



Good evening, thank you for inviting us back to discuss our new and improved project at 1301 10th st.

# NEW DEVELOPMENTS

- Overview, What's happening at 1301 10th street?
- Challenges
- Solution
- Results:
  - Property value increase-site improvement
  - Positive impact to local tax base- Sales & Property
  - Jobs | Careers | Businesses scaled for long term
- Positive impact to the community of Lake Park



We will go over in detail what has happened over the last few months and beyond and discuss some of the challenges we have faced to get to the beautiful solution that we have today that was recently approved by the planning and zoning committee. Please feel free to ask questions throughout the presentation as needed.

# HOW DID WE GET HERE

## Challenges

Multiple events in the last 3 years have led to a volatile market and costly time for new construction. In the 16 months since our site plan was initially approved, the budget has been a moving target because of global challenges.

### Lengthy Process

Time is the worst enemy of a construction budget in today's market.

### Supply Chain

Global pandemic, War in Ukraine, and changes in workforce, long lead time

### Interest rates

Increased rates have resulted in increased prices across the board, resulting in increased costs to us.

There have been many events over the last 3 years that have resulted in this volatile economic climate that we now find ourselves in. The results of a global pandemic, depleted workforce, the war in Ukraine, multiple stimulus bills and rising inflation have all had a negative effect on the cost of construction material worldwide. Steel, lumber, copper, PVC piping, glass and specific components such as electrical panels and air handler units for Air conditioning systems have specifically impacted this project. Pricing overall has been the most significant factor.

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# ***SOLUTION***

- A reduction of square footage, design changes, and selection of building materials have brought the project back into scope.



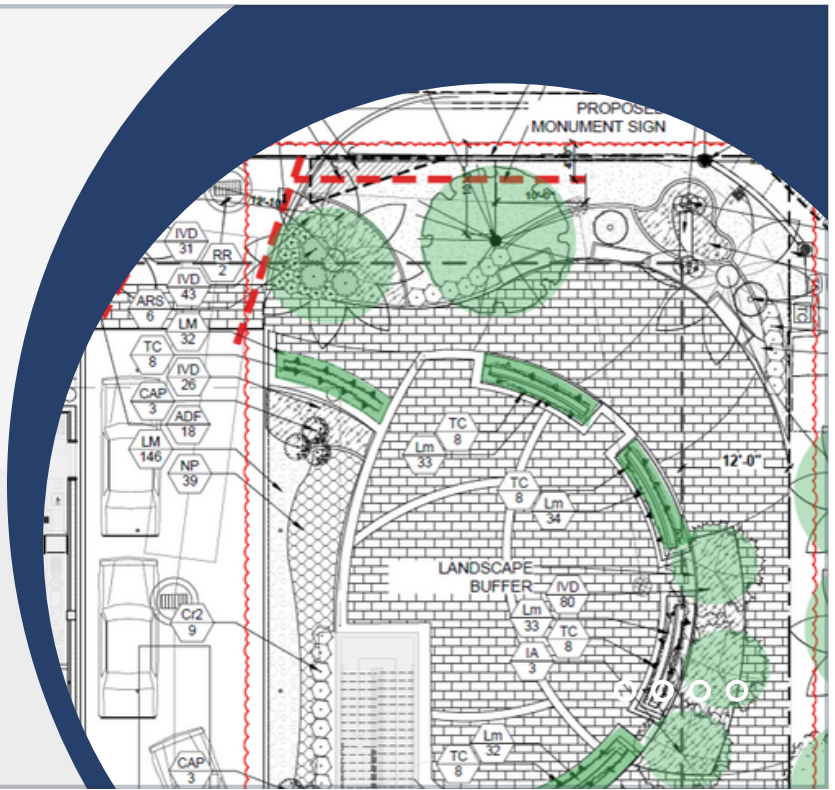
Reduction of square footage and value engineering on decorative finishes and choice of building material have been key to bringing the budget back into scope.



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# RESULTS

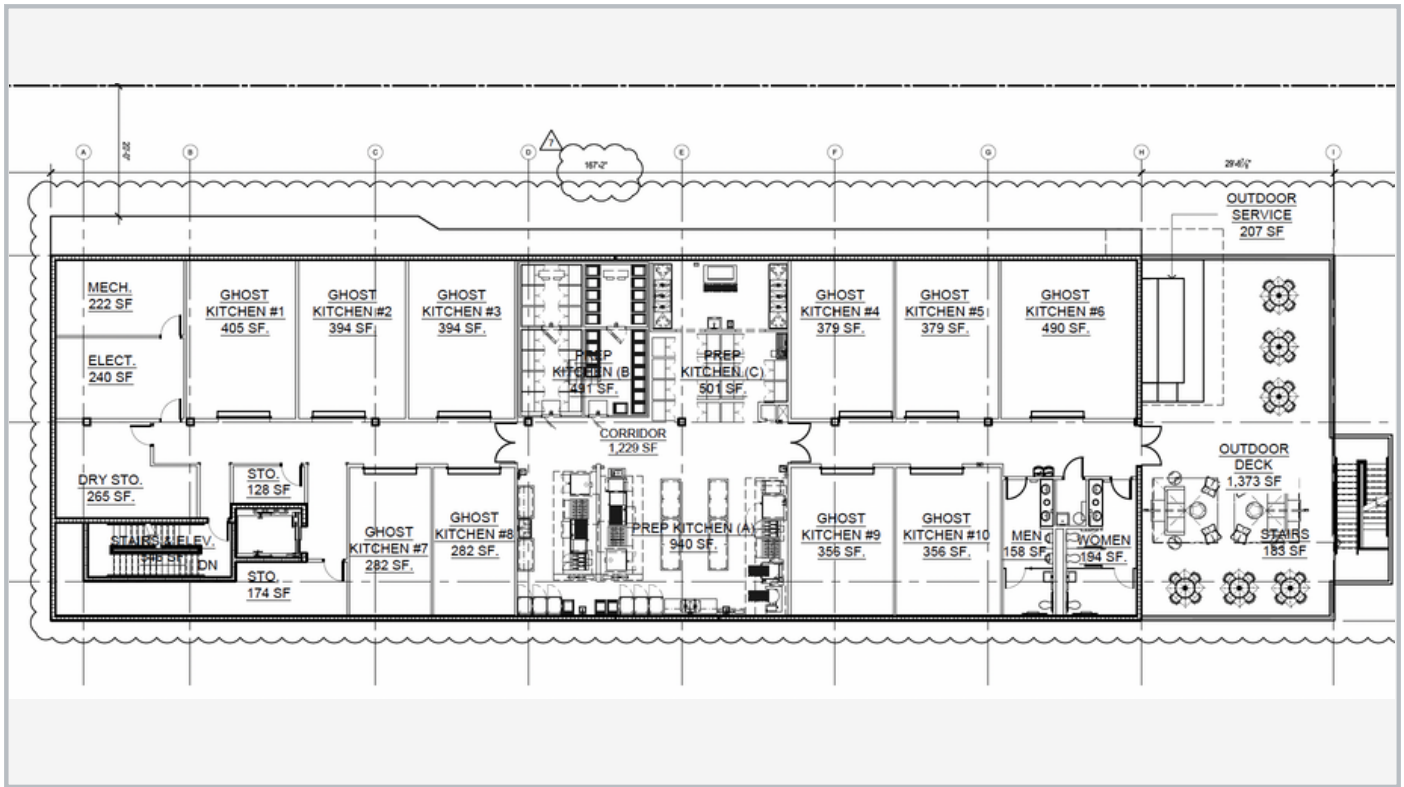
- This size reduction has not resulted in any change of use and will minimally affect the operations at the site.
- The outdoor event space has been relocated to a second floor deck which we believe will have a greater impact for the town.
- Outdoor space for green markets now available.



Better outdoor area and a greater community impact as the anchor building/project to anchor the revitalization of 10th Street in Lake Park. This beautiful building will serve as a beautiful reminder that small business is welcome in Lake Park, and this is where business can come to thrive and scale.







# **USE OF FUNDS**

- Site development costs including:
- Architecture fees
- Engineering fees
- Preparation of site plan and construction documents

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**OWNER INVESTMENT IS OVER \$1.1 MILLION AT THIS POINT**

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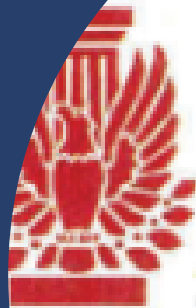
Funds that have been dispersed to the Lake Park group this January have been utilized for site development costs....



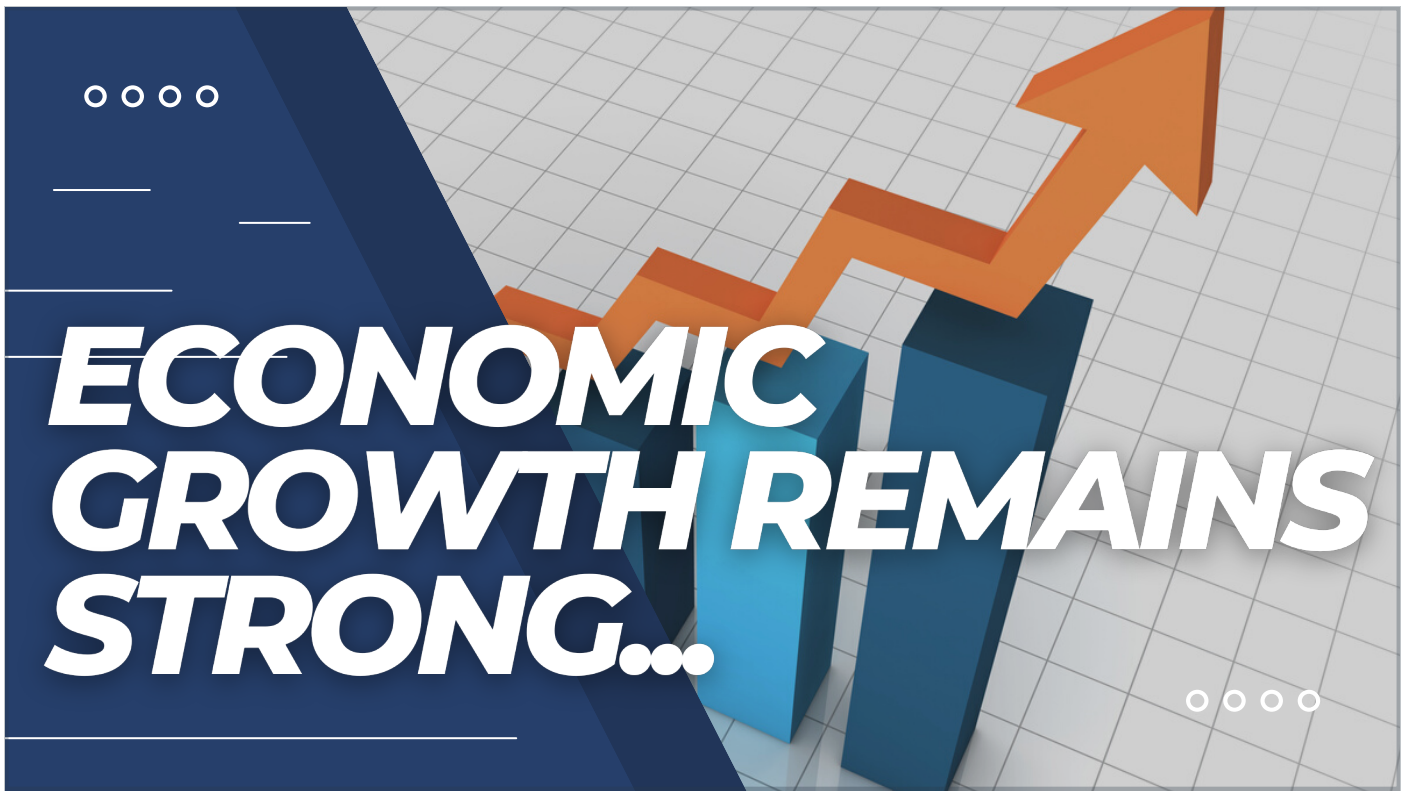
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# ***UPDATED COSTS***

- Our fully executed contract has been updated for a Guranteed Maximum price of \$7,524,930
- as of 3/29/2023



# AIA

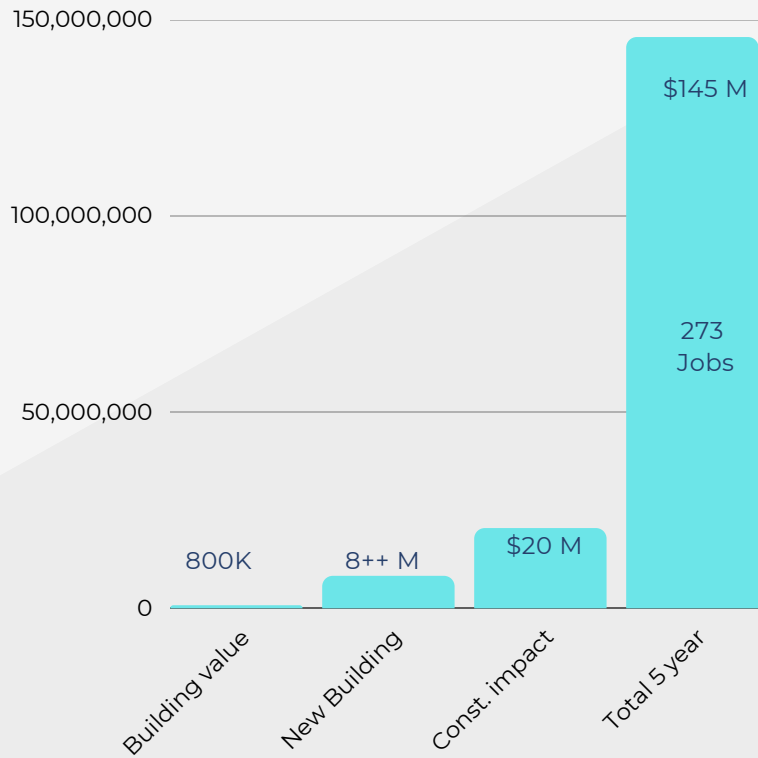


The jobs from construction have been slightly revised to reflect the elimination of 4 kitchens.

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## 5 YEAR ECONOMIC IMPACT

The values are supplied by using REMI (Regional Economic Modeling, Inc.) REMI is an advanced model generator that simulates the effects of economic policy changes on the economy that is utilized by Palm Beach County. REMI uses state-specific and national data to deliver a nuanced *prediction* of the varied, branching, and sometimes unexpected effects of economic policies.



163 jobs down to 151 in construction  
Total economic impact \$206 M down to \$145 mil



Through the support and partnership with the county, we have been given the opportunity to use REMI to calculate the economic impact of this project.

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## **REMI.COM**

- Palm Beach County has supplied the economic data information using software called REMI
- REMI uses state-specific and national data to deliver a nuanced prediction of the varied, branching, and sometimes unexpected effects of economic policies.

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remi analyzes the numbers given for number of jobs created as well as construction costs.

Long term, the money spent to keep these new buisnesses growing and scaling is spent in the communitiy and supports local vendors and service providers, some including local farmers and distributors.



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## KEY FACTORS THAT SUPPORT THIS ECONOMIC GROWTH

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Increase in local businesses=increase in jobs

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## ***JOB CREATION***

### **FULL TIME JOB STABILITY**

- Local Jobs= Money paid locally, stays local and flows throughout the community.

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INcrease in Jobs =increase in money spent locally

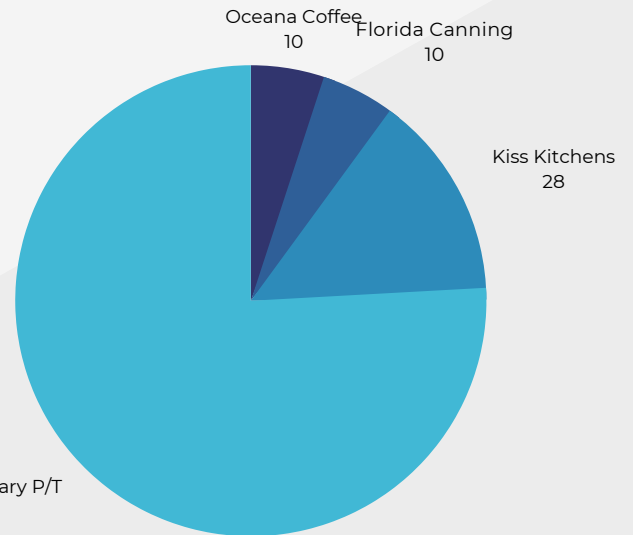
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## ***JOB CREATION***

- Full time new employees as a result of this project
- In total more than 200 jobs over 5 years
- New small businesses will be created bringing growth and prosperity to our local economy.

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Construction Temporary P/T  
151



The money paid to these employees goes back into the local economy

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## ***INCREASED REVENUE***

- Revenue generated by local businesses- Sales Tax

**LOCAL BUSINESS  
REVENUE**

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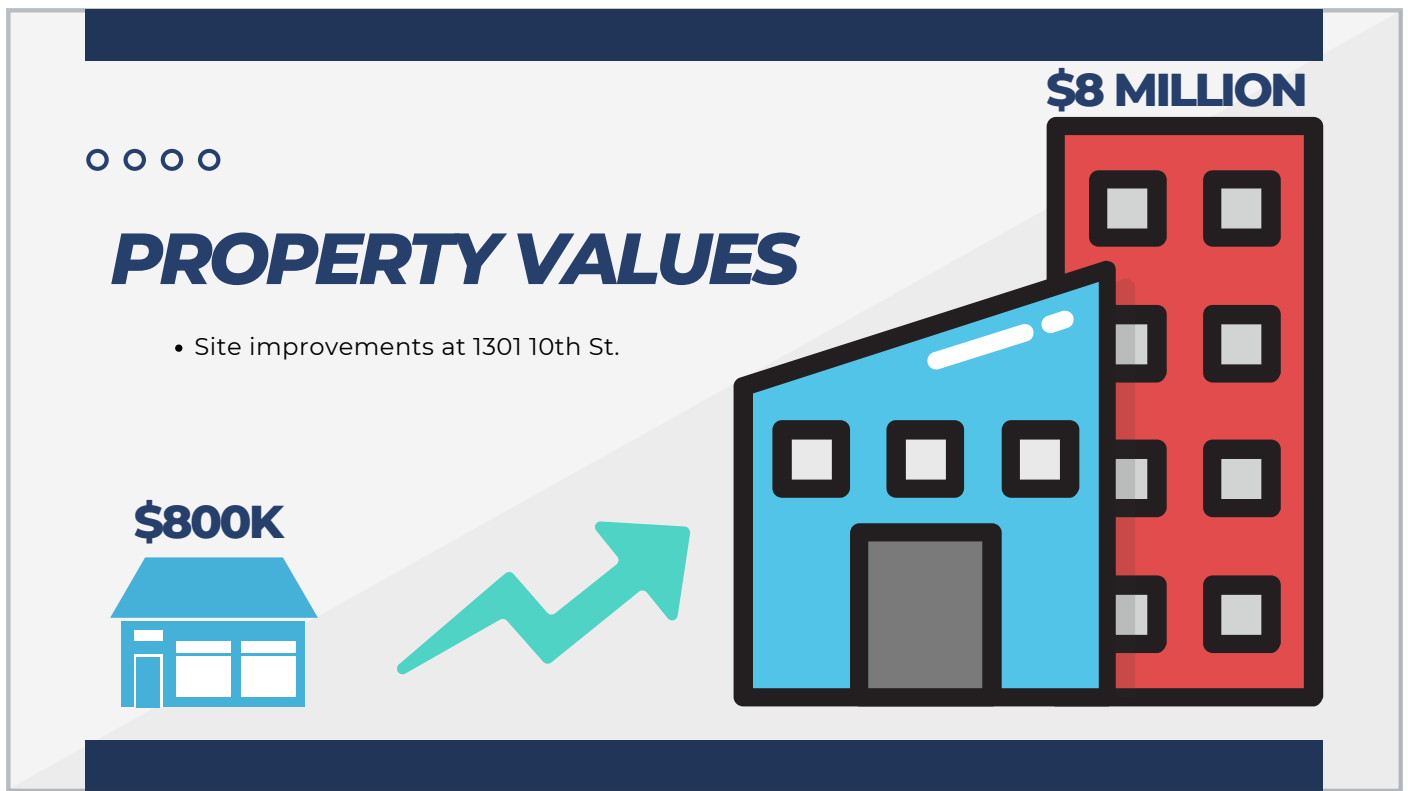


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**SALES TAX  
REVENUE**

Increase in revenue generated =increase in sales tax dollars contributing to state and local prosperity



With the increased cost of new construction we feel the initial appraisal of \$8 million will be very conservative, even with the reduced square footage.



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# ***PROPERTY VALUE***

- Current building valued at approx \$765,000 by the Palm Beach County Property Appraiser.
- Appraised value of completed project is \$8Mil.
- Approx 2% of this property's estimated value will be added to the current tax base annually.
- As people continue to want to live, work, and play in Lake Park, the residential property market will flourish, additionally supporting the tax base in Lake Park.



The value to the local community for having a thriving community hub like this proposed project, is immeasurable. This building has been vacant for some time, offering no economic or community value to Lake Park.

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## ***POSITIVE IMPACT TO COMMUNITY***

- Increased jobs in the community will presumably result in increased demand for residential property in Lake Park.

**LOCAL  
POPULATION**



**DAILY VISITORS &  
NEW RESIDENTS**





We are grateful for the partnership with the Town of Lake Park and the support that we have received from the team of professionals at the town of Lake Park. They have worked very hard to push through some barriers and have expedited processes where they have been able to. Their dedication and committment to the success of this project is clear and we are humbly grateful for that.

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# JOIN US TO LIVE, WORK, & PLAY IN LAKE PARK



1301 10th Street, Lake Park



561.339.2913

*We look forward to continuing the vision of the Lake Park CRA and facilitating bringing the culinary arts to your thriving performing arts district!*

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