

Appendix 6:

Commercial Computations Summary and Analysis Tables

Entities, Terms and Definitions

Working Group - Refers to the committee consisting of representatives of the plaintiff (the Homeowner's Association, or HOA) and County staff. This group met for several months, attempting to reach agreement on a common methodology for calculating future commercial need. Although a final product, agreed to by both groups, was never reached, the two sides did agree on a number of components for a common methodology.

Dr. Joe Cronin - a commercial needs consultant hired by the landowners/developers to ascertain the amount of future commercial need in the Bradfordville area. Dr. Cronin developed two major methodologies (and numerous variations) that are presented here.

Working Group Methodology - This is the methodology that came from the Working Group. While the Homeowner's Association and County Staff agreed on several components of the methodology, there are several components that show differing assumptions. It is basically a "bottom-up" approach to determining need, where you begin with the expected population of the area, and calculate factors such as income, percentage of income spent on commercial, the sub-categories of commercial that apply to the area, and the expenditures per square foot of commercial, to determine the future need for commercial space.

New Methodology - This is a "top-down" approach to determining commercial need, where you begin with the per capita existing square footage of commercial for a larger area (Leon County), and apply it to a smaller area (Bradfordville). After adjusting to remove super-regional malls, this method can show the commercial need of the smaller area if you assume that the smaller area should be afforded similar shopping opportunities as the average county resident.

Bradfordville Study Area (BSA) - The BSA is the mapped area appearing in the Comprehensive Plan and consists of the boundaries of several adjacent basin boundaries.

Bradfordville Market Area (BMA) - This geographic area was devised by Dr. Cronin and consists of a group of Traffic Analysis Zones that have a boundary of Georgia to the north, Meridian road to the west, Ox Bottom Road and the Killearn chain of lakes to the south, and Centerville Road to the east.

Traffic Analysis Zone (TAZ) Boundary - This is an area consisting of the BMA, above, plus several TAZs to the south of that boundary. This area is specifically referenced in the Comprehensive Plan as "the traffic analysis zones bordering Thomasville Road north of Interstate 10."

Market Flexibility Factor - This is used to inflate the amount of future needed commercial, to allow for flexibility in the market and account for those factors that may reduce the amount of commercial actually built (i.e. 'commercial' space that is used for offices or services, undevelopable lands, lands not used within the time frame, etc.). It should be noted that in its purest form, this factor should be used to determine the amount of acreage needed for commercial development, and not the amount of square footage needed.

Summary and Conclusion

The various methodologies applied to the determination of the future commercial need for the Bradfordville area result in conflicting numbers. When vested/approved developments are included, along with an MFF, the results range from a negative 600,000 square feet all the way to a need for over 700,000 additional square feet. Other methodologies, not included in this review, have yielded needs for well over a million additional square feet of commercial space.

To simplify the matter, we should look at only three methodologies, one for each of the parties. The HOA's original calculations showed a 'need' for 585,000 less square feet than what currently exists and what is vested or approved. County staff is most comfortable with the new methodology for the BSA, which calls for an additional 387,000 square feet of commercial, while Dr. Cronin's final submission shows a need for 669,000 additional square feet. As discussed in the Sector Plan, the determination of future commercial need is a difficult exercise, with various legitimate methodologies yielding very different results. Each party has a legitimate claim on the rectitude of their method. The HOA has two PHD's, one an Economist and the other a Statistician, to bolster their claim. County staff has two individuals with Planning and Business degrees and almost forty years of experience in observing and researching growth within Leon County. Dr. Cronin is the only one of the parties that has experience in performing market studies. In actuality, the future need for commercial in the Bradfordville area, may never be determined to the full satisfaction of all parties.

However, the most realistic view of future commercial need probably lies somewhere between the two extremes. A "common sense" figure such as the one recommended by the consultants (in the 350,000 square feet range) will allow some development to take place to offer the residents of Bradfordville the opportunity to shop closer to home, while complying with the policies of the Comprehensive Plan regarding the provision of an amount of commercial development commensurate with population growth.

Using the Working Group's Methodology To Determine Commercial Need in Leon County

Variable	Data	Comments
(1) 1999 Leon County Population	237,637	From University of Florida's Bureau of Economic and Business Research (BEBR), confirmed by TLC PD staff
(2) Leon County Persons/Household	2.43	From BEBR, 1998 (latest available). Also agrees with 1990 Census data.
(3) 1999 Leon County Households	97,793	Line 1 divided by line 2
(4) 1999 Leon County Median HH Income	\$36,800	Derived from 1999 HUD estimates of family income for the Tallahassee MSA
(5) Total Leon County Income	\$3,598,782,551	Line 3 times line 4
(6) Percent of Income Spent on Commercial	30%	From Homeowner Association's Calculations
(7) Total Leon County Expenditures on Commercial	\$1,079,634,765	Line 5 times line 6
(8) Expenditures per Square Feet of Commercial	\$229	From Homeowner Association's Calculations
(9) Leon County's Total "Demand" for Commercial Square Footage	4,714,562	Line 7 divided by line 8

Actual 1999 Leon County Commercial Square Footage	13,467,132	According to Property Appraiser's Tax Roll from 1999
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County Staff 2020 BSA Commercial Needs Assessment

Variable	Data, Calculations	Comments
(1) 2020 BSA Population	22,216	Using the "average of the middle two" methodology that is used in the Comprehensive Plan, and using a 1970-1999 base year period.
(2) Commercial Space per Capita in Leon County	49.88	Based on 1999 Property Appraiser records showing 11,852,968 square feet of commercial (after removing the two enclosed malls) against a population of 237,637.
(3) Total 2020 Commercial Square Footage Needed in the BSA	1,108,134	Line 1 times line 2
(4) Less: Existing Commercial Square Footage in the BSA	-213,655	County staff estimate of commercial, only, development in the BSA
(5) Less: Bull Run Development	-295,000	Already approved for development
(6) Less: Vested Killearn Lakes DRI	-260,000	This property may or may not develop as commercial.
(7) Less: Other vested property	-65,000	Includes Asher property, Kerrigan property, and a Northampton outparcel.
(8) Additional 2020 Commercial Square Footage Needs	274,479	Line 3, minus lines 4 through 7

**County Staff 2020 BSA
Commercial Needs Assessment
Using a Multiplier of 1.25**

Variable	Data, Calculations	Comments
(1) 2020 BSA Population	22,216	Using the "average of the middle two" methodology that is used in the Comprehensive Plan, and using a 1970-1999 base year period.
(2) Commercial Space per Capita in Leon County		Based on 1999 Property Appraiser records showing 11,852,968 square feet of commercial (after removing the two enclosed malls) against a population of 237,637.
(3) Total 2020 Commercial Square Footage Needed in the BSA	1,108,134	Line 1 times line 2
(4) Less: Existing Commercial Square Footage in the BSA	-213,655	County staff estimate of commercial, only, development in the BSA
(5) Less: Bull Run Development	-295,000	Already approved for development
(6) Less: Vested Killearn Lakes DRI	-260,000	This property may or may not develop as commercial.
(7) Less: Other vested property	-65,000	Includes Asher property, Kerrigan property, and a Northampton outparcel.
(8) Additional 2020 Commercial Square Footage Needs	274,479	Line 3, minus lines 4 through 7
(9) Market Flexibility Factor		The MFF is needed to allow for flexibility (i.e. space used for offices or services, undevelopable lands, lands that the owners choose not to develop within the twenty year time frame, etc.)
(10) Total Amount of Commercial Needed to Accommodate future BSA needs	343,099	Line 9 times line 10

**County Staff 2020 BSA
Commercial Needs Assessment
Using a Multiplier of 1.41**

Variable	Data, Calculations	Comments
(1) 2020 BSA Population	22,216	Using the "average of the middle two" methodology that is used in the Comprehensive Plan, and using a 1970-1999 base year period.
(2) Commercial Space per Capita in Leon County	49.88	Based on 1999 Property Appraiser records showing 11,852,968 square feet of commercial (after removing the two enclosed malls) against a population of 237,637.
(3) Total 2020 Commercial Square Footage Needed in the BSA	1,108,134	Line 1 times line 2
(4) Less: Existing Commercial Square Footage in the BSA	-213,655	County staff estimate of commercial, only, development in the BSA
(5) Less: Bull Run Development	-295,000	Already approved for development
(6) Less: Vested Killlearn Lakes DRI	-260,000	This property may or may not develop as commercial.
(7) Less: Other vested property	-65,000	Includes Asher property, Kerrigan property, and a Northampton outparcel.
(8) Additional 2020 Commercial Square Footage Needs	274,479	Line 3, minus lines 4 through 7
(9) Market Flexibility Factor		The MFF is needed to allow for flexibility (i.e. space used for offices or services, undevelopable lands, lands that the owners choose not to develop within the twenty year time frame, etc.)
(10) Total Amount of Commercial Needed to Accommodate future BSA needs	1.41	
	387,016	Line 9 times line 10

**County Staff 2020 BSA
Commercial Needs Assessment
Using a Multiplier of 2.00**

Variable	Data, Calculations	Comments
(1) 2020 BSA Population	22,216	Using the "average of the middle two" methodology that is used in the Comprehensive Plan, and using a 1970-1999 base year period.
(2) Commercial Space per Capita in Leon County	49,88	Based on 1999 Property Appraiser records showing 11,852,968 square feet of commercial (after removing the two enclosed malls) against a population of 237,637.
(3) Total 2020 Commercial Square Footage Needed in the BSA	1,108,134	Line 1 times line 2
(4) Less: Existing Commercial Square Footage in the BSA	-213,655	County staff estimate of commercial, only, development in the BSA
(5) Less: Bull Run Development	-295,000	Already approved for development
(6) Less: Vested Killlearn Lakes DRI	-260,000	This property may or may not develop as commercial.
(7) Less: Other vested property	-65,000	Includes Asher property, Kerrigan property, and a Northampton outparcel.
(8) Additional 2020 Commercial Square Footage Needs	274,479	Line 3, minus lines 4 through 7
(9) Market Flexibility Factor	2.00	The MFF is needed to allow for flexibility (i.e. space used for offices or services, undevelopable lands, lands that the owners choose not to develop within the twenty year time frame, etc.)
(10) Total Amount of Commercial Needed to Accommodate future BSA needs	548,958	Line 9 times line 10

County Staff 2020 TAZ Commercial Needs Assessment

Variable	Data, Calculations	Comments
(1) 2020 TAZ Area Population	59,169	Using the "average of the middle two" methodology that is used in the Comprehensive Plan, and using a 1970-1999 base year period.
(2) Commercial Space per Capita in Leon County	49.88	Based on 1999 Property Appraiser records showing 11,852,968 square feet of commercial (after removing the two enclosed malls) against a population of 237,637.
(3) Total 2020 Commercial Square Footage Needed in the TAZ area	2,951,350	Line 1 times line 2
(4) Less: Existing Commercial Square Footage in the TAZ area	-1,436,976	From Property Appraiser records in 1999
(5) Less: Bull Run Development	-295,000	Already approved for development
(6) Less: Vested Killlearn Lakes DRI	-260,000	This property may or may not develop as commercial.
(7) Less: Other vested property	-105,000	Includes Asher property (20,000), Kerrigan property (5,000), and a Northampton outparcel (40,000), as well as a vested property near the intersection of I-10 and Thomasville Road (40,000).
(8) Additional 2020 Commercial Square Footage Needs	854,374	Line 3, minus lines 4 through 7

**Home Owner's Association and County Staff
2020 BSA Commercial Needs Assessment
Using Working Group's Methodology**

Variable	County	HOA	Comments
2020 BSA Population	22,216	22,216	Planning Dept. estimates based on "Average of Middle Two" methodology with a 1970-1999 base.
BSA Persons/Household	3.02	3.02	County Staff computations based on data from US Census Tracts 24.02 and 24.04
2020 BSA Households	7,356	7,356	Divide population by persons per household
BSA Median HH Income	\$73,543	\$73,543	Based on growth in countywide median family income and median household income in 1989 for census tracts 24.02 and 24.04. Sources: 1990 Census of Population and 1999 HUD estimates.
Total BSA Income	\$541,003,738	\$541,003,738	Multiply BSA median household income by number of households in BSA.
Percent of Income spent on Commercial Sales	30%	30%	Source: 1997/98 BLS Consumer Expenditure Survey data for the \$70,000 - \$89,999 income strata.
Total BSA expenditures on Commercial	\$162,301,121	\$162,301,121	Total BSA Income times the percent spent on commercial
Percent of Neighborhood and Community Commercial Sales	59%	40%	Based on number of stores in different shopping center categories. County Staff estimates include proportion of stores in "neighborhood" plus "community" shopping centers. HOA estimates use all stores in neighborhood shopping centers and 50% of stores i
Total Neighborhood and Community Commercial Sales	\$95,757,662	\$64,920,449	Total expenditure on retail by BSA Residents times the percentage of retail expenditure in BSA.
Expenditures per square feet of Commercial	\$229	\$229	From UDS expenditure data and ULI data on \$/sq. ft., expressed in 1999 dollars.
BSA Residents' Total 2020 "Demand" for Commercial Sq. Ft.	418,156	283,495	BSA expenditures divided by \$/sq.ft.
Non-Resident 2020 "Demand" for Commercial Sq. Ft. in BSA	0	31,499	County makes no explicit computation of non-resident expenditures, rather they assume all resident expenditures in neighborhood and community shopping centers occur solely in the BSA. HOAs assume 10% of all sales in the BSA are to nonresidents.
Total Demand for Commercial sq. ft. in BSA by 2020	418,156	314,995	Sum of resident and non-resident demand
Less existing square footage of Commercial in the BSA	-255,751	-255,751	Already existing gross leasable area of commercial sq. footage in the BSA, including 90% of auxiliary space
Remaining demand for Commercial square footage	162,405	27,744	Demand for future commercial square footage, less existing commercial square footage
Adjustment for market flexibility	41%	25%	County uses current population flexibility factor in the Comprehensive Plan as the market flexibility factor. HOAs use the Department of Community Affairs recommended allowance.
Remaining adjusted demand for Commercial square footage	228,991	34,681	The County and HOA have not reached consensus in the time frame allowed by the County for discussions.

COUNTY DID NOT INCLUDE VESTED (KL DRI) OR PROPOSED (BULL RUN) DEVELOPMENT

vested KL DRI (proposed to be assisted living)	260,000	260,000	Killearn Lakes vested Development of Regional Impact
additional commercial just granted to KL DRI	20,700	20,700	Change/Correction to DRI recently granted
North Hampton PUD 5 acres vested comm.	60,000	60,000	Part of PUD not yet developed, same intensity as rest of North Hampton
Bull Run retail commercial	295,000	295,000	Proposed development within city limits in the Bradfordville area
Bull Run movie theatre and warehouse	95,000	95,000	Proposed development within city limits in the Bradfordville area

Note that in either computation, there is no demand by the year 2020 not already accounted for by vested or proposed development in 2000

Dr. Joe Cronin's 2020 BMA Commercial Needs Assessment

Variable	Data, Calculations	Comments
(1) 2020 BMA Population	25,928	Population of the BMA (based on TAZ's 225-231), adjusted for growth to 2020 using University of Florida projections for Leon County.
(2) Commercial Space per Capita in Leon County	49.88	Based on 1999 Property Appraiser records showing 11,852,968 square feet of commercial (after removing the two enclosed malls) against a population of 237,637.
(3) Total 2020 Commercial Square Footage Needed in the BMA	1,293,289	Line 1 times line 2
(4) Less: Existing Commercial Square Footage in the BMA	-213,655	From Dr. Cronin, according to his analysis of County Staff data
(5) Less: Bull Run Development	-295,000	Already approved for development
(6) Less: Vested Killearn Lakes DRI	-260,000	This property may or may not develop as commercial.
(7) Less: Other vested property	-65,000	Includes Asher property (20,000), Kerrigan property (5,000), and a Northampton outparcel (40,000).
(8) Additional 2020 Commercial Square Footage Needs	459,634	Line 3, minus lines 4 through 7