

## *Executive Summary*

This report addresses the feasibility of retail development in the Vilano Beach Town Center, near downtown St. Augustine, in St. Johns County, Florida. The study updates earlier work on potential commercial development at this location prepared in 2005, which concluded that Vilano Beach could support up to 64,000 square feet including a medium quality grocery, small neighborhood businesses and specialty retailers.

In 2007 key indicators of demand continue to be positive. The primary market area and drive-time populations are fast-growing, educated and affluent. The primary market area population of 6,904 is expected to increase by 17% over the next five years. The St. Augustine area attracts roughly 3.8 million visitors yearly and this sector has also been growing since 2000 at an average annual rate of 6.3% measured in real spending.

The competitive retail situation in the Saint Augustine metro area will represent a challenge as there are various new and planned retail, lifestyle, town center and other kinds of commercial and mixed-use places emerging in the area. However, the Vilano Beach neighborhood shopping center featuring a Publix will represent a breakthrough in thinking in the area and create an opportunity for additional development. Including the neighborhood center of 59,000 square feet, the total retail potential of 128,000 square feet that we project includes the following:

- Furnishings: 20,000 square feet, 15.5 % of total space.
- Grocery: 21,200 square feet (16.5 %).
- Clothing: 32,500 square feet, (25.3 %).
- Restaurants: 25,000 square feet, (19.4 %).
- Personal Care: 4,200 square feet, (3.2 %).
- Other Specialty Retail: 25,800 square feet, (20.0 %).

St Johns County is strategically situated in the northeast corner of the State of Florida, easily accessible to the metro areas of Jacksonville, Gainesville and Orlando. The population within a fifty-mile radius of Vilano Beach is 1.4 million, or 8.9% of the total State population, while the 100-mile ring includes a population of 3.1 million, 19% of the State total.

The Vilano Beach Town Center enjoys several important advantages and one significant disadvantage that the community can address. The place as designed lacks place identification. In spite of the historic character there is very little history remaining. While the setting is dramatic and there is waterfront at both ends of the street there is little feeling of a waterfront. The design suggests a mixed-use “lifestyle center” that could be anywhere. It is a truism in retailing that people seek experience-based retailing, not just stores. The community is addressing this issue with the creation of \$12.5 million “place making” streetscape and by promoting the preservation of the remaining art deco structures.

The construction of the supermarket-anchored neighborhood shopping center will be an important step in an evolutionary process. This market study finds that additional space for restaurants and stores is supportable and can represent another step.