



Residential boom drives commercial investment in St. Johns County

By Colleen Jones
October 23, 2018

Where there is residential growth, commercial growth is never far behind.

So it shouldn't come as much of a surprise that St. Johns County leads the state in retail and business investment, according to the findings of a new report by the financial technology company SmartAsset.

The county ranks first in Florida and ninth in the U.S. based on the following metrics: new businesses opened over the last three years; inflation-adjusted growth in gross domestic product; new building permits per 1,000 homes; and how much businesses received from federal contracts.

SmartAsset's data shows that new business grew by 13.1 percent in St. Johns County since 2015. Local GDP growth was \$755 million. The average number of new building permits per 1,000 homes was 36.5 percent, and federal funding was at \$1,056 per capita.

Local business leaders say the booming residential market over the last few years — especially in the county's northwest — is driving commercial investment in those areas.

With big master-planned communities like RiverTown and Beachwalk being built out along the corridor of State Road 210, developers see an opportunity to capture a large segment of the retail customer base of these up-and-coming neighborhoods.

"I'm seeing a lot of retail up around the [SR] 210 area, in restaurants and other retail," said Marge Cirillo, a certified business analyst who works with business owners to launch new ventures in St. Johns County through the Florida Small Business Development Center.

"In places like Durbin Park, there are so many houses going up, so people are no longer going to have to drive as far for their shopping and eating," Cirillo added.

Under construction now, the Pavilion at Durbin Park will encompass 1,600 acres of development, including office space, hotels and lots of retail. The complex will be anchored by Wal-Mart, which opens later this year, and include numerous eateries and shops.

“From what I see, the commercial activity in St. Johns County has really picked up steam over the last year or year and a half — it really is the place to be for commercial investment and property,” said Victor Raymos, CEO of the St. Johns County Board of Realtors. “What we’re seeing is that commercial activity is tracking with the number of residential rooftops.”

Cirillo predicts that Beachwalk, also located off SR 210, will also attract the attention of developers wanting to take up space in the retail promenade to be built around the Caribbean-concept residential community.

And that development is poised to continue.

Local business leaders say the local economic climate remains favorable for lending, including federal subsidies.

“Banks are very much attune to commercial investment and we’ve seen the lending activity pick up greatly over the last year or so,” said Raymos. “I think the demand has been pent up and now developers are seeing the dollars and cents of it.”