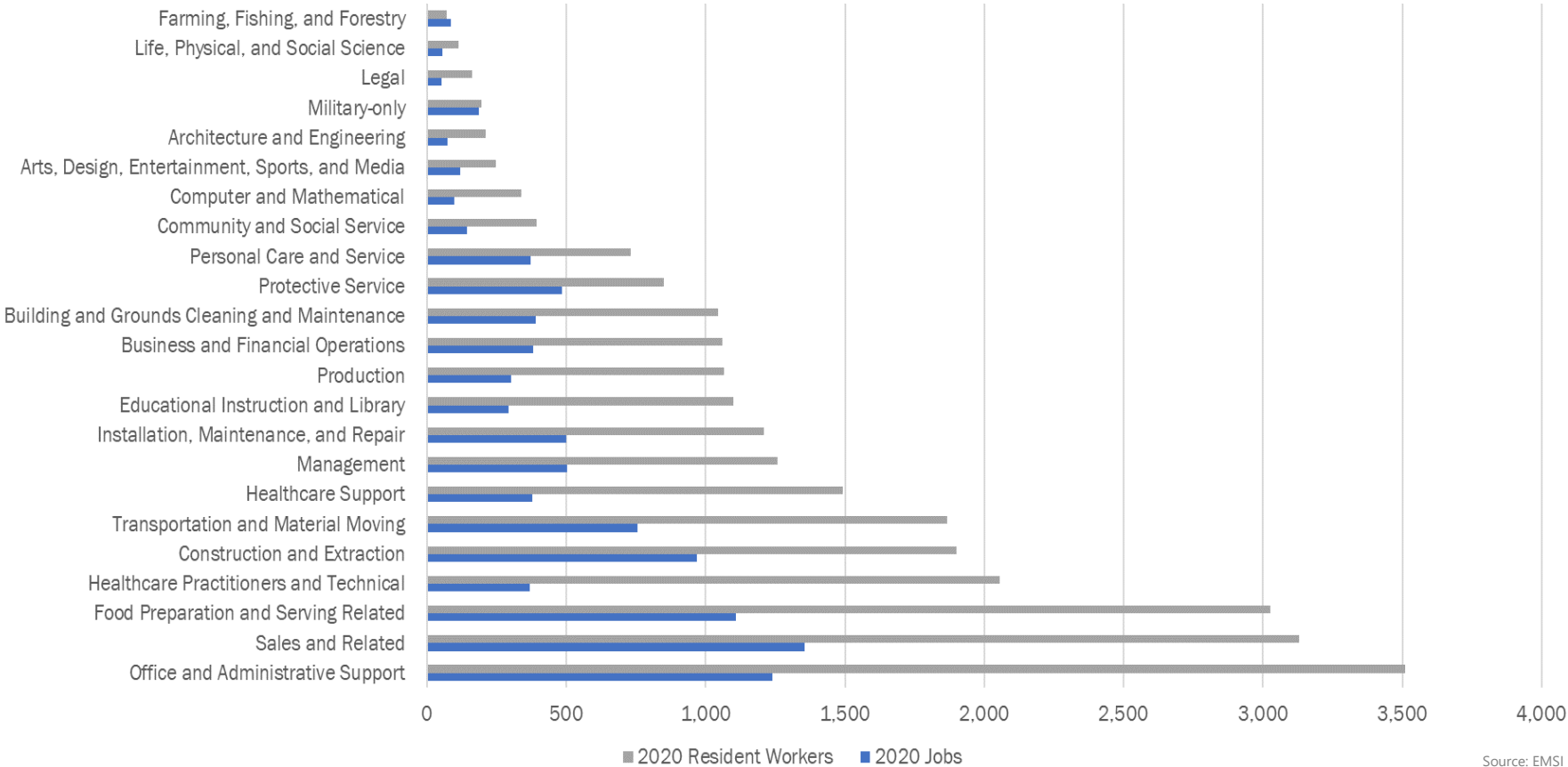
Source: EMSI

RESIDENT WORKERS (2-DIGIT SOC): NORTH PORT

The following figure compares the number of resident workers vs. jobs by occupation. Resident workers are individuals who live in North Port and hold the occupation but may work outside the city. A high number of resident workers compared to jobs indicates that an area has the workforce needed to support additional industry activity. In all, North Port had 50% more (16,800 total) resident workers than total jobs (10,200 total) in 2020.

- ◆ Occupations with the highest number of resident workers compared to total jobs in North Port include: Office and Administrative Support Occupations; Sales and Related Occupations; Food Preparation and Serving Occupations; Healthcare Support Occupations; and Construction and Extraction Occupations.

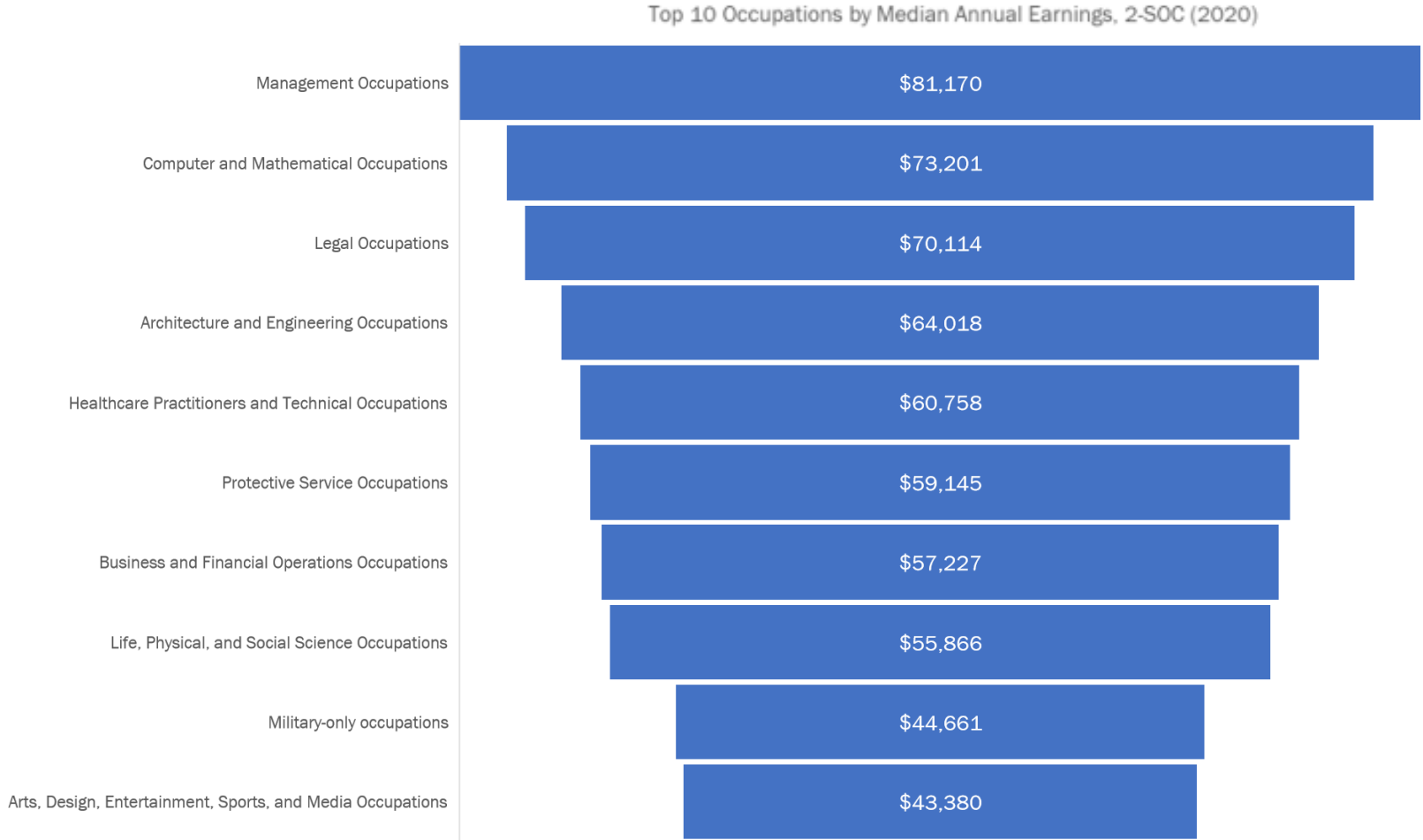
Resident Worker vs. Total Job Comparison by Occupation, 2-SOC (2020)



Source: EMSI

HIGHEST PAYING OCCUPATIONS (2-DIGIT SOC): NORTH PORT

The following graph outlines the top occupations by median earnings in North Port in 2020.

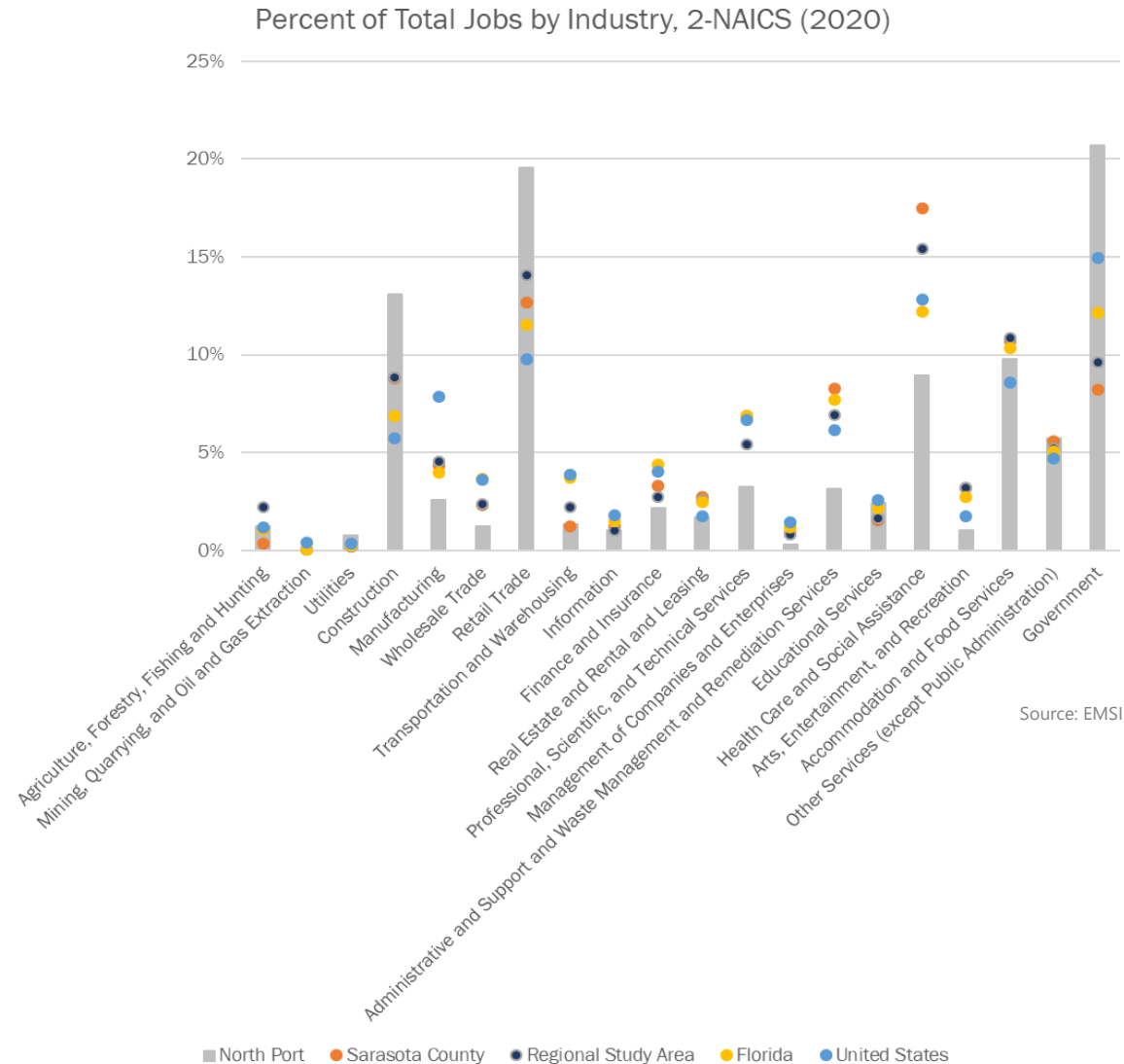


Source: EMSI

EXISTING JOB TRENDS (2-DIGIT NAICS): REGIONAL COMPARISON

The following figure looks at the percent of total jobs by industry (2-NAICS) in North Port, Sarasota County, Regional Study Area, Florida, and the United States.

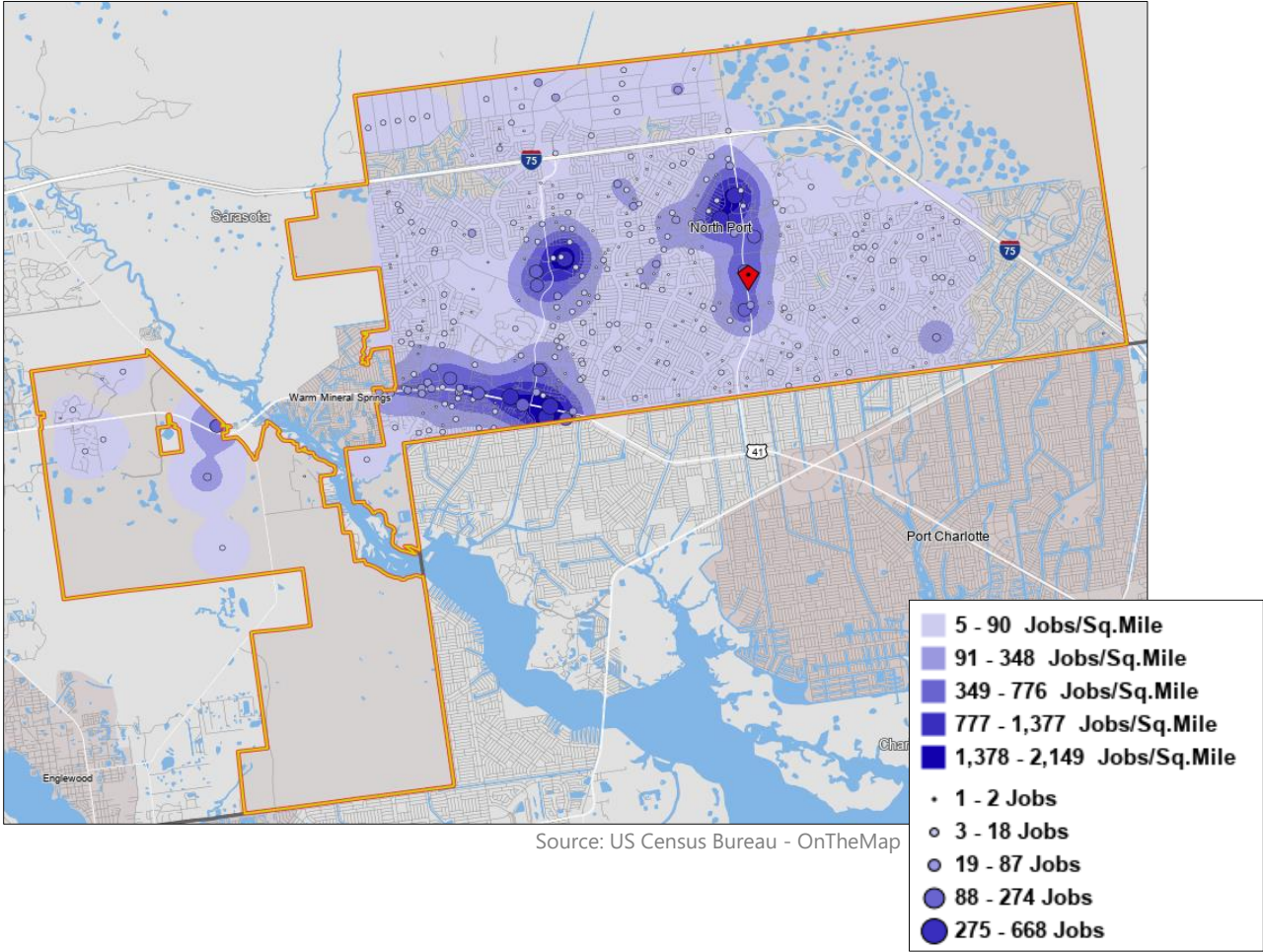
- ◆ The top industry by percent of total jobs in Sarasota County and the Regional Study Area are Health Care and Social Assistance followed by the Retail Trade; and Accommodation and Food Services industries.
- ◆ North Port has a higher percentage of total jobs than any other study geographies in the following industries: Retail Trade; Government; and Construction.
- ◆ North Port trails the county, region, and state in its percentage of jobs that reside in the Health Care and Social Assistance industry.
- ◆ The Manufacturing industry has a relatively small footprint in the region.



JOB CONCENTRATION: NORTH PORT

The following map outlines job concentration in North Port.

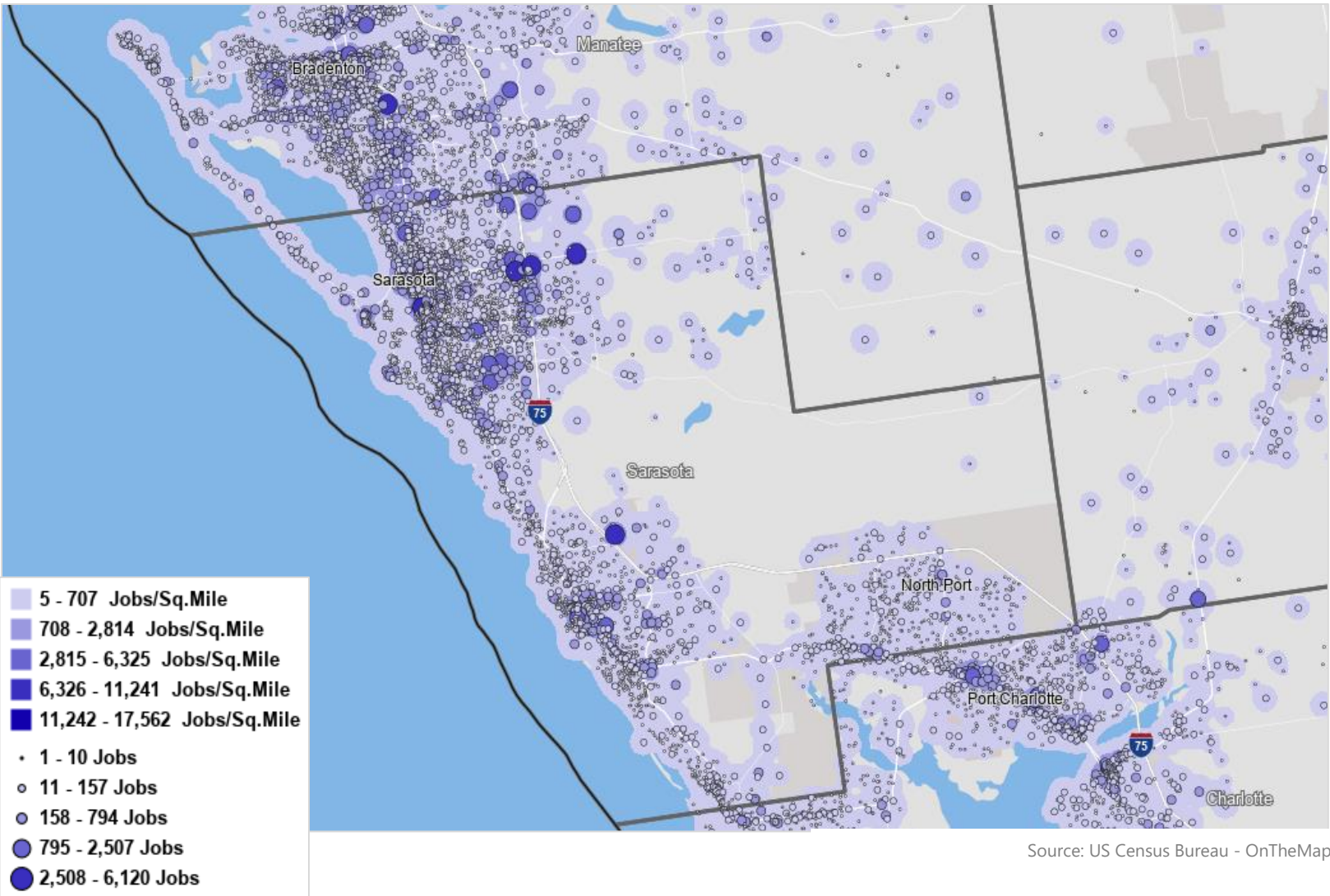
- ◆ Most jobs in North Port are concentrated along North Toledo Blade Boulevard, South Sumter Boulevard, and Tamiami Trail (Route 41).
- ◆ The job clusters align with the following activity centers (right to left): Panacea and Midway; Heron Creek; and Mediterranean.



JOB CONCENTRATION:

The following heat map outlines job concentration clusters in and around North Port.

- ◆ The most significant concentrations of jobs in the North Port area are located in and around Sarasota, Port Charlotte, and Englewood.



Source: US Census Bureau - OnTheMap

HISTORIC JOB TRENDS (2-DIGIT NAICS): NORTH PORT

The following table outlines total job growth by industry (2-NAICS) in North Port from 2015 to 2020.

- ◆ Total jobs in North Port increased by 721 jobs, an 8% change from 2015 to 2020.
- ◆ Industries with the largest job growth from 2015 to 2020 included the Construction; Retail Trade; and Accommodation and Food Services industries.

Total Jobs by Industry, 2-NAICS (2015-2020)					
NAICS	Description	2015 Jobs	2020 Jobs	2015 - 2020 Change	2015 - 2020 % Change
11	Agriculture, Forestry, Fishing and Hunting	77	125	48	62%
21	Mining, Quarrying, and Oil and Gas Extraction	0	0	0	0%
22	Utilities	82	76	(6)	(7%)
23	Construction	1,146	1,338	192	17%
31	Manufacturing	261	265	4	2%
42	Wholesale Trade	138	124	(14)	(10%)
44	Retail Trade	1,884	1,997	113	6%
48	Transportation and Warehousing	100	136	36	36%
51	Information	130	102	(28)	(22%)
52	Finance and Insurance	219	223	4	2%
53	Real Estate and Rental and Leasing	149	171	22	15%
54	Professional, Scientific, and Technical Services	292	333	41	14%
55	Management of Companies and Enterprises	19	29	10	53%
56	Administrative and Support and Waste Management and Remediation Services	359	322	(37)	(10%)
61	Educational Services	214	247	33	15%
62	Health Care and Social Assistance	841	914	73	9%
71	Arts, Entertainment, and Recreation	71	106	35	49%
72	Accommodation and Food Services	916	996	80	9%
81	Other Services (except Public Administration)	556	588	32	6%
90	Government	2,043	2,118	75	4%
	Total	9,500	10,221	721	8%

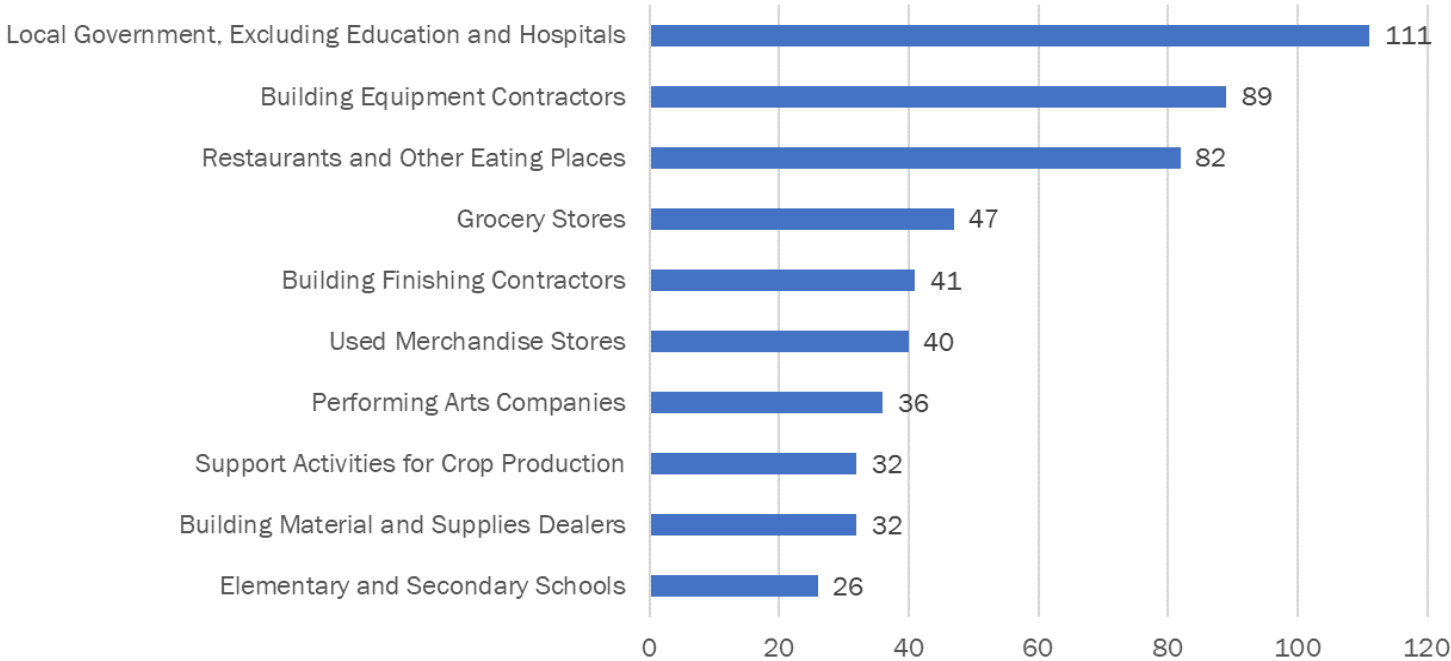
Source: EMSI

HISTORIC JOB TRENDS (4-DIGIT NAICS): NORTH PORT

The following graph outlines the Top 10 industries (4-NAICS) by total job growth in North Port from 2015 to 2020.

- Local Government, Excluding Education and Hospitals industry are connected to the presence of multiple local, county, and federal government employers in North Port including but not limited to: the Sarasota County Health Department, Sarasota County Tax Collections Office, Florida Department of Health, and the Florida Department of Agriculture and Consumer Services.

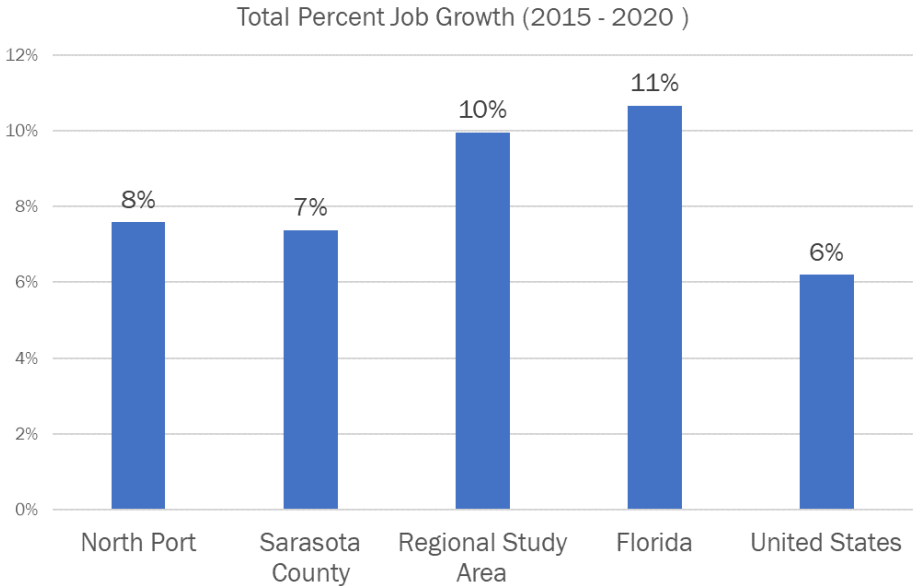
Top 10 Industries by Net Job Growth, 4-NAICS (2015-2020)



Source: EMSI

HISTORIC JOB TRENDS: REGIONAL COMPARISON

- ◆ North Port’s total percent job growth was 8% from 2015 to 2020. This is slightly higher than the county but lower than the region and state.
- ◆ Total percent job growth in North Port, the county, region, and state have outpaced national job growth since 2015.



Total Job Growth (2015-2020)				
	2015 Jobs	2020 Jobs	# Change	% Change
North Port	9,500	10,221	721	8%
Sarasota County	176,029	189,028	12,999	7%
Regional Study Area	364,117	400,394	36,277	10%
Florida	9,009,019	9,969,803	960,784	11%
United States	156,535,343	166,243,585	9,708,242	6%

Source: EMSI

HISTORIC JOB TRENDS: REGIONAL COMPARISON

- ◆ Although the following industries only represent 13% of total job growth from 2015 to 2020, North Port saw the largest percent job growth in the following industries: Agriculture, Forestry, Fishing and Hunting (62%); Management of Companies and Enterprises (53%) and; Arts, Entertainment, and Recreation (49%).
- ◆ The Wholesale Trade and Administrative and Support and Waste Management and Remediation Services industries saw job declines of 10% in North Port from 2015 to 2020, compared to the county, region, and state who saw job increases from 2015 to 2020.
- ◆ The Management of Companies and Enterprises industry saw job growth of over 50% in both North Port and Sarasota County from 2015 to 2020.

Total Percent Job Change by Industry, 2-NAICS (2015-2020)						
NAICS	Description	North Port	Sarasota County	Regional Study Area	Florida	United States
11	Agriculture, Forestry, Fishing and Hunting	62%	49%	(10%)	(3%)	(0%)
21	Mining, Quarrying, and Oil and Gas Extraction	-	(39%)	(25%)	(1%)	(12%)
22	Utilities	(7%)	(1%)	(4%)	2%	-
23	Construction	17%	18%	26%	28%	14%
31	Manufacturing	2%	-	4%	12%	4%
42	Wholesale Trade	(10%)	4%	6%	5%	-
44	Retail Trade	6%	1%	7%	3%	-
48	Transportation and Warehousing	36%	11%	31%	35%	21%
51	Information	(22%)	(5%)	(2%)	2%	4%
52	Finance and Insurance	2%	(1%)	2%	13%	6%
53	Real Estate and Rental and Leasing	15%	10%	11%	12%	10%
54	Professional, Scientific, and Technical Services	14%	4%	10%	18%	11%
55	Management of Companies and Enterprises	53%	53%	26%	19%	10%
56	Administrative and Support and Waste Management and Remediation Services	(10%)	10%	12%	10%	6%
61	Educational Services	15%	8%	18%	12%	7%
62	Health Care and Social Assistance	9%	12%	11%	12%	10%
71	Arts, Entertainment, and Recreation	49%	7%	6%	12%	12%
72	Accommodation and Food Services	9%	9%	11%	11%	8%
81	Other Services (except Public Administration)	6%	9%	10%	8%	5%
90	Government	4%	-	6%	2%	3%
	Total	8%	7%	10%	11%	6%

Source: EMSI

REGIONAL COMPARISON: TARGET INDUSTRIES

- ◆ North Port’s current target industries focus on supporting sectors that are related to the city’s growing population, like retail, education, and health care.
- ◆ Manufacturing is the one industry that overlaps with the priorities of regional and state economic development organizations.

Comparison Target Industry Matrix

Industry	Florida	Sarasota County	Southwest FL EDA	Tampa	North Port
Manufacturing/Light Manufacturing	x	x	x	x	x
Life Science	x	x	x	x	
Cleantech	x	x	x		
HQs	x	x	x	x	
Aviation & Aerospace	x		x		
Defense & Homeland Security	x		x	x	
IT	x		x	x	
Financial and Professional Services	x		x	x	
Logistics and Distribution	x		x	x	
Hospitality					x
Retail Trade					x
Education					x
Health Care					x

LAND USE & REGULATORY CONSIDERATIONS

ACTIVITY CENTERS

- ◆ Activity Centers are North Port’s primary land use policy for directing commercial development.
- ◆ North Port is one of the last places in Sarasota County with potential for land assembly and significant interstate access to accommodate land-intensive industries like warehousing, distribution, or a range of manufacturing.
- ◆ While there is potential for land assembly and opportunities for build out, North Port sites are generally not shovel ready and therefore less desirable to the development community.
- ◆ Activity Centers have pre-determined development proportions (office, residential, commercial). There is potential for this to change simply to residential and non-residential proportions to allow for greater flexibility in development opportunities. There are also discussions to update Activity Centers’ zoning to include a form-based code overlay, which would also allow for flexibility in development while still ensuring that the physical and visual aspects of build out or infill will match the surrounding area’s character and design aesthetics.

ECONOMIC DEVELOPMENT IN THE COMPREHENSIVE PLAN

- ◆ The City’s Comprehensive Plan was updated in June 2017. Notable goals that will be coordinated through this market study include:
 - ◆ Focusing on attracting “businesses that will be owned by and/or that will employ City residents”
 - ◆ Allowing industrial and commercial uses in appropriate locations
 - ◆ Supporting housing options that support the workforce by planning for development near employment and transportation centers
 - ◆ Diversifying the city’s tax base

UNIFIED LAND DEVELOPMENT CODE

- ◆ The City is in the process of updating the Unified Land Development Code (ULDC). The project has been pushed back due to challenges with the COVID-19 pandemic. The ULDC covers the city’s zoning, site development, stormwater management, parking, streetscapes, and many more aspects related to the physical characteristics and build out of the city.
- ◆ The updates to the ULDC come as an important complement to the City’s Comprehensive Plan, which was updated in 2016. It is important that the policies within the ULDC enable the vision of the Comprehensive Plan.
- ◆ The goals of the ULDC update broadly include:
 - Streamlining land use regulations
 - Enabling high quality infill and redevelopment projects
 - Eliminating outdated terminology to reflect today’s modern land use standards
 - Supporting economic development, multimodal transportation, and a sustainable balance between the built and natural environment.

TRANSPORTATION AND MOBILITY

- ◆ With expansive population growth comes the need for additional ways to efficiently move individuals and workforce around the community. This includes interstates and commuter routes in addition to recreational trails like greenways, parks, bike lanes and other multi-modal forms of transportation that support the quality of life of residents.
- ◆ A mobility study is currently underway to determine where there is potential to expand multimodal transportation opportunities across the city. Other notable transportation opportunities include:
 - The Comprehensive Plan notes the 84 miles of canals across the city, which currently act as physical barriers between communities. However, there is potential to leverage these blueways to connect neighborhoods.
 - A trolley easement on portion of U.S. 41 could be leveraged as a commuter route.

IMPACT FEE STUDY

- ◆ Impact fees help to fund the City's parks, fire and rescue, law enforcement, and solid waste programs.
- ◆ The City is currently in the process of raising its Impact Fees by 25%. For a single family detached/attached unit translates to \$1,866.80. This increase be applied to other residential, recreational, institutional office, retail, and industrial uses.
- ◆ Impact fees are currently being reviewed internally by the Planning Division, which could lead to further changes in the future.



Image Source: Visit Sarasota

DEVELOPMENT PROCESS COMPARISON

The City of North Port competes with several surrounding locations for development opportunities. While developers or site selectors can have specific criteria that narrow down their options for where to build, a community's attitude or regulations surrounding the development process can be an invitation or a hinderance for investment. The matrix below compares aspects of North Port's development process with the cities of Sarasota, Venice, and Sarasota County. The development process will be probed further in interviews with stakeholders and developers.

	CITY OF NORTH PORT	CITY OF SARASOTA	CITY OF VENICE	SARASOTA COUNTY
LONG RANGE PLAN	2017 Comprehensive Plan	Sarasota City Plan - 2008; Future Land Use map updated August 2020	Yes, 2018 Comprehensive Plan; Future Land Use Map 2017-2027	Yes, 2016 Comprehensive Plan
POTENTIAL FOR GROWTH & BUILDOUT OR REDEVELOPMENT	Yes, to varying degrees within Activity Centers.	City will pursue the annexation of enclaves where properties are generally encircled by the municipal boundary and/or contiguous to municipal boundaries.	Yes, 9 potential annexation areas as part of a Joint Planning Agreement with Sarasota County.	In designated Major Employment Centers (MEC).
ONLINE PERMITTING / APPLICATIONS	Yes	Permits - Yes, Applications - No	Yes	Yes, no paper copies accepted.
SPECIAL DISTRICTS / AREAS	Activity Centers	Downtown Improvement District; Community Redevelopment Agency; Parks & Recreation District; Golden Gate Point Streetscape District, St. Armands Special Business Neighborhood Improvement District	N/A	Critical Area Plans, Special Planning Areas, Incentive Base Optional Overlay Programs
ONLINE SUBMISSION CHECKLIST	Yes, for various application packages	Yes	Yes	Yes
DEVELOPMENT REVIEW TIMELINE* *NOTE THAT LONGER TURNAROUND TIMES ARE EXPECTED DUE TO COVID-19.	10 business days (planning)	About 4 months with DRC, Planning Board and Commission review	Minor plan reviews - 1,2 days Single family residence - 10-15 days Commercial plans - 30 days	No timeline found.
DEVELOPMENT IMPACT FEES	Yes - in the process of 25% increase	Yes	Yes	Yes
POINT OF CONTACT FOR QUESTIONS	Important contact info for NDS staff provided, no single point of contact	Development Services Staff listed on website, no single point of contact.	Staff numbers provided.	General email provided

ATTACHMENT A: DATA SOURCES

ECONOMIC MODELING SPECIALISTS INTERNATIONAL (EMSI)

To analyze the industrial makeup of a study area, industry data organized by the North American Industrial Classification System (NAICS) is assessed. Camoin 310 subscribes to Economic Modeling Specialists Intl. (Emsi), a proprietary data provider that aggregates economic data from approximately 90 sources. Emsi industry data, in our experience, are more complete than most or perhaps all local data sources (for more information on Emsi, please see www.economicmodeling.com). This is because local data sources typically miss significant employment counts by industry because data on sole proprietorships and contractual employment (i.e. 1099 contractor positions) are not included and because certain employment counts are suppressed from BLS/BEA figures for confidentiality reasons when too few establishments exist within a single NAICS code.

ESRI BUSINESS ANALYST ONLINE (BAO)

Esri is the leading provider of location-driven market insights. It combines demographic, lifestyle, and spending data with map-based analytics to provide market intelligence for strategic decision-making. Esri uses proprietary statistical models and data from the U.S. Census Bureau, the U.S. Postal Service, and various other sources to present current conditions and project future trends. Esri data are used by developers to maximize their portfolio, retailers to understand growth opportunities, and by economic developers to attract business that fit their community. For more information, visit www.esri.com.

COSTAR

CoStar is the leading source of commercial real estate intelligence in the U.S. It provides a full market inventory of properties and spaces—available as well as fully leased—by market and submarket. Details on vacancy, absorption, lease rates, inventory, and other real estate market data are provided, as well as property-specific information including photos and floor plans. CoStar covers office, retail, industrial, and multifamily markets. CoStar data is researched and verified by the industry's largest professional research team. With 1,200 researchers and 130 field research vehicles, CoStar's team makes calls to property managers; reviews court filings, tax assessor records and deeds; visits construction sites; and scans the web to uncover nearly real-time market changes. More at www.costar.com.

REAL ESTATE INVENTORY

Submitted to:
City of North Port, FL

PREPARED BY:



KEY FINDINGS

MULTI-FAMILY

- **From 2015 to 2020, rent for multi-family properties in North Port increased by 23%, the second highest increase in the Sarasota Region, following Palmetto/Ellenton’s growth of 26%.** Rent in North Port has been growing at a faster rate than almost any other real estate submarket in the region over the last five years. If price increases continue on their current trajectory, it could erode the city’s attractiveness in regard to affordable housing, diminishing its appeal to the community’s workforce.
- **North Port’s relatively low multi-family rental rates make it an affordable place to live, but they also present a challenge to developing new rental housing stock.** Achievable market rents for multi-family units are not high enough for certain new-build construction projects to yield a sufficient return for a developer unless there are additional subsidies or concessions made in the development process.
- **Recent multi-family development activity in North Port signals a shift to more confidence in this sector of the housing market.** After seeing no new inventory built over the past decade, a substantial amount of new multi-family inventory has been delivered to the North Port submarket in 2020, and more units are in the pipeline for the coming 18-months. Many of these units are designated as affordable housing units. Identifying how this housing aligns with employee housing needs will be key to building a community where residents have the option to live and work.
- **Based on units that are now under construction, North Port’s multi-family market is expected to grow by over a third, totaling 324 units. However, North Port remains a relatively small portion of multi-family stock in the Sarasota County region.** The city’s submarket represents about 3%, or 912 units, of inventory in the Sarasota market as of Q4 2020. The 224 units that came online in North Port in the last five years represent about 8% of total units delivered in the Sarasota market.

INDUSTRIAL

- **Low industrial vacancy rates combined with ongoing regional market activity signal that North Port could capture demand for additional industrial space.** A majority of regional industrial inventory is concentrated in Manatee County around the Bradenton area. This area is more built out than North Port, which could present opportunities for more industrial development farther south on I-75. A significant amount of new construction in and around North Port is focused on logistics properties, which could also be good fit for the city’s land, industry, and real estate assets.
- **North Port has the benefit of having space to grow.** As of Q4 2020, there were almost 340 land properties containing approximately 15,860 acres of total land in North Port. Much of this land is classified by CoStar as commercial land, with large concentrations well-situated along Toledo Blade Blvd and Route 41. Yet, this vacant land generally does not come ready with infrastructure or utility connections, or is distributed across several property owners, rendering the sites undesirable for development. Land assembly and utility build out will be increasingly vital for the city to make the case why businesses should choose North Port over well-established industry centers.

- **While there is ample vacant land to grow into in the long term, short-term business development is stifled by a tight existing industrial real estate market.** Industrial vacancy rates show that there are few to no buildings where businesses could readily expand. The industrial vacancy rate as of Q4 2020 in North Port was close to 0% and has been below 5% since Q4 2016.
- **North Port can offer more competitive lease rates than the Bradenton area, but the city will still need to distinguish itself from Bradenton and other areas to be competitive from a business attraction standpoint.** Industrial lease rates are lower in North Port (\$9.18/sf) than the Sarasota County market average (\$9.81/sf) and Manatee County market average (\$9.95).
- **Market shifts because of COVID-19 indicate that the city's industrial market is suited to capture additional activity.** North Port's current market is primarily made up of logistics buildings, which along with other industrial spaces have been generally insulated from impacts of the pandemic and may be even more in demand due to the upward trajectory of e-commerce trends.

OFFICE

- **Office lease rates in North Port are lower than much of the surrounding region.** At \$19.11/SF, office market rent was aligned closely with rates seen in the Punta Gorda Market (Charlotte County) and are approximately 14% lower than rates for the office submarket covering the cities of Sarasota and Venice.
- **While pricing is affordable, the quality of office space in North Port is not competitive with the surrounding region.** A small proportion of Class A Office space is available, limiting the type of office-user that could be attracted to or grow in North Port.
- **Low vacancy rates also indicate a tight office market with little room for companies to grow or offering minimal room to attract companies in.** The city's office vacancy rate is 4.5%, which is lower than rates seen in the Sarasota region or Punta Gorda. The office market's future remains in flux as COVID-19 shifts where workers and business conduct their day-to-day affairs. While there may be some room to capture pent up demand, committing to vast amounts of office space could leave a glut in the market. To mitigate risk and leverage the city's assets, there may be opportunities for flex space, accommodating both office and space for light industrial users. There is a low supply of flex inventory in the market, which the city could also take advantage of.

RETAIL

- **Most retail in North Port can be defined as general retail, with no single central destination for retail and commercial activity that could be designated as a downtown.** Shifting consumer preferences and habits adapted during the COVID-19 pandemic have left the bricks and mortar retail sector hard hit. Much of North Port's retail serves the everyday needs of the local community but does not function as a destination for the regional consumers or tourists. A centralized, retail center with entertainment, restaurants and other recreation options would serve to create a sense of place for North Port and draw in regional spending dollars. This multi-purpose retail development would not just attract spending dollars but could also serve as a business attraction channel, especially in the community of entrepreneurs, freelancers, or creative technology individuals who seek dynamic environments to build their networks in. It would also serve to support the notable visitation assets in the city including CoolToday Park and Warm Mineral Springs.

MULTIFAMILY

REAL ESTATE PROFILE: METHODOLOGY

DATA SOURCES

All of the data utilized in the following analyses were sourced from CoStar as of Q4 2020. CoStar is the leading source of commercial real estate intelligence in the U.S. It provides a full market inventory of properties and spaces—available as well as fully leased—by market and submarket. Details on vacancy, absorption, lease rates, inventory, and other real estate market data are provided by CoStar, as well as property-specific information including photos and floor plans. CoStar primarily covers trends in office, retail, industrial, and multifamily markets. With 1,200 researchers and 130 field research vehicles, CoStar’s team makes calls to property managers; reviews court filings, tax assessor records and deeds; visits construction sites; and scans the web to uncover nearly real-time market changes. More information at www.costar.com.

REAL ESTATE ANALYSIS METHODOLOGY

Camoin 310 gathered and analyzed real estate data sourced from CoStar to assess historic and existing market conditions in North Port and the surrounding region. Trends related to each real estate property type were primarily analyzed at the market and submarket level, which are defined by CoStar. CoStar market boundaries are based off Core-Based Statistical Areas defined by the U.S. Census Bureau. Markets are broken up into various submarkets which are based on CoStar’s extensive market expertise and have been refined over time in conjunction with advisory boards and clients. Where applicable and when data were available, real estate trends were also identified within the municipal boundaries of the City of North Port.

Primary real estate property types profiled in this analysis include:

- Multifamily Residential
- Industrial
- Office
- Retail
- Land





Multi-Family Market Report

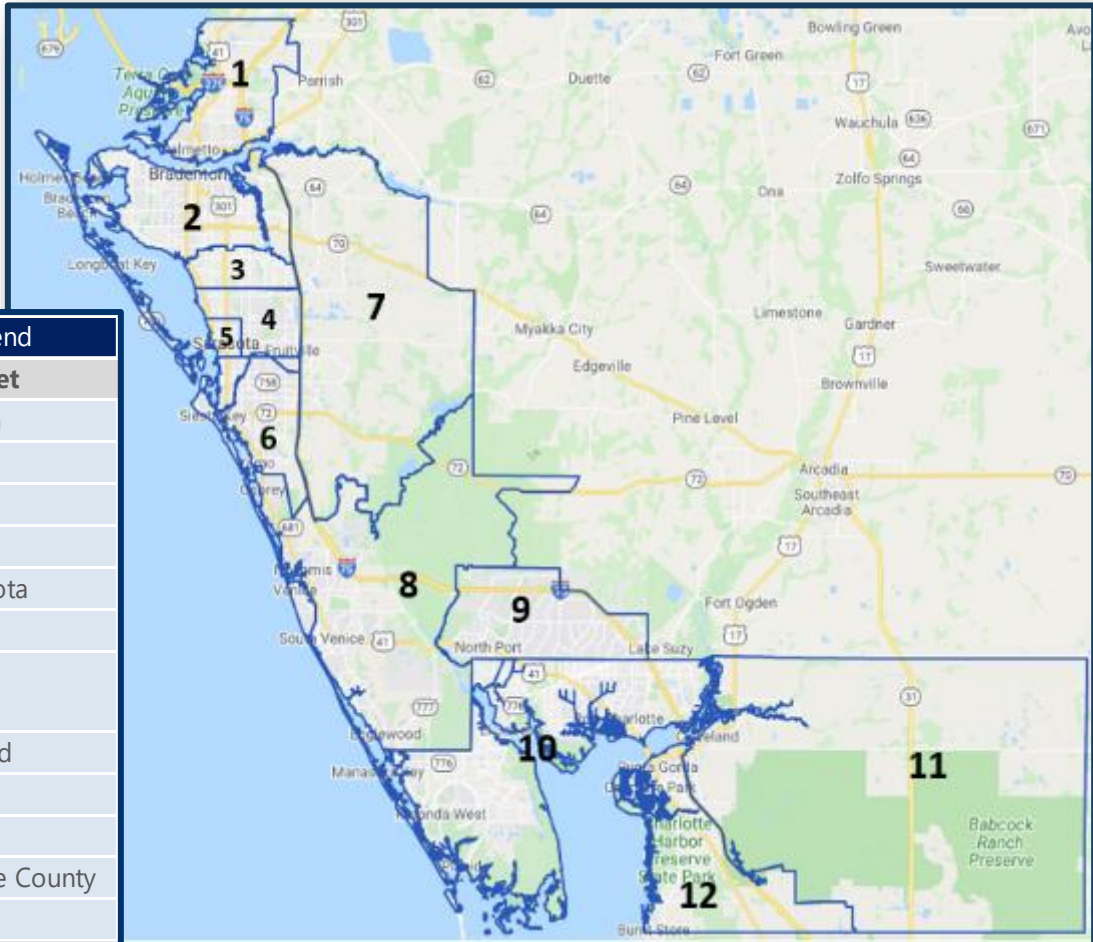
MULTIFAMILY MARKET PROFILE

METHODOLOGY

In order to identify key multifamily residential real estate trends in the North Port region, two multifamily markets were analyzed, including the Sarasota and Punta Gorda multifamily markets. In addition to analyzing overall trends in these two regional markets, individual submarkets within each market were also analyzed to gain a more in-depth understanding of localized real estate activity in the region. Total inventory and other multifamily market and submarket trend data in this section include data for market and market/affordable properties with five or more units. The map below outlines the Sarasota and Punta Gorda multifamily markets and submarkets in more detail:

Sarasota and Punta Gorda Multifamily Markets and Submarkets

Market and SubMarket Legend		
#	Market	Submarket
1	Sarasota	Palmetto/Ellenton
2	Sarasota	Bradenton
3	Sarasota	Whitfield
4	Sarasota	North Sarasota
5	Sarasota	Downtown Sarasota
6	Sarasota	South Sarasota
7	Sarasota	Lakewood Ranch Development
8	Sarasota	Venice/Englewood
9	Sarasota	North Port
10	Punta Gorda	Port Charlotte
11	Punta Gorda	Outlying Charlotte County
12	Punta Gorda	Punta Gorda



MULTIFAMILY MARKET PROFILE

MULTIFAMILY MARKET OVERVIEW

The North Port submarket represents a small proportion of the region's multifamily inventory, with existing units only representing about 3%, or 912 units, of inventory in the Sarasota market as of Q4 2020. While the Sarasota market saw an inventory supply wave over the last five years, the North Port submarket saw stagnant activity, with no new units delivered to the market until recently. In 2020, the North Port submarket made significant progress and made up some ground in the market with a total of 224 units being delivered to the submarket. These new units account for 8% of all units delivered to both the Sarasota and Punta Gorda markets over the past five years. In addition to recently delivered units, the supply wave will continue in the North Port submarket over the coming years, with 324 units currently under construction in the North Port submarket. These units account for approximately 35% of existing inventory in the submarket.

New supply waves in the Sarasota market and North Port submarket will keep vacancy rates high and will likely slow new construction starts until occupancy rates increase in the submarket and market. At 20% in Q4 2020, the current vacancy rate in the North Port submarket is almost three times higher than the submarket's five year average. This rate is expected to continue rising for the next 12-18 months.

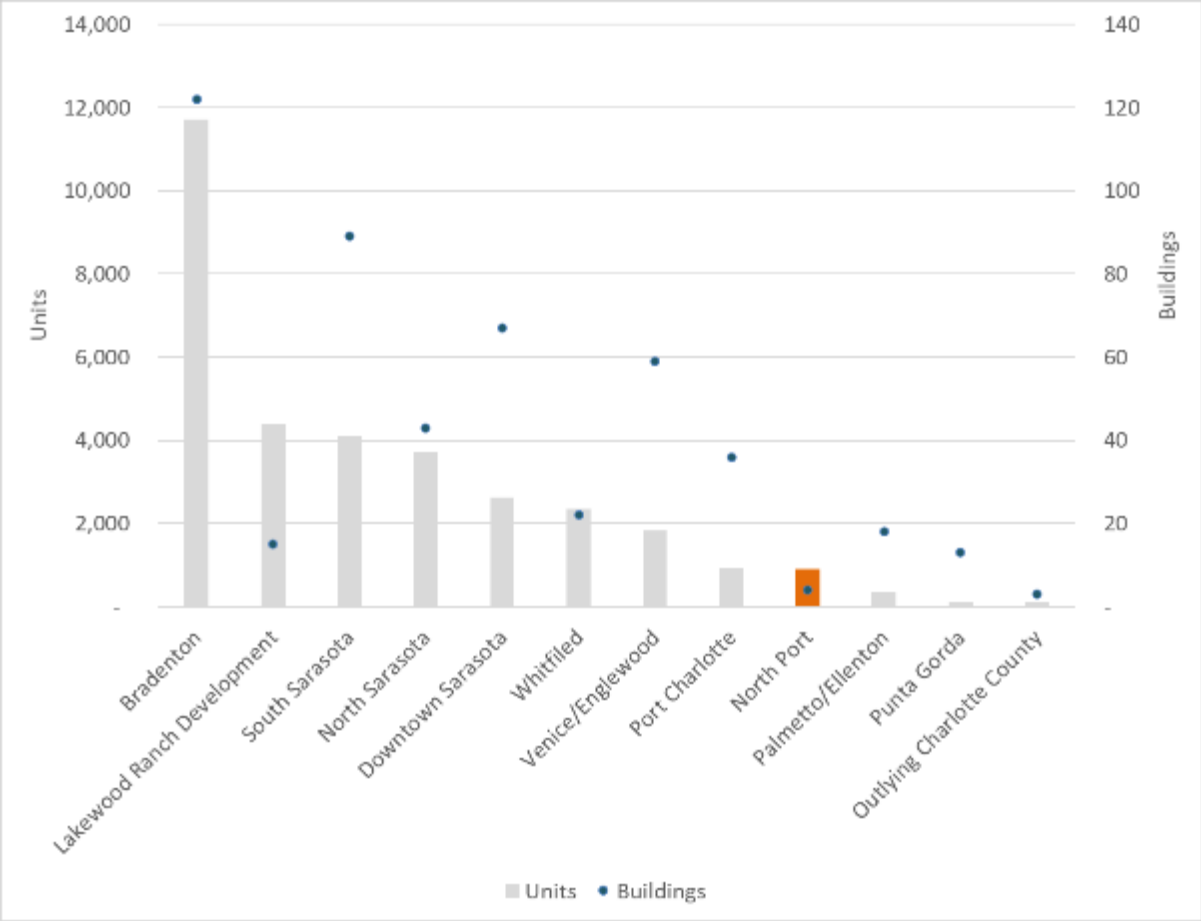
In addition to having a significant new supply of multifamily housing units, at \$1,257 per month, the North Port submarket has the fourth lowest market rent per unit in the Sarasota and Punta Gorda markets. While the North Port submarket's current market rent is low for the Sarasota market, the Punta Gorda market, which includes communities like Port Charlotte, have substantially lower market rents than those in the Sarasota market. Additionally, rents in the Punta Gorda market have increased at a lower cumulative rate over the last five years compared to the North Port market, which has increased by 23% over the last five years. At 23%, the North Port submarket had the second highest increase of any submarket within the Sarasota and Punta Gorda markets.

The leisure, retail, and hospitality sectors are some of the largest employment bases in the North Port submarket and Sarasota region, and were some of the highest growth sectors over recent years. These jobs tend to be lower-paying and contribute a significant portion to the prime renting cohort of 20-34-year-olds. This sector has been one of the hardest hit by the coronavirus, and impacts may ripple into the regional housing market through 2021, or until some level of containment is achieved.

MULTIFAMILY MARKET PROFILE – INVENTORY

The North Port submarket represents a small proportion of the region’s multifamily unit inventory, with existing units making up about 3%, or 912 units, of the Sarasota market’s total inventory.

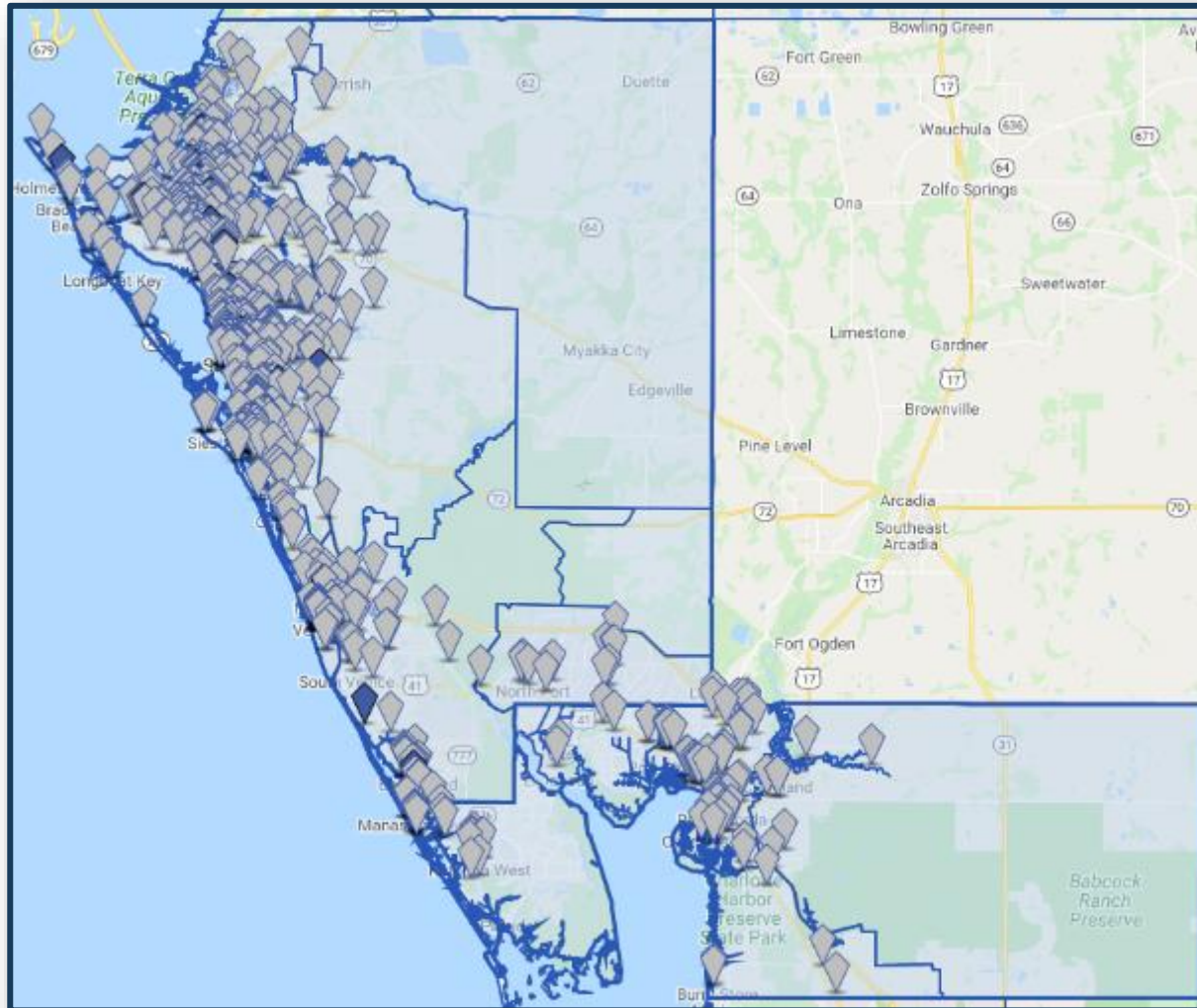
Total Multifamily Units and Buildings by Submarket (Q4 2020)



MULTIFAMILY MARKET PROFILE – INVENTORY (CONTINUED)

The following map displays multifamily properties within both the Sarasota and Puna Gorda Markets:

Multifamily Properties by Submarket (Q4 2020)

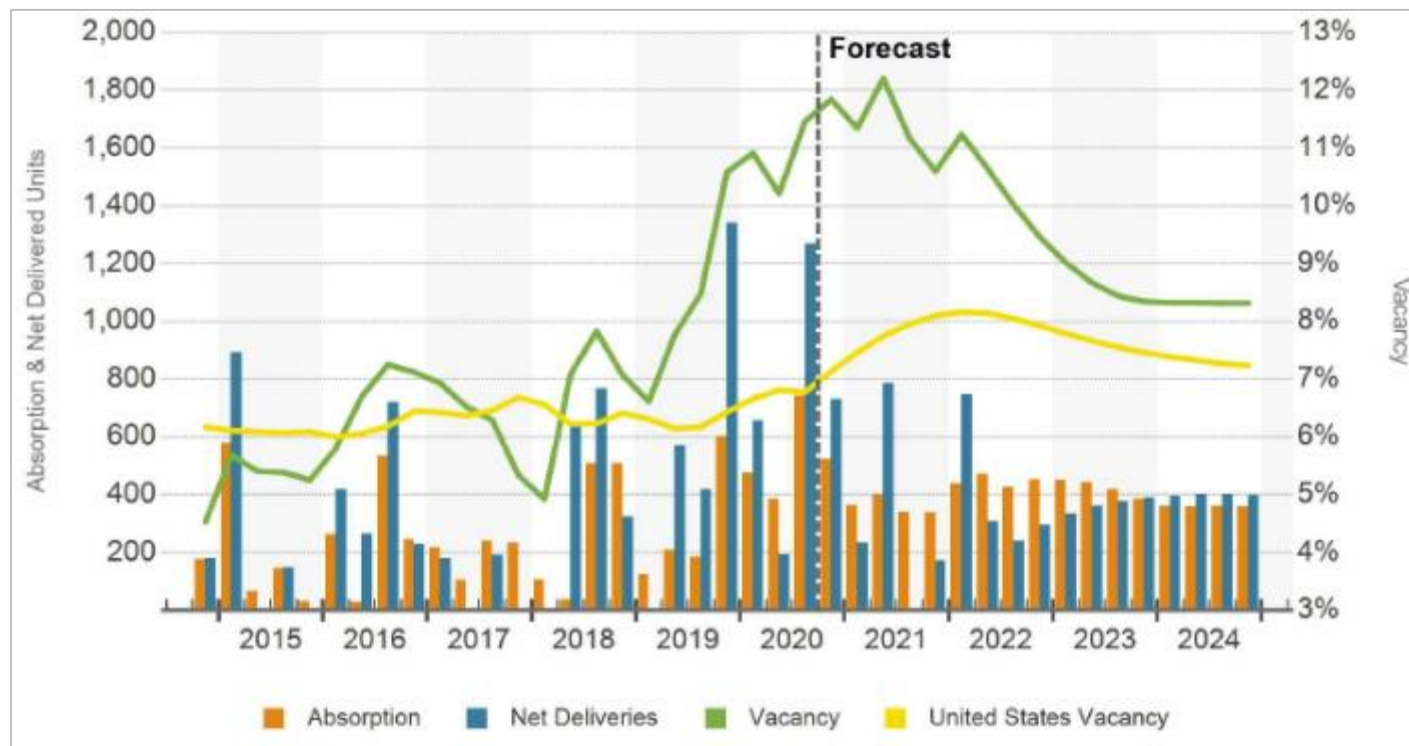


MULTIFAMILY MARKET PROFILE – ABSORPTION, NET DELIVERIES, VACANCY

Although the multifamily supply wave has increased vacancies over the past two years due to unit absorption not keeping up with the number of new unit deliveries, the Sarasota market’s multifamily demand held up relatively well when factoring in the sheer volume of deliveries in recent years. Additionally, the pipeline appears to be showing signs of slowing with decreasing construction starts in the second and third quarters of 2020. Even though there are still roughly 2,600 units underway, based on recent lease-up patterns during higher supply periods, the current level appears more manageable from an occupancy standpoint.

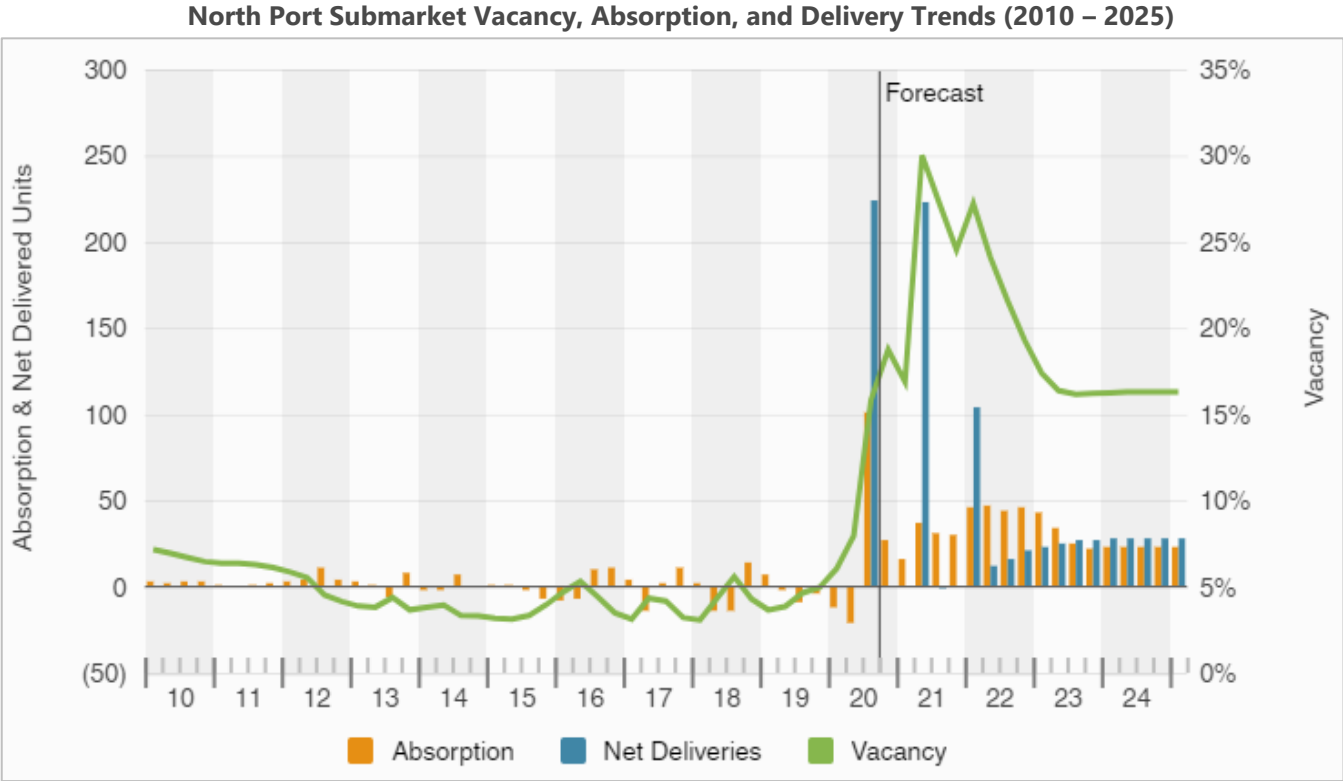
The Sarasota market’s strong demand in the years prior to the coronavirus crisis stemmed from healthy job and population growth, both of which were outpacing national averages. In fact, over the last five years, the Sarasota market has ranked among the leading national metros per capita for household formation. The retail, tourism, and hospitality sectors are some of the largest employment bases in the Sarasota market and are some of the highest growth sectors over recent years. These jobs tend to be lower-paying and contribute a significant portion to the prime renting cohort of 20-34-year-olds. These sectors have been one of the hardest hit by the coronavirus, and Sarasota's previous strength may become a temporary weakness.

Sarasota Market Vacancy, Absorption, and Delivery Trends (2010 – 2025)



MULTIFAMILY MARKET PROFILE – ABSORPTION, NET DELIVERIES, VACANCY

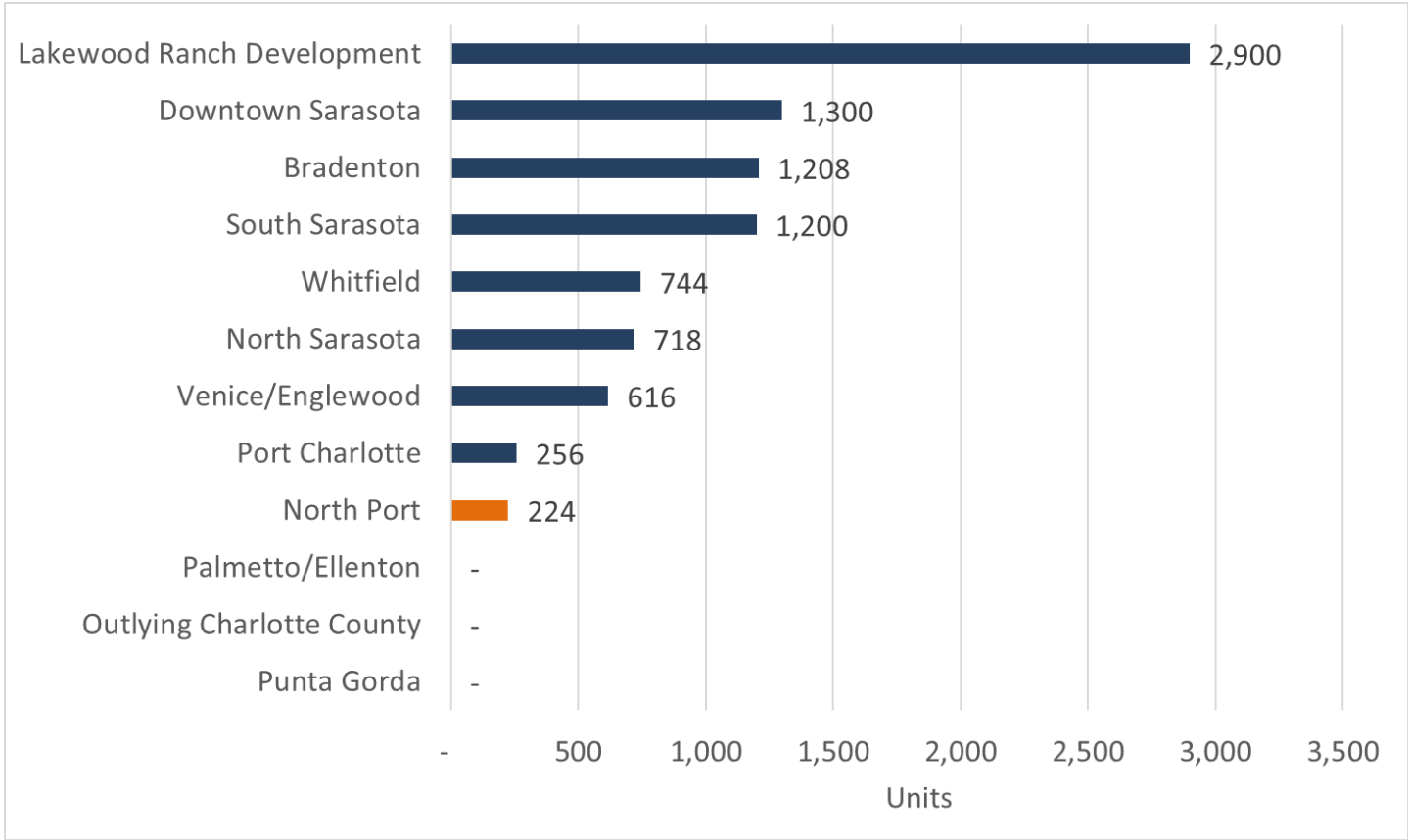
After a period of inactivity earlier in the decade, the North Port submarket saw a substantial relative number of new units delivered to the submarket in 2020. With net absorption currently trailing net deliveries, the submarket’s vacancy rate has increased substantially in 2020 and is forecasted to remain high until these new units, in addition to those that are currently under construction and forecasted to be delivered to the market over the next 18-months, can be adequately absorbed into the submarket in the coming years.



MULTIFAMILY MARKET PROFILE – INVENTORY GROWTH

A total of 224 units were delivered to the North Port submarket over the past five years, all of which came in 2020. These units represented 8% of total units delivered to both the Sarasota and Punta Gorda markets over the past five years.

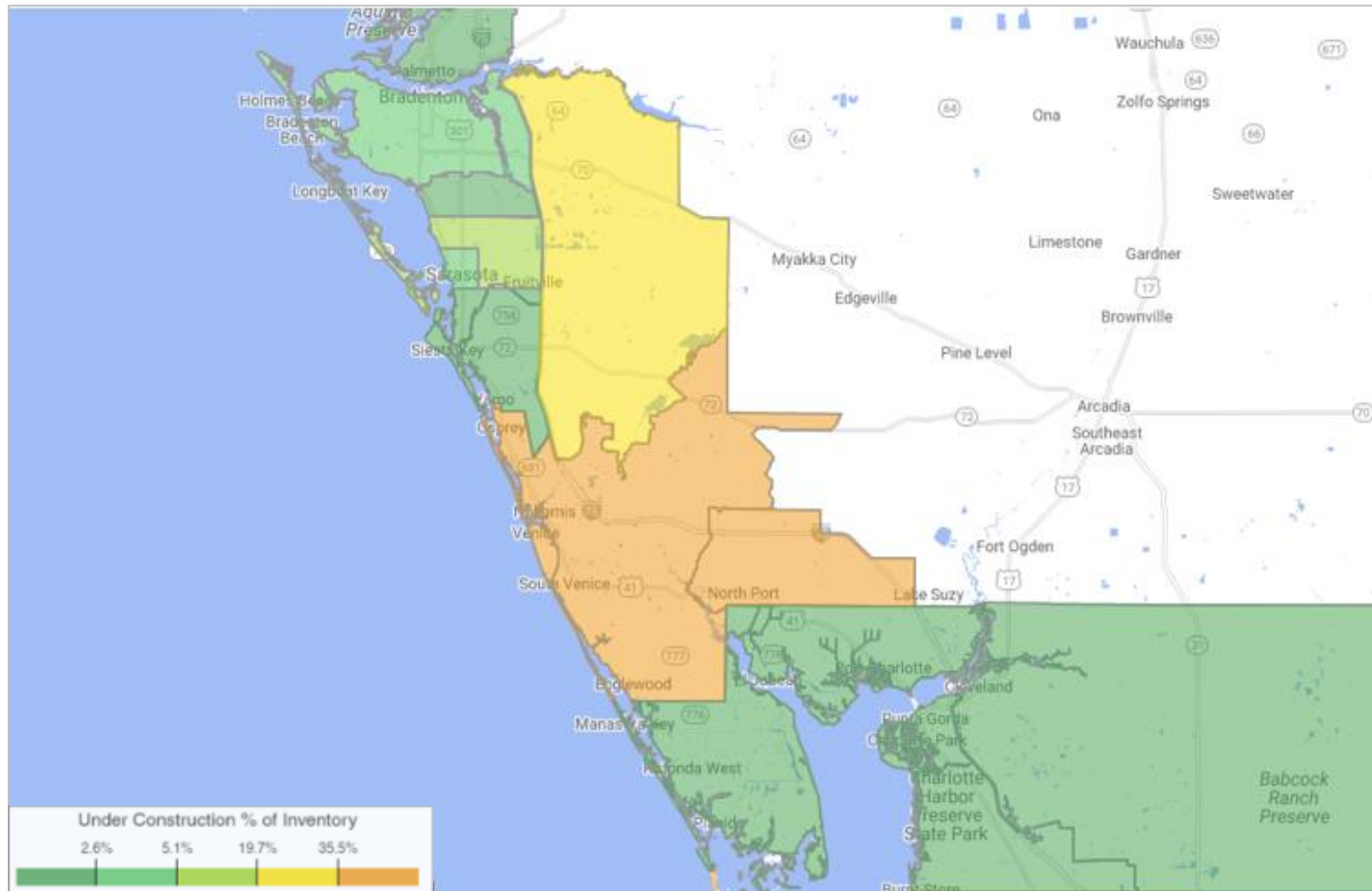
Multifamily Cumulative Inventory Growth by Submarket (2015 – Q4 2020)



MULTIFAMILY MARKET PROFILE – INVENTORY UNDER CONSTRUCTION

The following map outlines the amount of new multifamily inventory under construction as a percentage of total inventory in each submarket. As of Q4 2020, an additional 324 units are currently under construction in the North Port submarket, representing approximately 35% of existing inventory in the submarket. These units are located on E Price Blvd (224 units) and Kenvil Dr (100 units).

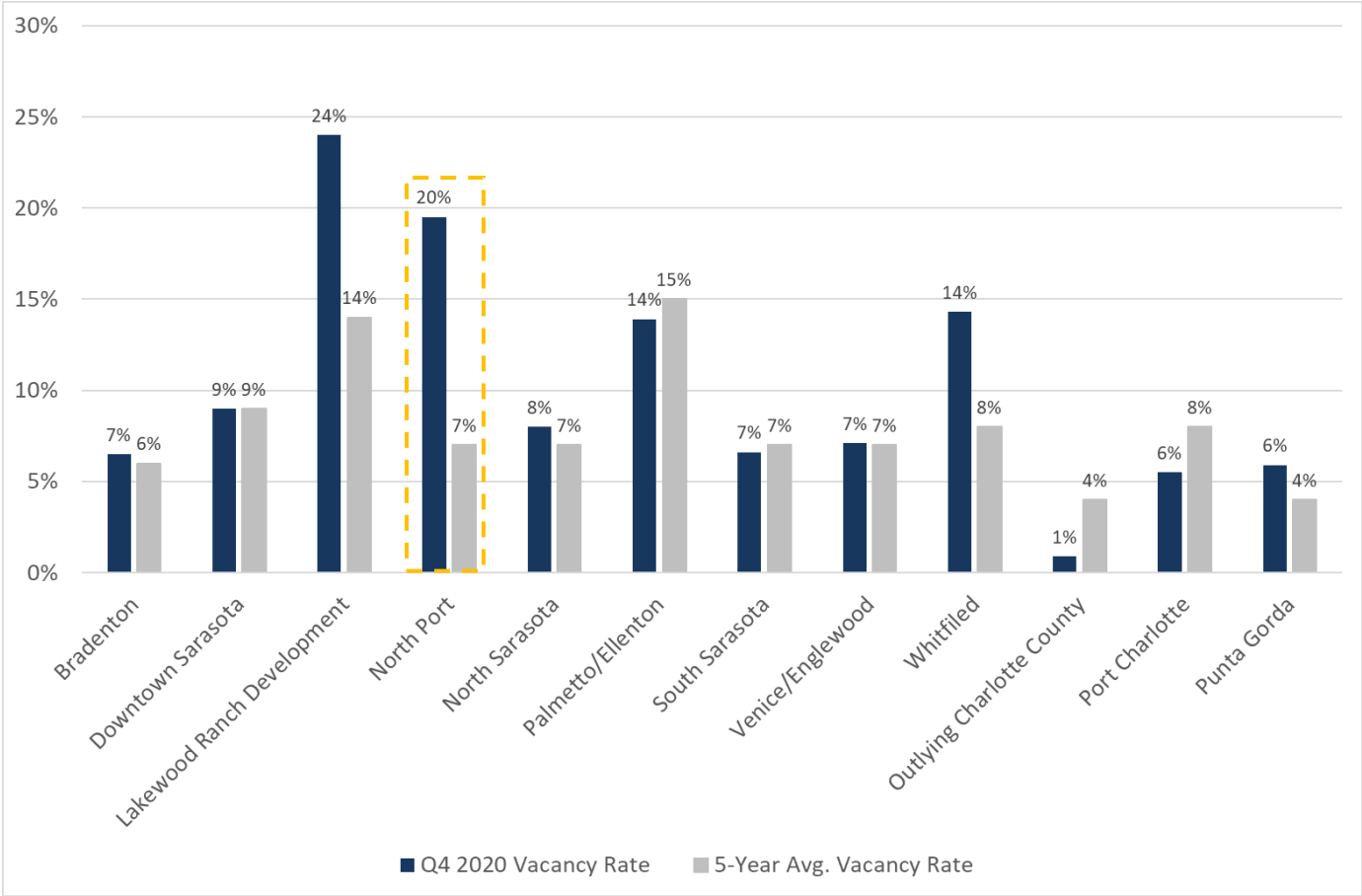
Under Construction Multifamily Inventory as a Percentage of Total Submarket Inventory (Q4 2020)



MULTIFAMILY MARKET PROFILE – VACANCY RATE

At 20% in Q4 2020, the current vacancy rate in the North Port submarket is almost three times higher than the submarket’s five year average. This has primarily been due to the amount of new inventory that was delivered to the submarket in 2020.

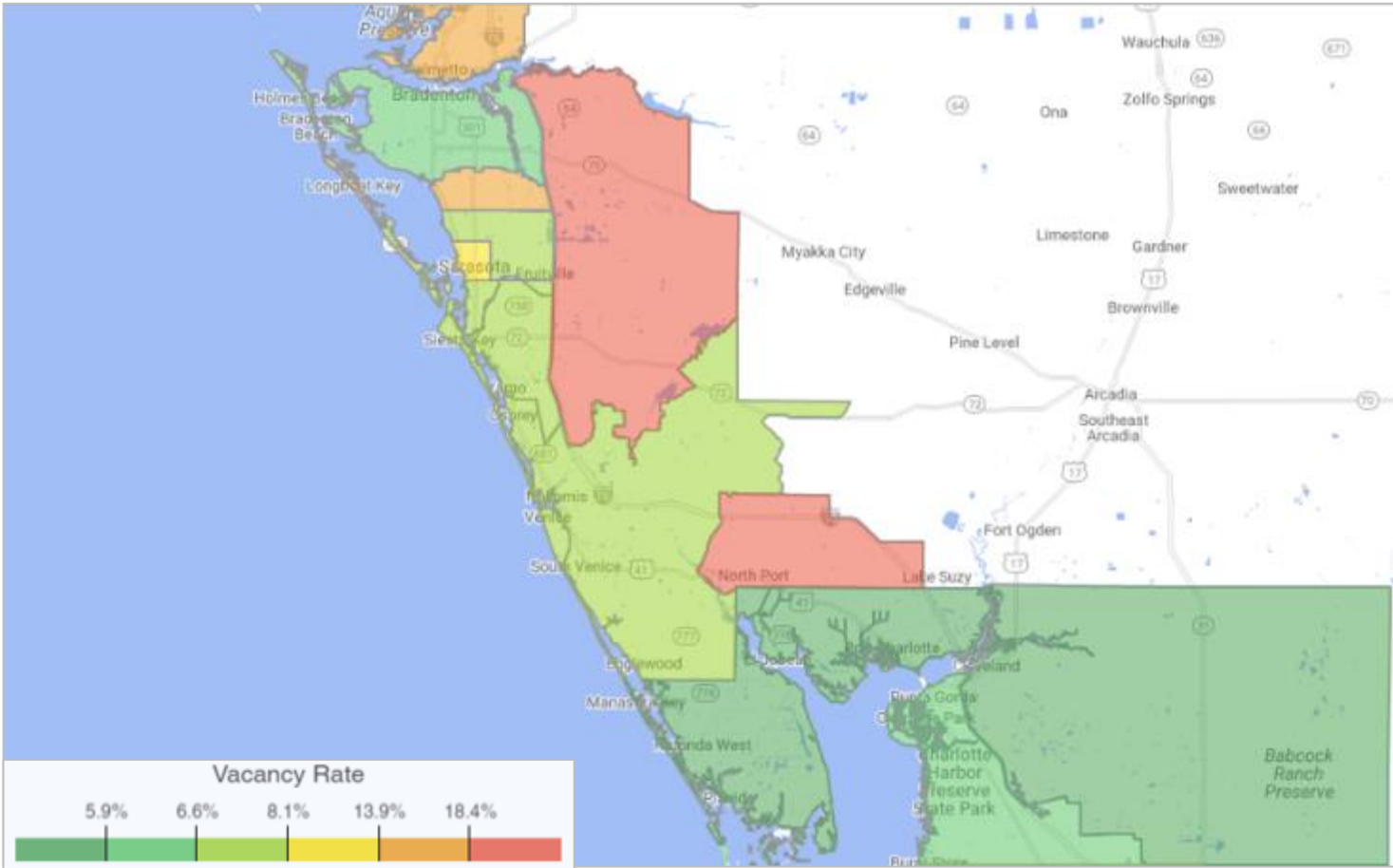
Multifamily Vacancy Rate by Submarket (2015 – Q4 2020)



MULTIFAMILY MARKET PROFILE – VACANCY RATE

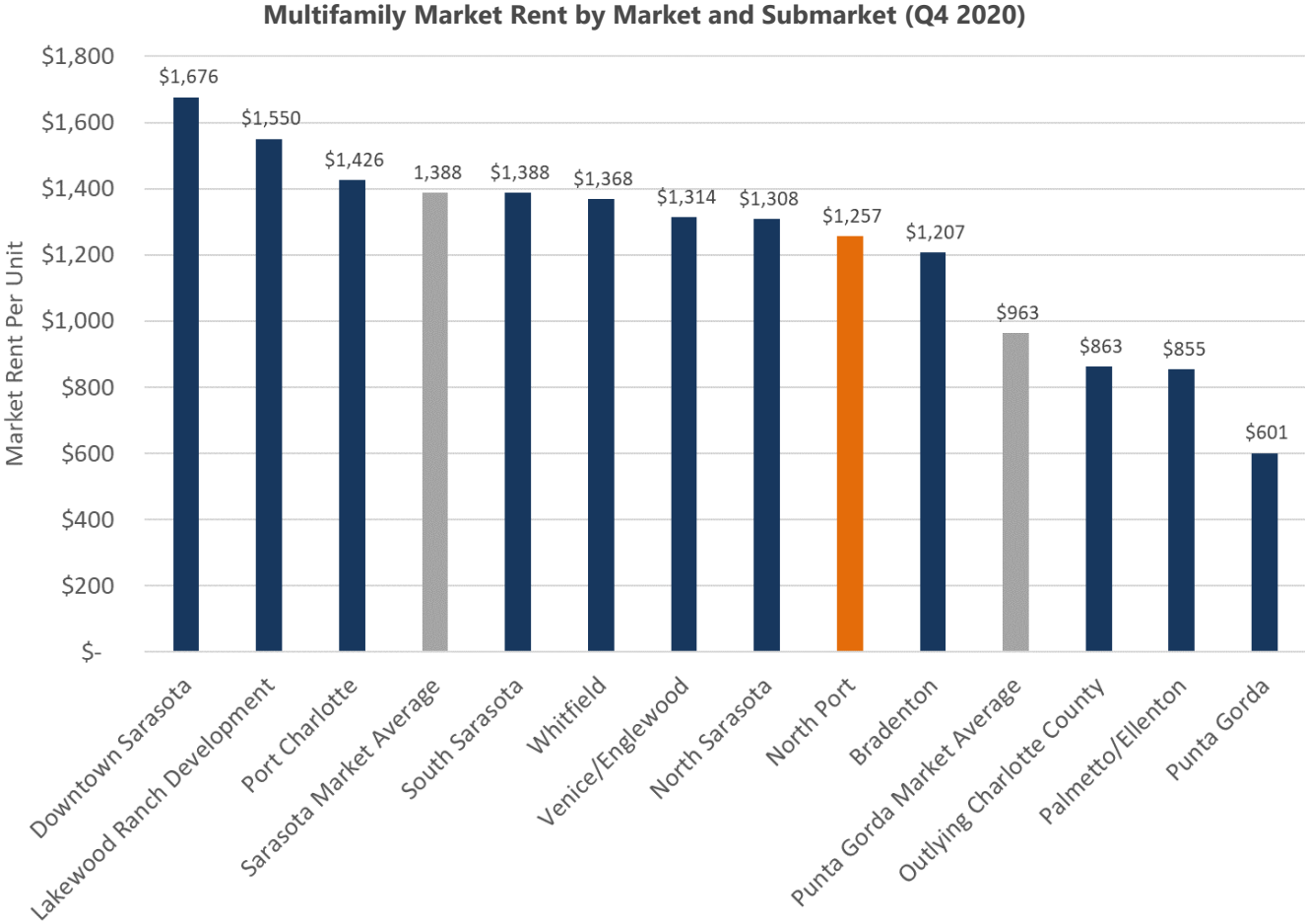
The following map outlines multifamily vacancy rates as of Q4 2020 by submarket. At 20%, the North Port submarket has the second highest vacancy rate of any submarket, trailing only the Lakewood Ranch Development submarket at 24%.

Multifamily Vacancy Rate by Submarket (Q4 2020)



MULTIFAMILY MARKET PROFILE – MARKET RENT

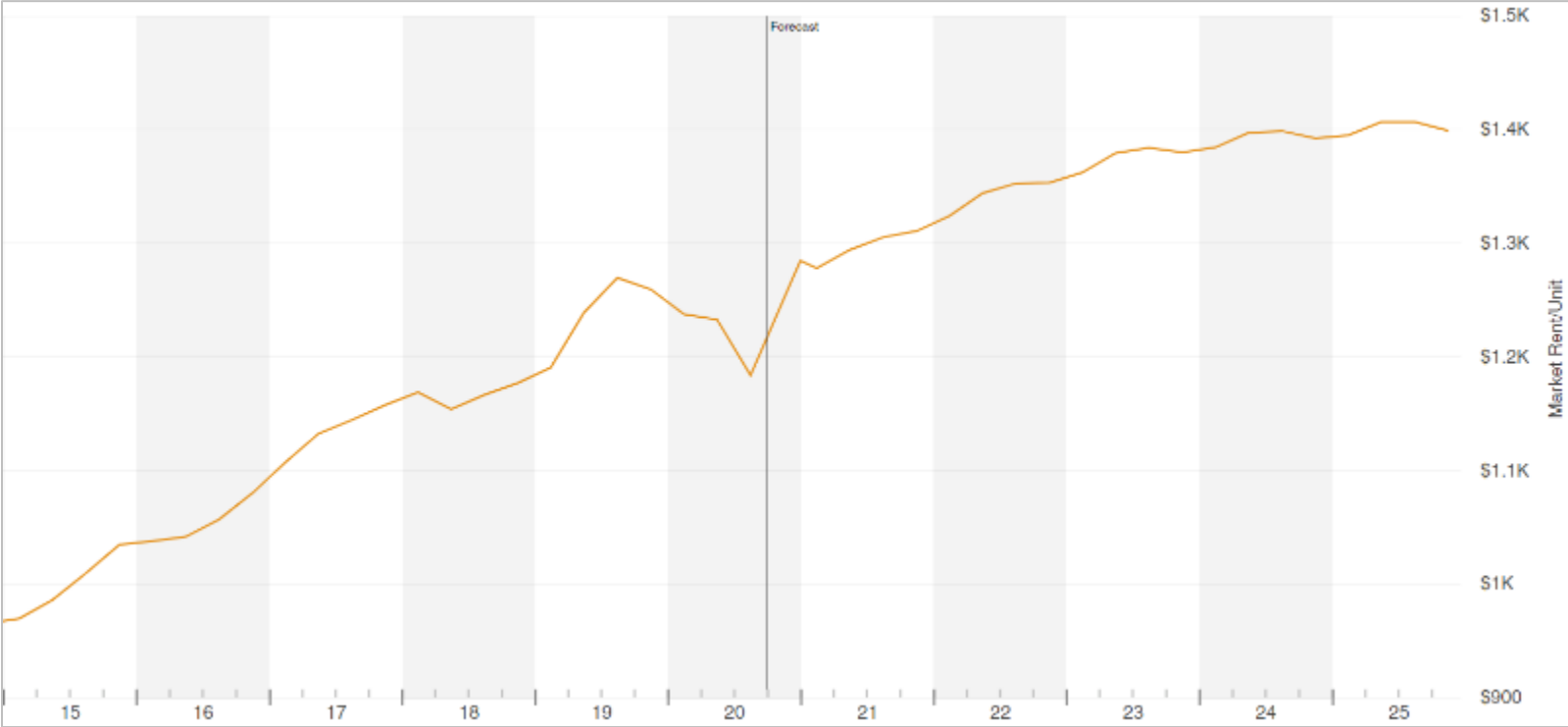
At \$1,257 per month, the North Port submarket has the fourth lowest market rent per unit in the Sarasota and Punta Gorda Markets. The Bradenton, Outlying Charlotte County, Palmetto/Ellenton, and Punta Gorda submarkets all had lower market rents per unit than the North Port submarket. In general, the Punta Gorda market average and submarkets have substantially lower market rents than those in the Sarasota market.



MULTIFAMILY MARKET PROFILE – MARKET RENT

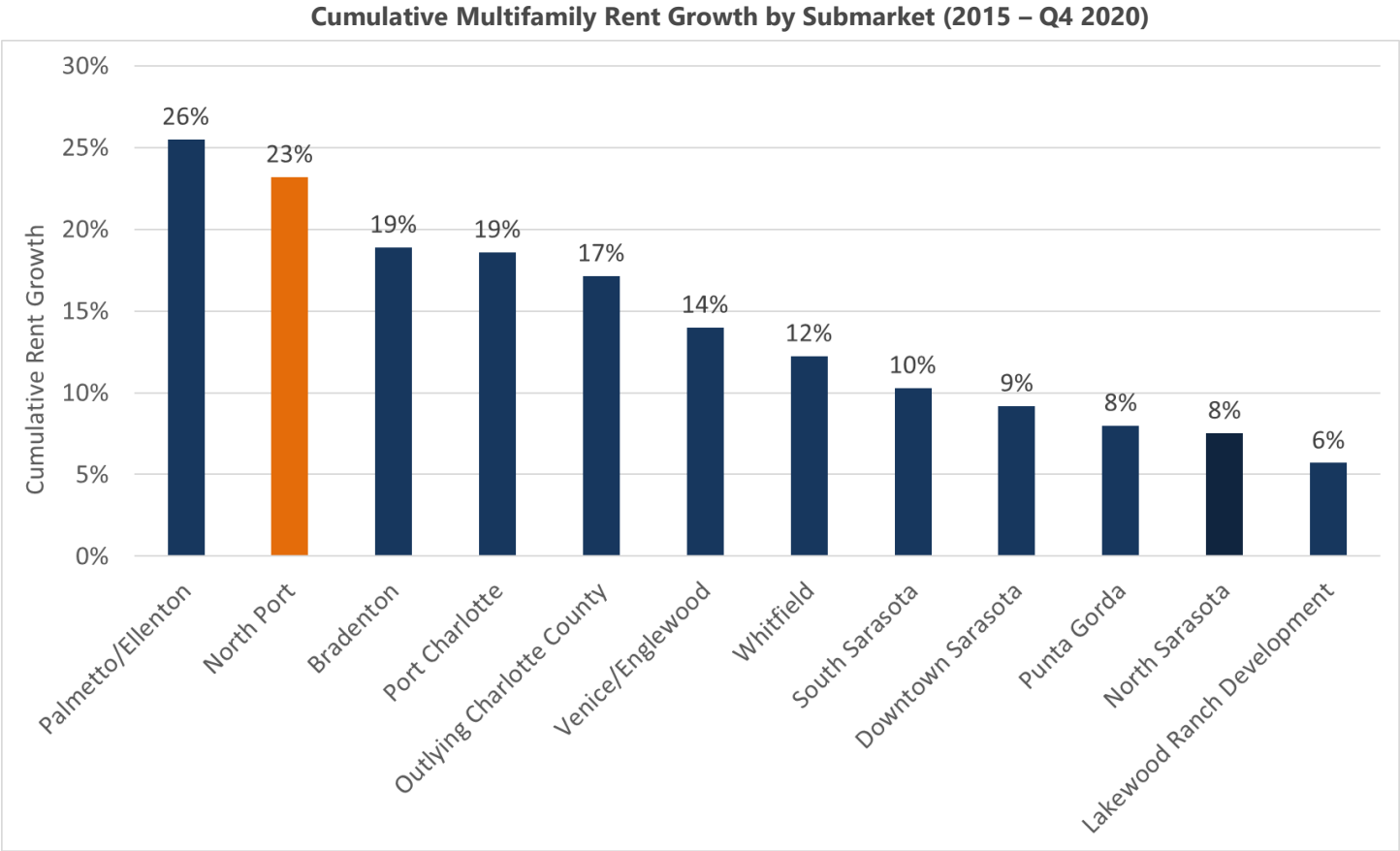
From 2015 to 2019, rents in the North Port submarket grew between 4-5% annually before decreasing slightly in Q2 2020 due to the pandemic. Rebounding from the pandemic quickly, forecasts point to rents continuing to climb over the next five years, but at a slower rate than the previous five years.

North Port Submarket Rent Trends (2010 – 2025)



MULTIFAMILY MARKET PROFILE – CUMULATIVE MARKET RENT GROWTH

From 2015 to Q4 2020, market rent in the North Port submarket grew by a total of 23%, the highest increase of any submarket within the Sarasota and Punta Gorda markets, except for the Palmetto/Ellenton submarket, at approximately 26%.





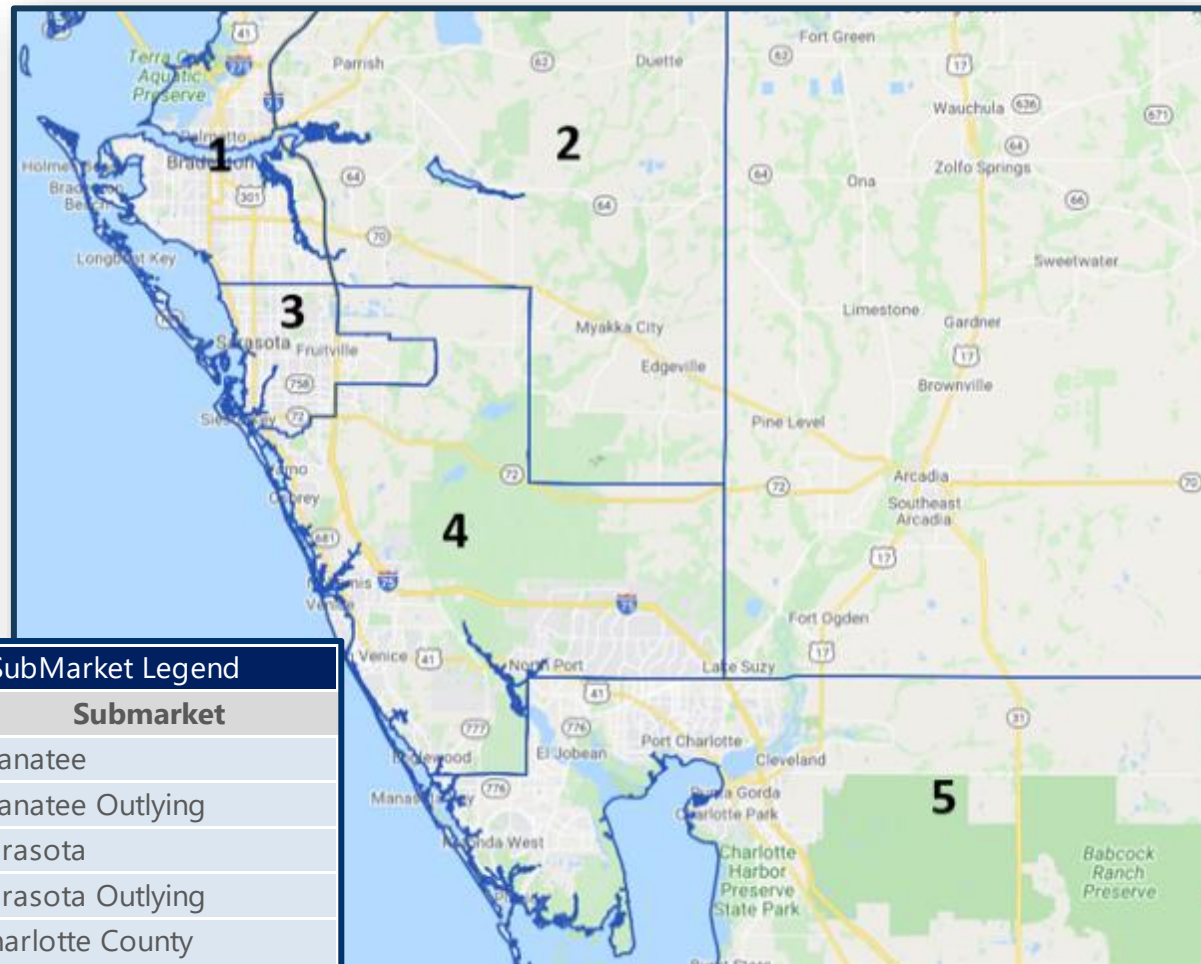
Industrial Market Report

INDUSTRIAL MARKET PROFILE

METHODOLOGY

To identify key industrial real estate trends in the North Port region, two industrial markets were analyzed, including the Sarasota and Punta Gorda Industrial Markets. In addition to analyzing these two regional markets, individual submarkets within each market were also analyzed to gain a more in-depth understanding of localized real estate activity in the region. The map below outlines the Sarasota and Punta Gorda industrial markets and submarkets in more detail:

Sarasota and Punta Gorda Industrial Markets and Submarkets



Market and SubMarket Legend		
#	Market	Submarket
1	Sarasota	Manatee
2	Sarasota	Manatee Outlying
3	Sarasota	Sarasota
4	Sarasota	Sarasota Outlying
5	Punta Gorda	Charlotte County

INDUSTRIAL MARKET OVERVIEW

INDUSTRIAL MARKET OVERVIEW

As of Q4 2020, there were approximately 53 million SF of industrial space¹ in the Sarasota and Punta Gorda markets, with almost 75% of industrial space located within industrial logistics properties. At 820,000 SF of total industrial inventory, North Port is home to 1.5% of all industrial inventory in the Sarasota and Punta Gorda markets. Most of the North Port's industrial inventory is classified as warehouse space, which currently makes up 88% of total industrial space in North Port.

While the Sarasota Outlying submarket (where North Port resides) has seen limited inventory growth over the last five years, the Manatee submarket, at close to 1.0 million SF continued to grow at over 7-times the amount of total inventory added to the Sarasota Outlying submarket.

As of Q4 2020, the Sarasota Outlying submarket had 425,000 SF of industrial inventory under construction, representing approximately 5.5% of total inventory in the submarket, and 95% of all industrial inventory under construction in the Sarasota market. Two properties under construction currently reside in North Port. The first property includes 285,000 SF of distribution space on I-75 and Toledo Blade Blvd. that has been leased by Guardian Pharmacy of Southwest Florida. The second property includes 20,000 SF of industrial space on Innovation Ave². The final project under construction in the Sarasota market includes a 120,000 SF property in Venice, which will be used as distribution space for an Amazon Fulfillment Center.

Vacancy rates for all major industrial property types within the Sarasota market have decreased by 50% or more over the past five years, with rates generally below the national average. However, the Sarasota market's industrial vacancies have consistently risen over the past two years to 3.6% as of Q4 2020. With a vacancy rate of 1.7%, the Sarasota Outlying submarket had the lowest vacancy rate of any submarket in the Sarasota and Punta Gorda markets.

From 2015 to 2020, specialized Industrial space (consisting primarily of manufacturing space) had a lower vacancy rate than any other industrial property type.

At \$9.81/SF in Q4 2020, the Sarasota Outlying submarket had the second highest market rent/SF, trailing only the Manatee Outlying submarket at \$9.95. At \$9.18/SF, market rent per SF for industrial properties located within the City of North Port were lower than both the Sarasota Outlying submarket and the Sarasota Market average.

¹Inventory is reflective of rentable building area (RBA). Rental Building Area (RBA) expressed in square feet (SF) includes the usable area and its associated share of the common areas within a building. It is the space the tenant will occupy in addition to the associated common areas of the building such as the lobby, hallways, bathrooms, equipment rooms, etc.

² Tenant and Lease data were not available for this property in CoStar.

The Sarasota market’s annual industrial rent growth has continued a two-year slowing pattern in 2020 and has fallen roughly 1% since March. However, rent growth rates are still high from a historical standpoint and are forecasted to continue to stay slightly above the national average through 2021. Rent growth over the past three years has been primarily driven by the logistics sector, though all property types have performed above average.

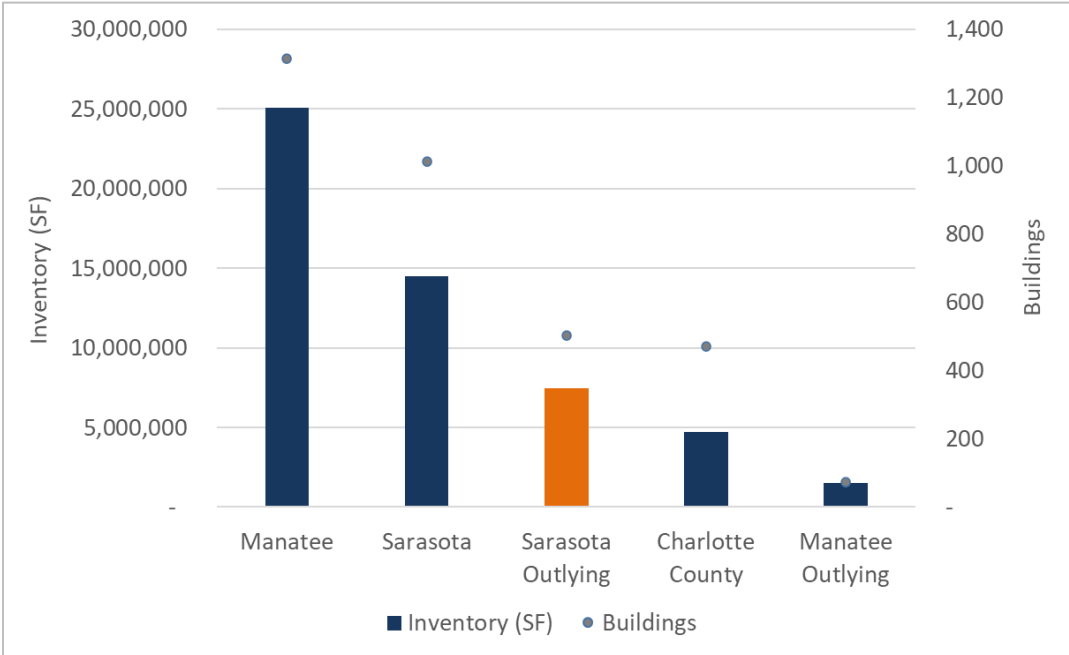
The industrial sector appears somewhat insulated from the pandemic both nationally and regionally which should help temper downward pressure on rents from the crisis. Investment activity in the Sarasota market had slowed over the six quarters leading into the pandemic and came to an abrupt halt during the second and third quarters of 2020. However, industrial sales volume surged in the third quarter with the largest individual quarterly total in the past 15 years, with the bulk coming from the \$60.5 million sale of Gatewood Corporate Center in Bradenton. Nationally, other large transactions have also occurred because of various industries trying to take advantage of lower relative prices of industrial space, and a continued potential surge in e-commerce which would drive up demand for industrial, and more specifically logistics properties in the future.



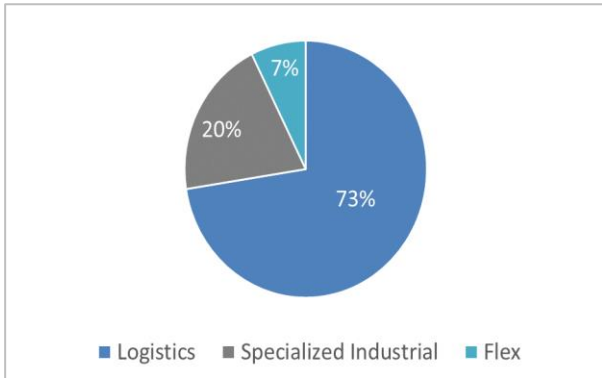
INDUSTRIAL MARKET PROFILE – INVENTORY

As of Q4 2020, there was approximately 53 million SF of industrial inventory in the Sarasota and Punta Gorda markets, with almost half of total inventory residing in the Manatee submarket³. In all, 73% of industrial inventory in the Sarasota and Punta Gorda markets are within industrial logistics properties, followed by specialized industrial properties at 20% of total inventory.⁴

Total Industrial Inventory (SF) by Submarket (Q4 2020)



Percent of Total Industrial Inventory (SF) by Industrial Property Type



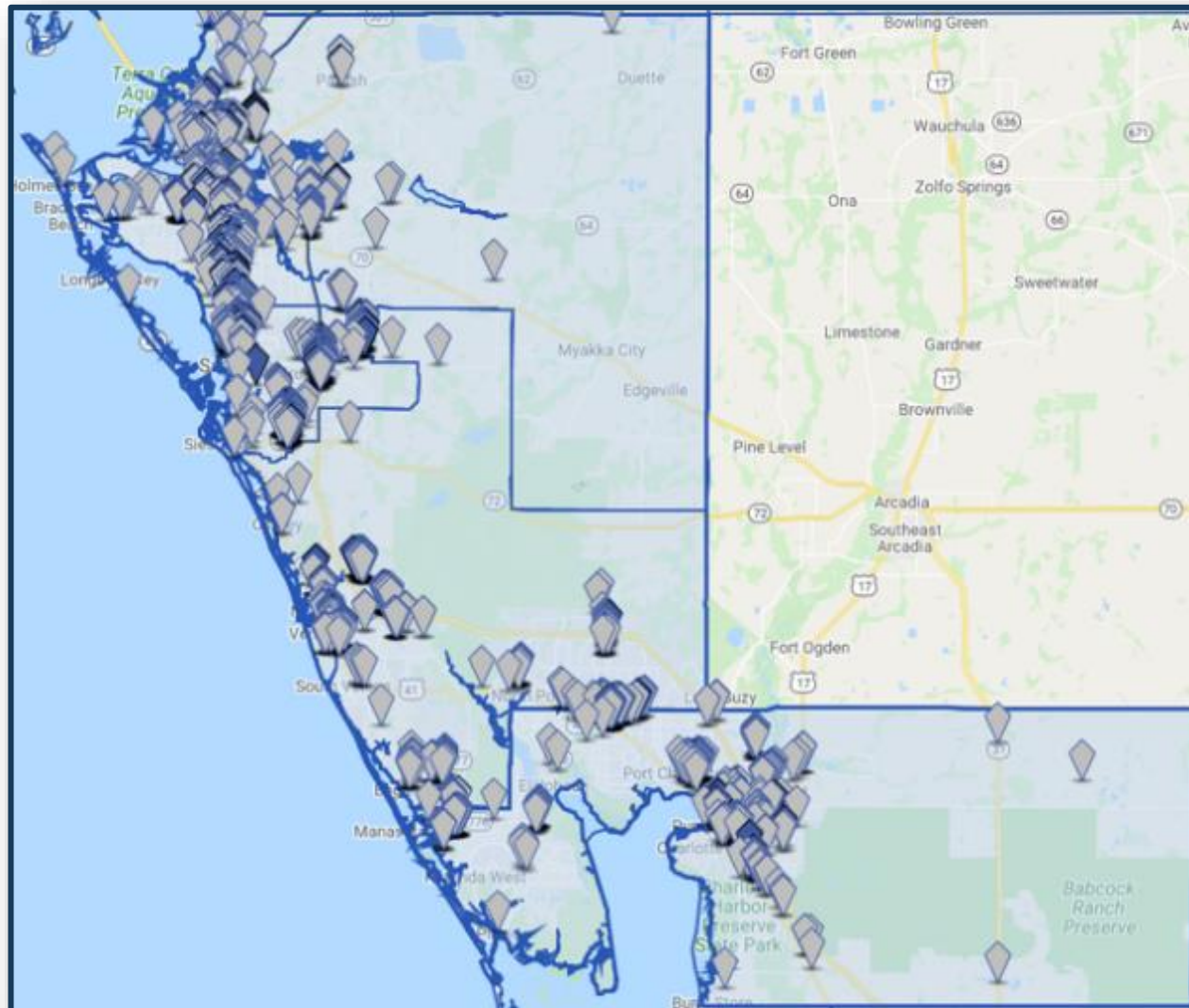
³Inventory is reflective of rentable building area (RBA). Rental Building Area (RBA), expressed in square feet (SF) includes the usable area and its associated share of the common areas within a building. It is the space the tenant will occupy in addition to the associated common areas of the building such as the lobby, hallways, bathrooms, equipment rooms, etc.

⁴ Logistics properties are primarily comprised of properties classified by CoStar as warehouses. Specialized Industrial space is primarily comprised of properties classified by CoStar as general or specialized manufacturing properties. Flex properties are those that contain a combination of office space (typically 50% of RBA) and other space that is used for industrial, warehouse, distribution, research and development, and/or manufacturing activities.

INDUSTRIAL MARKET PROFILE – INVENTORY (CONTINUED)

The following map displays industrial properties within both the Sarasota and Puna Gorda Markets:

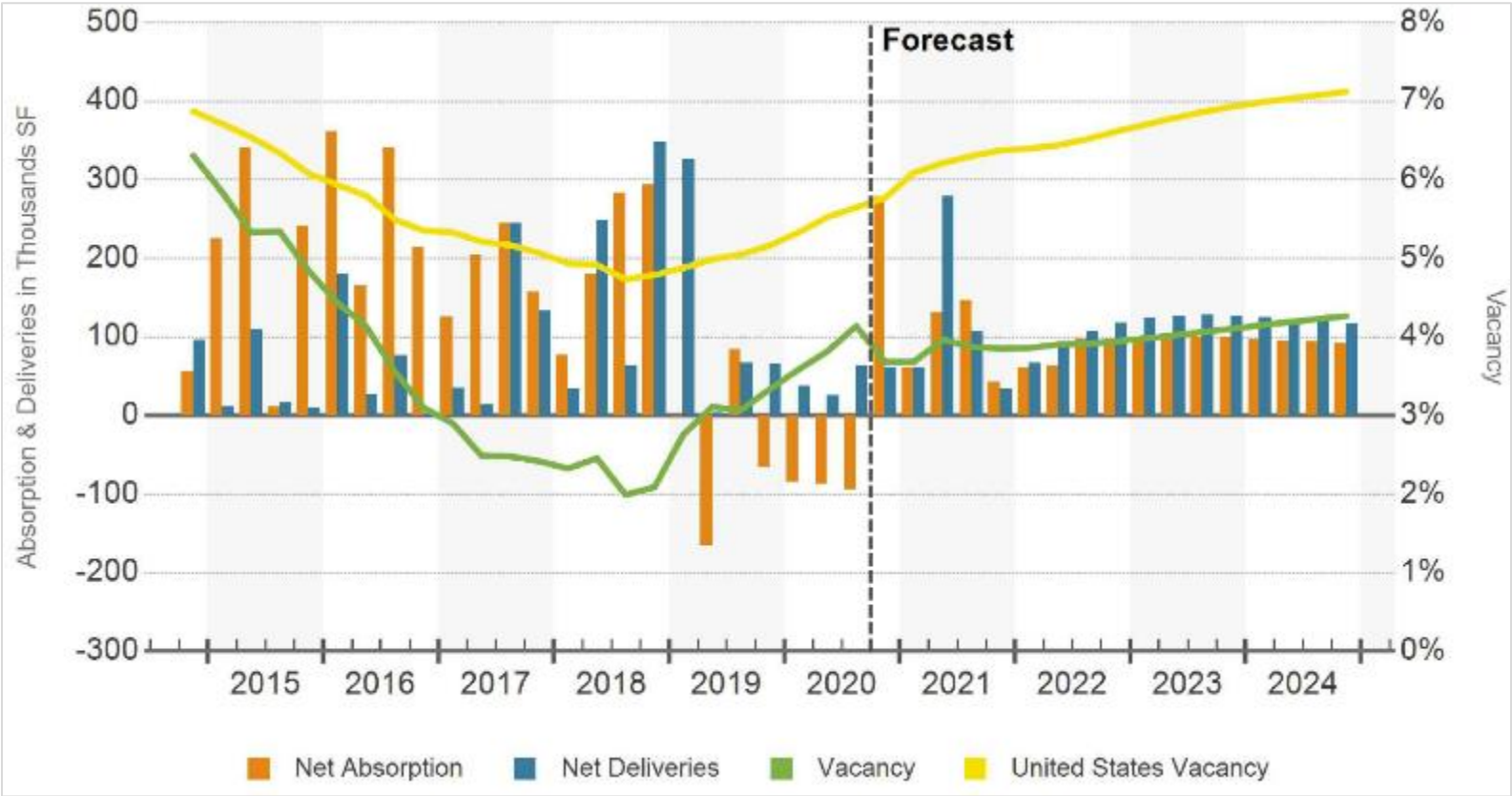
Industrial Properties by Submarket



INDUSTRIAL MARKET PROFILE – VACANCY, ABSORPTION, AND DELIVERIES

The Sarasota industrial market has seen vacancies consistently rise over the past two years, although the overall market remains tight with rates below 5%. Even with the rising vacancies, the market's average vacancy rate is still just 3.6%, well below the national average of 5.7%. After spiking in late 2018 and early 2019, new inventory deliveries have stabilized over the last 18 months. The market's industrial construction pipeline has increased in 2020, though most of it has been preleased and is unlikely to greatly impact absorption trends.

Sarasota Industrial Market Vacancy, Absorption, and Delivery Trends (2015 – 2025)



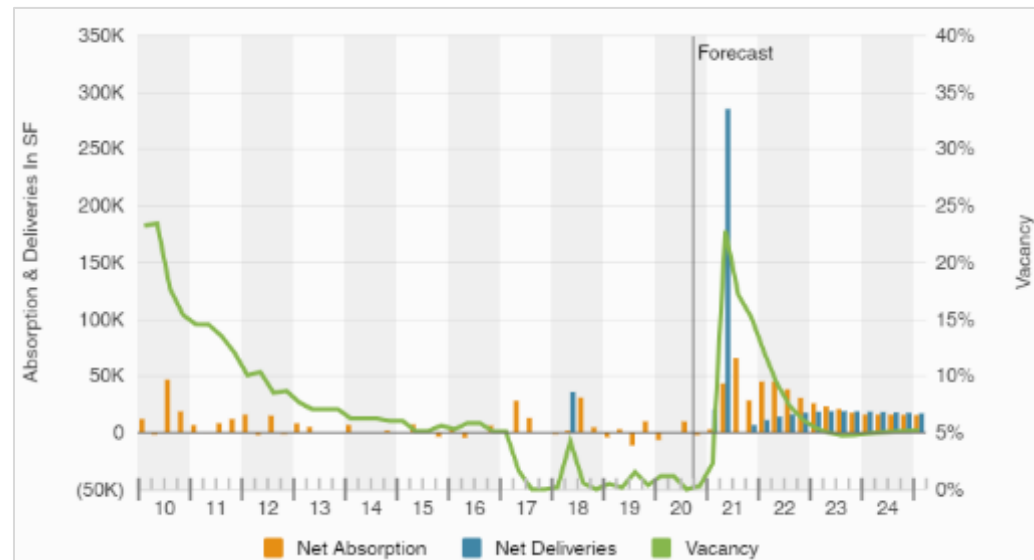
INDUSTRIAL MARKET PROFILE – NORTH PORT INDUSTRIAL INVENTORY

As of Q4 2020, there were approximately 44 industrial properties in North Port containing a total inventory of just over 820,000 SF, representing 1.5% of all industrial inventory in the Sarasota and Punta Gorda markets. A majority of North Port’s industrial inventory is warehouse space, which currently makes up 88% of total industrial space in North Port. North Port has seen low levels of new inventory deliveries over the past decade but are forecasted to spike as current inventory under construction is completed in 2021. Net absorption has remained close to zero over the past five years indicating a general equilibrium in the market, and the industrial vacancy rate as of Q4 2020 in North Port was 0% and have been below 5% since Q4 2016.

North Port Industrial Inventory Summary (Q4 2020)

Industrial Property Type / RBA Range	# of Properties	Total RBA (SF)	% of Total RBA
Logistics			
Distribution			
10,001 to 15,000 SF	1	14,160	2%
Warehouse			
0 to 5,000 SF	5	15,601	2%
5,001 to 10,000 SF	13	100,683	12%
10,001 to 15,000 SF	5	64,097	8%
15,001 to 20,000 SF	5	82,202	10%
20,001 to 25,000 SF	2	47,966	6%
25,001 to 30,000 SF	3	82,131	10%
30,001 to 40,000 SF	4	143,057	17%
40,001 to 50,000 SF	4	185,992	23%
Total Warehouse	41	721,729	88%
Total Logistics	42	735,889	90%
Specialized Industrial			
Manufacturing			
40,001 to 50,000 SF	1	50,000	6%
Flex			
30,001 to 40,000 SF	1	35,600	4%
Grand Total	44	821,489	100%

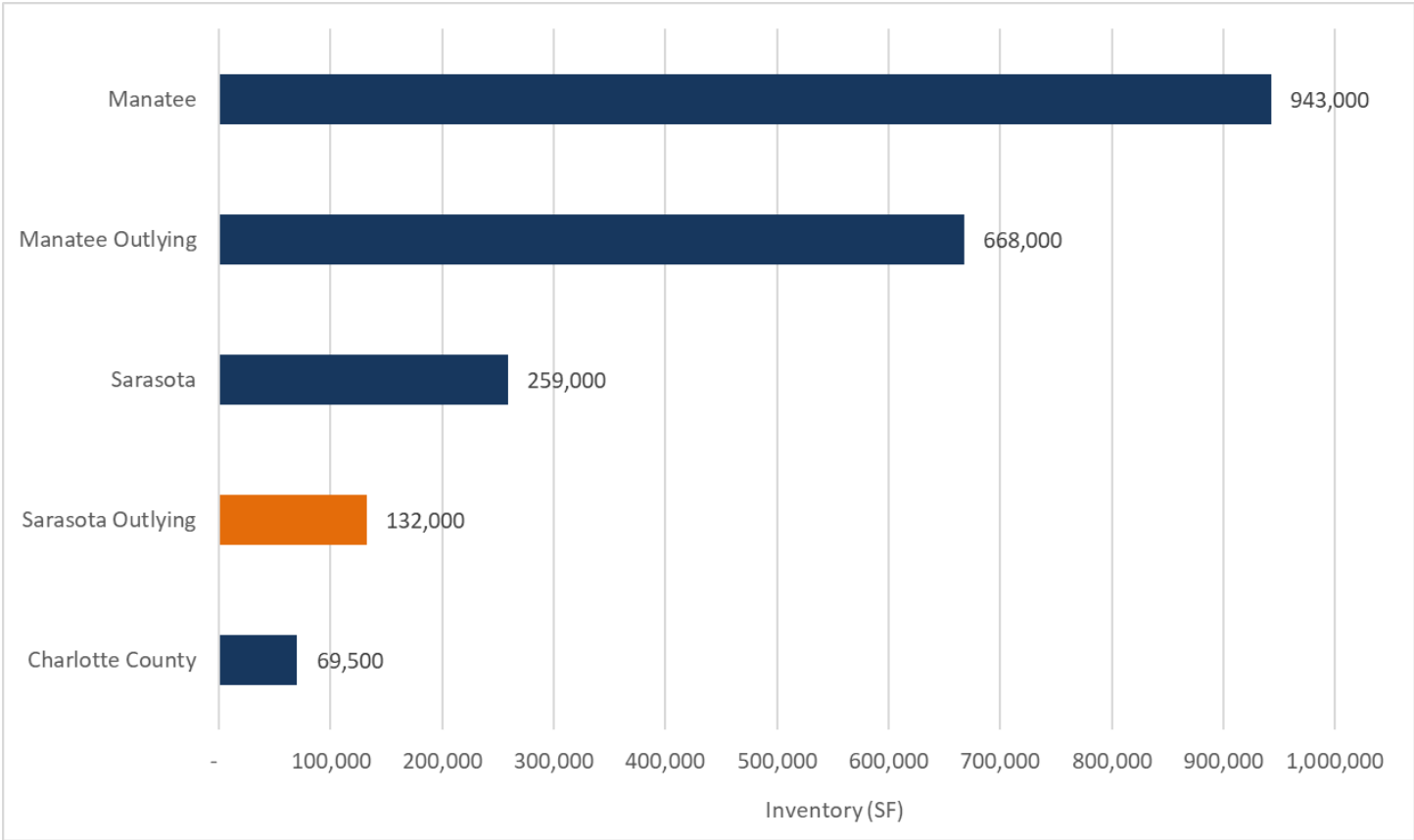
North Port Industrial Vacancy, Absorption, and Deliveries (2010 - 2025)



INDUSTRIAL MARKET PROFILE – TOTAL INVENTORY GROWTH

The Sarasota Outlying submarket (where North Port resides) saw 132,000 SF of new inventory added to the submarket over the last five years. This growth represented 6% of all new inventory added to the Sarasota and Punta Gorda markets during this time. The Manatee submarket saw the largest amount of total inventory growth adding 943,000 SF of new inventory to the submarket. This growth equated to over seven-times the amount of total inventory added to the Sarasota Outlying submarket.

Cumulative Industrial Inventory Growth by Submarket (2015 – Q4 2020)

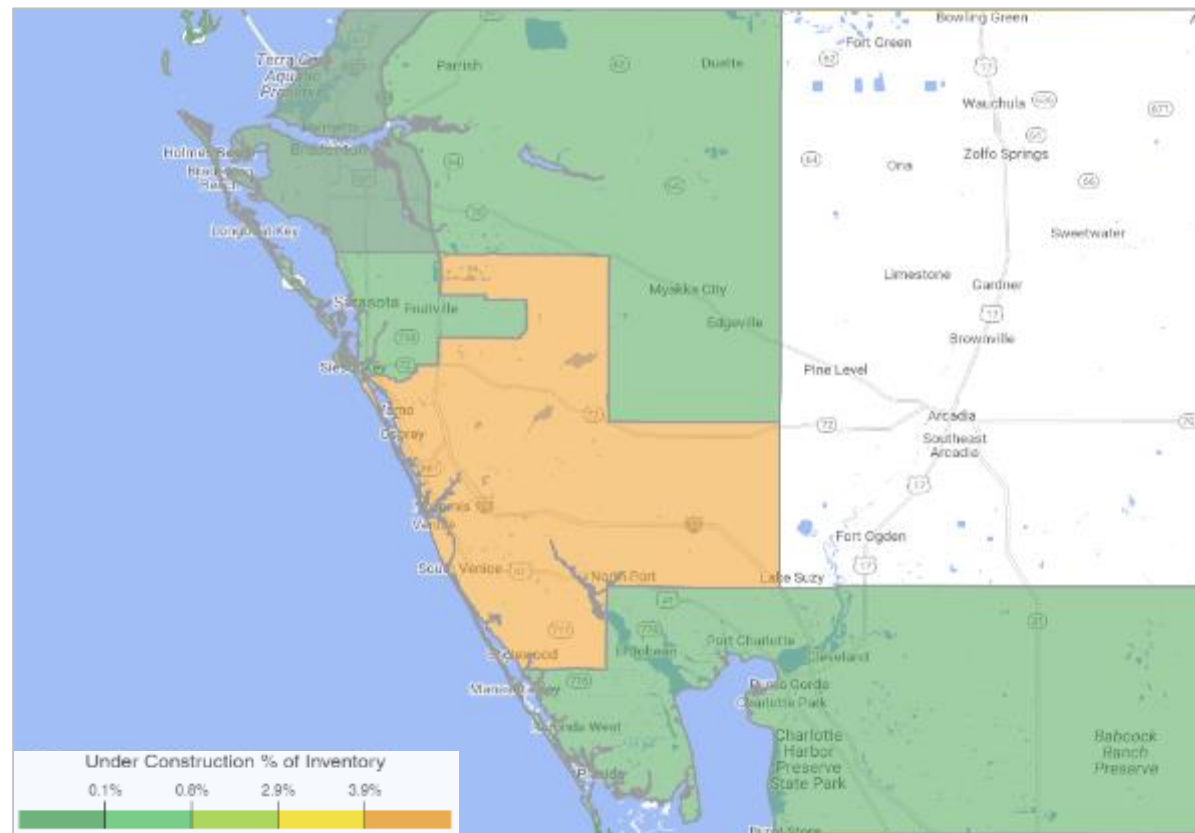


INDUSTRIAL MARKET PROFILE – INVENTORY UNDER CONSTRUCTION

The following map outlines the amount of new industrial inventory under construction as a percentage of total inventory in the submarket. As of Q4 2020, the Sarasota Outlying submarket had 425,000 SF of industrial inventory under construction, representing approximately 5.5% of total inventory in the submarket, and 95% of all industrial inventory under construction in the Sarasota market.

Two properties under construction currently reside in North Port. These projects consist of two properties in North Port. The first property includes 285,000 SF of distribution space on I-75 and Toledo Blade Blvd. that has been leased by Guardian Pharmacy of Southwest Florida. The second property includes 20,000 SF of industrial space on Innovation Ave⁵. The final project includes a 120,000 SF property in Venice, which will be used as distribution space for an Amazon Fulfillment Center.

Under Construction Industrial Inventory as a Percentage of Total Submarket Inventory (Q4 2020)

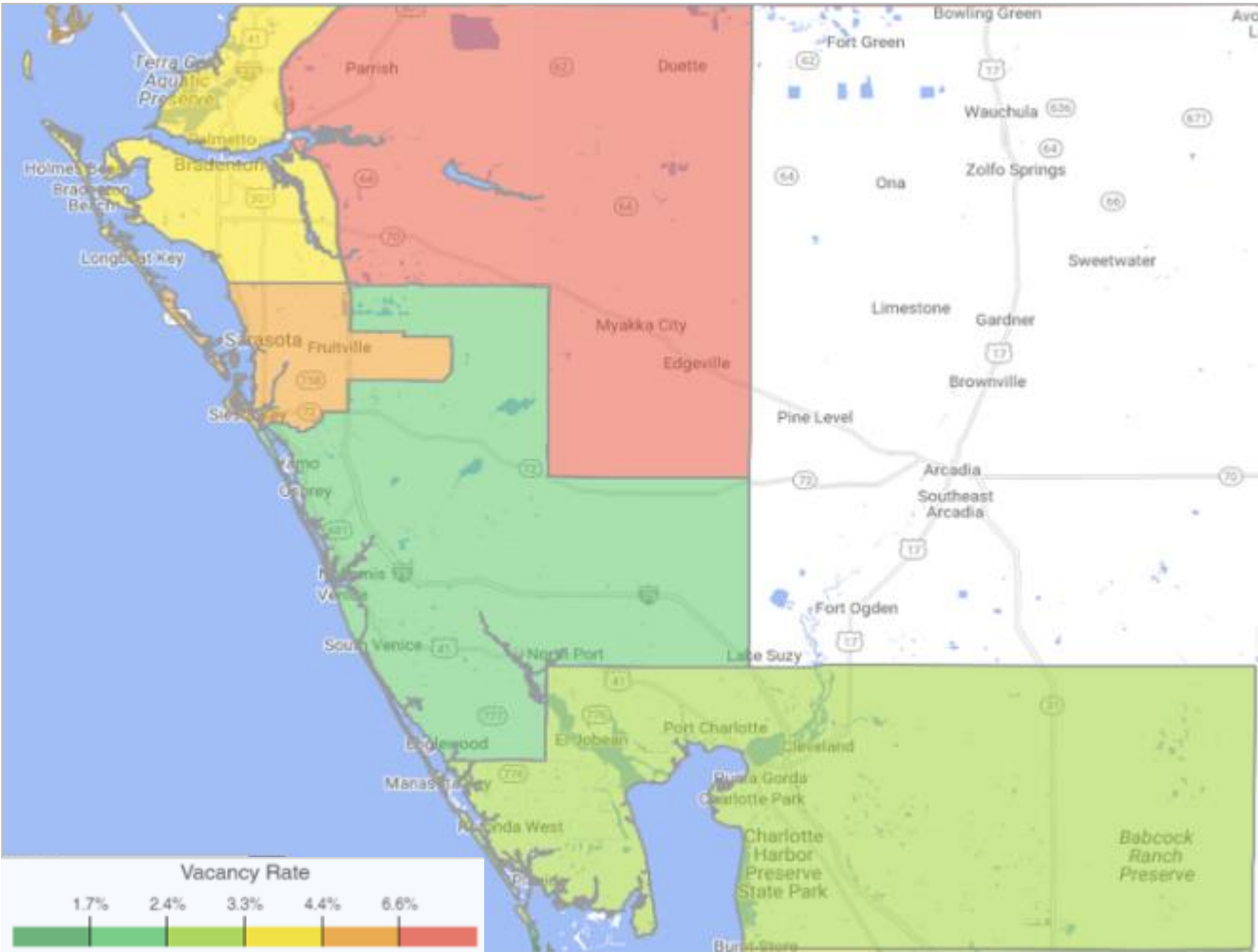


⁵ Tenant and Lease data was not available for this property in CoStar.

INDUSTRIAL MARKET PROFILE – VACANCY RATE

As of Q4 2020, the vacancy rate of all industrial properties in the Sarasota and Punta Gorda markets is 3.6% and 2.4%. With a vacancy rate of 1.7%, the Sarasota Outlying submarket had the lowest vacancy rate of any submarket in the Sarasota and Punta Gorda markets.

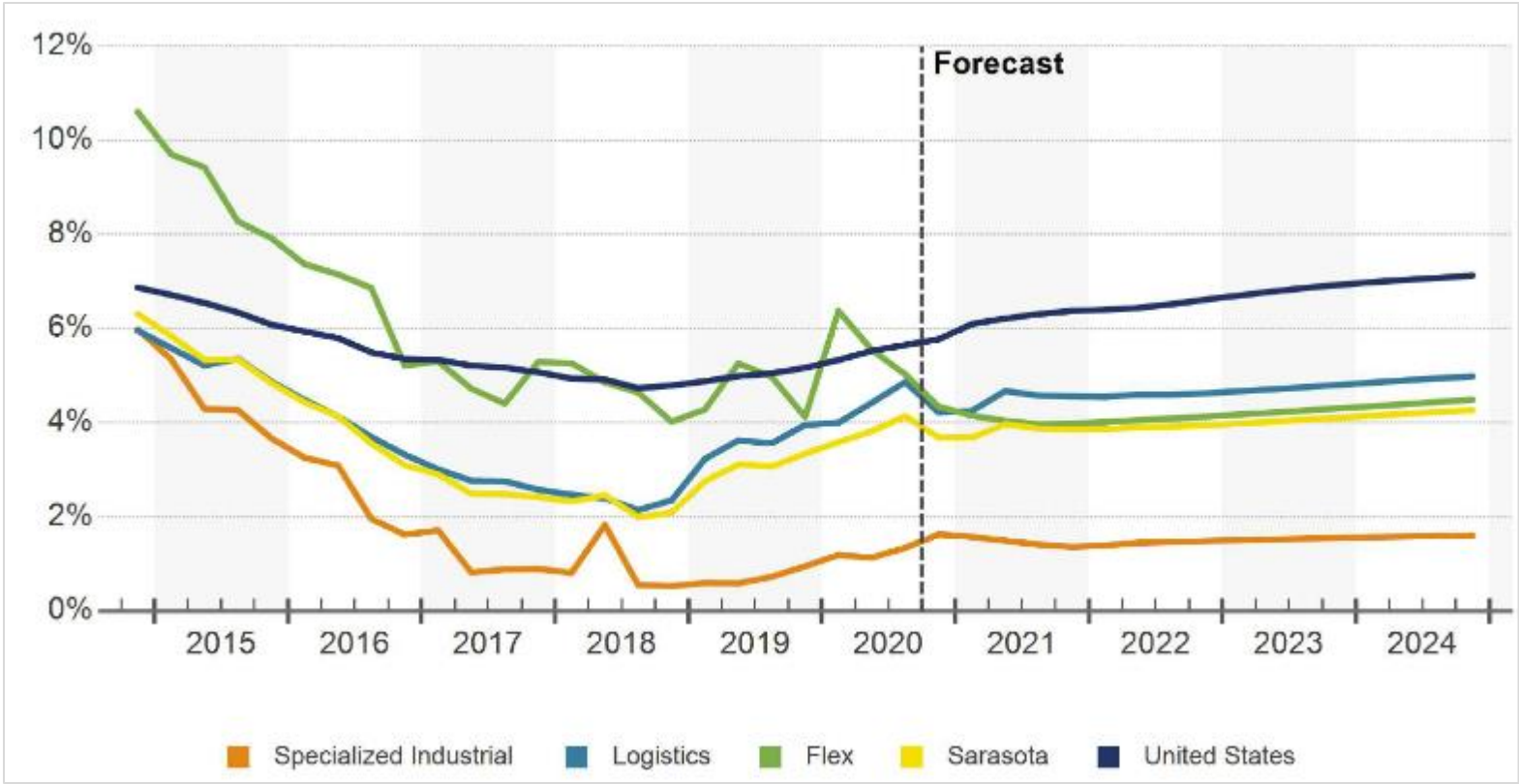
Industrial Inventory Vacancy Rate by Submarket (Q4 2020)



INDUSTRIAL MARKET PROFILE – VACANCY RATE

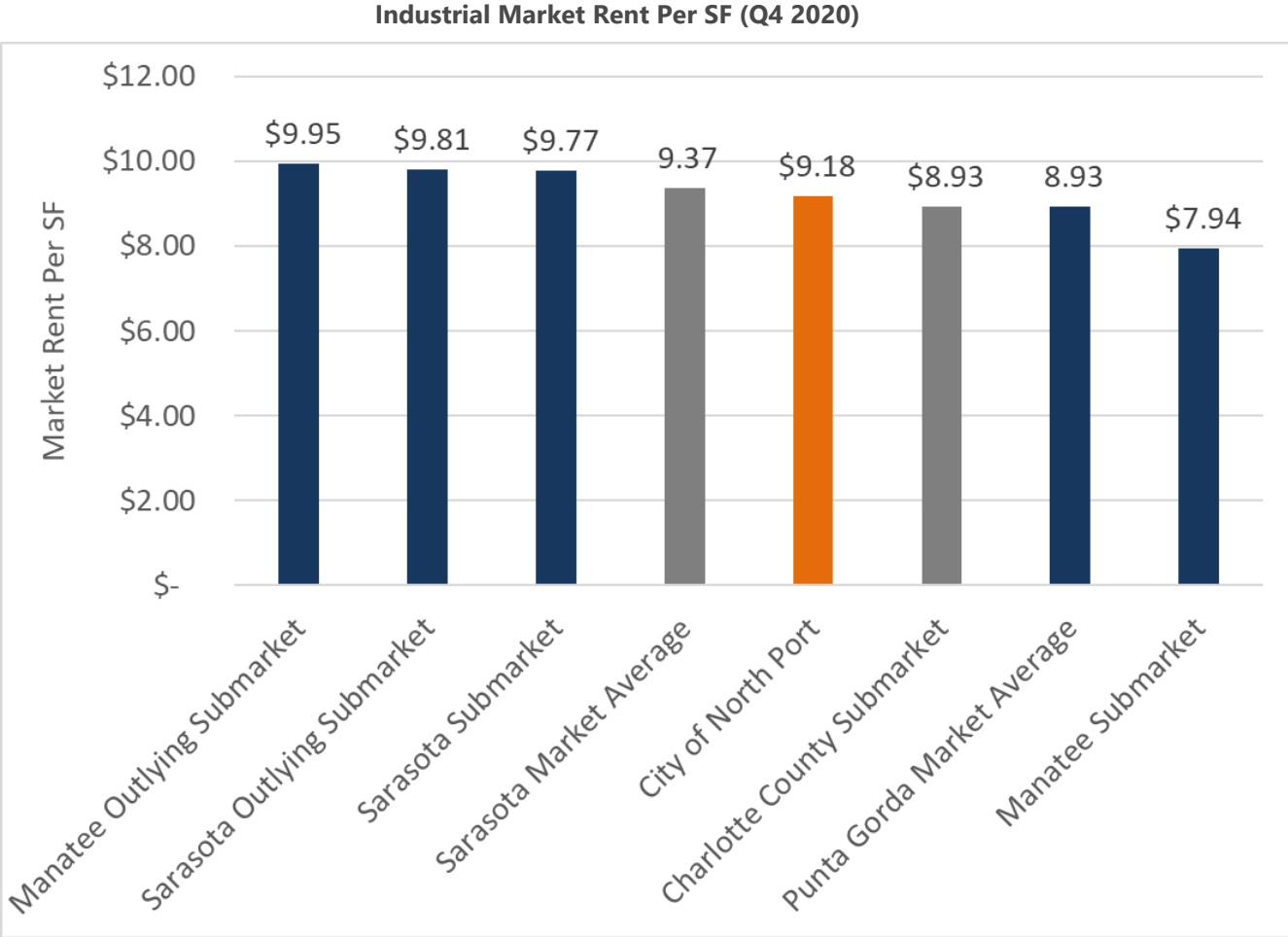
Vacancy rates for all major industrial property types within the Sarasota market have decreased by 20% or more over the past five years, with rates generally below the national average. From 2015 to 2020, specialized Industrial space (consisting primarily of manufacturing space) had a lower vacancy rate than any other industrial property type.

Sarasota Market Vacancy Rates by Industrial Property Type (2015 – 2025)



INDUSTRIAL MARKET PROFILE – MARKET RENT

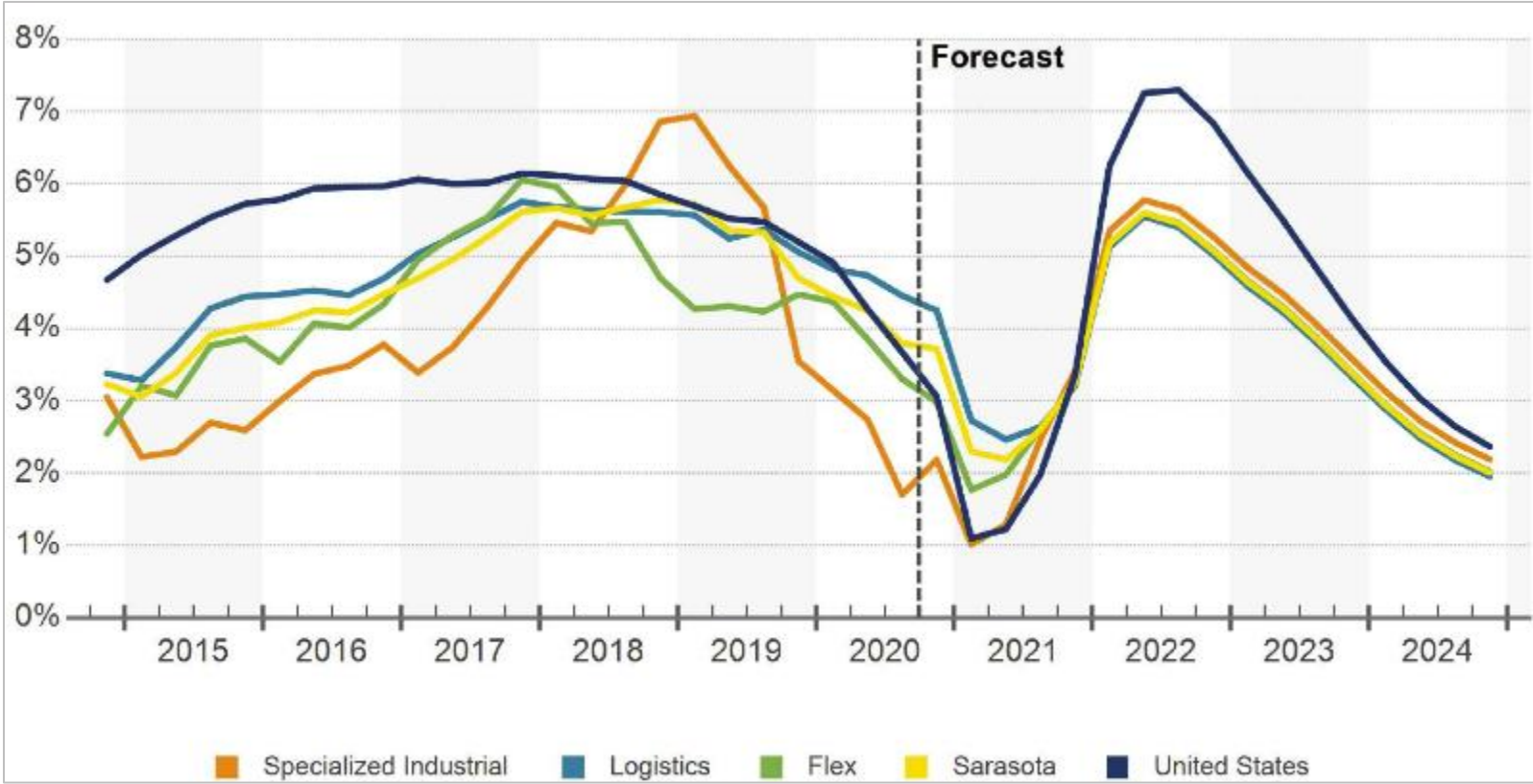
At \$9.81/SF in Q4 2020, the Sarasota Outlying submarket (including North Port) had the second highest market rent/SF trailing only the Manatee Outlying submarket at \$9.95. At \$9.18/SF, market rent per SF for industrial properties located within the City of North Port was lower than both the Sarasota Outlying submarket and the Sarasota Market average.



INDUSTRIAL MARKET PROFILE – MARKET RENT GROWTH

The Sarasota market’s annual industrial rent growth has continued a two-year slowing pattern in 2020 and has fallen roughly 1% since March. Rent growth over the past three years has been primarily driven by the logistics sector, though all property types have performed above average. Rent growth rates are still high from a historical standpoint, and are forecasted to continue to stay slightly above the national average through 2021 (increasing dramatically after impacts from the pandemic are anticipated to subside before returning close to historic rates).

Year-Over-Year Industrial Market Rent Growth (2015 – 2025)



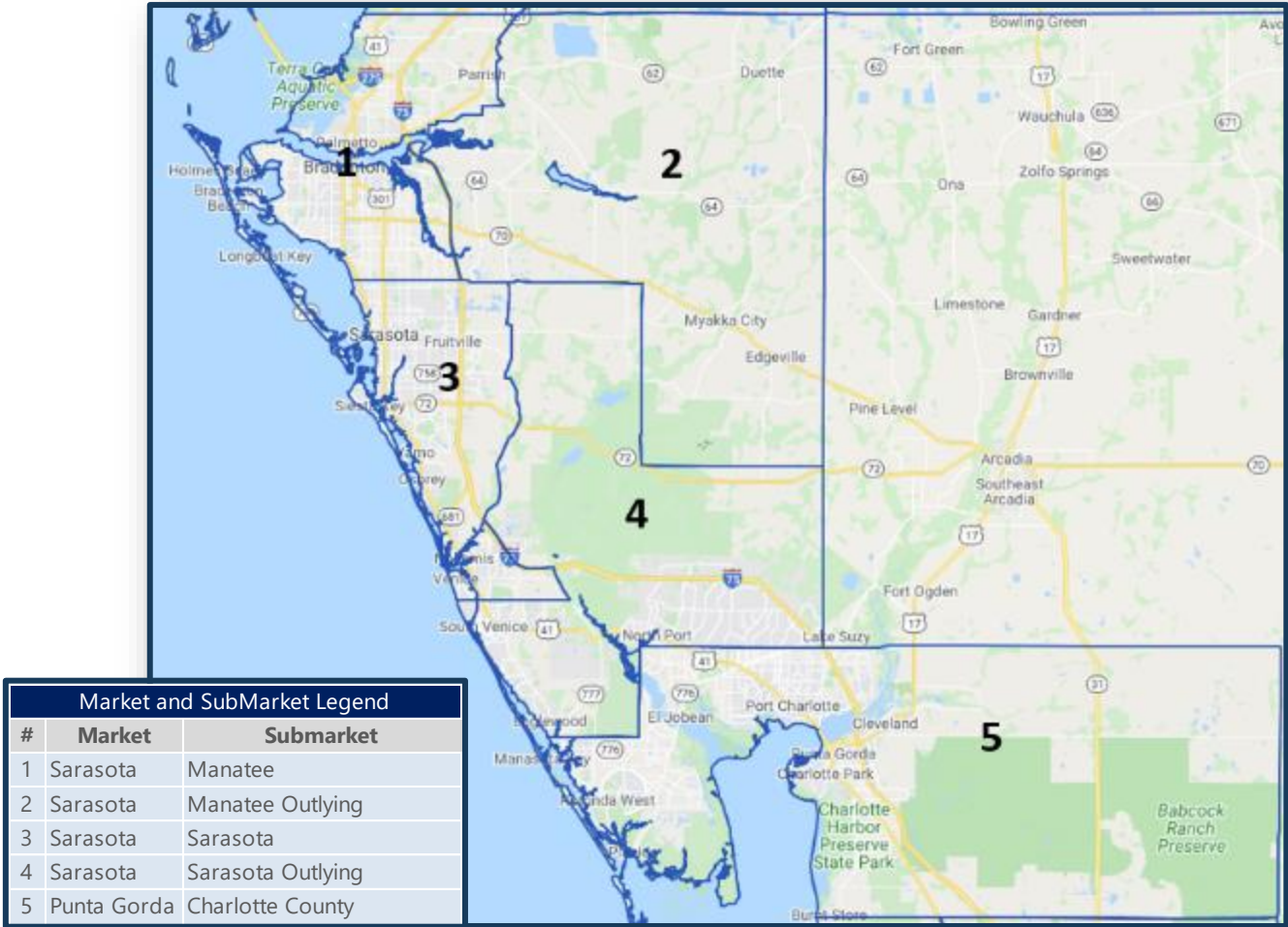


Office Market Report

OFFICE MARKET PROFILE

METHODOLOGY

In order to identify key office real estate trends in the North Port region, two commercial office markets were analyzed, including the Sarasota and Punta Gorda Office markets. In addition to analyzing these two regional markets, individual submarkets within each market were also analyzed to gain a more in-depth understanding of localized real estate activity in the region. The map below outlines the Sarasota and Punta Gorda markets and submarkets in more detail:



OFFICE MARKET OVERVIEW

OFFICE MARKET OVERVIEW

As of Q4 2020, there was approximately 31 million SF of office inventory in the Sarasota and Punta Gorda markets, with approximately 50% of total inventory residing in the Sarasota submarket. Together, one- and two-star office space (46%), and three-star office space (44%) make up 90% of total inventory in the Sarasota and Punta Gorda markets⁶.

As of Q4 2020, there were approximately 74 office properties in North Port containing a total inventory of just over 550,000 SF. North Port is home to just under 2% of all office inventory in the Sarasota and Punta Gorda markets. At 48% of total inventory, a majority of North Port's office inventory is 3-star office space, followed by 1-and-2-star office space at 43%. Only 52,600 SF of space in North Port is considered 4-or-5 star.

Prior to the coronavirus, the Sarasota market was still largely in equilibrium and though supply has ramped up of late with 150,000 SF of new inventory being delivered in early 2020, and another 120,000 SF forecasted to be delivered in early 2021. The Sarasota Outlying submarket saw approximately 25,000 SF of new inventory added to the submarket over the last five years. A little over 10,000 SF of growth in the Sarasota Outlying market took place in the City of North Port, representing a little less than 50% of new inventory delivered to the submarket over the last five years. Overall growth in the Sarasota Outlying submarket represented 4% of all new inventory added to the Sarasota and Punta Gorda markets from 2015 to 2020, with a majority of growth taking place in the Manatee Outlying and Sarasota markets.

Office construction has been slowly increasing over the past year in the Sarasota market, and the roughly 200,000 SF currently underway is the largest amount in over a decade. Prior to this increase, the Sarasota market's office construction had been significantly down over the past ten years. Most supply over recent years has been build-to-suit medical office, such as Mercedes Medical's new roughly 55,000 SF headquarters in Lakewood Ranch.

At \$19.11/SF, market rent per SF for office properties located within the City of North Port were aligned closely with rates seen in the Punta Gorda Market (Charlotte County) and are approximately 14% lower than rates for the Sarasota Outlying submarket as a whole (where North Port resides and which also includes South Venice and Englewood). Annual rent growth started to pick up in the Sarasota market in the latter half of 2019 prior to the coronavirus pandemic, and had further accelerated in early 2020. However, alongside weakening market trends and a more challenging environment due to the pandemic, annual rent growth has slipped since March of 2020. While the pandemic presents additional downside risk, rents are still growing at a historically high rate at roughly twice the long-term average and are exceeding the national average, and rent growth has recently been driven by 3-Star office inventory.

The Sarasota office market had already experienced mild negative net absorption over the year leading into the pandemic, and that downward trend has accelerated during the second and third quarters of 2020. However, office vacancy in the Sarasota market remains extremely tight by

⁶ The office building class designation is a way of differentiating buildings of the same building type into different categories of quality. These classes represent a combination of a subjective and objective quality rating of buildings that indicates the competitive ability of each building to attract similar types of tenants. Each star rating in this system represents a particular level of quality with five stars indicating the nation's highest quality assets.

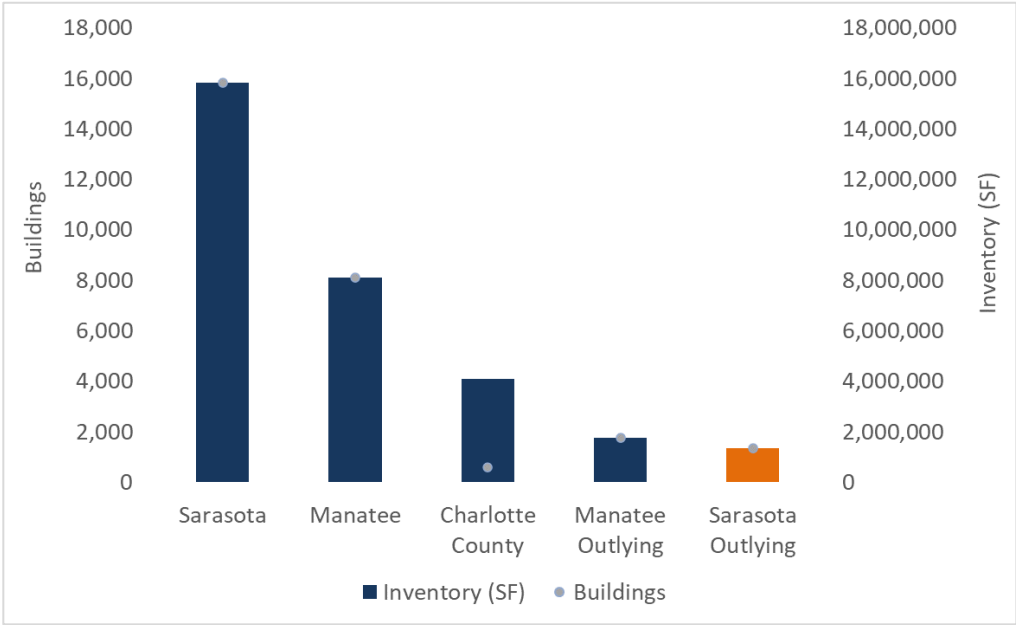
historical standards. As of Q4 2020, the vacancy rate of all office properties in the Sarasota and Punta Gorda markets was 6.3% and 5.5% which were well below national averages. With a vacancy rate of 7.5%, the Sarasota Outlying submarket had the highest vacancy rate of any submarket in the Sarasota and Punta Gorda markets. However, at 4.5% the City of North Port's office vacancy rate is lower than rates seen in the Sarasota market and Sarasota Outlying submarket. While the full impact of the pandemic remains to be seen on Sarasota office trends, signs of shifting occupier preferences are emerging with some office tenants signaling that work-from-home options may become permanent, leading them to vacate or downsize their existing office presence which would further impact market vacancy rates.



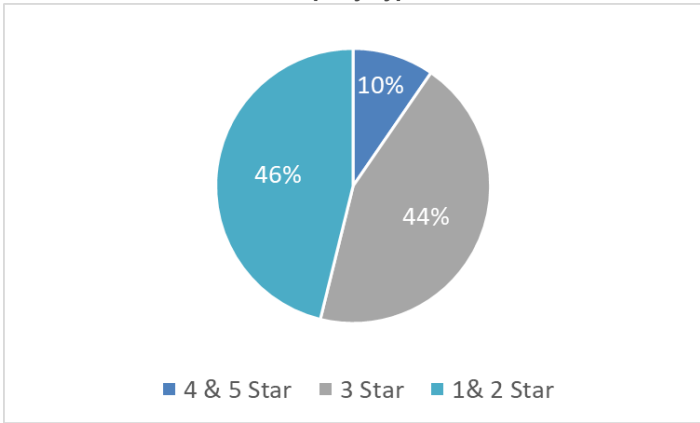
OFFICE MARKET PROFILE – INVENTORY

As of Q4 2020, there was approximately 31 million SF of office inventory⁷ in the Sarasota and Punta Gorda markets, with approximately 50% of total inventory residing in the Sarasota submarket. Together, one- and two-star office space (46%), and three-star office space (44%) make up 90% of total inventory in both markets⁸.

Total Office Inventory by Submarket (SF)



Percent of Total Industrial Inventory (SF) by Office Property Type



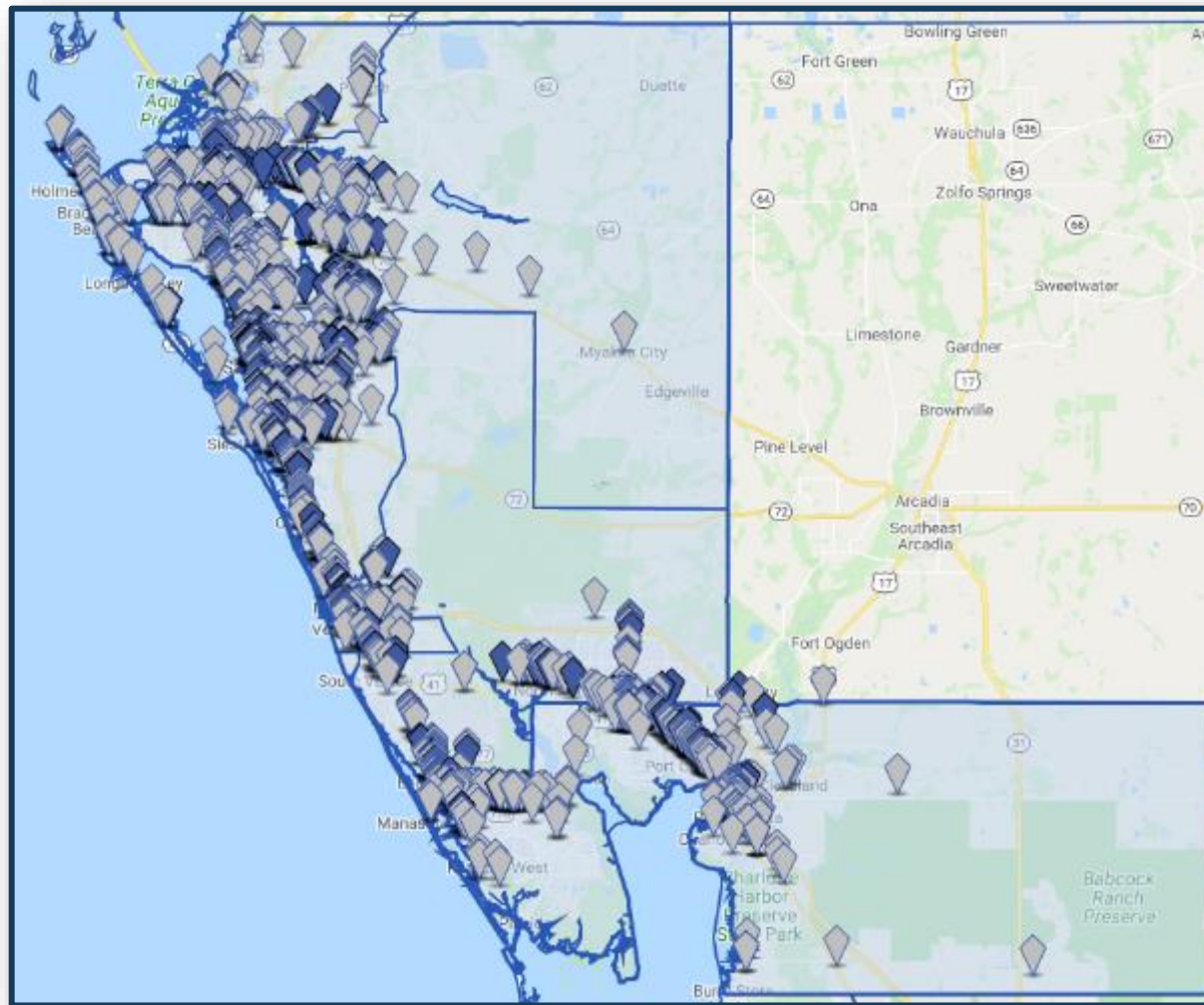
⁷ Inventory is reflective of rentable building area (RBA). Rental Building Area (RBA), expressed in square feet (SF) includes the usable area and its associated share of the common areas within a building. It is the space the tenant will occupy in addition to the associated common areas of the building such as the lobby, hallways, bathrooms, equipment rooms, etc.

⁸ The office building class designation is a way of differentiating buildings of the same building type into different categories of quality. These classes represent a combination of a subjective and objective quality rating of buildings that indicates the competitive ability of each building to attract similar types of tenants. Each star rating in this system represents a particular level of quality with five stars indicating the nation's highest quality assets.

OFFICE MARKET PROFILE – TOTAL INVENTORY (CONTINUED)

The following map displays office properties within both the Sarasota and Punta Gorda markets. A majority of inventory is located within the Sarasota and Manatee submarkets.

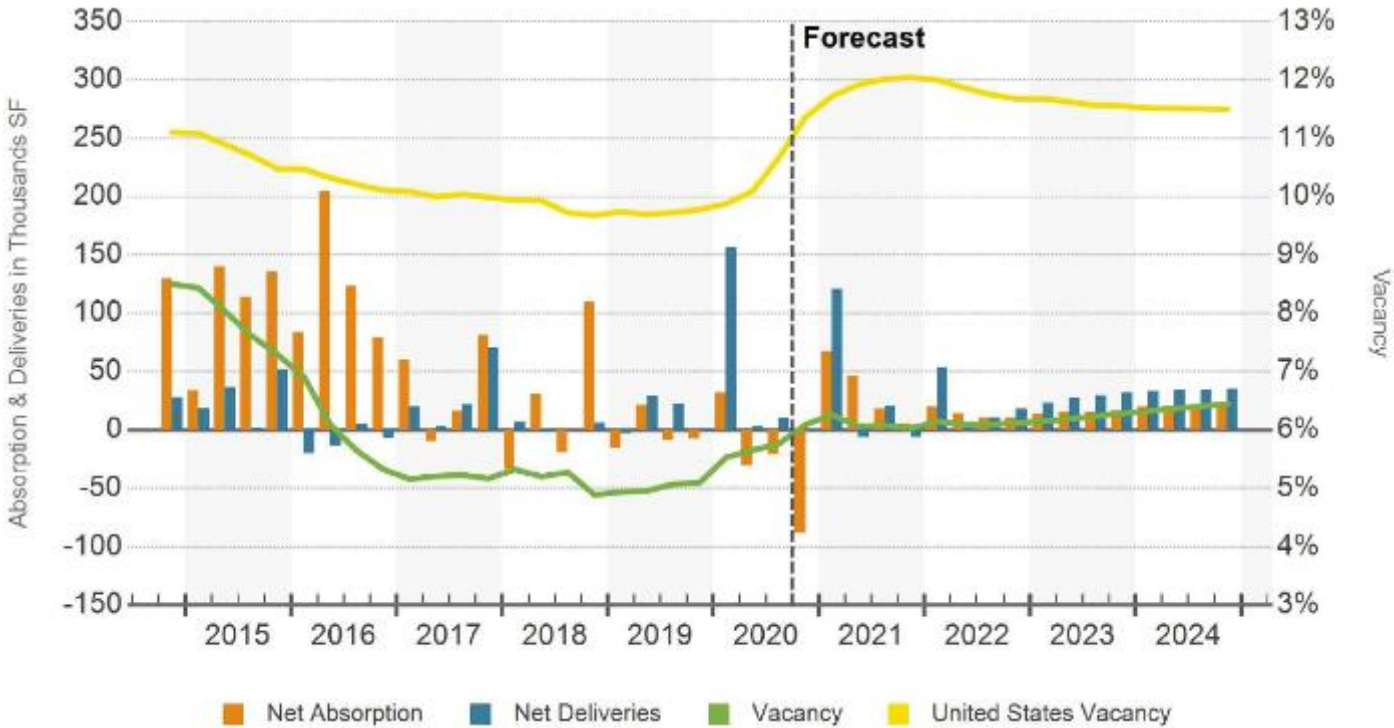
Office Properties by Submarket



OFFICE MARKET PROFILE – VACANCY, ABSORPTION, AND DELIVERIES

The Sarasota office market had already experienced mild negative net absorption over the year leading into the pandemic, and that downward trend accelerated during the second and third quarters of 2020. However, office vacancy in the Sarasota market remains extremely tight by historical standards at just under 6% as of Q4 2020.

Prior to the coronavirus, the Sarasota market was still largely in equilibrium, though supply has ramped up of late with just over 150,000 SF of new inventory delivered in early 2020, and another 120,000 SF forecasted to be delivered in early 2021. While the full impact of the pandemic remains to be seen on Sarasota office trends, signs of shifting occupier preferences are emerging with some office tenants signaling that work-from-home options may become permanent, which may lead them to vacate or downsize their existing office presence. The medical office sector is a key component of the Sarasota office market, primarily due to a large percentage of the market’s population aged 65 and above. The robust education and health services sector is further enhanced by the presence of Sarasota Memorial Hospital and Doctors Hospital of Sarasota.



OFFICE MARKET PROFILE – NORTH PORT INDUSTRIAL INVENTORY

As of Q4 2020, there were approximately 74 office properties in North Port containing a total inventory of just over 550,000 SF. North Port is home to 1.7% of all office inventory in the Sarasota and Punta Gorda markets. At 48% of total inventory, a majority of North Port’s office inventory is 3-star office space, followed closely by 1-and-2-star office space at 43%. A small amount of new inventory has been delivered to North Port over the last decade, with the largest amount coming in 2020 when just over 10,000 SF of new inventory was delivered to the market. Since spiking in 2011 to 30% during the recession, office vacancy rates have dropped to 4.5% in North Port as of Q4 2020.

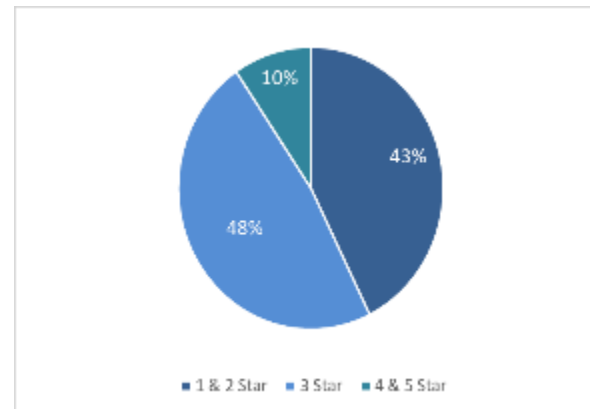
North Port Office Inventory Summary

Office Property Type / RBA Range	# of Properties	Total RBA (SF)	% of Total RBA
1 & 2 Star			
2,001 to 4,000	18	52,597	10%
4,001 to 6,000	10	53,462	10%
8,001 to 10,000	4	37,679	7%
1,000 to 2,000	4	7,650	1%
6,001 to 8,000	3	20,697	4%
30,001 to 40,000	1	31,776	6%
10,001 to 15,000	1	11,440	2%
20,001 to 25,000	1	20,380	4%
Total 1 & 2 Star	42	235,681	43%

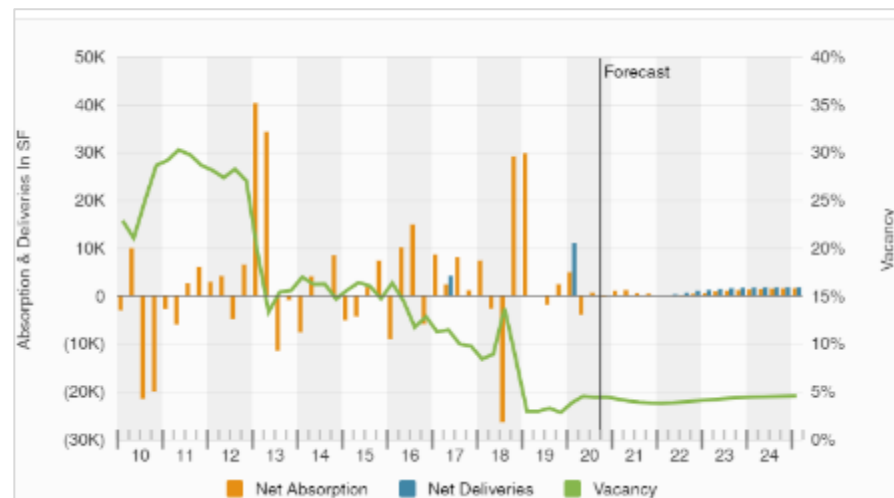
3 Star			
2,001 to 4,000	10	30,370	6%
4,001 to 6,000	7	36,014	7%
6,001 to 8,000	4	28,204	5%
8,001 to 10,000	5	44,088	8%
15,001 to 20,000	1	16,320	3%
20,001 to 25,000	3	65,061	12%
40,001 to 50,000	1	43,839	8%
Total 3 Star	31	263,896	48%

4 & 5 Star			
50,001 to 60,000	1	52,600	10%
Grand Total	74	552,177	100%

Percent of Industrial Inventory (SF) by Office Property Type (North Port)



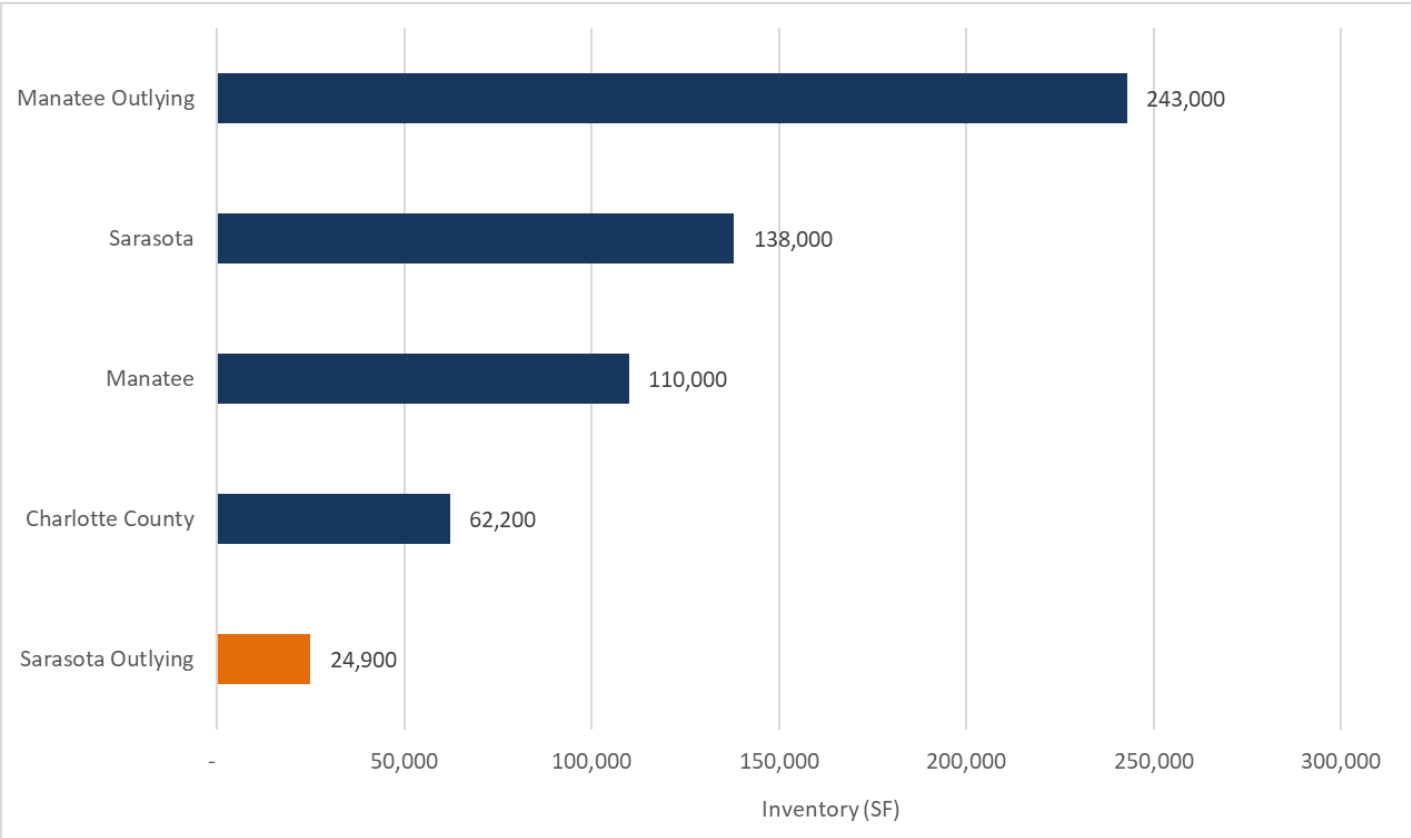
North Port Office Vacancy, Absorption, and Deliveries (2010 – 2025)



OFFICE MARKET PROFILE – TOTAL INVENTORY GROWTH

The Sarasota Outlying submarket saw approximately 25,000 SF of new inventory added to the submarket over the last five years. A little over 10,000 SF of growth in the Sarasota Outlying market took place in the City of North Port, representing a little less than 50% of new inventory delivered to the submarket over the last 5 years. Overall growth in the Sarasota Outlying submarket represented 4% of all new inventory added to the Sarasota and Punta Gorda markets from 2015 to 2020. The Manatee Outlying submarket saw the largest amount of total inventory growth adding 243,000 SF of new inventory to the submarket. This growth equated to almost 10-times the amount of total inventory added to the Sarasota Outlying submarket.

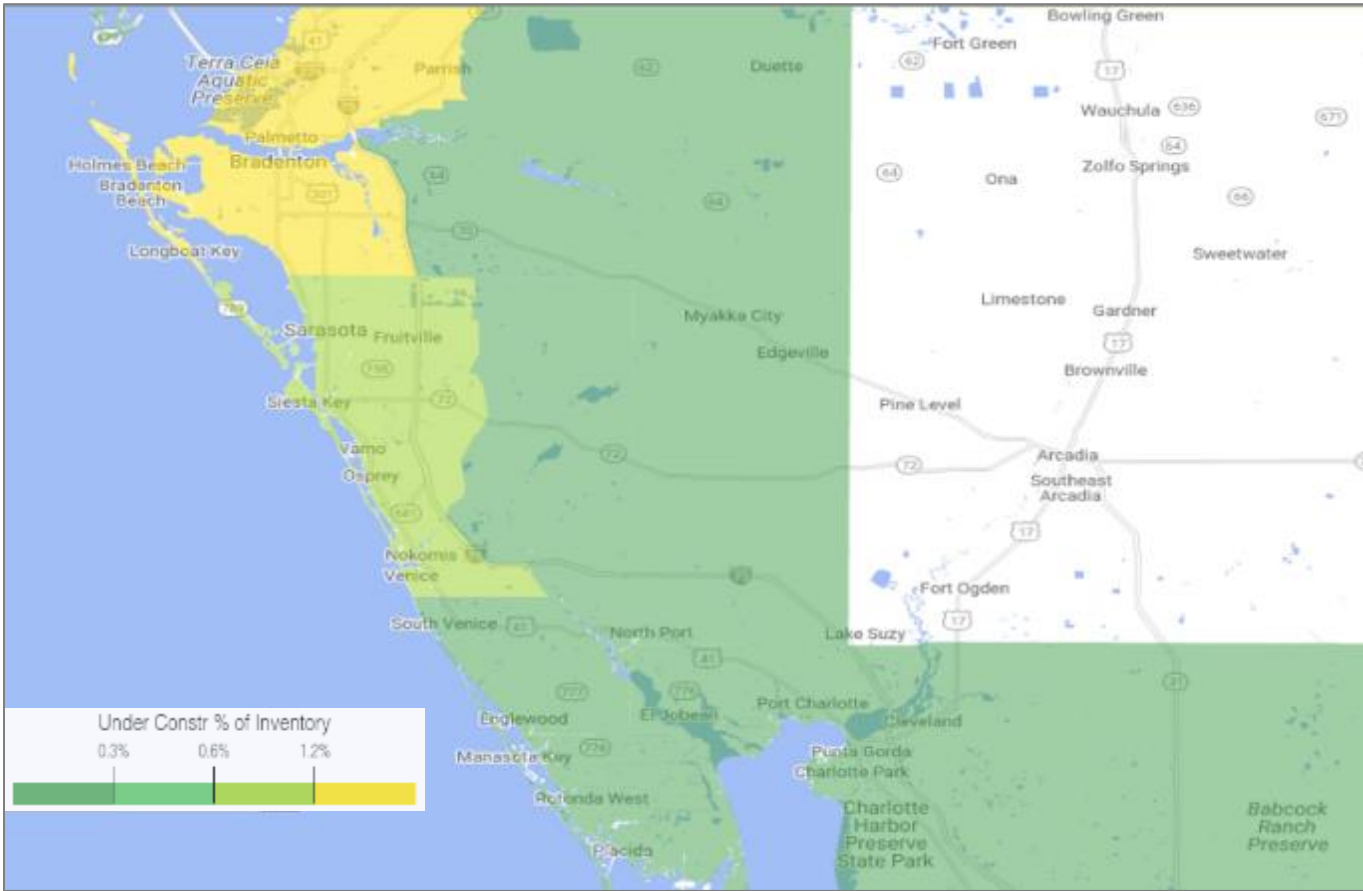
Cumulative Office Inventory Growth (SF) by Submarket (2015 – Q4 2020)



OFFICE MARKET PROFILE – INVENTORY UNDER CONSTRUCTION

The following map outlines trends in office inventory under construction as a percentage of total inventory in each submarket. As of Q4 2020, there was approximately 214,000 SF of office space under construction in both the Sarasota and Punta Gorda markets, which is the largest amount of new inventory under construction in over a decade. A majority of inventory under construction is located in the Sarasota and Bradenton area, and approximately 65% of inventory is pre-leased. Much of the new office inventory in the market in recent years has been build-to-suit medical office, such as Mercedes Medical's new 55,000 SF headquarters in Lakewood Ranch.

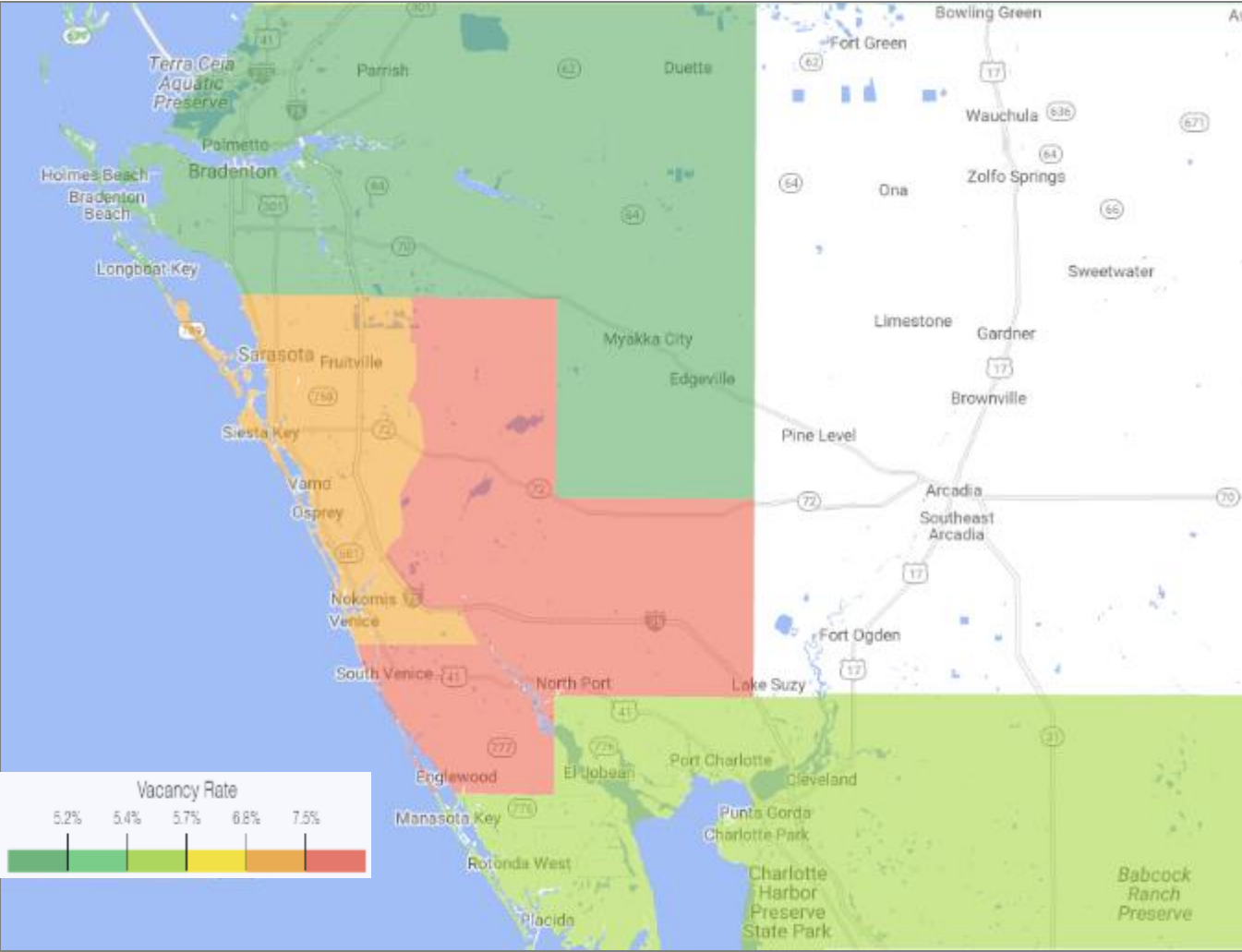
Under Construction Office Inventory as a Percentage of Total Submarket Inventory (Q4 2020)



OFFICE MARKET PROFILE – VACANCY RATE

As of Q4 2020, office vacancy rates in the Sarasota and Punta Gorda markets were 6.3% and 5.5%, respectively. With a vacancy rate of 7.5%, the Sarasota Outlying submarket had the highest vacancy rate of any submarket in the Sarasota and Punta Gorda markets. However, at 4.5% the City of North Port’s office vacancy rate is lower than rates seen in the Sarasota market and Sarasota Outlying submarket.

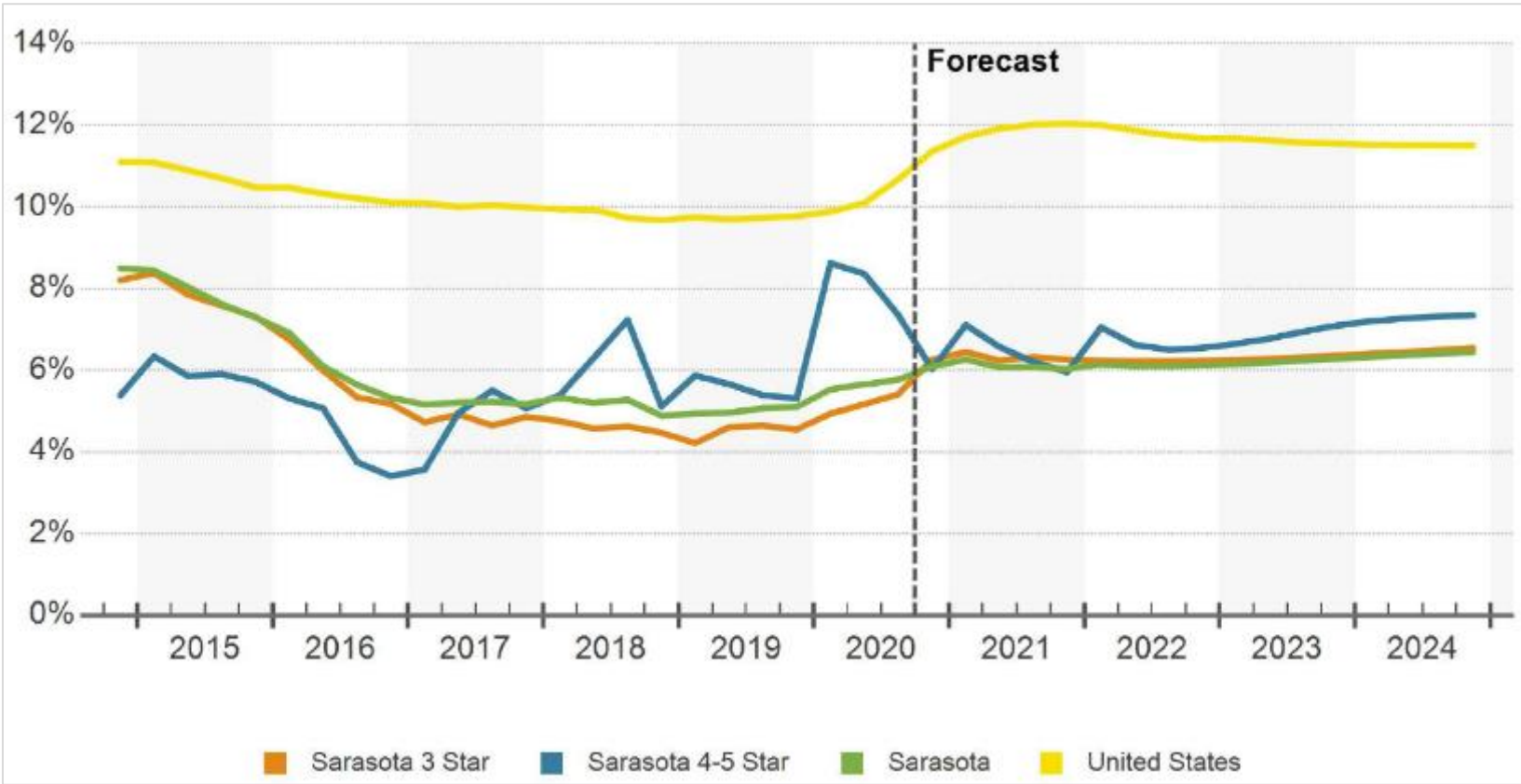
Industrial Inventory Vacancy Rate by Submarket (Q4 2020)



OFFICE MARKET PROFILE – VACANCY RATE

In recent years, vacancy rates for all major office property types within the Sarasota market have and are forecasted to remain steady around 5%-6%. Vacancy rates remain and are forecasted to remain below the national average for office property over the next 5 years.

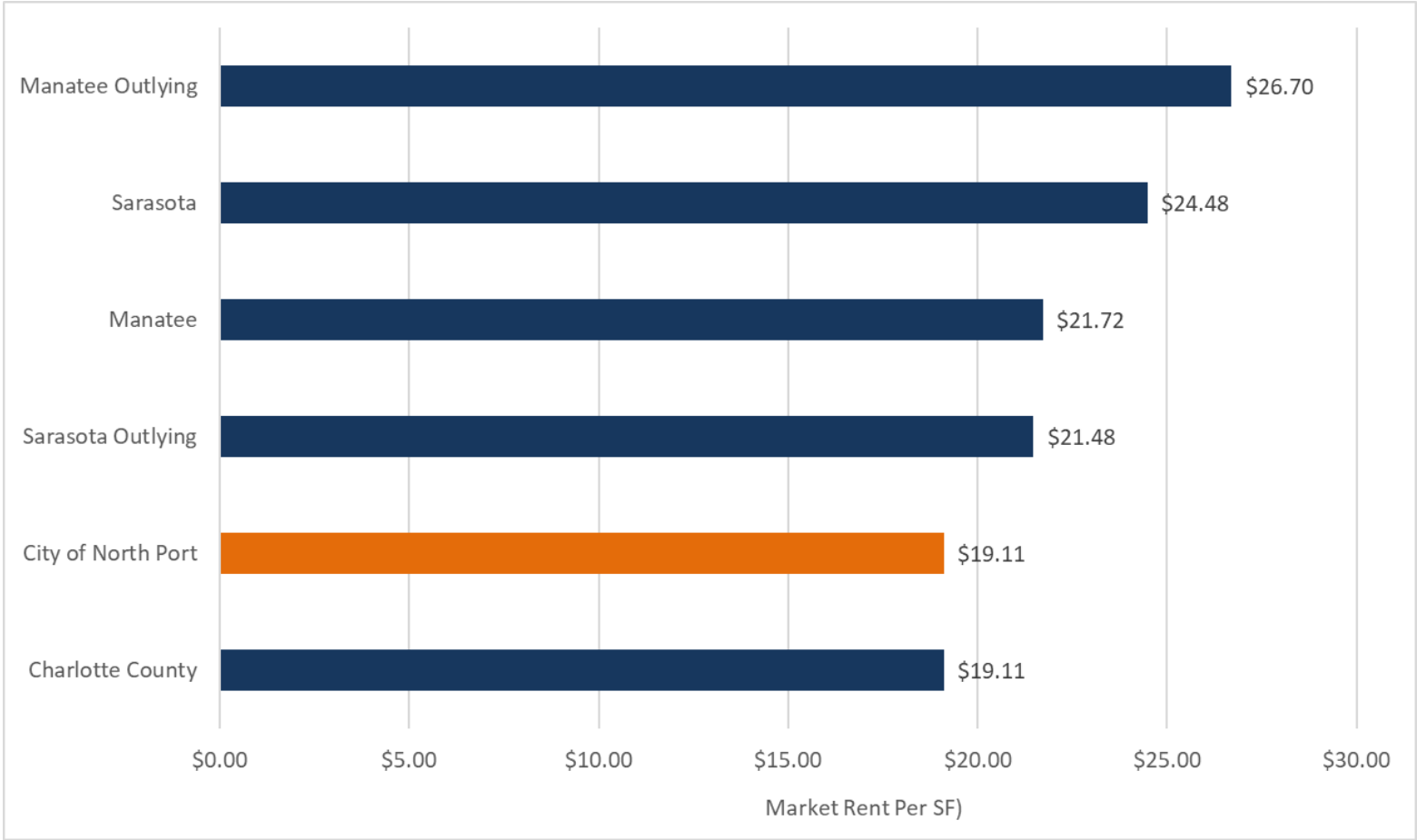
Sarasota Market Vacancy Rates by Office Property Type (2015 – 2025)



OFFICE MARKET PROFILE – MARKET RENT

At \$19.11/SF, market rent per SF for office properties located within the City of North Port were aligned closely with rates seen in the Punta Gorda market (Charlotte County) and are approximately 14% lower than rates for the Sarasota Outlying submarket (where North Port resides).

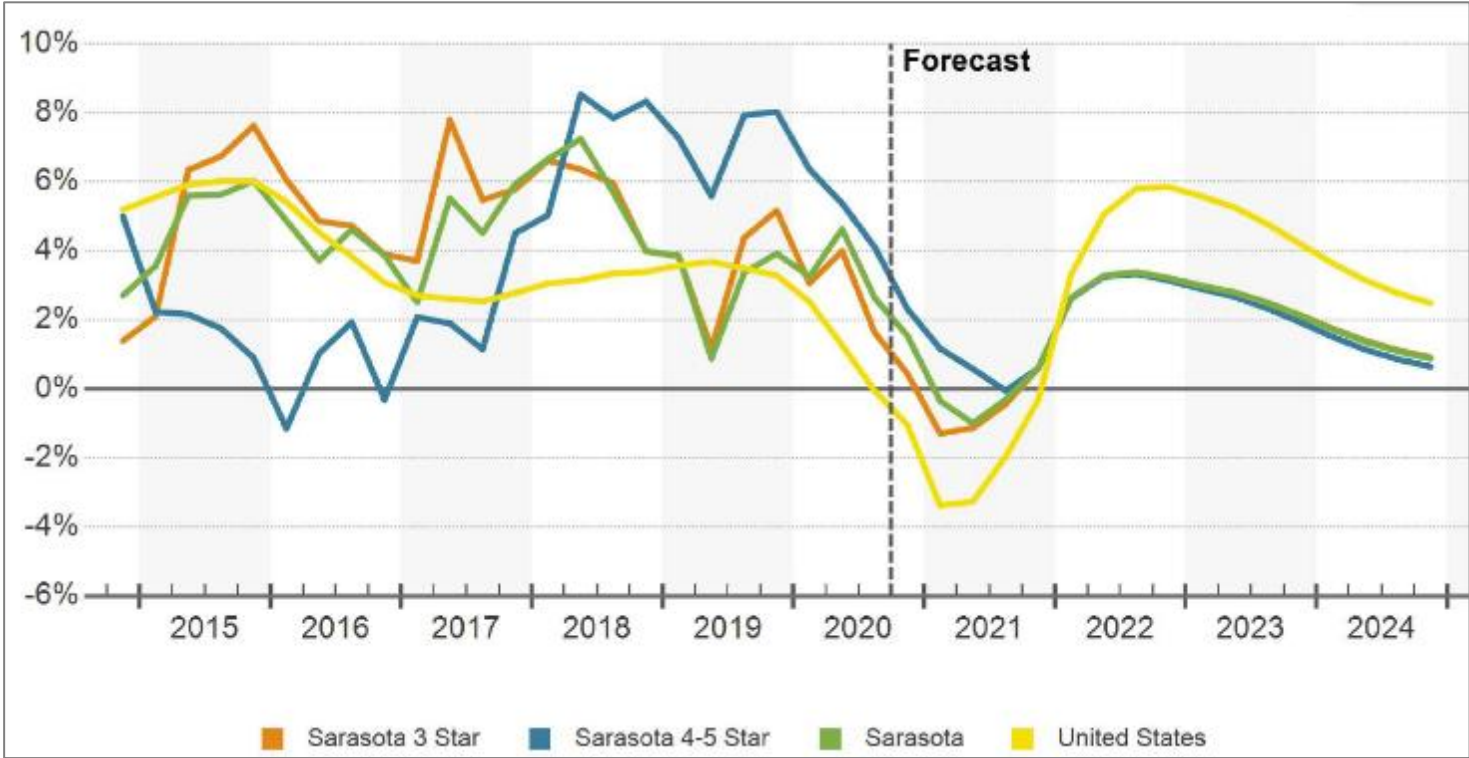
Office Market Rent Per SF by Submarket (Q4 2020)



OFFICE MARKET PROFILE – MARKET RENT GROWTH

Annual rent growth started to pick up in the Sarasota market in the latter half of 2019 prior to the coronavirus pandemic and had further accelerated in early 2020. However, alongside weakening market trends and a more challenging environment due to the pandemic, annual rent growth has slipped since March of 2020. While the pandemic presents additional downside risk, rents are still growing at a historically high rate at roughly twice the long-term average and are exceeding the national average and rent growth has recently been driven by 3-Star office inventory. With historically low vacancy rates and limited construction, the likelihood of supply-side pressure on rents is low; however, office demand has shown signs of weakening, along with softening office using employment, which could continue to have a lagged impact on rent growth. Despite largely increasing rent gains for the majority of the past five years, average rents remain below the prior recession's peak. The Sarasota market was one of the few Florida office markets to not have office market rents fully recover from the past recession, and even before the expected impact from coronavirus, Sarasota was still more than \$2 below market rent historic highs.

Year-Over-Year Sarasota Office Market Rent Growth (2015 – 2025)





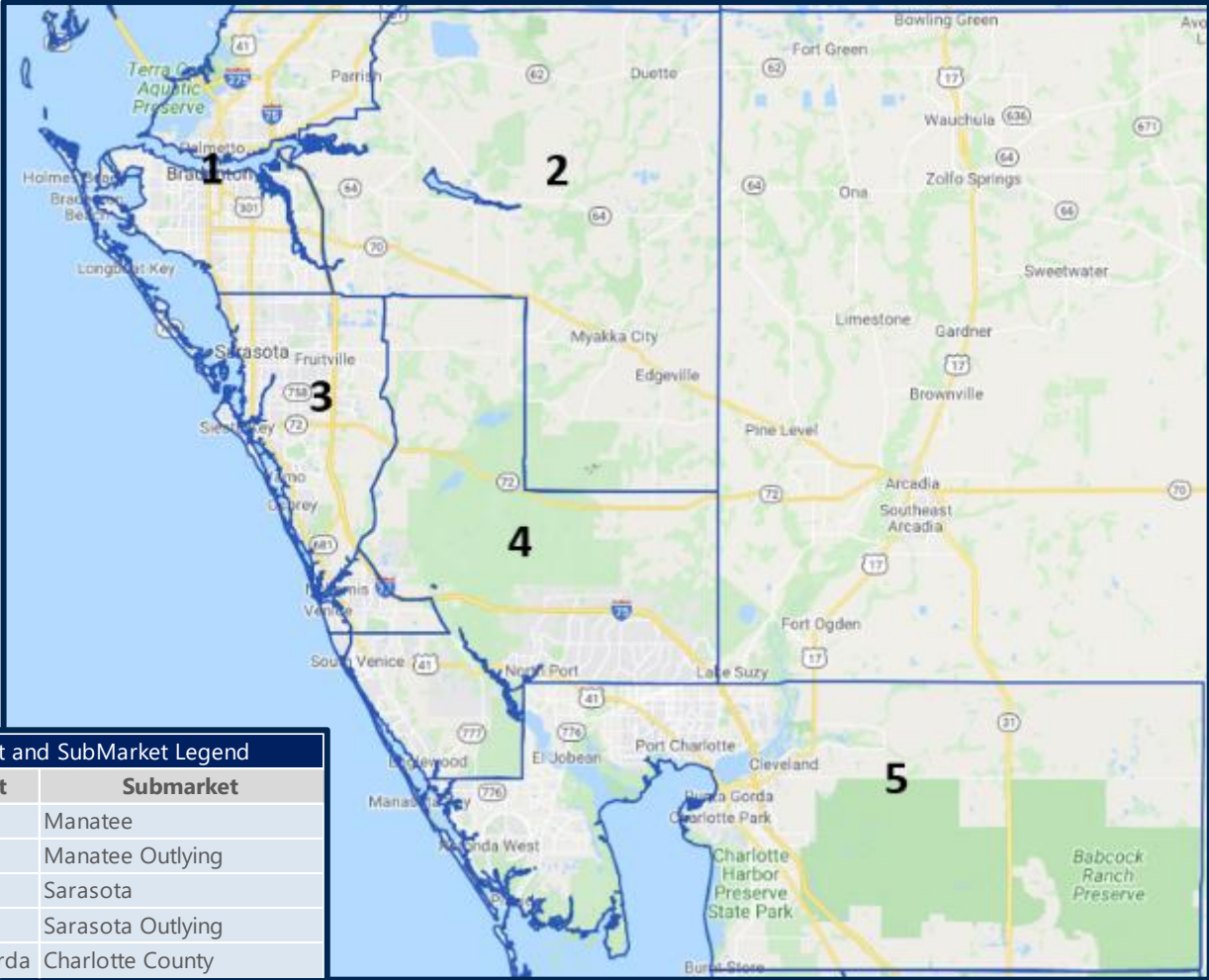
Retail Market Report

RETAIL MARKET PROFILE

METHODOLOGY

In order to identify key retail real estate trends in the North Port region two retail markets were analyzed, including the Sarasota and the Punta Gorda retail markets. In addition to analyzing these two regional markets, individual submarkets within each market were also analyzed to gain a more in-depth understanding of localized real estate activity in the region. The map below outlines the Sarasota and Punta Gorda multifamily markets and submarkets in more detail:

Sarasota and Punta Gorda Retail Markets and Submarkets



RETAIL MARKET OVERVIEW

RETAIL MARKET OVERVIEW

As of Q4 2020, there was approximately 62 million SF of retail inventory in the Sarasota and Punta Gorda markets, with approximately 40% of inventory residing in the Sarasota submarket and 30% in the Manatee submarket. In North Port specifically, there are approximately 155 retail properties containing a total inventory of just over 2.5 million SF. Overall, North Port’s existing retail inventory accounts for approximately 4% of all retail inventory in the Sarasota and Punta Gorda markets.

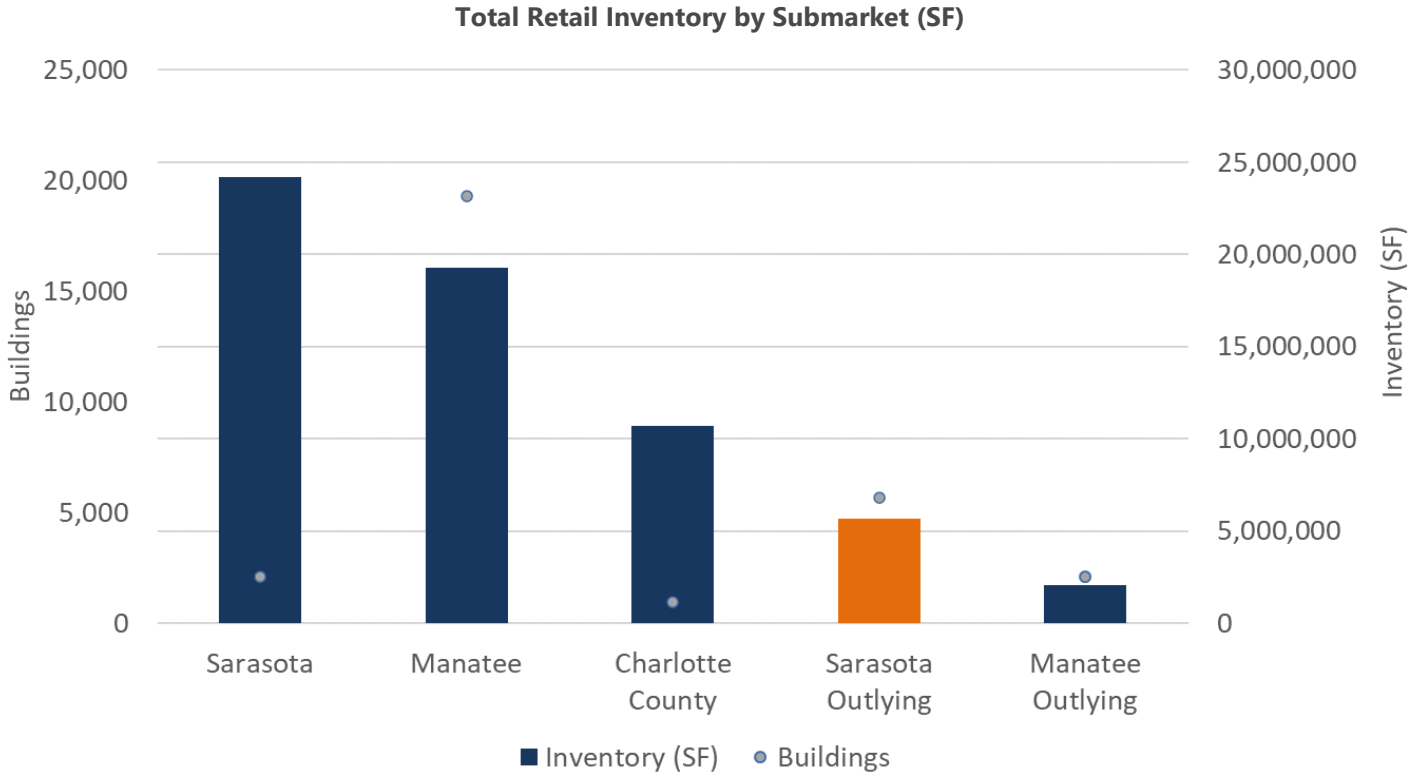
The coronavirus outbreak has already caused significant economic disruption in the Sarasota retail market, including numerous closures since the pandemic began. Although the bulk of rent losses have been felt in malls, nearly all retail property types have seen slowing rent growth. Despite this, the average vacancy rate in the Sarasota market remains low from a historical standpoint. This trend is also true in North Port where the current retail vacancy rate stands at 3.5% as of Q4 2020. While developer activity appeared to be on the rise with numerous retail properties under construction and an increasing proposed pipeline in the Sarasota market, construction levels at the onset of the pandemic were still manageable and roughly in-line with long-term delivery averages in the Sarasota market. In North Port, developer activity last spiked in 2018 when almost 100,000 SF of new inventory was delivered to the market, which equates to 20% of all new inventory added to the Sarasota Outlying submarket in the last five years. North Port has seen very little new construction or delivery activity underway since.

Retail demand in the Sarasota market receives significant growth from tourism, thanks to world-class beaches and a variety of nightlife and cultural attractions, most notably located along the western coast of the Sarasota market. Even with drops in tourism due to the pandemic, the Sarasota market has been a rare exception in 2020, as retail sales volume not only saw minimal drop off in the second quarter but also gained momentum during the third quarter. The majority of peer markets have seen a significant decline in activity during this time. As a further reflection of the prior strong retail demand, the Sarasota market and North Port’s retail industry had been one of the fastest job growth sectors in recent years. With the retail sector appearing to be more exposed to the effects of the pandemic compared to other property types (i.e., office, industrial, etc.) the market's higher relative exposure to retail trade could represent an elevated pandemic risk compared to the nation.



RETAIL MARKET PROFILE – TOTAL INVENTORY

As of Q4 2020, there was approximately 62million SF of retail inventory⁹ in the Sarasota and Punta Gorda markets, with approximately 40% of inventory residing in the Sarasota submarket and 30% in the Manatee submarket.



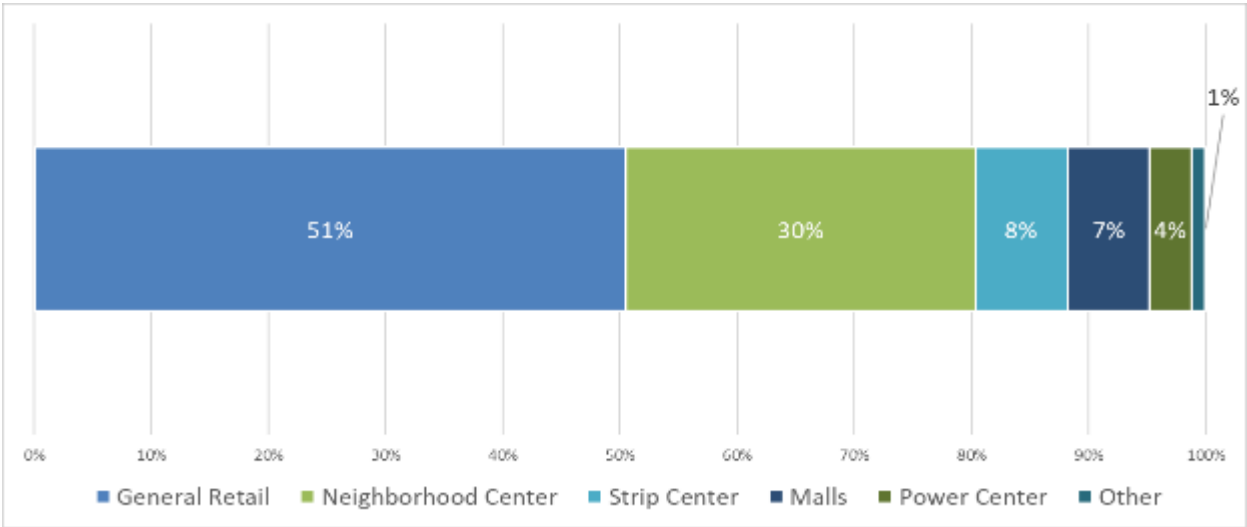
⁹ Inventory is reflective of rentable building area (RBA). Rental Building Area (RBA) expressed in square feet (SF) includes the usable area and its associated share of the common areas within a building. It is the space the tenant will occupy in addition to the associated common areas of the building such as the lobby, hallways, bathrooms, equipment rooms, etc.

RETAIL MARKET PROFILE – TOTAL INVENTORY (CONTINUED)

A retail property's primary intended use is to promote, distribute or sell products and services to the general public. Retail buildings can be used for various sales opportunities related to both products and services. CoStar classifies retail properties into a number of different categories, including general retail, strip center retail, neighborhood center retail, power center retail, malls, and other retail properties

As of Q4 2020, a majority (51%) of inventory in the Sarasota and Punta Gorda retail markets were within general retail¹⁰ properties, followed by neighborhood center properties at 30%

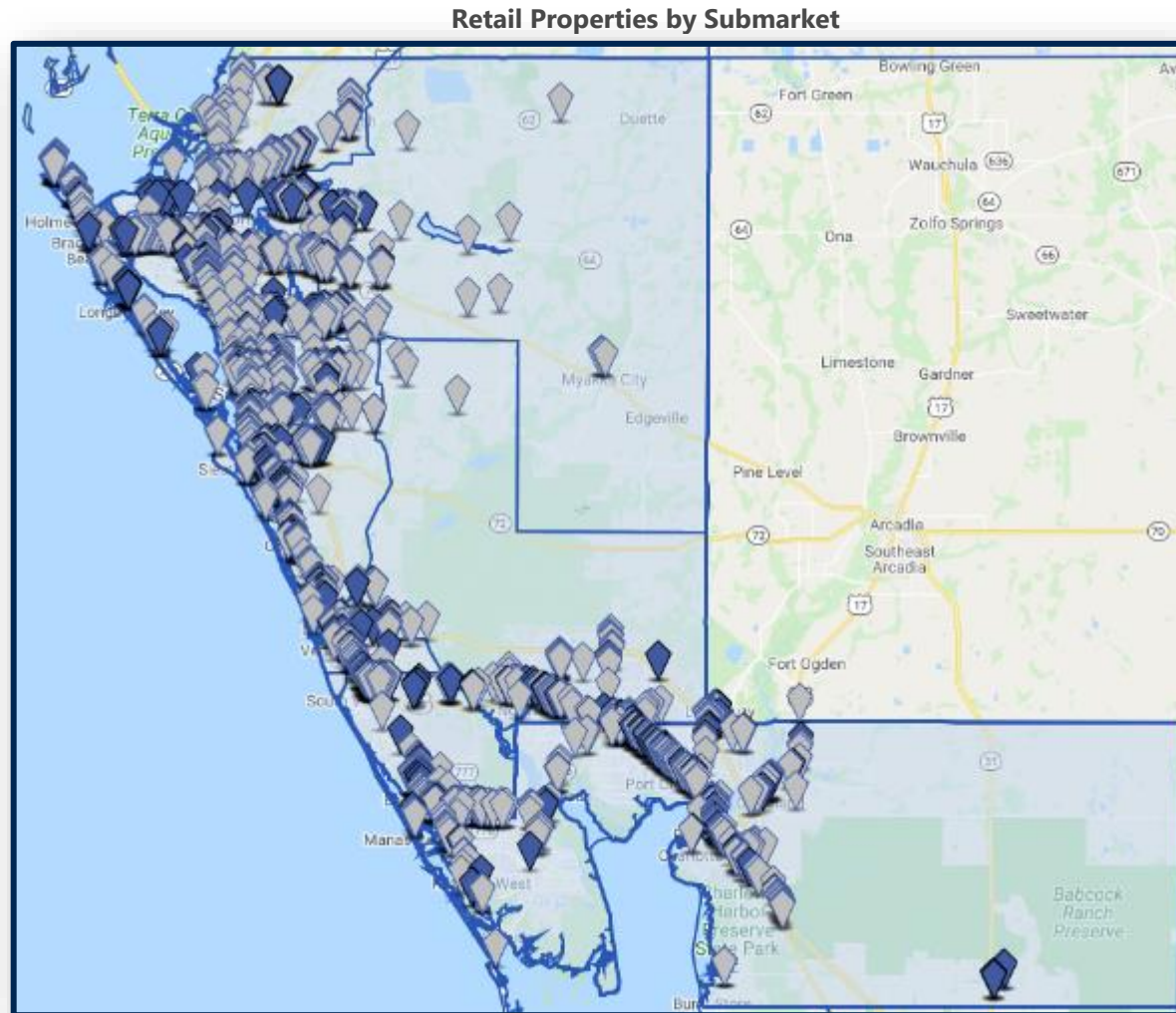
Percent of Total Retail Inventory (SF) by Retail Property Type



¹⁰General Retail: A single or multiple stand-alone unattached retail properties with no major anchor.
 Neighborhood Center: Provides for the sales of convenience goods (food, drugs, etc.) and personal services (laundry, dry cleaning, etc.) for day-to-day living needs of the immediate neighborhood with a supermarket being the principal tenant.
 Strip Center: A strip center is an attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores. Open canopies may connect the storefronts, but a strip center does not have enclosed walkways linking the stores.
 Power Center: The center typically consists of several freestanding (unconnected) anchors and only a minimum amount of small specialty tenants. A Power Center is dominated by several large anchors, including discount department stores, off-price stores, warehouse clubs, or stores that offer tremendous selection in a particular merchandise category at low prices.
 Mall: A mall is a center for various storefronts that are concentrated in one or more buildings that are connected to one another through shared corridors and walkways.

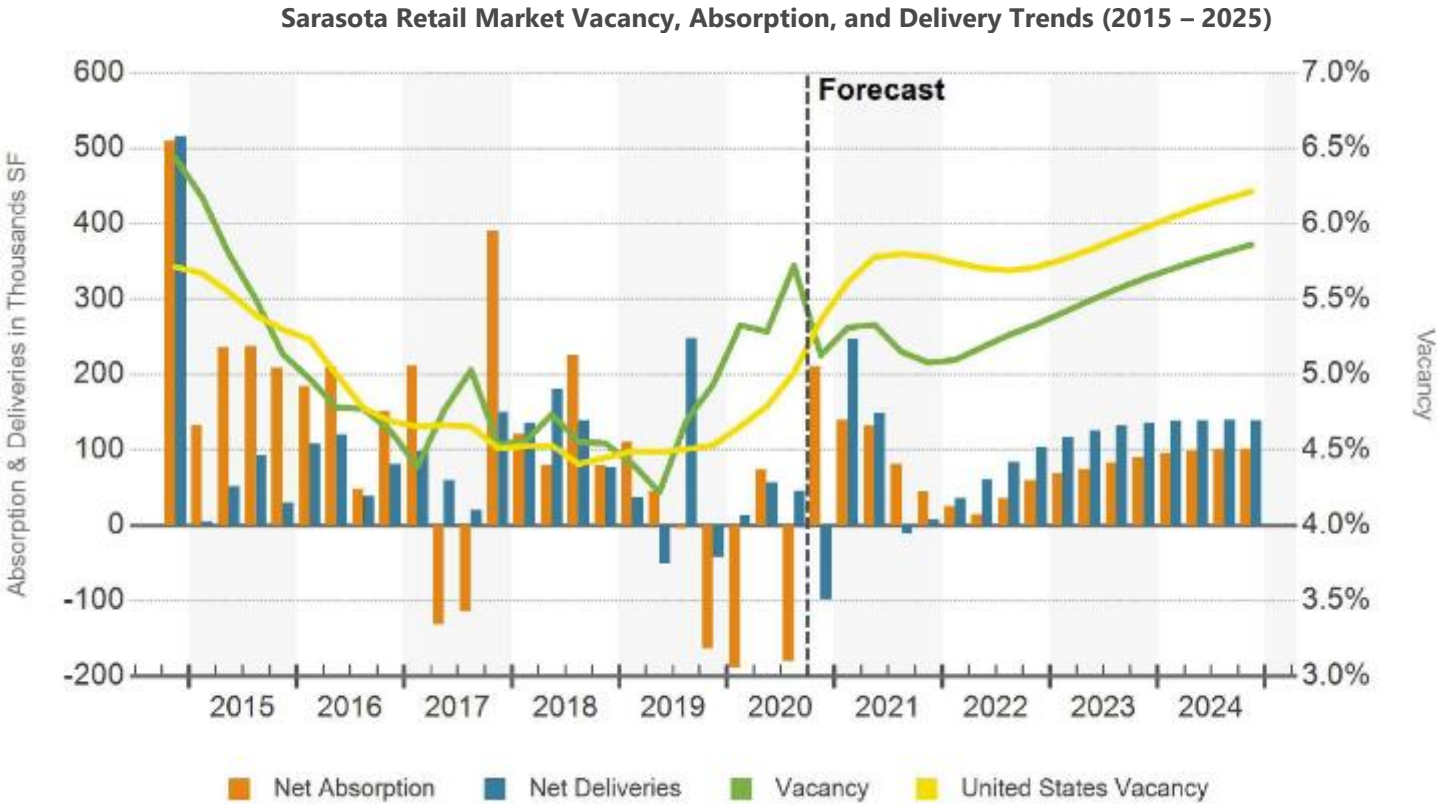
RETAIL MARKET PROFILE – TOTAL INVENTORY (CONTINUED)

The following map displays retail properties within both the Sarasota and Punta Gorda Markets:



RETAIL MARKET PROFILE – VACANCY, ABSORPTION, AND DELIVERIES

Retail vacancies have slipped over the past year primarily due to the coronavirus outbreak. Despite the looser conditions, the average vacancy rate in the Sarasota market remains tight from a historical standpoint. While developer activity appeared to be on the rise with numerous retail properties under construction and an increasing proposed pipeline, construction levels at the onset of the crisis were still manageable and roughly in-line with long-term delivery averages. As a further reflection of the prior strong retail demand, Sarasota's retail industry had been one of the fastest job growth sectors in recent years. With the retail sector appearing to be more exposed to the effects of the pandemic compared to other property types (i.e., office, industrial, etc.) the market's higher relative exposure to retail trade could represent an elevated pandemic risk compared to the nation.



RETAIL MARKET PROFILE – NORTH PORT RETAIL INVENTORY

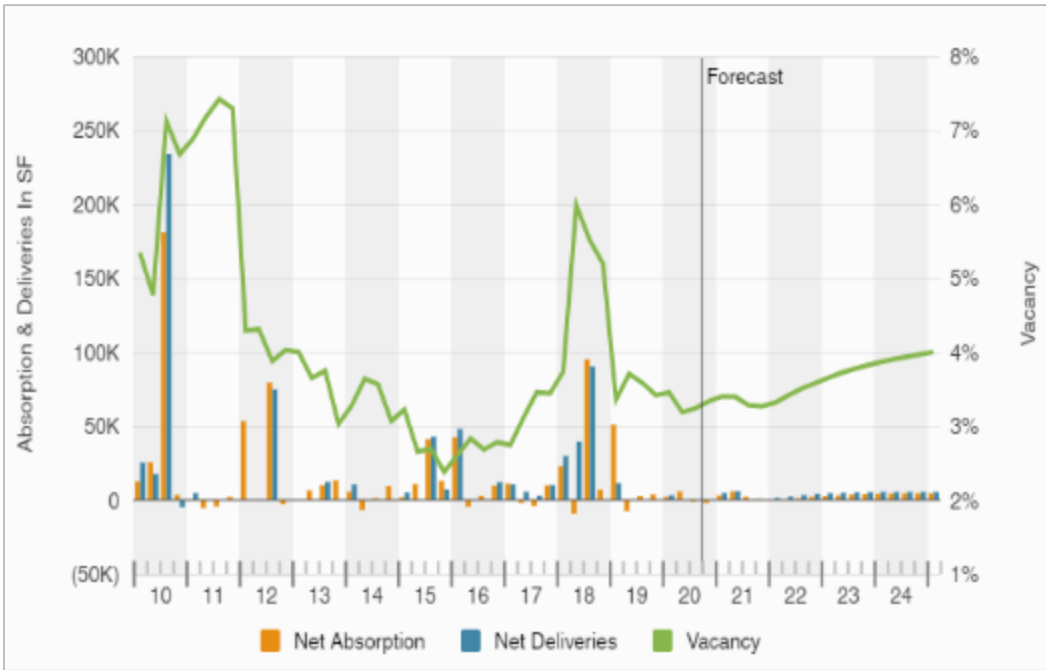
As of Q4 2020, there were approximately 154 retail properties in North Port containing a total inventory of just over 2.5 million SF. North Port’s existing retail inventory accounts for approximately 4% of all retail inventory in the Sarasota and Punta Gorda markets. At 88 properties containing approximately 41% of total retail inventory, a majority of North Port’s retail inventory is classified as general retail space with the large amount of that inventory existing in 100,000+ SF buildings.

Over the past decade, vacancy rates in North Port have been volatile, with retail vacancies dropping by approximately 50% in the early part of the decade before increasing from Q3 2015 to Q4 2017, and eventually dropping and stabilizing at around 3.5% leading up to Q4 2020. Developer activity last spiked in 2018 when almost 100,000 SF of new inventory was delivered to the market, but the market has seen very little new construction or activity underway since. Net absorption has been close to zero since the end of 2018, and is forecasted to remain the same in the coming years as the market remains tight and little inventory is expected to come online.

North Port Retail Inventory Summary (Q4 2020)

	# of Properties	Total Inventory (SF)	% of Total Inventory
General Retail	88	1,030,255	41%
Retail Neighborhood Center	25	564,639	22%
Retail Power Center	10	494,563	19%
Retail Strip Center	31	449,658	18%
Grand Total	154	2,539,115	100%

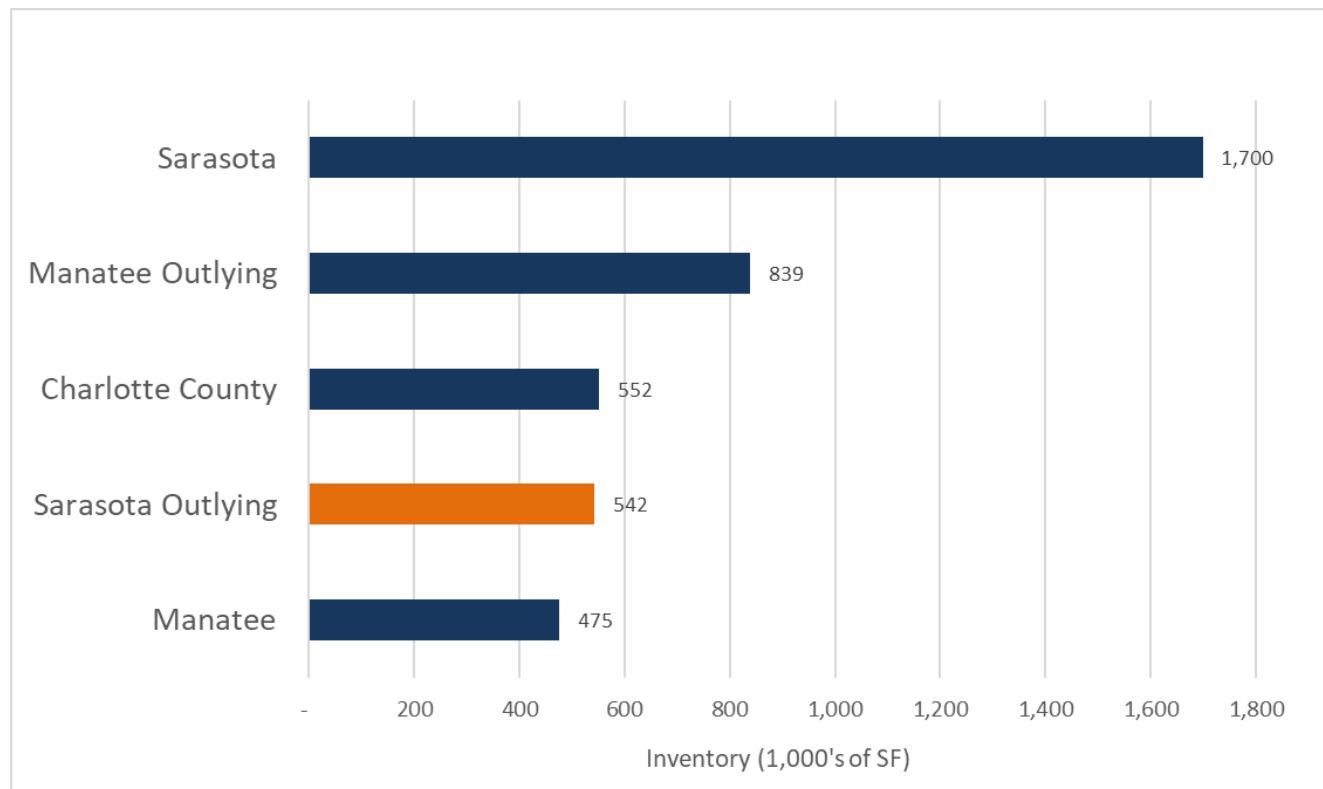
North Port Retail Vacancy, Absorption, and Deliveries (2010 – 2025)



RETAIL MARKET PROFILE – TOTAL INVENTORY GROWTH

The Sarasota Outlying submarket saw approximately 542,000 SF of new inventory added to the submarket over the last 5 years. A little over 100,000 SF of growth in the Sarasota Outlying market took place in the City of North Port, representing close to 20% of new inventory delivered to the submarket over the last five years. Overall growth in the Sarasota Outlying submarket represented 13% of all new inventory added to the Sarasota and Punta Gorda markets from 2015 to 2020. The Sarasota submarket saw the largest amount of total inventory growth adding 1.7 million SF of new inventory to the submarket. This growth equated to 3-times the amount of total inventory added to the Sarasota Outlying submarket.

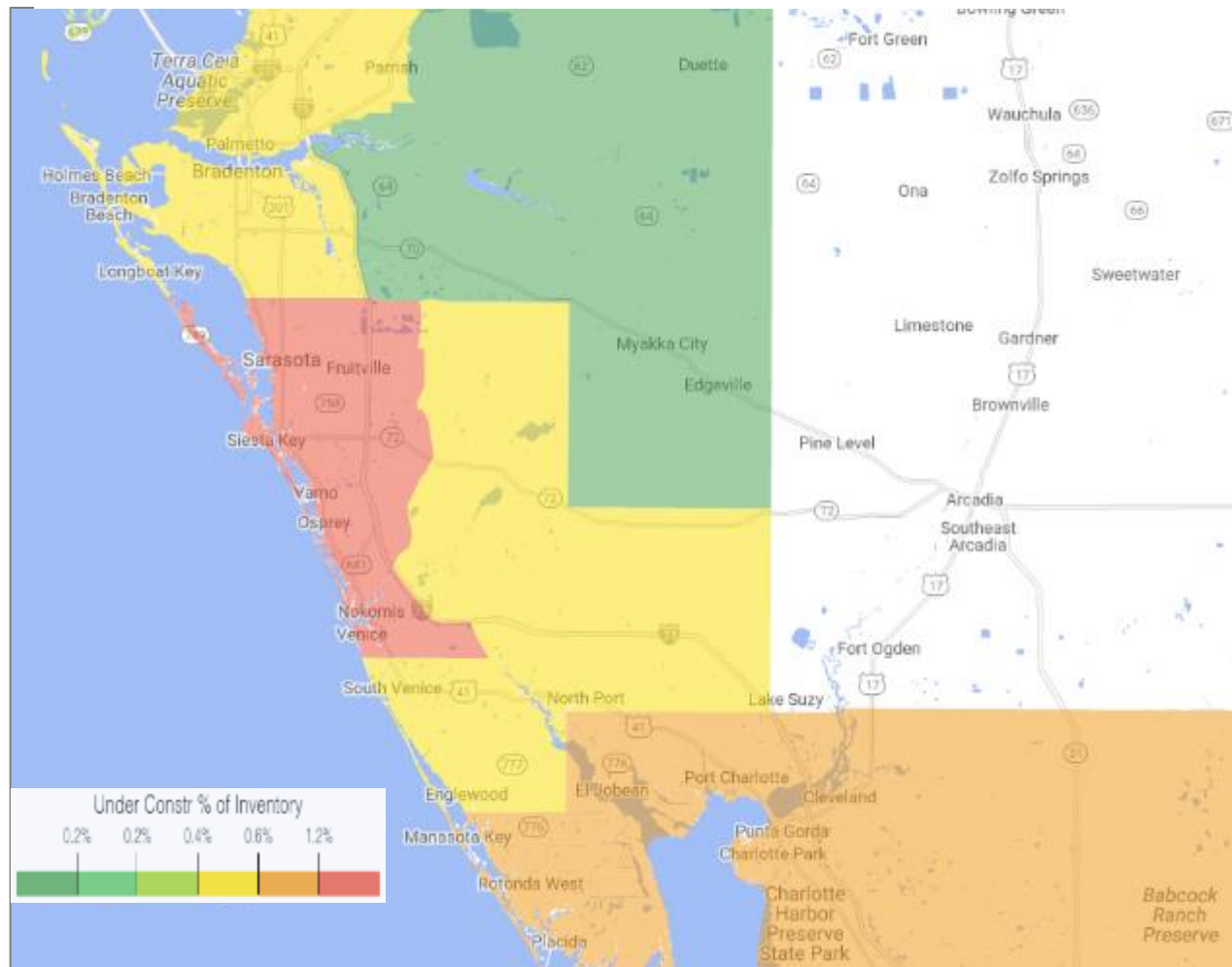
Cumulative Retail Inventory Growth by Submarket (2015 – Q4 2020)



RETAIL MARKET PROFILE – INVENTORY UNDER CONSTRUCTION

The following map outlines trends in retail inventory under construction as a percentage of total inventory in each submarket. As of Q4 2020, there was a little over 500,000 SF of retail space under construction in both the Sarasota and Punta Gorda markets. A little over 50% of inventory under construction is located in the Sarasota submarket.

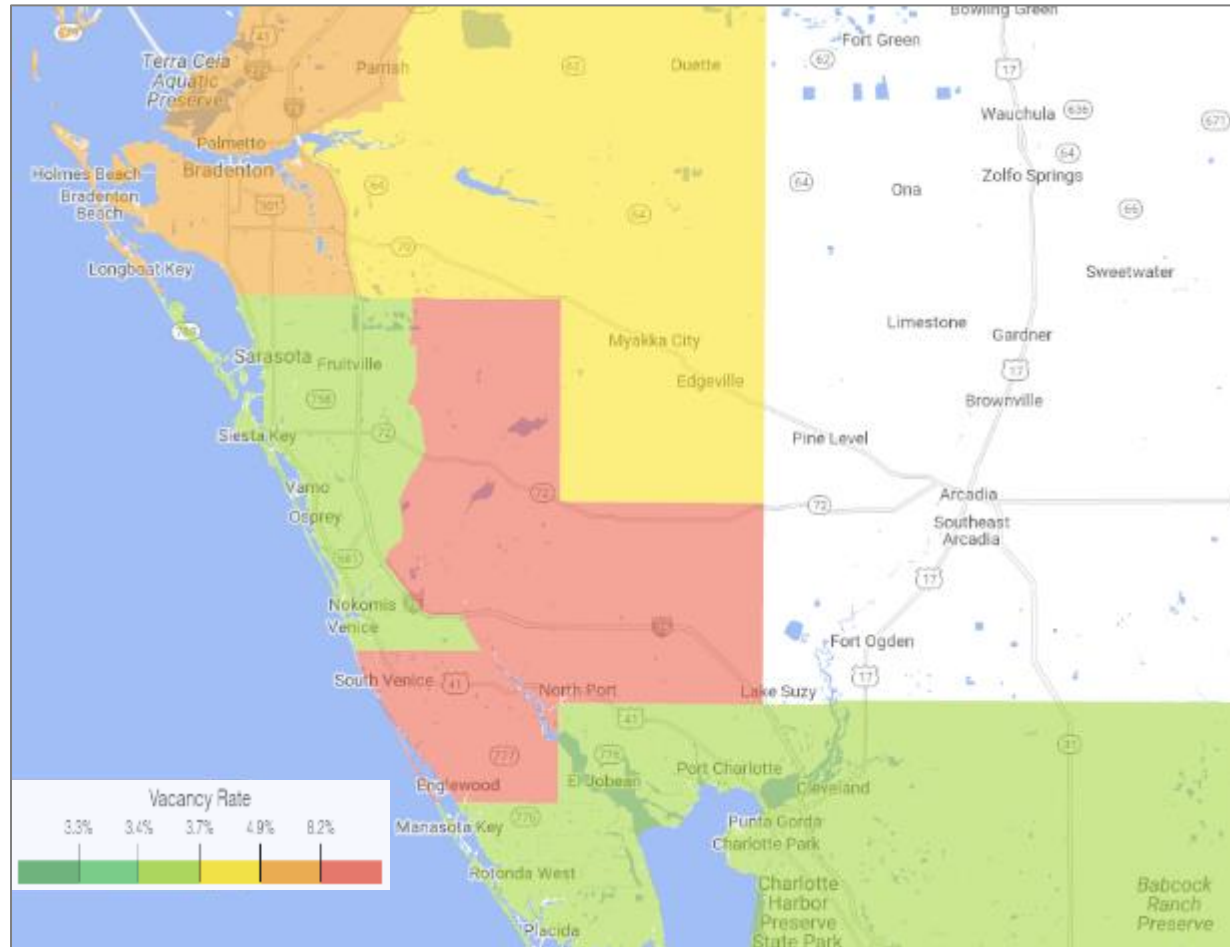
Under Construction Retail Inventory as a Percentage of Total Submarket Inventory (Q4 2020)



RETAIL MARKET PROFILE – VACANCY RATE

As of Q4 2020, retail vacancy rates in the Sarasota and Punta Gorda markets were 4.9% and 3.6%. With a vacancy rate of 8.2%, the Sarasota Outlying submarket had the highest vacancy rate of any submarket in the Sarasota and Punta Gorda markets. However, at 3.3% the City of North Port’s office vacancy rate is lower than rates seen in the Sarasota market and Sarasota Outlying submarket.

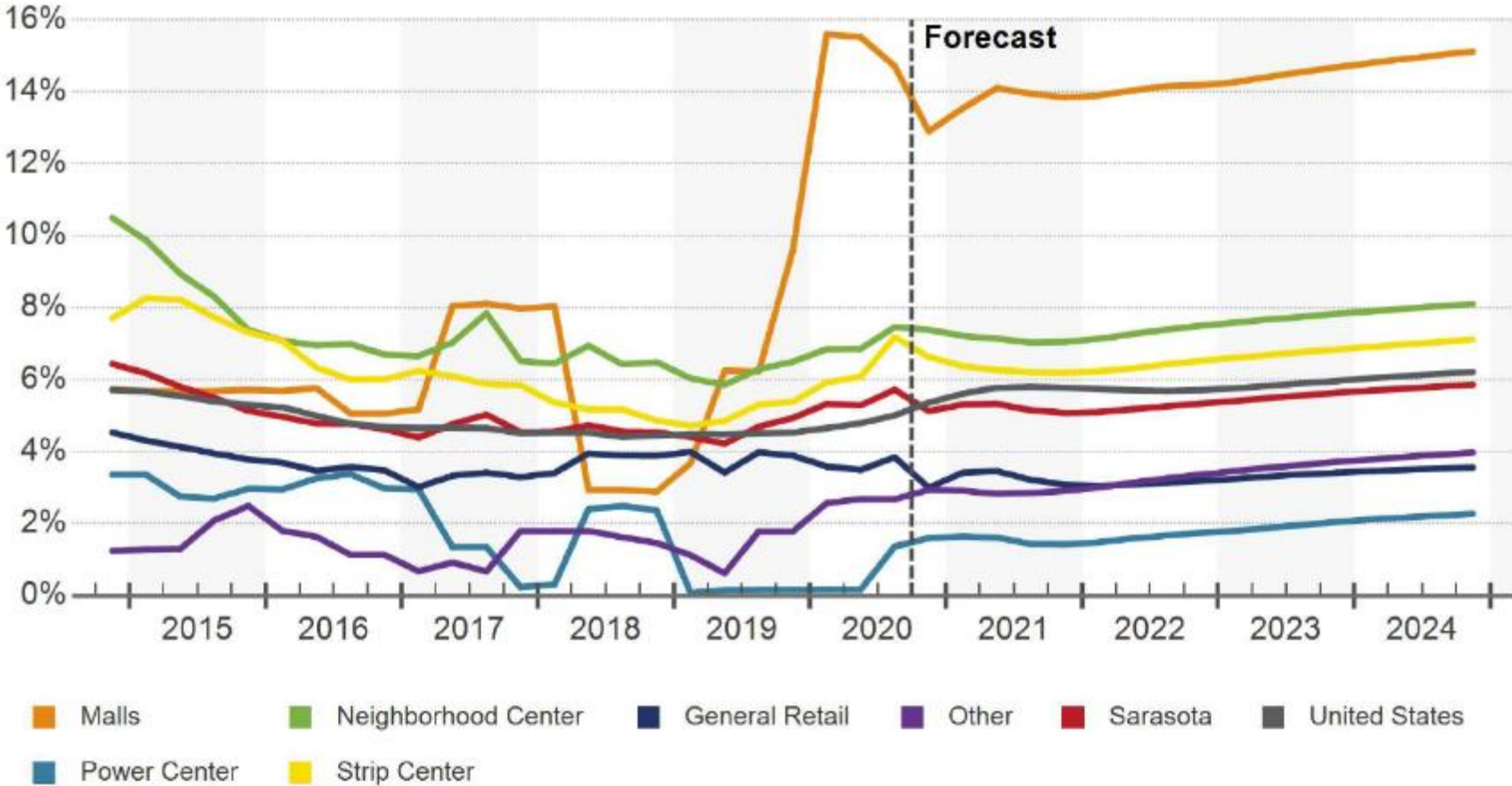
Retail Inventory Vacancy Rate by Submarket (Q4 2020)



RETAIL MARKET PROFILE – VACANCY RATE

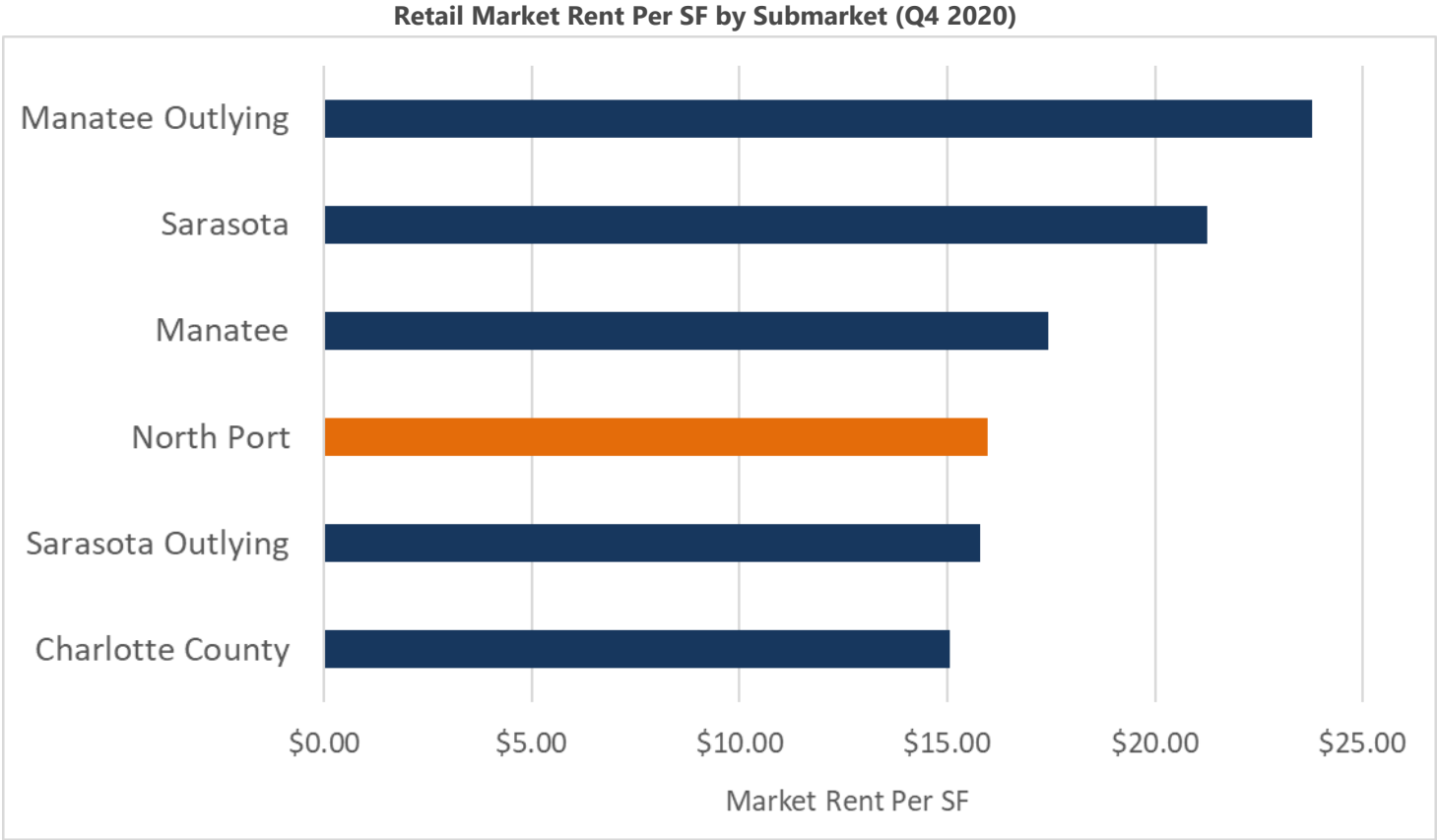
In recent years, vacancy rates for all major retail property types have aligned with historical trends, except for malls which have seen vacancy rates increase from 3.5% to 14% over the last two years. Along with retail mall property, strip and neighborhood center vacancy rates remain above averages both for the Sarasota market and nationally.

Sarasota Market Vacancy Rates by Retail Property Type (2015 – 2025)



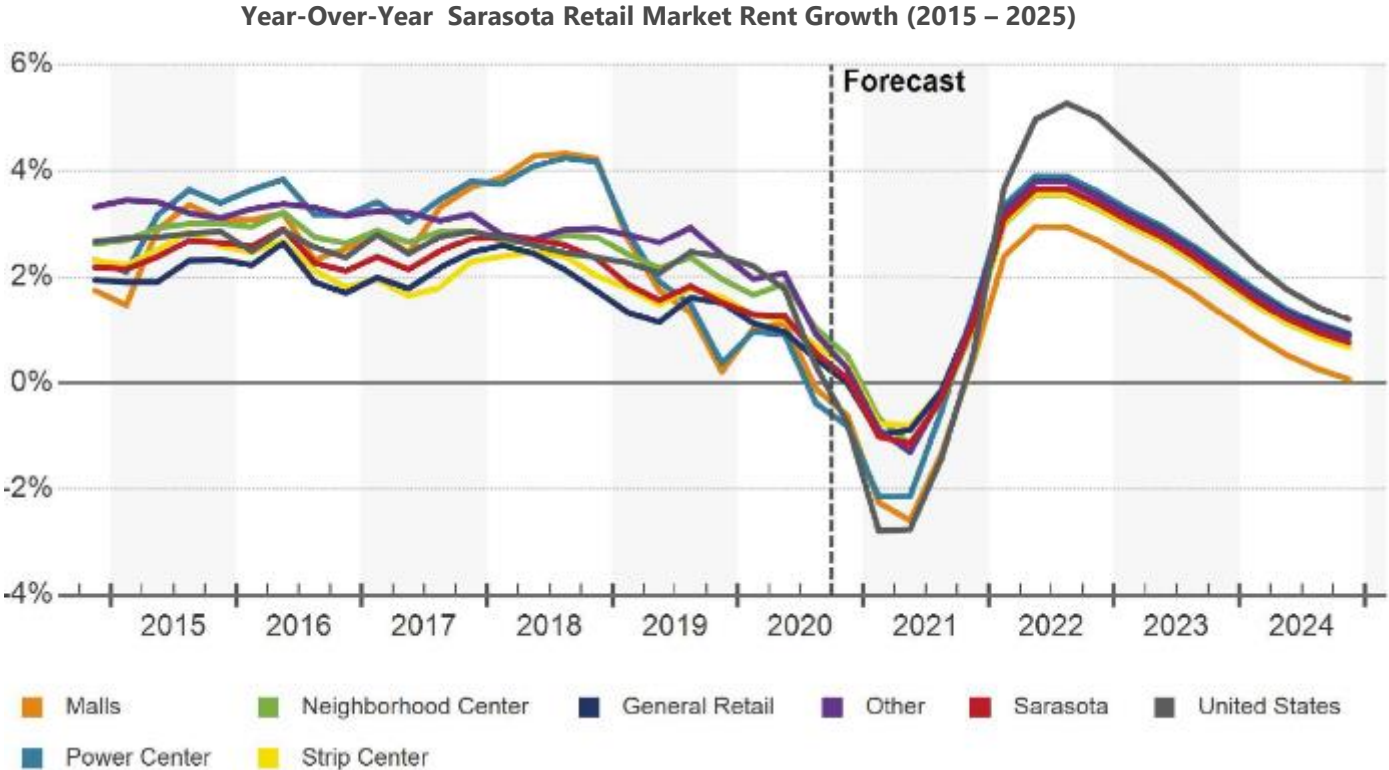
RETAIL MARKET PROFILE – MARKET RENT

At \$19.11/SF, market rent per SF for office properties located within the City of North Port were aligned closely with rates seen in the Punta Gorda market (Charlotte County) and are approximately 14% lower than rates for the Sarasota Outlying submarket (where North Port resides).



RETAIL MARKET PROFILE – MARKET RENT GROWTH

Sarasota's retail rent growth has declined over the past year, primarily weighed down by sagging mall rents. Although there have been a few standout sectors such as neighborhood centers, the majority of retail properties have seen slowing growth. Given the combined effects of upcoming deliveries and the ongoing pandemic, asking rents could experience significant downward pressure over the near term. Rents in the Sarasota market are some of the highest in Southwest Florida, trailing only Naples. Additionally, the Sarasota market commands a premium of just under 10% over nearby Tampa, though this is largely due to having a higher percentage of overall retail located in highly trafficked, tourist-driven areas. These areas are exposed to a higher amount of risk for coronavirus impact, so these premiums could be in jeopardy.



North Port Land Inventory

NORTH PORT LAND INVENTORY

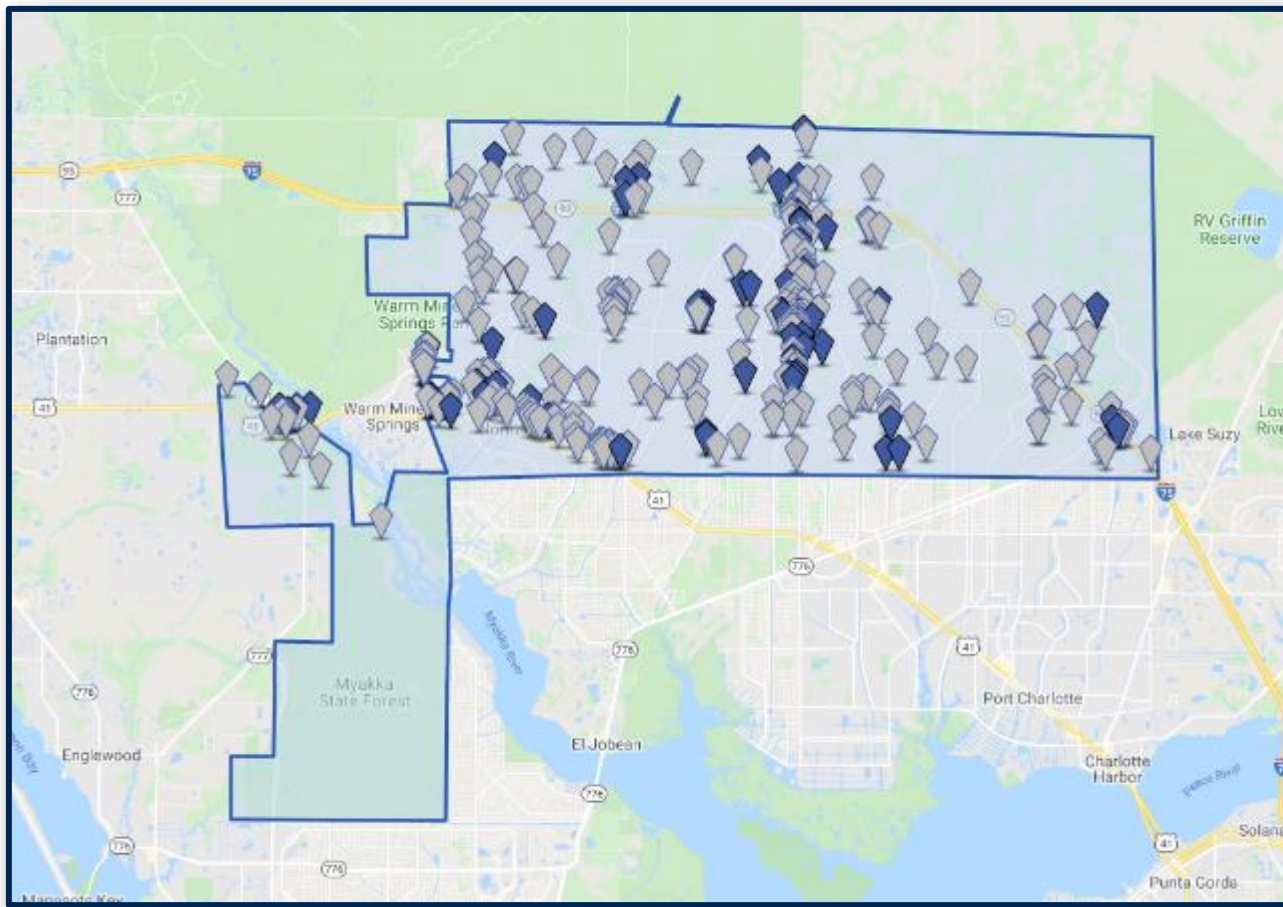
The following section summarizes vacant land inventory within the city of North Port. Land is presented as residential, commercial, and industrial properties, and individual properties may be comprised of multiple land parcels. Land classifications are based on data provided by CoStar and are based on the properties' potential for development.

NORTH PORT LAND INVENTORY OVERVIEW

As of Q4 2020, there were almost 340 properties in North Port classified as 'land' in Costar. These properties contain approximately 15,860 acres of total land in North Port. 8,720 acres or 55% of total available land listed in CoStar is classified as commercial, followed closely by residential land at 7,115 acres or 45% of all land listed in CoStar. Industrial land represents the smallest proportion of available land in North Port at 23 acres, which equates to less than 1% of total land inventory in North Port. See map on the following page for a geographical representation of where land listed in Costar is situated.

NORTH PORT LAND INVENTORY (CONTINUED)

Vacant Land Properties by Submarket



INDUSTRIAL LAND

A majority of industrial land in North Port is located on Toledo Blade Blvd. between I-75 and East Price Blvd. A majority of industrial land inventory is within properties that are between greater than five but less than ten acres in size. At 23 acres, industrial land represented the smallest proportion of land in North Port as of Q4 2020.

Industrial Land Summary (Q4 2020)				
Land Area Range (Acres)	# of Properties	Total Land Area (Acres)	% of Total Industrial Inventory	% of Total Land Inventory
< 1	2	1	5%	<1%
>1 & <5	6	8	37%	<1%
>10 & <20	1	13	58%	<1%
Total Industrial	9	23	100%	<1%

COMMERCIAL LAND

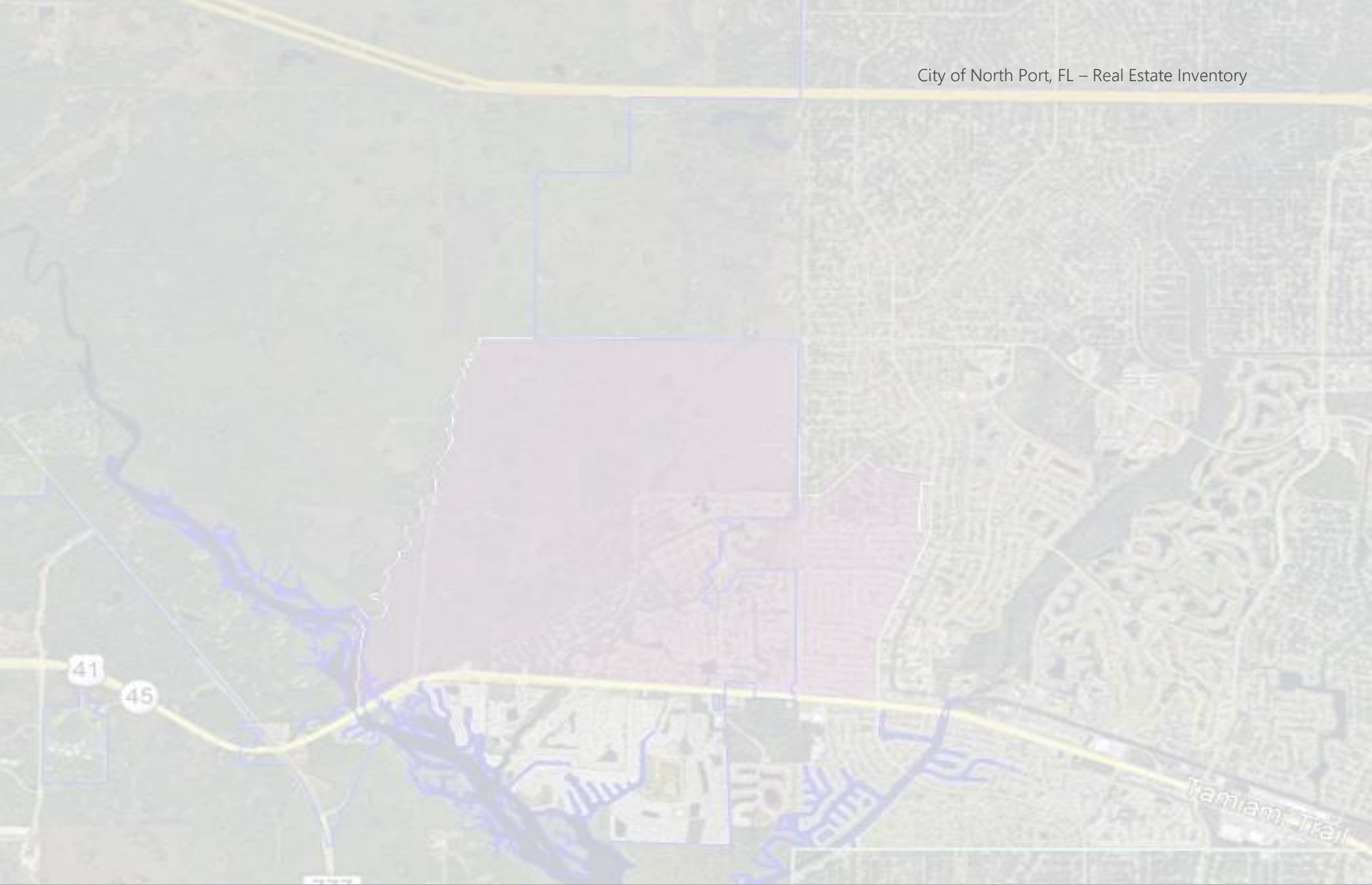
Commercial land is present throughout North Port, with larger concentrations of land located along Toledo Blade Blvd and Rt. 41. A majority of commercial land in North Port is located within properties that are 500 acres or greater, with a large amount residing in one property that is located along Panacea Blvd. and contains just over 5,100 acres. At 8,720 acres, commercial land represented the largest proportion of land in North Port as of Q4 2020.

Commercial Land Summary (Q4 2020)				
Land Area Range (Acres)	# of Properties	Total Land Area (Acres)	% of Total Industrial Land Inventory	% of Total Land Inventory
< 1	44	25	<1%	<1%
>1 & <5	132	287	3%	2%
>5 & <10	21	152	2%	1%
>10 & <20	26	392	4%	2%
>20 & <30	7	167	2%	1%
>30 & <40	4	140	2%	1%
>40 & <50	2	89	1%	1%
>50 & <100	7	462	5%	3%
>100 & <150	2	225	3%	1%
>150 & <200	1	207	2%	1%
>300 & <400	1	390	4%	2%
>500 & <1,000	2	1,028	12%	6%
>5,000	1	5,156	59%	33%
Total Commercial	250	8,720	100%	55%

RESIDENTIAL LAND

Residential land is broadly distributed across North Port. A majority of residential land in North Port is located within properties that are 200 acres or greater, with a large amount residing in one property that is located along north of the I-75 and Toledo Blade Blvd interchange. At 7,115 acres, residential land represented the second largest proportion of land in North Port as of Q4 2020.

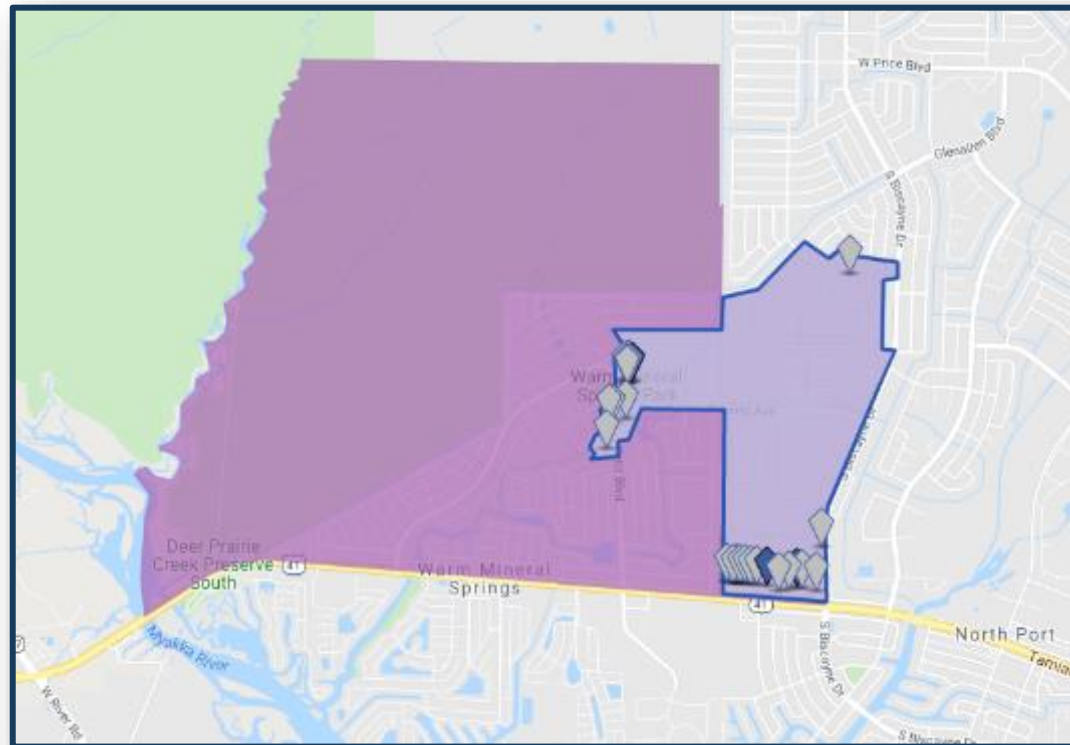
Residential Land Summary (Q4 2020)				
Land Area Range (Acres)	# of Properties	Total Land Area (Acres)	% of Total Residential Land Inventory	% of Total Land Inventory
< 1	48	16	<1%	<1%
>1 & <5	9	21	<1%	<1%
>5 & <10	5	32	<1%	<1%
>10 & <20	5	80	1%	1%
>20 & <30	3	65	1%	<1%
>30 & <40	2	72	1%	<1%
>40 & <50	1	40	1%	<1%
>50 & <100	3	194	3%	1%
>100 & <150	1	133	2%	1%
>200 & <300	1	296	4%	2%
>300 & <400	1	390	5%	2%
>5,000	1	5,774	81%	36%
Total Residential	80	7,115	100%	45%



Opportunity Zone Inventory

The following section provides an inventory of multifamily, office, industrial, retail, and/or land that is located within the opportunity zone, as well as within the City of North Port’s municipal boundaries.

In the map below, the purple shaded area represents the full opportunity zone area, with the portion outlined in blue representing the area of the opportunity zone that is within the City of North Port’s municipal boundaries (referred to in this section as the ‘Study Area’). The properties included in this inventory are also mapped below.



OPPORTUNITY ZONE INVENTORY SUMMARY

LAND

As of Q4 2020, there were a total of 12 land properties within the Study Area containing approximately 100 acres of land. A majority of these properties are located on San Servando Ave, Ortiz Blvd, and Tamiami Trail.

Two properties are classified as residential land and contain a combined 10 acres of land. These two properties represent 10% of total land in the study area. The remaining properties are classified as commercial land and contain a combined 88 acres or 90% of total land inventory in the Study Area.

Opportunity Zone Land Summary (Q4 2020)			
Property Type	Secondary Type	Land (Acres)	% of Total Land
Land	Residential	0.9	1%
Land	Residential	9.7	10%
	Total	10.6	11%
Land	Commercial	19.0	19%
Land	Commercial	17.1	17%
Land	Commercial	1.9	2%
Land	Commercial	6.0	6%
Land	Commercial	19.1	19%
Land	Commercial	2.7	3%
Land	Commercial	4.7	5%
Land	Commercial	17.1	17%
Land	Commercial	0.2	<1%
Land	Commercial	0.2	<1%
	Total	88.0	89%
	Grand Total	98.5	100%

OFFICE

There is one property in the Study Area classified as an office property that is located along S. Tamiami Trail. This property has a rental building area¹¹ (RBA) of just under 10,000 SF.

Opportunity Zone Office Summary (Q4 2020)	
Property Type	Rental Building Area (SF)
Office	9,669
Total	9,669

RETAIL

There are twelve properties in the Study Area classified as retail properties. A majority of these properties are located along S. Tamiami Trail. These properties have a combined RBA of approximately 86,000 SF.

Opportunity Zone Retail Summary (Q4 2020)		
Property Type	Rental Building Area (SF)	% of Total RBA
Retail	10,197	12%
Retail	6,750	8%
Retail	4,418	5%
Retail	5,000	6%
Retail	2,640	3%
Retail	3,886	5%
Retail	3,960	5%
Retail	14,781	17%
Retail	2,112	2%
Retail	9,102	11%
Retail	13,806	16%
Retail	9,499	11%
Total	86,151	100%

¹¹ Inventory is reflective of rentable building area (RBA). Rental Building Area (RBA), expressed in square feet (SF) includes the usable area and its associated share of the common areas within a building. It is the space the tenant will occupy in addition to the associated common areas of the building such as the lobby, hallways, bathrooms, equipment rooms, etc.

APPENDIX IV

NORTH PORT INTERVIEW/FOCUS GROUP THEMES

January 15, 2021

This document reflects interview and focus group findings from conversations conducted as part of the City of North Port's Economic Development Feasibility Study. Focus groups spanned the topics of Business, Manufacturing, Tourism, Workforce, Building/Construction, and Environment/EcoTourism. The perspectives of interviewees help to solidify initial data findings, begin to uncover economic opportunities, and assess partnerships among economic development stakeholders. Statements from interviewees have been paraphrased to keep identities and roles anonymous. The following is a summary of the findings grouped into major themes.

1-1 interviews occurred with the following individuals:

Larry Fineberg, *Benderson Development*

Ashley Bloom, *SVN*

Rick Severance, *Mattamy*

Homes Mayor Jill Luke, *Mayor*

of North Port Ron Starner, *Site*

Selection Magazine

Rep. James Buchanan, *Florida House of*

Representatives Jason Yarborough, *Interim City*

Manager of North Port Scott Sensenbrenner,

Enzymedica

Destin Wells, *Sarasota EDC*

Bill Gunnin, *North Port Area Chamber of Commerce*

Mike Dunn, *Atlanta Braves*

ASSETS TO BUILD ON

City-Related

- Currently, the City seems to be at the "right" place to take on challenges involving sites and economic development.
- Building permits are up 15% since last year at this time.

Tourism

- Wellen Park is starting to build a "sense of place" for the city.
- The regional trail systems and recreation are all a draw to the city.
- Warm Mineral Springs could be a bigger tourism draw.
- The City has gained notoriety since the Braves have come to town.
- North Port has ideal proximity to Sarasota and beaches, which are big tourist draws.
- COVID-19 and the red tide has displaced hospitality and retail workers. This workforce population could be utilized for job-retraining programs focused on manufacturing/logistics/light industrial/etc.

Development

- Developer confidence in the city is growing– there are new multifamily housing units being built, and a majority of existing industrial construction activity in the region is happening in North Port (285,000 SF of distribution space on I-75 and Toledo Blade Blvd. that has been leased by Guardian Pharmacy of Southwest Florida.)
- The City has affordable housing for the region, and a relatively large amount of new multifamily inventory is expected to be delivered in the next 18-months.
- Industrial and office rents are relatively low compared to the region.

Manufacturing

- The manufacturing workforce is near North Port because it is much less expensive for them to live, but the area is also attractive to executive level individuals because of the amenities in the area and proximity to Sarasota.
- There is currently a cluster of industrial properties near the I-75 interchange (Toledo Blade Blvd) with additional land available for buildout.
- The City is well positioned between Tampa and Naples, has proximity to major airports (Punta Gorda, Tampa, Fort Myers) and proximity to major Ports (Manatee and Tampa). Manatee is 30 miles from North Port and is one of Florida's largest and fastest growing deep-water seaports. It is also the closest US deep water port to the Panama Canal.
- The technical college in North Port focuses on workforce readiness for immediate jobs and placing students into 2-and-4-year colleges.

CHALLENGES FACING THE CITY

City-Related

- The City does not have a comprehensive incentive package to offer businesses/developers.
- Infrastructure is a significant weakness for the city.
- City staff could be more active in land assembly/land banking.
- The City currently has no centralized downtown or significant nightlife.
- The City does not have extensive relationships with many property owners.
- The marketing around the City's assets could be improved.
- Part of the city's work will be to differentiate itself from Bradenton which has a significant office and industrial footprint, in addition to affordable housing.
- Some businesses view the City as difficult to work with based on internal turnover.
- There are perceptions that the City focuses on how to prevent adverse outcomes and not how to make the business climate more successful.
- ULDC currently prohibiting growth in desired industries.

Workforce

- The unskilled labor force is the hardest to find and keep. This group tends to be very transient. There are currently 100s of open positions in manufacturing businesses in the area.
- Hard time recruiting for positions from executives to laborers.

- Sarasota Memorial Hospital opened up a new facility along I-75 in Venice that will have 1,000s of openings.

Site Inventory

- There is a lack of existing facilities and buildings available for someone to move today. Site and facility readiness will be key.
- Rents and housing prices in North Port were growing at a much faster rate than other cities in the region the 5-years leading up to the pandemic.

Environment

- Water quality is a significant concern as development continues.
- The canals do offer opportunity for more transportation/recreation if the surrounding environment is kept up.
- The language to maintain and upkeep natural areas is in the ULDC but does not seem to be enforced.
- Staffing at the City lacks the specialty knowledge for cultural, historical reviews.
- Protection of the Myakkahatchee Greenway Corridor is well done.
- There is a call for a turn to sustainable development that can allow growth and protect or integrate natural elements into the design. There are existing resources that speak to this model.
- It was acknowledged that land assembly is a challenging task but that it can be done, the School Board was used as an example of an entity that has done this successfully in the past.
- Financial resources are needed to show dedication to conservation and sustainability. What if there was a sustainability fee that could be banked to by ecologically sensitive lands?

COVID-19 RELATED:

- The retail and hospitality sectors are some of the largest employment bases in Sarasota County and North Port and are some of the highest growth sectors over recent years. This sector has been one of the hardest hit by the coronavirus and Sarasota's previous strength may become a temporary weakness.
- While the full impact of the pandemic remains to be seen on Sarasota office trends, signs of shifting occupier preferences are emerging with some office tenants signaling that work-from-home options may become permanent, leading them to vacate or downsize their existing office presence which would further impact market vacancy rates.

APPENDIX V - APPROACH TO INFRASTRUCTURE FINANCING

In general, municipalities rely on either leveraging existing cash or issuing debt to finance capital infrastructure projects. Commonly, leveraging cash or other assets is used in a municipality's annual budget and capital improvement process where capital projects may be smaller in size and can also include capital maintenance. Additionally, this is used if a municipality has limited access to debt, if a municipality is approaching their debt limits, or if there are exclusions on use of debt in existing legislation. Debt issuances on the other hand are often used to fund large infrastructure projects that benefit both current taxpayers and future infrastructure users; spreading out the costs of public infrastructure investments throughout life of an asset.

In either example of financing, sources for funding local infrastructure generally come from local general taxes, special funds such as dedicated user fees and earmarked taxes, intergovernmental grants, bond proceeds, or some combination of these sources. For example, local sources for funding for transportation projects may include state highway aid, general or capital improvement fund appropriations, user fees (tolls), and/or bond proceeds. Municipal wastewater and drinking water infrastructure projects are another example and are commonly funded by local wastewater and water supply user fee charges and debt financings, with some funding from federal and state grants.

The City of North Port's Capital Improvement Program (CIP)

CIP Revenue Sources:

- One Cent Sales Tax Proceeds
- Developer Contributions
- Impact Fees
- Bond Proceeds
- Special Assessment and District Funds

Funds that support North Port's CIP portfolio primarily include:

- Capital Funds
- District Funds
- Enterprise Funds
- General Funds
- Impact Fee Funds
- Special Revenue Funds

Summary of North Port Debt Financing 2010-2020:

- Sales Tax Revenue Bonds
- Capital Leases
- Transportation Improvement Assessment Bonds
- State Infrastructure Bank Loans
- Water and Sewer Bonds

Cash and Other Fund Financing	Debt Financing
Taxation (general and/or dedicated taxes)	Loan Financing (Private Bank Loans)
<ul style="list-style-type: none"> • General Taxes 	Bond Financing
<ul style="list-style-type: none"> • Dedicated Taxes 	<ul style="list-style-type: none"> • General Obligation Bonds
User Charges	<ul style="list-style-type: none"> • Revenue Bonds
Capital Funds/Reserves and Fund Balance	<ul style="list-style-type: none"> • Private Activity Bonds
Federal, State, and/or County Grants and Aid	

TAXATION

Tax revenue is commonly used in local infrastructure financing. General taxes refer to broad-based taxes on residents and businesses. They consist of things like sales tax, property tax, and local income or wage taxes. These revenue sources are often used to finance local infrastructure projects that create communitywide benefits such as local streets, transit, and parks and recreation. In addition to general taxes, many local governments use more narrowly focused taxes either in their general fund or in special revenue funds and dedicate these revenues to fund local infrastructure projects. Local utility taxes, telecommunication taxes, and occupancy taxes are examples of revenues that can be deposited into a special revenue fund, reserving the funds for that specific project.

USER CHARGES

User charges play a big role in local infrastructure finance, particularly for drinking water, wastewater, and solid waste disposal. Fees are also imposed on local residents and businesses for their use of utilities and other public enterprises, including tolls, motor vehicle license and registration fees, sewer charges, etc. User charges are typically collected into an enterprise fund that can fund local infrastructure projects such as those related to water, airport, wastewater, and parking facilities. Significant user charges such as water utility fees can be used as the dedicated revenue source to secure revenue bonds.

CAPITAL RESERVES AND FUND BALANCES

Local governments regularly save and accumulate money in capital reserve and/or improvement funds, and then designate the funds to pay for capital projects. The use of capital reserves is often focused on smaller less expensive capital projects and/or infrastructure maintenance that are addressed in a municipality's annual capital improvement plan. Under certain circumstances, general fund balances can also become a source for infrastructure financing. Funds can be transferred into a municipality's capital improvement fund, or can be used to purchase major equipment to help support infrastructure projects.

GRANT FUNDING

Federal, state, and county grants represent a major funding source of local infrastructure financing. A variety of federal and state grant programs are available for helping fund local infrastructure projects. State and/or county funded grants and aid programs are available in many states to help fund streets, bridges, water utilities, parks, public safety facilities, and many other infrastructure needs.

LOAN FINANCING

Municipalities can secure direct loans from private commercial banks, industrial loan companies, or industrial banks to fund infrastructure projects.

BOND FINANCING

Municipalities use two general types of bond financing: general obligation bonds (GO) and revenue bonds. GO bonds are the long-term debt obligations of local governments backed by the issuer’s full faith and credit, meaning the issuing governments are obligated to repay bonds from their general tax revenues. GO bonds are traditionally issued to finance projects that have no revenue sources such as fire stations, public schools, libraries, recreation centers, etc. Revenue bonds are typically issued to finance public facilities that have definable users with specific revenue streams, such as utilities, toll roads and bridges, and hospitals. Revenue bonds are secured by the pledge of defined revenue sources generated from the bond funded projects (user fees, tolls, etc.).

Alternative Methods of Municipal Financing

Alternative financing methods include similar concepts or components of traditional infrastructure funding and financing but structure them in an innovative or alternative way. Often, alternative financing strategies incorporate creative strategies to raise new funding sources or embrace financial arrangements such as public private partnerships (P3s) in order to fund infrastructure.

New Funding Sources	Financing Strategies	Partnerships
New Taxation	Public Private Partnerships	Sarasota County
Value Capture	<ul style="list-style-type: none"> Design-Build (DB) 	Southwest Florida Planning Council
<ul style="list-style-type: none"> Impact Fees 	<ul style="list-style-type: none"> Design-Build-Operate-Maintain (DBOM) 	Florida Power and Light
<ul style="list-style-type: none"> Special Assessment Districts 	<ul style="list-style-type: none"> Design-Build-Finance-Operate-Maintain (DBFOM) 	
<ul style="list-style-type: none"> Tax Increment Financing 		

NEW TAXATION

New taxes can be authorized by a municipality or by voters for infrastructure-related purposes. Examples can include new sales tax, fuel tax, or local vehicle taxes. Revenues from these new taxes can be earmarked or deposited into special revenue or other funds dedicated to local infrastructure projects.

IMPACT FEES

An impact fee is a one-time charge imposed on new businesses or property owners to pay for a share of the costs of new development activities. Impact fees are commonly used by municipalities to fund public infrastructure during the development process. In a majority of cases, impact fees must be spent for improvements that benefit those who pay the fees. Impact fees are commonly used to fund the costs associated with roads, sewer, storm water, and parks.

SPECIAL ASSESSMENT DISTRICTS

Special assessment districts are formed to include an area in which property owners or businesses agree to pay a special property tax assessment to fund a proposed improvement or service from which they expect to benefit directly. Business improvement, general improvement, and transportation improvement districts are all common types of special assessment districts that can be used to fund various types of infrastructure.

TAX INCREMENT FINANCING

Tax increment financing is a value-capture mechanism dedicated to capturing new or incremental taxes that are created when underutilized and vacant properties are redeveloped. As property values increase due to private sector activity spurred by the new infrastructure investment, the tax increment is diverted to pay the debt incurred for the redevelopment activities. Once the debt is paid off, revenues then return to the municipality.

PUBLIC PRIVATE PARTNERSHIPS (P3)

P3s are contractual arrangements in which municipalities or other government entities form partnerships with the private sector to design, finance, build, operate, and/or maintain infrastructure. They're most commonly used in the development of transportation infrastructure but can also be used to fund other infrastructure ranging from parking garages to broadband infrastructure. Different types of P3s exist because each element of infrastructure development can be combined in a number of ways.

In the design-build (DB) arrangement, a government agency establishes a contract with a private entity that assumes the design and construction phases of an infrastructure projects.

In the design-build-operate-maintain (DBOM) arrangement, contracted private entities are responsible for project design and construction, and also take the responsibility of the operation and maintenance of transportation projects. The municipality is in charge of financing the project and in theory passes risks related to operating costs and project revenues to the private partner.

In the design-build-finance-operate-maintain (DBFOM) arrangement, private entities also take the responsibility of fully or partially funding infrastructure projects. Revenue generated from infrastructure projects is used to pay for the project costs. Public agencies still retain the ownership of privately built transportation projects.

OTHER PARTNERSHIPS

Additional partner relationships through economic development organizations or private companies could also support North Port's ability to develop infrastructure. The Southwest Florida Regional Planning Council is the region's Economic Development District (EDD), which means that it sets regional priorities in relation to federal funding that is typically available through the Economic Development Administration (EDA). Utility companies like Florida Power and Light also may explore unique funding models based on the size and scale of the project.

Alternative Methods of Local Infrastructure Financing		
	Strengths	Challenges
New Taxation	<p>Dedicated to specific projects with local priorities.</p> <p>Relatively stable and predictable revenue sources.</p>	<p>Are commonly voter approved.</p> <p>Can be subject to rate limitations and spending restrictions.</p>
Impact Fees	<p>Creates nexus to payments and benefits of new infrastructure.</p> <p>Often no requirement for voter approval.</p>	<p>Administration and assessment burden.</p> <p>Some believe impact fees restrict economic growth.</p>
Special Assessment Districts	<p>Creates nexus to payments and benefits of new infrastructure.</p> <p>Often no requirement for voter approval.</p>	<p>Administration and assessment burden.</p>
Tax Increment Financing	<p>Provides an incentive to develop identified areas.</p> <p>Attracts private sector investment that may not have been possible otherwise.</p>	<p>Risk if the gains in property values are below forecast levels.</p> <p>Restricted to redevelopment-related infrastructure activities.</p>
Public Private Partnerships (P3)	<p>Can shift project finance risks and long-term operations and maintenance responsibilities to the private sector.</p> <p>Leverages private capital and expertise.</p> <p>Can preserve bonding capacity for future projects.</p>	<p>Complicated contracts and complex negotiations.</p> <p>Can create a loss of public control and flexibility.</p> <p>Often require an internal expert or substantial outside consulting throughout the life of the P3.</p>
Other Partnerships	<p>Can reduce burden on any one entity.</p> <p>Opens up a wider pool of resources that any one entity typically has access to.</p> <p>Supports collaboration.</p>	<p>Relies on buy-in from multiple parties.</p> <p>Requires managing priorities of multiple entities.</p> <p>Could result in comprising on some portions of the agreement.</p>

APPENDIX VI - ACKNOWLEDGEMENTS

Thank you to many members of the North Port City Staff that participated in and contributed to this report. Contributions received from:

- Economic Development Division
- Planning & Zoning Division
- City Manager's Office
- Police & Fire
- Public Works
- Utilities

Valuable feedback and contributions were also received from members of the community, including through the following focus groups and 1-1 interviews:

Business

David Roth, Chair, *North Port Chamber*

Nicholas Worden, *Community and Economic Development Advisory Board Chair*

Peter Bartolotta, *Resident*

Sarah Laroque, *EarthBalance*

Manufacturing

Jeff King, *King Plastics*

Bayne Beecher, *PGT Industries*

Workforce

Brett Kemker, Ph.D. *University of South Florida*

Jenna Thiel, *North Port High School*

Mireya Eavey, *CareerEdge*

Mike Endee, *Suncoast Technical Center – North Port*

Ryan Hale, Ph.D. *State College of Florida*

Environment

Alice White, *People for Trees*

Barbara Lockhart, *Environmental Conservancy of North Port*

Chuck English, *People for Trees*

Edie Driest, *North Port Friends of Wildlife*

Lee Hayes Byron, *Sarasota UF/IFAS Extension and Sustainability*

Steve Koski, *Sarasota County Archaeologist*

Builders

Ivory Matthews, *Neal Communities*

Jon Mast, *Manatee-Sarasota Building Industry Association*

Caryn Huff, *Wharton Smith Construction Group*

Kim French, *Willis Smith*

Interviews

Ashley Bloom, *SVN*

Bill Gunnin, *North Port Area Chamber of Commerce*

Destin Wells, *Sarasota EDC*

Jason Yarborough, *Interim City Manager of North Port*

Larry Fineberg, *Benderson Development*

Mayor Jill Luke, *Mayor of North Port*

Mike Dunn, *Atlanta Braves*

Rick Severance, *Mattamy Homes*

Ron Starner, *Site Selection Magazine*

Scott Sensenbrenner, *Enzymedica*

Rep. James Buchanan, *Florida House of Representatives*

Appendix VII: Return-on-Investment Analysis for Innovation Park: 2023 Update

July 2023



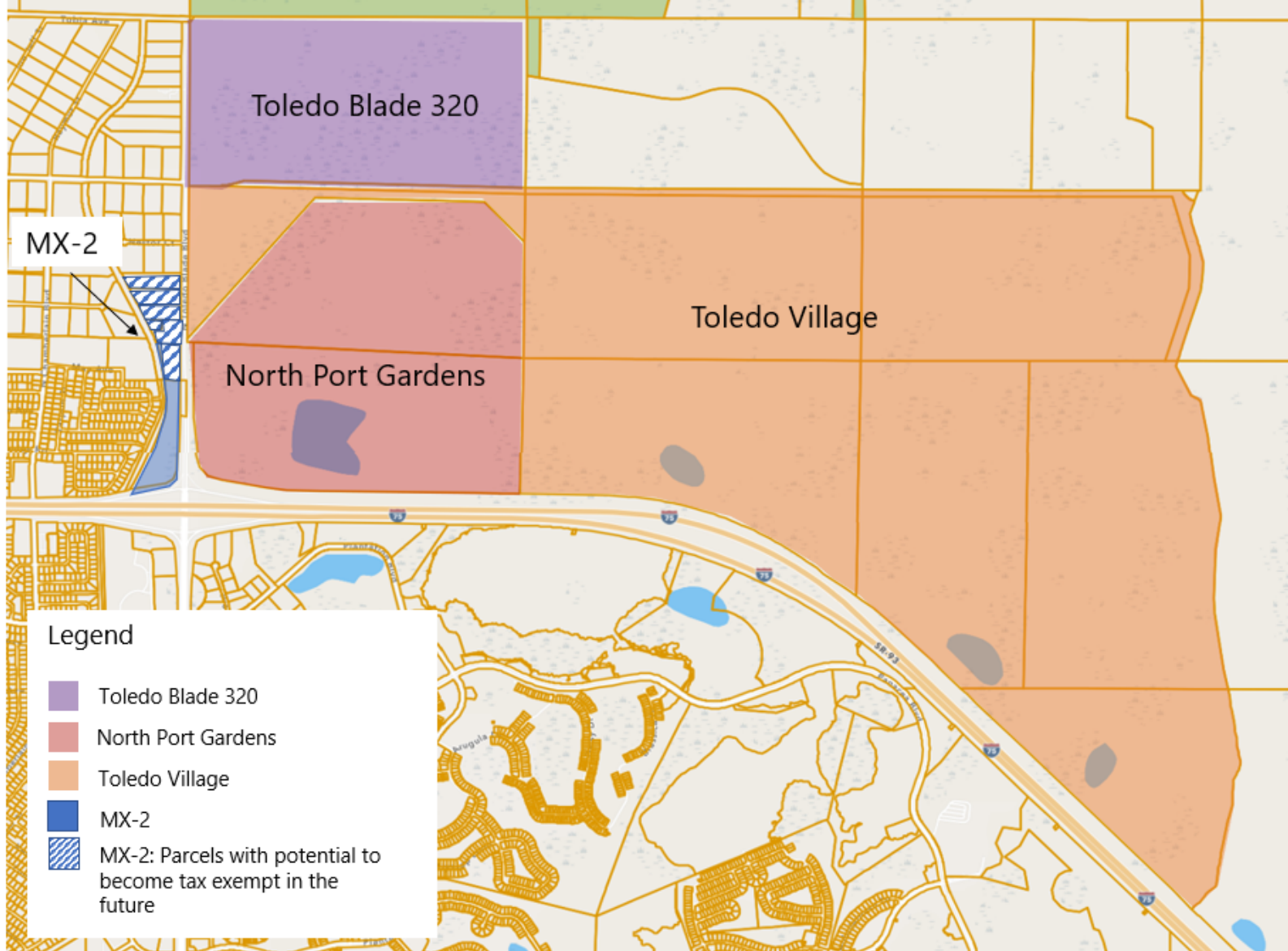
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DEVELOPMENT SCENARIOS

Camoin Associates conducted an updated return on investment (ROI) analysis on four development areas within the Innovation Park Activity Center as a follow-up to the 2021 Economic Development Market Feasibility study. The initial analysis considered the development potential of sites north of I-75 that could be unlocked through the extension of water and wastewater utilities to service these sites. In this update, the study area is expanded to include the site of the proposed Toledo Village development, the proposed Toledo Blade 320 development, and the proposed MX-2 zoning district along the west side of Toledo Blade Boulevard. The following table describes two scenarios used in this analysis. The **Status Quo scenario** reflects what is likely to happen in each development area given current land use regulations and what has been proposed by developers. The **MX-2 Rezoning Scenario** reflects the *additional* development potential that could be achieved through land use revisions that allow for a higher proportion of commercial and industrial development in the MX-2 zone.

Future Development Description			
Sub-Area	Acreage	Status Quo Scenario	MX-2 Rezoning Scenario
MX-2	34	6 dwelling units and 174,000 SF agricultural land	Assumes 80% Commercial Use and 20% Industrial use, such that 20% of land each is allocated to General Office, Medical Office, Retail and Restaurant while 10% each is allocated to manufacturing and warehouse.
North Port Gardens	493	Developer's proposal: 1,135 dwelling units, 350KSF commercial, 800,000 SF office, 450 hotel rooms, 600,000 SF industrial	
Toledo Village	2,307	Developer's proposal: 3,598 dwelling units, 5-acre village center, 13 neighborhood centers; 87,000 SF potential non-residential	
Toledo Blade 320	320	850,000 SF industrial space; high-density residential with up to 1,500 dwelling units.	



Toledo Blade 320

MX-2

Toledo Village

North Port Gardens

Legend

- Toledo Blade 320
- North Port Gardens
- Toledo Village
- MX-2
- MX-2: Parcels with potential to become tax exempt in the future

Methodology

A return-on-investment analysis was conducted on each of the development areas to estimate the amount of revenue that could be generated for the City upon full buildout of each site. The analysis considers both one-time revenue from impact fees and recurring annual property tax revenue. It is meant to provide an order-of-magnitude estimate of fiscal benefits to be generated for North Port that can be considered against the cost of infrastructure improvements and other expenses that would be incurred to unlock the development potential of these sites. While only City-specific revenues are considered here, it is acknowledged that new development in North Port would also generate fiscal benefits for Sarasota County, the Sarasota County School District, and other taxing jurisdictions.

The methodology for the fiscal benefit potential analysis is outlined as follows:

1. Assign use types

For each development area and scenario, we allocated total buildout potential to various use types based on information provided by the City of North Port, which included developable square footage of each site by use type. To assign buildout by use type, several assumptions needed to be made for each scenario. These assumptions are discussed for each use type below.

1.1 Residential Dwelling Units

To estimate the total square footage of residential buildout, an average square footage per unit is applied to study area totals for low-, medium-, and high-density dwelling units. The table below details the assumed average square feet per unit for residential dwelling units.

	Square Feet Per Unit
Low-Density Residential	2,200
Medium-Density Residential	1,500
High-Density Residential	800

Source: Camoin Associates

Status Quo Scenario

MX-2

In MX-2, a total of six dwelling units are included for the Status Quo scenario. All six of these units are allocated to low-density residential, totaling 13,200 square feet of buildout.

North Port Gardens

A total of 1,135 dwelling units are included in the developer’s proposal for North Port Gardens. These dwelling units are distributed evenly between low-, medium-, and high-density residential development, such that one-third of the total dwellings are allocated to each density category. Each density category is allocated 378 dwelling units, totaling 1,702,500 square feet of buildout.

Toledo Village

The developer’s proposal for Toledo Village includes a total of 3,598 dwelling units. For the purpose of this analysis, these are assumed to be distributed evenly between low-, medium-, and high-density residential development, such that one-third of the total dwellings are allocated to each density category. 1,199 units each are allocated to low-, medium-, and high-density development, totaling 5,397,000 square feet of buildout.

Toledo Blade 320

The developer’s proposal for Toledo Blade 320 contemplates as many as 1,500 dwelling units. For the purpose of this analysis, these are assumed to be distributed evenly between low-, medium-, and high-density residential development given developer plans for single family, townhomes, and multifamily development. Therefore, one-third of the total dwellings, or 500 each, are allocated to each density category, totaling 2.25 million SF of residential buildout.

The table below details the total square feet of buildout for residential land use in the Status Quo scenario.

Total Square Feet of Status Quo Scenario Residential Buildout, by Density

Density	Number of Dwelling Units				Square Feet of Residential Buildout			
	Low	Medium	High	Total	Low	Medium	High	Total
MX-2	6	0	0	6	13,200	0	0	13,200
North Port Gardens	378	378	378	1,135	832,333	567,500	302,667	1,702,500
Toledo Blade 320	500	500	500	1,500	1,100,000	750,000	400,000	2,250,000
Toledo Village	1,199	1,199	1,199	3,598	2,638,533	1,799,000	959,467	5,397,000

Source: City of North Port, Camoin Associates

Note: Columns may not sum to totals due to rounding

MX-2 Rezoning Scenario

In this scenario, the Status Quo scenario holds constant for North Port Gardens, Toledo Blade, 320, and Toledo Village, however MX-2 is rezoned to include commercial development. In this scenario, MX-2 does not have any residential development.

1.2 Commercial Use Types

Status Quo Scenario

MX-2

Due to current zoning regulations, no development is expected in MX-2 under the Status Quo scenario.

North Port Gardens

In the Status Quo scenario, North Port Gardens contains Hotel, Commercial, Office, and Industrial Space. Assuming 500 gross SF of space per guestroom, including common areas, 225,000 SF is allocated to the 450 hotel rooms. Commercial square footage is allocated evenly between Retail/Services and Restaurant space; Industrial square footage is split evenly between Manufacturing/General Industrial and Warehouse/Distribution; and Office square footage is allocated entirely to General Office space. The table below details the square footage allocations of North Port Gardens.

Allocation of Commercial Use Space in North Port Gardens, Status Quo

Input from City	Allocation in Analysis
450 Hotel Rooms	Assumption: 500 SF/room, 225,000 SF
Commercial - 350,000 SF	Retail/Services - 175,000 SF
	Restaurant - 175,000 SF
Office - 800,000 SF	General Office - 800,000 SF
Industrial - 600,000 SF	Manufacturing/General Industrial - 300,000 SF
	Warehouse/Distribution - 300,000 SF

Source: City of North Port, Camoin Associates

Toledo Village

In the Status Quo scenario, 5 acres of space is set aside for 87,120 SF of non-residential use. This building area is split evenly between General Office, Retail/Services, Restaurant, and Medical Office uses, such that each has 25% of the space, or 21,780 SF. The table below details these allocations.

Allocation of Commercial Use Space in Toledo Village, Status Quo

Input from City	Allocation in Analysis
87,120 SF Potential Non-Residential	General Office - 21,780 SF
	Retail/Services - 21,780 SF
	Restaurant - 21,780 SF
	Medical Office - 21,780 SF

Source: City of North Port, Camoin Associates

Toledo Blade 320

In the Status Quo Scenario, approximately 850,000 SF of non-residential space is planned for development. This industrial building area is split evenly between Manufacturing/General Industrial and Warehouse/Distribution, therefore allocating 425,000 SF to each industrial use. The table below details the square footage allocation of industrial space in Toledo Blade 320.

Allocation of Industrial Use Space in Toledo Blade 320, Status Quo Scenario

Input from City	Allocation in Analysis
Industrial - 850,000 SF	Manufacturing/General Industrial - 425,000 SF
	Warehouse/Distribution - 425,000 SF

Source: City of North Port, Camoin Associates

MX-2 Rezoning Scenario

In the MX-2 Rezoning Scenario, Status Quo development allocations hold constant for North Port Gardens, Toledo Village, and Toledo blade 320. However, MX-2 is rezoned to include commercial and industrial development. This scenario assumes a FAR of 0.95 applied to the 34 acres of developable land. In

In the rezoning scenario, all developable land in MX-2 is dedicated to non-residential uses with the assumption that 80% is developed into commercial use types and 20% into industrial use types.

Inputs included total square feet for Professional Office, Commercial, and Industrial uses, assuming 40% each allocated to Professional Office and Commercial, and 20% to Industrial uses. Professional Office square feet were split evenly between General Office and Medical Office; Commercial square feet were split evenly between Retail/Services and Restaurant; and Industrial square feet were split evenly between Manufacturing/General Industrial and Warehouse/Distribution. The table at right contains details for these allocations in the MX-2 Rezone scenario.

Allocation of Commercial Use Space in MX-2, MX-2 Rezone Scenario

Input from City	Allocation in Analysis
Professional Office - 562,795 SF	General Office - 281,398 SF
	Medical Office - 281,398 SF
Commercial - 562,795 SF	Retail/Services - 281,398 SF
	Restaurant - 281,398 SF
Industrial - 281,398 SF	Manufacturing/General Industrial - 140,699 SF
	Warehouse/Distribution - 140,699 SF

Source: City of North Port, Camoin Associates

The table below shows the square footage allocation inputs for all sites and both scenarios.

Use Breakdown by Development Area (Allocation of Building Area Square Footage)

	Development Area	Low Density Residential	Medium Density Residential	High Density Residential	General Office	Retail / Services	Restaurant	Medical Office	Hotel	Manufacturing / General Industrial	Warehouse / Distribution
Status Quo	MX-2	13,200	0	0	0	0	0	0	0	0	0
	North Port Gardens	832,333	567,500	302,667	800,000	175,000	175,000	0	225,000	300,000	300,000
	Toledo Blade 320	1,100,000	750,000	400,000	0	0	0	0	0	425,000	425,000
	Toledo Village	2,638,533	1,799,000	959,467	21,780	21,780	21,780	21,780	0	0	0
	Total	4,584,067	3,116,500	1,662,133	821,780	196,780	196,780	21,780	225,000	725,000	725,000
MX-2 Rezone	MX-2	0	0	0	281,398	281,398	281,398	281,398	0	140,699	140,699
	Total	0	0	0	1,103,178	478,178	478,178	303,178	225,000	865,699	865,699

Source: City of North Port, Camoin Associates

Altogether, the Status Quo Scenario includes nearly 12.3 million developable square feet, with 2.9 million SF commercial and 9.4 million SF residential. The rezoning of MX-2 would allow for an additional 1.4 million developable square feet of commercial space in the MX-2 zone. The table below summarizes development totals for each study area and each scenario.

Total Buildable Square Feet by Study Area

	Development Area	Total Residential Units	Total Residential SF	Total Commercial SF	Total developable SF (Residential and Commercial)
Status Quo	MX-2	6	13,200	0	13,200
	North Port Gardens	1,135	1,702,500	1,975,000	3,677,500
	Toledo Blade 320	1,500	2,250,000	850,000	3,100,000
	Toledo Village	3,598	5,397,000	87,120	5,484,120
	Total	6,239	9,362,700	2,912,120	12,274,820
MX-2 Rezone	MX-2	0	0	1,406,988	1,406,988
Total if MX-2 Rezoned	Total	6,233	9,349,500	4,319,108	13,668,608

Source: City of North Port, Camoin Associates

2. Estimate the Assessed Value and Annual Property Tax Revenue

Based on a review of construction costs for the North Port region from RS Means and assessed values for existing structures in the City, we developed an average assessed value per square foot for each use type. This considers only real property value and excludes any personal property value. These factors were applied to estimated square footage of buildout (Status Quo and MX-2 Rezone) by use type for each development area. This resulted in a range of estimated total taxable assessed values by development area. North Port’s City current (2022) millage rate of 3.7667 was applied to these assessed values to estimate annual property tax revenues at full buildout for the city. Property tax revenues would phase in overtime as each area is built out, and the applicable millage rate would vary from year to year.

Across development areas, new taxable assessed value at full buildout would be approximately \$1.3 billion in the Status Quo, while adding Commercial use to MX-2 would add an additional \$160.5 million of taxable assessed value. This would represent an increase of 22% to 25% to the City’s total taxable assessed value.

Annual real property tax revenues to the City of North Port resulting from this new value would be \$4.9 million per year in the Status Quo scenario, or \$5.5 million under the MX-2 rezone scenario, representing an increase of about \$604,500 by adding commercial development to MX-2. This does not include new tax revenue generated for other taxing jurisdictions. In MX-2, the estimated taxable assessed value of property and annual property tax revenue is 122 times higher in the MX-2 Rezone scenario than in the Status Quo scenario.

Note that the increase in value and revenue under the MX-2 scenario is driven by a higher development density. The average value per square foot of building area is roughly equal in the two scenarios, at \$105 per acre under the Status Quo scenario and \$106 per acre under the MX-2 Rezone scenario.

Estimated Assessed Value per SF of Real Property by Use Type

Use Type	Assessed Value per SF
Low Density Residential	\$ 100
Medium Density Residential	\$ 100
High Density Residential	\$ 150
General Office	\$ 100
Retail/Services	\$ 100
Restaurant	\$ 120
Medical Office	\$ 170
Hotel	\$ 100
Manufacturing / General Industrial	\$ 85
Warehouse / Distribution	\$ 85

Estimated Taxable Assessed Value and Property Tax Revenue at Full Buildout

Development Area	Estimated Taxable Assessed Value		Estimated Annual Property Tax Revenue	
	Status Quo	MX-2 Rezone	Status Quo	MX-2 Rezone
MX-2	\$1,320,000	\$161,803,620	\$4,972	\$609,466
North Port Gardens	\$377,383,333	\$377,383,333	\$1,421,490	\$1,421,490
Toledo Blade 320	\$317,250,000	\$317,250,000	\$1,194,986	\$1,194,986
Toledo Village	\$598,345,533	\$598,345,533	\$2,253,788	\$2,253,788
Total	\$1,294,298,867	\$1,454,782,487	\$4,875,236	\$5,479,729

Source: Camoin Associates

3. Estimate One-Time Impact Fee Revenue

Estimated impact fee revenue was calculated based on full buildout by use type in each development area. Impact fees for each use type were generalized by averaging the more specific use types listed in the City’s schedule of impact fees (fee schedule effective as of June 21, 2022).¹ The impact fee revenues calculated for this analysis should be considered approximate and only used for planning purposes. These revenues reflect City-specific fees; additional County impact fees would also apply.

Total one-time impact fees paid to the City would be \$105.9 million over the course of buildout for each development area, contingent on MX-2 rezoning. Without rezoning MX-2, impact fee revenue would be \$85.4 million.

Estimated Impact Fees by Use Type

Use Type	Total Impact Fees per 1,000 SF (North Port)	
Low Density Residential	\$	7,867
Medium Density Residential	\$	5,487
High Density Residential	\$	5,487
General Office	\$	10,785
Retail / Services	\$	10,052
Restaurant	\$	28,667
Medical Office	\$	20,081
Hotel	\$	3,453
Manufacturing / General Industrial	\$	3,740
Warehouse / Distribution	\$	3,740

Source: Generalized from City of North Port Impact Fee Schedule

Estimated One-Time Impact Fee Revenues to City

Development Area	Impact Fee Revenue
MX-2*	\$20,633,513
North Port Gardens	\$29,747,566
Toledo Blade 320	\$18,142,882
Toledo Village	\$37,408,886
Total	\$105,932,847

Source: Camoin Associates

*MX-2 impact fee revenue is dependent on rezoning the development area for commercial development.

¹ Note that this Fee Schedule does not include Water and Wastewater Capacity Fees. Those fees would be collected in addition to what is calculated in Step 4.

4. Estimate New Job Creation

Applying average square-foot-per-job multipliers for each use type, we calculated an estimated number of on-site jobs that would be created in each development area based on use assumptions. Total new jobs located in these development areas is estimated to be approximately 3,000 under the Status Quo. Meanwhile, adding commercial development to MX-2 would add an additional 1,977 to North Port’s economy to bring the total new jobs to just over 5,000. This would represent an increase of about 19% to 32% over North Port’s current jobs base of approximately 15,600 jobs. The table below details the total number of jobs in each development area.

Estimated Job Creation by Use Type

Use Type	Est. Square Feet per Job	Status Quo		Total with MX-2 Rezone	
		MX-2 Rezone	2 Rezone	MX-2 Rezone	2 Rezone
General Office	600	1,370	469	1,839	
Retail / Services	920	214	306	520	
Restaurant	560	351	502	854	
Medical Office	550	40	512	551	
Hotel	2,500	90	0	90	
Manufacturing / General Industrial	1,500	483	94	577	
Warehouse / Distribution	1,500	483	94	577	
Total		3,031	1,977	5,008	

Source: Energy Information Administration, Camoin Associates

Estimated Job Creation by Development Area

Development Area	Status Quo
MX-2*	1,977
North Port Gardens	2,326
Toledo Blade 320	567
Toledo Village	138
Total	5,008

Source: Camoin Associates

*MX-2 job creation is dependent on rezoning the development area for commercial development.

Findings

In assessing which infrastructure projects to proceed with, the City can consider the cost of each project relative to the amount of new developable land that would be available for new buildout that could be supported by public sewer and water access. While none of the four development areas currently have water or sewer access, it is reasonable to expect that extension of these utilities to MX-2 and North Port Gardens would provide sufficient access to the adjacent Toledo Village and Toledo Blade 320. In total, extension of these utilities would cost an estimated \$3.38 million.

Given the new assessed value created by the proposed development, the total return on investment (ROI) of extending these utilities is estimated to be \$383 in the Status Quo scenario and \$430 in the MX-2 Rezone Scenario. In other words, adding commercial development to MX-2 would create an additional \$47 of ROI, a 12% increase.

Return on Investment of Utilities Extension

Scenario	Est. Cost to extend utilities	New Assessed Value	ROI
Status Quo	\$ 3,380,000	\$ 1,294,298,867	\$ 383
MX-2 Rezone	\$ 3,380,000	\$ 1,454,782,487	\$ 430

Source: Camoin Associates

Conclusion

As North Port continues to evolve and develop, intentional land use regulations are necessary to encourage non-residential development. In the current market, there is strong demand for a variety of residential styles and the private sector will capitalize on this demand. If land is not explicitly zoned for commercial activity, developers are not likely to pursue more than the minimum required commercial space, as residential development will yield greater return on investment. To support economic development growth that aligns with the recommendations in the City's economic development strategic plan, the City should actively consider rezoning MX-2 to enable commercial growth.