

CHAPTER 8. ALTERNATIVE END-DESTINATION CONCEPTS

Olde Englewood Village, like most small and large cities/towns throughout Florida, has increased competition within the “destination retail” or destination Downtown market segment.

Nearly every downtown in Florida today has redevelopment efforts using CRAs and Main Street Programs to redevelop and market their “product.” A number of these competing destinations have developed unique niches tailored toward their defined markets. The State of Florida has now developed an entire marketing program specifically oriented toward “Downtowns & Small Towns.”²⁹

Within the greater 100-mile region of Englewood, there are over 40 competing venues attempting to tap the destination market. For example, Venice, Sarasota, Bradenton, Punta Gorda, Ft. Myers, Ybor City, Clearwater, Safety Harbor, Tarpon Springs, Dunedin, St. Petersburg, etc., are all developing “sense of place” redevelopment plans to attract customers. While most use a combination of themes, several are oriented toward the arts and culture.³⁰ These include:

- Bradenton (Village of the Arts),
- Sarasota (Towle Court),
- Downtown St. Petersburg,
- Tarpon Springs, and
- Lakeland.

Sarasota County is reported to be spending 17% of its tourism development tax to support art institutions. Other areas such as Dunedin, Safety Harbor, Ft. Myers, and Lynn Haven have focused on “historic downtown,” while some use antiques, such as Mount Dora.

WHY OLDE ENGLEWOOD VILLAGE?

The most fundamental question in creating a sense of place is “what makes Olde Englewood unique?” Retail alone does not create a sense of place.³¹ Olde Englewood Village is not an empty palate where a large developer controls 40-100 acres and can create an “Old Downtown” from scratch.³² Because the area’s vacant parcels and existing buildings are individually owned, investment in the redevelopment of Olde Englewood Village will require a creditable vision of “Why Englewood?” It will also

²⁹ Florida’s *Downtowns & Small Towns Program* and a second program started in 2001, *Culturally Florida*. A good source of information is *Tourism and Florida’s Emerging Downtowns & Small Towns, a guide to New Tourism Partnerships and Enhancing New Product Development & Marketing*, October 2005.

³⁰ Florida’s Tourism Marketing Agency (Visit Florida) reports that 25% of Florida visitors enjoy Florida’s “arts and culture” and spent \$2.9 million in 1997, when the State had only 47 million visitors (that visitation has now risen to 80 million).

³¹ There are areas in Florida and the United States where “off-price malls,” (i.e., Sawgrass Mills in Broward County), are so large and unique that they have become a destination, but this is rare.

³² Examples include the Villages in Lake and Marion Counties and Celebration near Disney World.

require a belief that sufficient attractors or anchors exist in order to generate the necessary customer traffic that will generate revenues enough to support additional retail space.

A community workshop lead by SPG was held on January 12, 2006. During the workshop, the community was asked the question, “What are the assets of Englewood that would attract investment and visitation.” The responses included:

1. Lemon Bay
2. Artists and Artists Overlay District
3. Playhouse
4. Existing merchants
5. Possible Gauguin Museum
6. Maritime Museum
7. Possible connection to Beaches
8. CRA/TIF

Using these assets as a start, the community has numerous alternatives to explore in its attempt to draw a significant customer base to Olde Englewood Village.

ARTS AND CULTURE

Sarasota and Sarasota County have long been known as a center for artists and culture. In fact it advertises itself as “the Cultural Coast.” The Englewood area, for a host of reasons, is now home to a large population of artists.

Arts (all mediums)

According to information supplied by the Arts Alliance of Lemon Bay,³³ the immediate area contains 44 artists. The Village also contains the Englewood Arts Center, and some galleries exist downtown. The community is in the process of seeking an Arts Overlay District within the downtown adjacent to Dearborn Street, where artists would live and work.

Performing Arts

The Village has a small, but successful Playhouse (Lemon Bay Playhouse) with plans to increase its seating to 400.

Gauguin Museum

The Arts Alliance of Lemon Bay is working hard to establish a Gauguin Museum within the Village. One of Gauguin’s sons, Emile, lived and is buried in Englewood. The Arts Alliance has significant Gauguin prints and other artifacts from Emile’s estate.

³³ Mr. Tommy Kester provided a detailed list of local arts (by medium) and is active in spearheading efforts to develop a Gauguin Museum in the Village.

LEMON BAY

Based on the history of Englewood, the town was formed as a result of its connection to Lemon Bay. The recent history of the area goes back to 1878, when the Goff family purchased 60 acres of land bordering Lemon Bay. In 1896, Englewood was platted and in 1916, the Buchan family built a 250-foot dock out into Lemon Bay to allow boats carrying merchandise to unload. In 1924, the Royal Casino was opened at the end of the Buchan dock.

Today, the commercial areas along Dearborn Street are cut off from the Bay, and the Bay is no longer an “attractor.” Yet, the community vision is to create a Nautical Theme,³⁴ and the Olde Englewood Village Association refers to the Village as Olde Englewood Village or Lemon Bay. The County (Englewood CRA) has recently purchased land along the Bay at Cherokee Street and the west end of Dearborn, providing potential access to Lemon Bay. The question remains as to its use.

Several alternatives have been discussed ranging from making it a park to using the existing residential structure as a museum. One alternative would be to develop a 250-foot dock out into the Bay. A second alternative would be to create a public/private partnership with Buchan Resort to develop the pier at its historic location.

A pier by itself would not act as a sufficient attractor. Lemon Bay affords the community and visitors with numerous venues. First, the immediate area has two excellent parks: Indian Mound Park (five blocks south of Dearborn Street) and Lemon Bay Park (ten blocks northwest of Dearborn Street). Lemon Bay Park is oriented toward ecotourism, while Indian Mound Park has an excellent boat launch.

Within the CRA and across Lemon Bay on Manasota Key are public beaches. Across the Bay from the Village is Middle Beach (Blind Pass Beach). As reported earlier, beaches are Florida’s greatest draw. Access to Blind Pass Beach is not direct nor is it convenient. If a means were available to offer beach access from the Village via ferry (either electric or motor), such service could be considered a positive venue to attract visitors to the area. Recent studies in Jacksonville, Florida suggest that an aerial transit system (cable cars on 150 ft cables) that can move 2,400 people per hour in each direction is viable for crossing the St. Johns River at a cost of \$8 million per mile. Furthermore, if there were a way to interconnect downtown, Lemon Bay, Indian Mound Parks and Blind Pass Beach, it might be possible to further strengthen the attractiveness of Olde Englewood Village.

In order to capitalize on its history, a public/private partnership to develop a restaurant at the end of the pier resembling the Royal Casino, which was previously discussed, would serve as another anchor. Restaurants, in sufficient quantity, (4-6 full-service, and specialty) can anchor destination centers.

³⁴ HyettPalma Economic Summit, March 15, 2004

HISTORIC RESOURCES

Olde Englewood Village has a number of historic structures, including:

- Lemon Bay Woman's Club
- The Lampp Residence
- Quimby-Jergens-Rinkard House
- Dearborn Street
- Buchan's Landing,
- Ziegler Hardware Store, and
- The Green Street Church Museum.

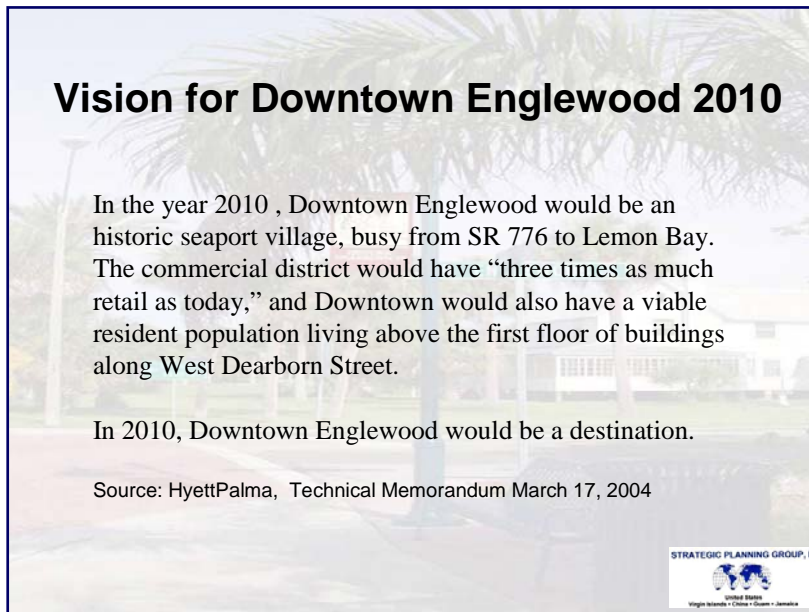
Given the size of the immediate market and the competition within the region, it is SPG's belief that a single venue will not be sufficient to attract a customer base large enough to absorb 150,000+ square feet of destination retail within Dearborn Street/Olde Englewood Village area. A combination of venues will be required, capitalizing on Olde Englewood Village's assets:

- Arts
 - Artists, all mediums
 - Performing arts (Playhouse)
 - Arts Village (overlay district)
- Ecotourism
 - Lemon Bay/Lemon Bay Park
 - Lemon Bay and Beaches
 - Blind Pass Beach
 - Active use of Lemon Bay
- History and Culture
 - Historic Site
 - Gauguin Museum

CHAPTER 9. VISION WORKSHOP

A Vision Workshop was held on February 23, 2006, to solicit public input as to what the local community envisioned Olde Englewood Village to be in 2010 and beyond. Fifty-four (54) people were in attendance.

The community overwhelmingly endorsed the concept that evolved during the HyettPalma workshop held in March 2004.



Findings:

1. Concept stated that Olde Englewood Village would become a destination.
2. The new vision should now include “attract sufficient customer/tourists to support 150,000 – 250,000 sq ft of retail space.
3. Lemon Bay needs to become the prime theme or anchor due to:
 - Theme as an historic seaport, and
 - Makes the area unique.
4. There needs to be one or more activities associated with the Bay.
 - Pier or piers (most important).
 - Casino or other activity (restaurant, raw bar at end of pier).
 - Ferry to interconnect Blind Pass, Lemon Bay Park, and Indian Mound Park.
 - Dock space to allow transient boat tie-up so that passengers can shop downtown.
 - Water features (fountains and lights).
 - Promote “green” and “ecotourism” by using windmills, electric ferry boat, or other themes.
5. Promote Arts Village concept.
6. Promote Gaugin museum.
7. Consider maritime museum or old boat at one of the piers.

8. Promote performing arts expansion/relocation.
9. Phased development – promote 150,000 sq. ft. retail within area approximating 1,500 linear feet of Bay. Concept is to develop at least 250,000 sq. ft. retain within slightly expanded area to ensure critical mass.
10. Understand that no one feature or assets is sufficient, but they all must work together to achieve marketing critical mass.

VISION STATEMENT-OLDE ENGLEWOOD SEAPORT VILLAGE, HEART OF LEMON BAY

Downtown Englewood is envisioned as becoming a vibrant and robust historic seaport village focused on bundling the following:

- Location on Lemon Bay.
- Establishment of one or more piers linking Downtown with Lemon Bay, and a demarcation point for accessing Blind Pass Beach/Park, as well as Indian Mound and Lemon Bay Parks via a ferry system.
- Area’s Arts and Crafts community, including establishment of a Gauguin Museum.
- Expanded performing arts venue.
- Village’s cultural/heritage assets.
- Establishment of a maritime and an ecotourism museum.
- Expansion of the existing restaurant and retail offerings to create a “critical mass” of between 150,000 – 250,000 square feet of restaurant and retail space.
- Creation of a true “sense of place.”

By bundling these assets/resources, Olde Englewood Village is sure to become an entertainment/retail destination serving both Sarasota and Charlotte Counties and attracting visitors from other areas of Florida and beyond.

This vision is based on several premises. First, while Olde Englewood Village has numerous assets, no one asset is sufficiently strong enough to attract the customers/visitors needed to generate the economic activity required to absorb the required retail/restaurant square footage. Second, it is critical to establish an activity center anchored by Lemon Bay, which is the Village’s greatest asset. Third, a storm water system should be established allowing development to tie into the system without on-site requirements. Fourth, sufficient public parking should be provided at strategic locations reducing or eliminating on-site parking. Fifth, a unified marketing approach should be created to promote the Village, which would include numerous, if not bimonthly events focusing on the area’s assets. This could include festivals focusing on Lemon Bay and the area’s environmental resources (ecotourism), festivals to promote the local artists, as well as festivals to promote the new Gauguin Museum, and festivals promoting the performing arts, wine and food, etc.

CHAPTER 10. OLDE ENGLEWOOD VILLAGE ECONOMIC/RETAIL POTENTIAL

Redevelopment along Dearborn Street and within the Main Street Overlay District (MSOD) can have a significant economic impact on the County and the CRA. The economic impact would result from a number of factors including increased retail demand and corresponding utilization of required building space; increased property values resulting from higher appraisals due to higher rents, increased building densities, increased sales tax (and hopefully bed taxes), and more employment opportunities.

The immediate Old Englewood Village area could accommodate as much as 400,000 square feet of ground-level retail space and another 600,000 square feet of residential and office space (assuming a mixture of 2- and 3-story developments). Achieving this level of development requires a critical mass of 150,000 - 200,000 square feet of retail/entertainment be developed within proximity of Lemon Bay (assuming that a major activity node is established on the waterfront).

Strategic Planning Group, Inc. developed a proforma model to determine realistic rent requirements assuming new development along Dearborn Street. The first proforma analyzes a single-use, retail development; a second proforma analyzes a condominium/mixed-used development comprising retail at ground level and residential above; and a third proforma analyzes a mixed-use rental development.

RETAIL DEVELOPMENT PROFORMA

Based on existing rents which range from \$7 - \$15 (average \$10), sales per square foot can be determined using a standard ratio of 10% of rent-to-sales; which translates to \$70-\$150 or an average of \$100 per square feet which is below the existing industry average of \$151 or the investment-grade, retail tenant figure of \$250.

Table 51 shows the proforma analysis based on the construction of 10,890 square feet of retail space and a \$15/sq. ft. lease rate which generates a nominal return on capital of 10%.

Table 51. New Retail Development Pro Forma

ENGLEWOOD COMMERCIAL SITE				
Total Square Feet	SQ.FT.	10,890		
Rentable	SQ.FT.	10,890		
Land Area	SQ.FT.	43,560		
I. DEVELOPMENT COSTS				
	LAND COSTS	SQ FT	\$10	\$435,600
	CONSTRUCTION-SHELL	SQ FT	\$61	\$664,290
	SITE PREPARATION	SQ FT	\$2	\$65,340
	LANDSCAPING AND SIGNAGE	SQ FT		
	ARCHITECT FEES	PERCENT	7.00%	\$46,500
	ENGINEERING FEES	PERCENT	5.00%	\$33,215
	TENANT FINISH	SQ FT	\$20	\$217,800
	CONSTRUCTION FINANCING	TWELVE MO	7.00%	\$43,140
	CONTINGENCY		5.00%	\$53,514
	TOTAL CONSTRUCTION COSTS			\$1,123,799
	TOTAL DEVELOPMENT COSTS	SQ FT	\$103.20	\$1,559,399
II. OPERATING EXPENSES AND REVENUES				
INCOME				
	REVENUES			
	RENT \$/SQ FT		\$15.00	\$163,350
	VACANCY		5.00%	\$8,168
	EFFECTIVE RENT:			\$155,183
EXPENSES				
	INSURANCE		\$0.20	\$2,178
	MARKETING		\$1	\$10,890
	GROUNDS MAINTENANCE			\$4,000
	LANDSCAPE MAINTENANCE			\$6,000
	JANITORIAL			\$0
	MAINTENANCE		\$0.25	\$2,723
	UTILITIES		\$0.10	\$1,089
	MANAGEMENT		5.00%	\$7,759
	AUDIT & ACTG			\$3,000
TOTAL EXPENSES:		PER SQ.FT.	\$3.46	\$37,639
LEASING COMMISSION				\$0
MARKETING EXPENSE				\$0
OWNER CONTINGENCY:			10.00%	\$15,518
CASH FLOW BEFORE DEBT SERVICE				\$139,664
III. FINANCING CONSIDERATIONS				
	MORTGAGE AMOUNT			\$1,169,549
	INTEREST RATE		7.00%	
	TERM-YEARS		25	
	ANNUAL DEBT SERVICE			\$99,194
CASH FLOW BEFORE TAX:				\$40,471
	COVERAGE FACTOR			1.41

	EQUITY:			\$389,850

Source: Strategic Planning Group, Inc., 2006

Next, SPG developed generic financial models providing the CRA with an understanding of the relationship of sales per square foot and rents required for various types of establishments to make a profit.

APPAREL STORE FINANCIAL STATEMENT

As shown in Table 52, an apparel store achieving sales of \$151 per square foot and a rent of \$15 per square foot could generate a small profit. This indicates that a \$15 square foot rent structure is viable based on the those expense assumptions.

Table 52. Apparel Store Pro Forma

Business Name	Type/SIC		Year 1	Year 2	Year 3	
APPAREL	56					
SALES	1500 sq. ft. @	151.000	226,500	\$237,825	\$249,716	
Less Cost of Merchandise Sold	@	0.500	113,250	\$118,913	\$124,858	
GROSS PROFIT			113,250	\$118,913	\$124,858	
EXPENSES						
Salaries	Owner	1	20.000	41,600	\$43,680	\$45,864
	Others	1	8.000	16,640	\$17,472	\$18,346
Rent	Property	1500	15.000	22,500	\$22,500	\$22,500
	Other					
Auto and Truck Expense				0	\$0	\$0
Supplies			0.010	2,265	\$2,378	\$2,497
Advertising			0.030	6,795	\$7,135	\$7,491
Telephone			0.006	1,359	\$1,427	\$1,498
Utilities			0.010	2,265	\$2,378	\$2,497
Taxes, Payroll, misc.			0.120	6,989	\$7,338	\$7,705
Licenses and Fees				1,200	\$1,260	\$1,323
Repairs and Maintenance				1,200	\$1,260	\$1,323
Accounting and Legal				1,200	\$1,260	\$1,323
Insurance	Business		0.006	1,359	\$1,427	\$1,498
	Employee		0.006	1,359	\$1,427	\$1,498
Office Expense				1,200	\$1,260	\$1,323
Interest						
Depreciation						
Other						
TOTAL EXPENSES			107,931	\$112,202	\$116,687	
NET PROFIT			5,319	\$6,710	\$8,171	

Source: Strategic Planning Group, Inc., 2006

RESTAURANT FINANCIAL STATEMENT

Table 53 shows a financial analysis of a restaurant operation, also achieving \$151 sales per square foot with a \$15 per square foot lease. Again, this analysis generates a nominal profit indicating that a \$15 per square foot lease rate is viable.

Table 53. Financial Analysis of a Restaurant Operation

Business Name	Type/SIC			Year 1	Year 2	Year 3
RESTAURANT	58					
SALES	2500 sq. ft. @	151.000		\$377,500	\$396,375	\$416,194
Less Cost of Merchandise Sold	@	0.350		\$132,125	\$138,731	\$145,668
GROSS PROFIT				\$245,375	\$257,644	\$270,526
EXPENSES						
Salaries	Owner	1	20.000	\$41,600	\$43,680	\$45,864
	Others	5	7.000	\$72,800	\$76,440	\$80,262
Rent	Property	2500	15.000	\$37,500	\$37,500	\$37,500
	Other					
Auto and Truck Expense				\$0	\$0	\$0
Supplies			0.010	\$3,775	\$3,964	\$4,162
Advertising			0.030	\$11,325	\$11,891	\$12,486
Telephone			0.006	\$2,265	\$2,378	\$2,497
Utilities			0.010	\$3,775	\$3,964	\$4,162
Taxes, Payroll, misc.			0.120	\$13,728	\$14,414	\$15,135
Licenses and Fees				\$1,200	\$1,260	\$1,323
Repairs and Maintenance				\$1,200	\$1,260	\$1,323
Accounting and Legal				\$1,200	\$1,260	\$1,323
Insurance	Business		0.006	\$2,265	\$2,378	\$2,497
	Employee		0.006	\$2,265	\$2,378	\$2,497
Office Expense				\$1,200	\$1,260	\$1,323
Interest						
Depreciation						
Other						
TOTAL EXPENSES				\$196,098	\$204,028	\$212,354
NET PROFIT				\$49,277	\$53,616	\$58,172

Source: Strategic Planning Group, Inc., 2006

GIFT STORE FINANCIAL STATEMENT

Table 54 shows a financial analysis of a retail gift store also achieving \$151 sales per square foot with a \$15 per square foot lease. Again, this analysis generates a nominal profit indicating that a \$15 square foot lease rate is viable.

Table 54. Gift Store Financial Analysis

Business Name	Type/SIC		Year 1	Year 2	Year 3
GIFTS	59				
SALES	1200 sq. ft. @	151.000	\$181,200	\$190,260	\$199,773
Less Cost of Merchandise Sold	@	0.500	\$90,600	\$95,130	\$99,887
GROSS PROFIT			\$90,600	\$95,130	\$99,887
EXPENSES					
Salaries	Owner	1 15.000	\$31,200	\$32,760	\$34,398
	Others	1 7.000	\$14,560	\$15,288	\$16,052
Rent	Property	1200 15.000	\$18,000	\$18,000	\$18,000
	Other				
Auto and Truck Expense			\$0	\$0	\$0
Supplies		0.010	\$1,812	\$1,903	\$1,998
Advertising		0.030	\$5,436	\$5,708	\$5,993
Telephone		0.006	\$1,087	\$1,142	\$1,199
Utilities		0.010	\$1,812	\$1,903	\$1,998
Taxes, Payroll, misc.		0.120	\$5,491	\$5,766	\$6,054
Licenses and Fees			\$1,200	\$1,260	\$1,323
Repairs and Maintenance			\$1,200	\$1,260	\$1,323
Accounting and Legal			\$1,200	\$1,260	\$1,323
Insurance	Business	0.006	\$1,087	\$1,142	\$1,199
	Employee	0.006	\$1,087	\$1,142	\$1,199
Office Expense			\$1,200	\$1,260	\$1,323
Interest					
Depreciation					
Other					
TOTAL EXPENSES			\$86,373	\$89,791	\$93,381
NET PROFIT			\$4,227	\$5,339	\$6,505

Source: Strategic Planning Group, Inc., 2006

MIXED USE DEVELOPMENT

Strategic Planning Group, Inc. developed two, mixed-use proformas; one based on normal rental development and the other based on condominium development.

MIXED USE RENTAL DEVELOPMENT

The mixed-use, rental development assumes 10,890 square feet of retail space at ground level and 20 apartments located above, all on one acre of land. Based on collecting \$15 per square foot of retail rents and \$1,400 a month apartment rent, the development could generate a nominal return on equity of 10% (Table 55).

Table 55. Rental Mixed Use Development

ENGLEWOOD MIXED USE SITE					
Total Comm. Area	SQ.FT.	10,890	Resid. Units	20	1,089
Rentable	SQ.FT.	10,890	Resid. Area SF	21,780	
Land Area	SQ.FT.	43,560	Total Bldg SF	32,670	
I. DEVELOPMENT COSTS					
	LAND COSTS		SQ FT	\$10	\$435,600
	CONSTRUCTION-SHELL Comm		SQ FT	\$61	\$664,290
	CONSTRUCTION-SHELL Resid. Units		SQ FT	\$80	\$1,742,400
	SITE PREPARATION		SQ FT	\$2	\$65,340
	LANDSCAPING AND SIGNAGE		SQ FT		\$200,000
	ARCHITECT FEES		PERCENT	7.00%	\$168,468
	ENGINEERING FEES		PERCENT	5.00%	\$120,335
	INTERIOR FINISH Comm.		SQ FT	\$20	\$217,800
	INTERIOR FINISH Resid. Units		UNIT	\$3,000	\$60,000
	CONSTRUCTION FINANCING		TWELVE MO	7.00%	\$136,023
	CONTINGENCY			5.00%	\$168,733
	TOTAL CONSTRUCTION COSTS		SQ FT	\$108.46	\$3,543,388
	TOTAL DEVELOPMENT COSTS		SQ FT	\$121.79	\$3,978,988
II. OPERATING EXPENSES AND REVENUES					
INCOME					
	COMMERCIAL RENT \$/SQ FT			\$15.00	\$163,350
	VACANCY			5.0%	\$8,168
	EFFECTIVE COMMERCIAL RENT:				\$155,183
	RESIDENTIAL ANNUAL RENT		MONTHLY	\$1,400	\$336,000
	VACANCY			8.0%	\$26,880
	EFFECTIVE REIDENTIAL RENT:				\$309,120
	TOTAL RENTAL INCOME-ANNUAL				\$472,470
EXPENSES					
	INSURANCE			\$0.20	\$6,534
	MARKETING			\$1	\$10,890
	GROUNDS MAINTENANCE				\$4,000
	LANDSCAPE MAINTENANCE				\$6,000
	JANITORIAL				\$0
	MAINTENANCE			\$0.50	\$16,335
	UTILITIES			\$0.20	\$6,534
	MANAGEMENT			5.00%	\$23,624
	AUDIT & ACTG				\$6,000
	TOTAL EXPENSES:		PER SQ.FT.	\$2.45	\$79,917
	LEASING COMMISSION				\$0
	MARKETING EXPENSE				\$15,000
	OWNER CONTINGENCY:			5.00%	\$23,624
	CASH FLOW BEFORE DEBT SERVICE				\$353,930
III. FINANCING CONSIDERATIONS					
	MORTGAGE AMOUNT				\$2,984,241
	INTEREST RATE			7.00%	
	TERM-YEARS				25
	ANNUAL DEBT SERVICE				\$253,104
	CASH FLOW BEFORE TAX:				\$100,826

Source: Strategic Planning Group, Inc., 2006

CONDOMINIUM MIXED-USE DEVELOPMENT

The following pro forma is based on the same development shown in Table 55, with the exception that it is sold as a condominium development with retail space costing \$217 per square foot, or \$225,000 per space, while residential condos would cost \$225,000. Under this scenario, the development would have a 35% return on equity (Table 56).

Table 56. Condominium Mixed-Use Development

Project:			
Total Comm.	SQ.FT.	10,890	Resid. Units
Total Resid.	SQ.FT.	21,780	
Land Area	SQ.FT.	43,560	Total Bldg SF
I. Development Costs			
Land Costs (sq.Ft)		\$10.00	\$435,600
Construction-Shell		\$80.00	\$2,613,600
Tenant Finish/Unit-Resid		\$3,000	\$60,000
Tenant Finish/SF-Comm.		\$20	\$217,800
Site Preparation/Dev.		\$2.00	\$87,120
Landscaping & Signage		\$0.80	\$34,848
A&E Fees		7.0%	\$241,428
Construction Financing		7%	\$102,526
Contingency		5.0%	\$167,866
Total Development Costs		\$121.24	\$3,960,788
II. Sales Expenses & Revenues			
Revenues:			
Sales Price-20 Resid. Units	\$175,000	20	\$3,500,000
Sales Price-10 Comm. Units	\$225,000	10	\$2,250,000
Total Revenues			\$5,750,000
Expenses:			
Sales & Marketing Expenses	7.0%		\$402,500
Gross Sales Revenues (pre-tax)			\$5,347,500
Net Sales Revenues (pre-tax)			\$1,386,712
Return On Development Cost			35.0%

Source: Strategic Planning Group, Inc., 2006

ECONOMIC IMPACT

Using the condominium example above, with 150,000 square feet of retail space and 50% of the associated residential developments, Englewood would experience an increase of \$55 million in new construction. That level of investment would generate approximately \$736,000 annually or \$7.4 million over ten years (Table 57).

Table 57. Ad Valorem Revenue (2006\$)

Taxing Authority	Millage	Revenue
Sarasota County General Revenue	3.8808	\$213,444
Mosquito Control	0.0655	\$3,603
Sarasota Memorial Hospital	0.8000	\$44,000
West Coast Inland Navigation	0.0400	\$2,200
South West FL Water Management	0.4220	\$23,210
Manasota Basin	0.1600	\$8,800
Bonds-Debt Service	0.1476	\$8,118
Total County (excluding Schools)		\$303,375
Schools	7.8610	\$432,355
Total Annual Revenue Generation		\$735,730

Source: Strategic Planning Group, Inc., 2006

At full development, using the figures previously discussed, parcels located on and adjacent to Dearborn Street could generate over \$2.8 million annually (2006\$), should build-out reach 400,000 square feet of ground level retail with residential units above (367 units) (Table 58).

Table 58. Ad Valorem Revenue at Build-Out (2006\$)

Taxing Authority	Millage	Revenue
Sarasota County General Revenue	3.8808	\$819,838
Mosquito Control	0.0655	\$13,837
Sarasota Memorial Hospital	0.8000	\$169,004
West Coast Inland Navigation	0.0400	\$8,450
South West FL Water Management	0.4220	\$89,150
Manasota Basin	0.1600	\$33,801
Bonds-Debt Service	0.1476	\$31,181
Total County (excluding Schools)		\$1,165,261
Schools	7.8610	\$1,660,676
Total Annual Revenue Generation		\$2,825,937

Source: Strategic Planning Group, Inc., 2006

CHAPTER 11. ACTION PLAN

The following section defines the critical activities that need to be undertaken in order to develop an entertainment/retail destination for Olde Englewood Village. It is broken down into major categories: Planning, Infrastructure, Incentives, Management and Marketing.

PLANNING

Olde Englewood Village is part of the larger Englewood CRA. Success of the redevelopment program described within this report requires the redevelopment planning of other areas of the CRA; specifically gateway developments, façade and place-making improvements along SR 776, connection to Lemon Bay and Indian Mound Parks and redevelopment of land parcels surrounding the central business district (CBD). The CRA should consider renaming Indiana Avenue (SR 776) to “Englewood Avenue.”

Other place-making improvements should include the planning of public space improvements on CRA-owned properties abutting Lemon Bay and the continued buying of parcels fronting Lemon Bay. One of the most important steps for successful implementation of the Plan is the need for an updated CRA Revitalization Plan that takes into account the recommendation of this study.

Existing land development regulations need to be updated to allow the Dearborn area to be developed as a “Downtown.” This includes wider sidewalks, limited front set backs, limited parking requirements, no storm water requirements, and strong architectural guidelines. The County may wish to adopt a downtown retail ordinance specifying the minimum retail coverage at ground level (usually 75% or greater). Wayfaring signage needs to be developed throughout the CRA, not just the CBD. The County/CRA should consider placing kiosks throughout Downtown depicting major activities or establishments. The County should also consider form-based regulations for the CBD. The development of tree coverage or awnings over the sidewalks is important, as heat is an issue for most of the year and impacts pedestrian traffic.

Lastly, the County should explore defining the Downtown as an historic area and working with FDOT for the placement of “brown” historic signage along the Interstate, US 41 and SR 776.

INFRASTRUCTURE

Redevelopment efforts require public sector investments. Several major public sector improvements will be required;

1. A public storm water system needs to be developed eliminating the need for parcel-based retention.
2. The existing retention pond on Dearborn Street needs to be eliminated. It lies within the most critical 1,500-foot radius of the waterfront.
3. One or more piers and activity centers need to be developed on Lemon Bay, including boat docks.

4. Public parking will need to be expanded beyond that of the newly designed public parking lot located between Cedar and Elm Streets. A future parking study will be required to determine the proper location of a structured parking garage once the pier (s) and 100,000 square feet of additional retail space are completed.
5. Public sector financing will probably be required to support the proposed ferry operations (at least during the first five years of operation), the construction and operation of a cable car connecting the downtown with Middle Beach.
6. Public support will more than likely be required to develop the Gauguin and Maritime Museums.

INCENTIVES

In most redevelopment efforts, the public sector provides incentives to the private sector to facilitate or speed-up development. Several of these “incentives” have already been discussed:

1. Removing storm water requirements.
2. Removing or lessening on-site parking requirements.
3. Creation of new gateways, and waterfront activity centers.
4. Promote connectivity between Lemon Bay and Dearborn Street.
5. Updating land use regulations.
6. Provision of public parking.
7. Tree canopy to reduce sidewalk heat.
8. Promote additional lodging; including bed and breakfasts
9. Promote downtown mixed use projects with housing.

Other incentives that need to be considered include:

1. Improve appearance/building façade through Façade and Rehabilitation grants.
2. Increased police presence for perceived safety.
3. Increased beautification through street cleaning/maintenance and garbage bins.
4. Expedited permitting.

MANAGEMENT AND MARKETING

Management and marketing are the keys to successful retail redevelopment efforts. It is strongly recommended that the Main Street Program be developed for Dearborn Street (see the Appendix for information on the Main Street Program). As the Downtown redevelops, the merchants should consider the creation of a Business Improvement District that can take over numerous public sector functions, including increased public safety, beautification, clean-up and special events.

Marketing is critical to the success of Olde Englewood Village. The most immediate concern is creating a positive image or marketing campaign for the CBD. The image is an “historic seaport village,” but unfortunately, the existing Downtown façade and amenities do not convey that impression. An intermediate approach will be needed prior to the development of the “critical mass.”

As development occurs, festival management/marketing will be critical. Given the area's bundle of assets, the CRA should consider monthly festival themes which need to be expanded as critical mass becomes a reality. There should be at least three art festivals a year. These need to consider the newly designed "arts district." Public waterfront properties could be used for exhibits. The Gauguin Museum is a critical component of the arts marketing program and efforts should begin immediately to locate a temporary location for the exhibits, as this could be one of the three "themes." Performing arts could be a second theme with two or more festivals (i.e., "evening of arts" theme). The local restaurants could continue the Friday night Dearborn event, with music and themed foods. A cultural/historic theme could be used to display the area's historic structures, while several "ecotourism" festivals could highlight Lemon Bay and Indian Mound and Lemon Bay Parks.

It is important to note that first impressions are critical. Therefore, as the marketing campaign is developed, it needs to address what access is currently available (at the time of festivals), and there may be the need to start slowing until activity centers have been developed and wayfaring signs put into place.

In short, management and marketing needs to address include:

- Each specific "assets" that is being marketed.
- Development of cooperative advertising.
- Development of business signage, directories and shopping guides.
- Marketing promotions.
- Media coverage.
- Staging special events/festivals.