BUSINESS. LIFE. BALANCE.

Residential and commercial real estate BOOMING in West Palm Beach!

By Maritza Cosano, Staff Writer

**"Booming South Florida real estate market won't stop in 2017 according to a new survey from law firm Berger Singerman.
A growing domestic economy, is helping restore confidence among real estate professionals."**

There's a buzz in our city. The Real Estate market in West Palm Beach is hot! People from near and far off cities and states have tuned in to it. Perhaps is the energy and excitement of new beginnings, just like it was for our city pioneers back in the 1890s, when West Palm Beach was on the brink of massive changes. Be it for business or pleasure, once again, the city is headed for a sizable real estate boon.

The buzz has spread, reaching developers and asset managers from firms that have long been based in money management metros like New York, Boston and Greenwich. In the last few years, we have seen many of them moving their offices and families, and putting down stakes in the Sunshine State, largely in the cities of West Palm Beach and Palm Beach.

So, what's the attraction? The weather, for one. Technology for another.

The Internet has made it easy for companies to function, regardless of their location. But the main attraction is the slower lifestyle found here, together with a cultural mix that has created a bustling menagerie like CityPlace and Downtown WPB. They have quickly become an entertainment hub for both locals and visitors. Add to that, the picture perfect waterfront, and what you see is a cool and diverse city scene that has become ever more attractive to people all over the nation.

While lifestyle choices have persuaded some investors to consider our city, Florida's no personal income tax, capital gains or estate taxes, and low corporate taxes, are clearly other major motivations for private equity and hedge fund firms to move to our city.

"We definitely could become a little Greenwich, Connecticut," billionaire real estate developer, Jeff Greene told The Real Deal Magazine in 2014. Unlike many investors who are new to the neighborhood, Greene grew up in West Palm Beach and now lives in Palm Beach. He has already made a significant impact on the local economy by acquiring over 76 acres of property in downtown West Palm Beach—an investment of about $700 million dollars.

Some other developers who have been attracted to the region in recent years include Andrew Cohen, Sean Healey, Paul Tudor Jones, and Joseph Jacobs. Cohen is a leader in the shopping center industry. Among his many Florida investments, he purchased the Datura Place, an office building in Downtown, which houses the Healthcare District of Palm Beach County. Healey's firm, Affiliated Managers Group, has occupied the entire top floor in the 13-story office tower that has nearly 20,000 square feet. Joseph Jacobs is president and co-founder of Wexford Capital and his firm signed a lease in March 2014 for a 7,400-square foot space in the Phillips Point office building, located at 777 South Flagler Drive in West Palm Beach.

Luxury condo developers have also followed the buzz. The Bristol, a waterfront condominium located on the corner of Flagler Drive and Okeechobee Boulevard, is under construction, with units selling from $10 million to $20 million. The building will help bring more jobs to the area, as well as attract more money managers whose large investments could have a great impact on our city's economy.

We're seeing more and more businesses with interest to relocate to West Palm Beach. The city is doing its best to help the transition with $2.5 billion dollars in development in the pipeline with a lot more that has already occurred. According to local real estate professionals, these developers are typically looking for at least 5,000 to 10,000 square feet of space in Class A properties, preferably with ocean views, in either Palm Beach or West Palm Beach.

Two years ago, the city called for a re-branding. As a result of much research, the marketing team charged with that task came up with a tagline: **Business. Life. Balance.** They found that people really have a very balanced life here. In an exclusive interview with Jeri Muoio, Mayor of West Palm Beach, she shared her thoughts, and how it has changed the way we do business in our city.

Why do you think people want to be in our city?
We are an easy city to work with in terms of permitting and getting all of the stuff done that you have to get done before you begin building. When I first became Mayor of the City of West Palm Beach in 2011, we [the city] had a horrible reputation among builders. You couldn't get a permit here for anything. It was always very difficult and the process was horrible. So, that became one of my goals to make sure that we fix it. And I think we have done a pretty good job at fixing it. That city has seen it. We have a great staff that works really hard to get things done. People are also willing to move here because they've met with a very friendly building permitting process, and other departments.

With all of the building development and incredible growth, our traffic will surely increase. How is it going to affect our city's walkability, which is a major attraction, especially in the downtown area?
That's really important, because we want to keep that quaint feel in our downtown. And we do that through zoning codes. For instance, you can't build tall buildings on Clematis Street. That's why we have those zoning protections in place. We are a very walkable city; we purposefully have been working on walkability. We had a walkability expert come in two years ago, and he did a whole study of downtown. He gave us some recommendations, some of which we have implemented to continue making our city more likable and more walkable. That's our goal. We want people to get out of their cars, and walk, bike, or get onto public transit.

What are some of the major real estate needs currently?
Back when I first became mayor we had a great push for hotel space. Now we need more Class A working space. So, we are really hoping that there will be some developers who will develop Class A working space, as our office space is filled.

Is that part of what developer Jeff Greene is doing in DowntownWPB?
Yes, that's part of it, along with residences and hotels. Hopefully, he will be moving forward with that. We have a couple of other different proposals; one, from a buyer group that's looking for office space. So, that's important to us.

You said Class A office in the Downtown area is filled. How about residences and hotels?
We also have a high level of our residences occupied. There was a time when occupancy was low, but not anymore. Hotels are full during season. On the corner of Banyan and Flagler there will be a new hotel. The developers are moving forward with that.


XIV. Landscaping, Land Clearing, Tree protection, and Artificial Turf, Section 94-441 through 94-451.Changes proposed are to clarify, eliminate redundancy, and update information to current standards.
Ord. No. 4696-17
WEST PALM BEACH
It was determined at our Law-Planning meeting that we should follow suit with Palm Beach County and other cities and impose a moratorium on medical marijuana dispensaries until we hear what regulations may be put in place this legislative session.
PB 1722A
WEST PALM BEACH
A city request for a text amendment to Article II, Admin., Sec. 94-48 Designation of historic properties and districts, to incorporate designation criteria for a landmark status in the DMP area; Article IV DMP, Sec. 94-131 Incentive programs - Gen., Sec. 94-132 TDR program; Sec. 94-133. Special district incentives; and Figure IV-35 TDR sites to identify new criteria for landmark properties, and create a new class A office incentive within the FWD.
CRC Case No. 16-07 Landscape Changes
PB Case No. 1708B
WEST PALM BEACH
Rosemary Avenue.
Res. 29-17
WEST PALM BEACH
2206 Mercer Ave; 1261 Boyd St.
Gander and White Minor Subdivision - replotting two separate parcels and a portion of Boyd Street into a single parcel consisting of 1.83 acres.
PB No. 1719
hotel at 2921 45th St.
ZBA 3346 Alfonso Animal Hospital and Retail Center
PB 1084H
PB 791FF
ZBA 3339
IATAC 1412 Okeechobee Blvd
PB 1729
WEST PALM BEACH
A request by Schumaker CPD for a major PD Amendment at 3001, 3031 and 4001 Okeechobee Blvd.
construct
facility.
Major PD Amendment
ZBA 3348
PB 1727
PB 1624M
single family homes.
ZBA 3347
Bunker Ranch Road.
PB 1171KK
WEST PALM BEACH
A request on behalf of Tricor International Corp., for a Major Amendment to the Home Depot CPD to provide for the construction of a 15,675 sf multi-tenant retail / restaurant building.
THE HOME DEPOT
ZBA 3349

With more hotels coming, is there a chance we will look like Miami?

No, we don't want to look like Miami. It's not our goal. We want to make sure we preserve our waterfront and the quaint feeling of our downtown area.

Another great addition that's coming is the Briteline, our new train. It will link us with Fort Lauderdale and Miami, and ultimately connecting our cities more efficiently. This will make traveling more feasible for people who live outside the city but have found work here, and vice versa. Thoughts on this?

I am excited about that. For a couple of reasons: I went on an event and sat down next to a gentleman who owns a business in Miami, but he lives here. And he takes the Tri-Rail every day. And it takes forever. Now, this man is going to be able to hop on the BriteLine and get into Miami in no time flat!

I was walking down downtown and one of the business owners pulled me aside and said, "Hey, I want you to meet somebody." And it was a group of people from Fort Lauderdale, an engineering company, I believe, who were looking for office space in West Palm Beach. And now, they can hop on the station in Fort Lauderdale and get up here at any time, giving them the opportunity to have offices in both Fort Lauderdale and West Palm Beach.

So, I think that we will see that business pollination and we will also see tourists traveling from Miami to West Palm Beach with absolute ease. Locals within the three cities will be able to travel to big events such as Sunfest. I think it's going to be a positive for our city.

With more individuals, families and business planning to move to the city, will there be a need to build more schools?

The City of West Palm Beach has very little to do with what happens at the Palm Beach School District. They run that. But we do have to keep up. And one of the things we are excited about is that we have $170 million dollars slotted for infrastructure improvements. That means improvements to our communities, towns, roads, parks, and water systems. And that infrastructure is so important to make sure that we accommodate the people who are here and the ones planning to move. We have to make sure all of that is up to snuff.

Recently, you attended a meeting where the term "Upward Mobility" was discussed. What does it mean to you?

When I think of those terms, I think of how we can make sure that everybody in the city is successful, and able to move up in their life and career. There are people here who are struggling, or don't have jobs. We are doing different things to help people find jobs, be ready for jobs, or improve their homes.

What departments help with in these efforts?

We have our Housing and Community Development department. And you can find about them on our website [wpb.org] and reach out to them. We have assistance for people who will be losing their homes. We will help them with a month's rent to help them get caught up. Or, assistance for renters who can't come up with that first, last, and security payment. If you walk around Downtown, you will see orange traffic meters. They are part of the Change Movement where you put loose money in and that money goes directly to housing the homeless. So, I encourage people to put some money in there.

We have a special program that we are doing with the Urban League, where they are taking young people, between the ages of 18 and 24 and getting them ready for work, so that we can find job placement for them. I can *go on*… because we have many special programs here.

As we look at our city we can understand that with growth comes density.

Very true. Our city is not going to be growing out; we are not going to be getting geographically bigger. So that means that the density is going to increase.

Is density a bad thing?

No, in fact, density is very powerful. We see that in our Downtown and in some other areas, but especially in Downtown. It increases property value. Over the last two years, our property values have gone up 25% across the city. That's important for people to know that about our real estate. Our property values in 2007 were over $12 billion dollars. When I became mayor in 2011, they were down to $8.8 billion dollars. Then, we had the recession. Now we are back to $11.5 billion dollars—almost at the value we were in 2007.

Does this make it harder for small business owners to buy properties?

It does make it harder. For instance, rent on Clematis Street may be too high for some people. But we do have an economic director helping with incentives to small businesses, helping them out to build out tenant space, and facade improvements. If they're bringing so many jobs to the city, we can do property tax abatement. There are lots of things we are doing to help both small and larger businesses find success and a more balanced life.

There are many developers with plans to expand the real estate market in West Palm Beach with new condominium units and single-family homes in different districts of the city, not just the downtown area. In the Summer edition of WPB Magazine, I will offer an insight about these planned developments as the city continues to attract new businesses and millennials which is key to West Palm Beach's growth.