



ADDING WORKFORCE HOUSING TO COMMERCIAL CORRIDORS

Park Shore Plaza
Naples

WORKFORCE HOUSING | Affordable Residential Demand

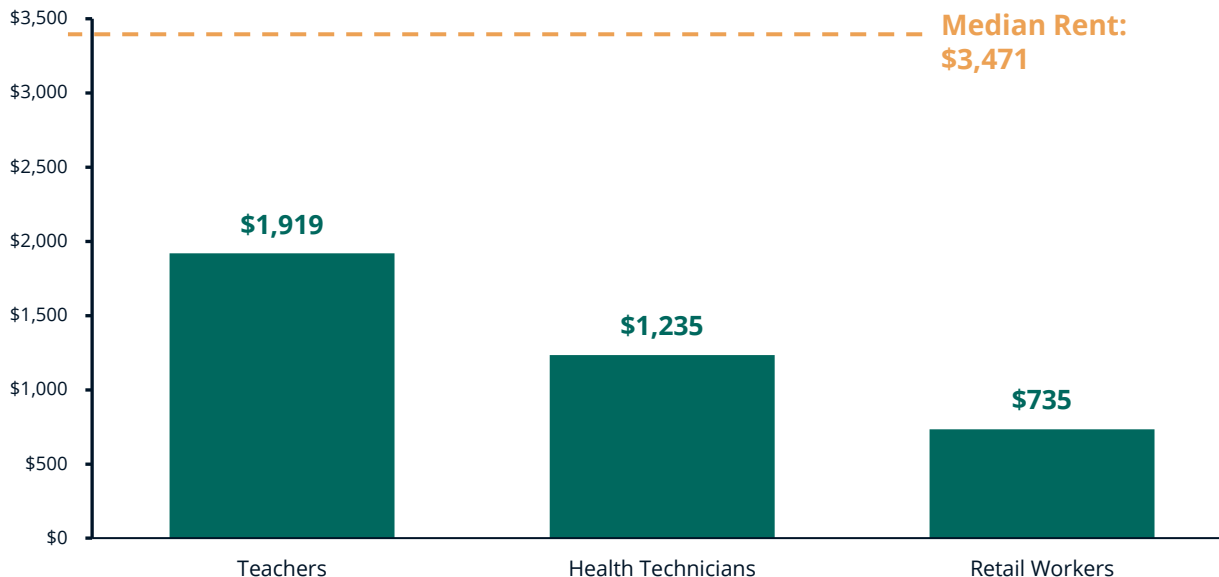
Redeveloping commercial strips like Park Shore Plaza can add more housing options to existing commercial corridors and develop workforce housing near jobs.

The City of Naples is one of the most expensive rental markets in the state—with a median rent in May of 2023 of \$3,471 and a housing gap for all households of 1,880 units, and an acute gap of 6,000 units for households earning below \$50,000.* 56% of all households are cost burdened, compared to about 50% statewide.

A significant reason is because of the lack of affordable rental supply in Naples—only 18.8% of occupied units are renter-occupied, compared to 45% statewide. 42% of all units (7,562 units, or almost five times the number of rental units) are vacant for seasonal use.

No new multifamily pipeline is anticipated within three miles of the site along the U.S. Route 41 corridor. However, stable population growth will continue to drive demand for new units, resulting in an anticipated housing supply gap of more than 3,000 units by 2026. Combined with extremely limited existing supply and strong demand for workforce housing in the area, the Naples site provides an opportunity to develop new housing product in a historically single-family area.

Naples Workforce by Rents Affordable



*Collier County, [BuildFlorida2030.com](https://www.buildflorida2030.com)

Redeveloping commercial strip malls like Park Shore Plaza can have multiple benefits:

- **Efficient Land Use:** Large parking areas, especially those that are underutilized, represent a vast amount of land that can be put to better use.
- **Addressing Affordability:** By introducing more workforce housing, regions can address this issue, making it easier for workers to live near their place of employment and reducing commute times.
- **Revitalizing Aging Commercial Spaces:** As consumer habits change many strip malls have seen a decrease in foot traffic, leading to vacancies. By redeveloping these spaces into mixed-use areas that combine retail with housing, it's possible to breathe new life into these aging commercial zones.
- **Promoting Sustainable Growth:** Redevelopment often has a smaller carbon footprint than greenfield development.
- **Diversifying Housing Options:** The addition of multifamily units can provide diversity in housing options, catering to various demographics like young professionals, small families, and the elderly.

WORKFORCE HOUSING | Residential Demand

Multifamily communities near Park Shore Plaza range from garden court to mid-rise luxury apartments.

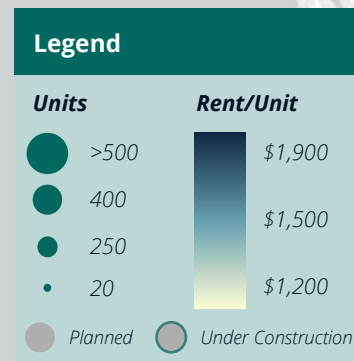
Development Trends

Inventory of multifamily developments is sparse. Existing developments within a 2-mile radius of the site are primarily surrounded by single-family houses and near golf courses.

Magnolia Square, the newest multifamily development, is a luxury, 290-unit apartment community that is highly amenitized and near retail.

2-Mile Overview

Total Units	752
Planned/Under Construction	-
Rent per Unit	\$2.8K
Rent per SF	\$2.77
Vacancy	6.0%



WORKFORCE HOUSING | The Site

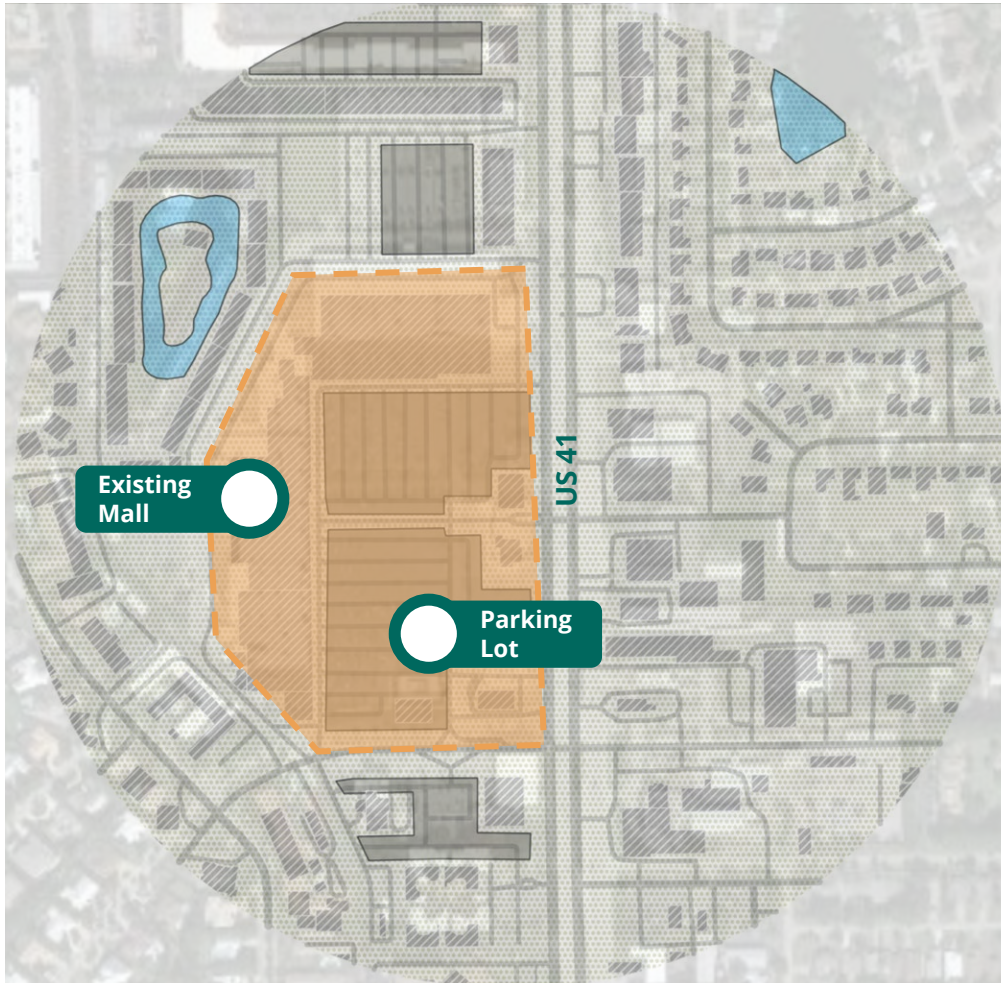
Located along an arterial road in the Park Shore neighborhood of Naples, the Park Shore Plaza is a large shopping center with various retail offerings.



Address	4111-4343 Tamiami Trail N., Naples
Market	Naples-Marco Island
Current Use	Retail Strip Community Center Parking Lot
Site Acres	22

WORKFORCE HOUSING | The Site

The Park Shore Plaza can be reimagined from suburban shopping center into a vibrant mixed-use center for shopping and living experience.



Site Context

The Park Shore Plaza is a shopping center with a large existing structure and four perimeter structures in front of North Tamiami Trail and Old Trail Drive. The site also consists of an expansive surface parking lot. Current tenants range from grocery to more general retail stores and eateries. Broadly, the area around Park Shore is more suburban, with multifamily and single-family residential communities neighboring national retail chains along busy thoroughfares.

Land Use and Zoning

The site is under a “planned development” zoning, allowing for a mixture of residential, commercial, recreational, etc. However, the site has a land use designated for highway commercial activity. The maximum height for commercial activity is three stories and 42 feet.

Current Use

Use	Retail
Year Built	1973
Floors	1
Square Feet	257,000
Parking Spaces	526

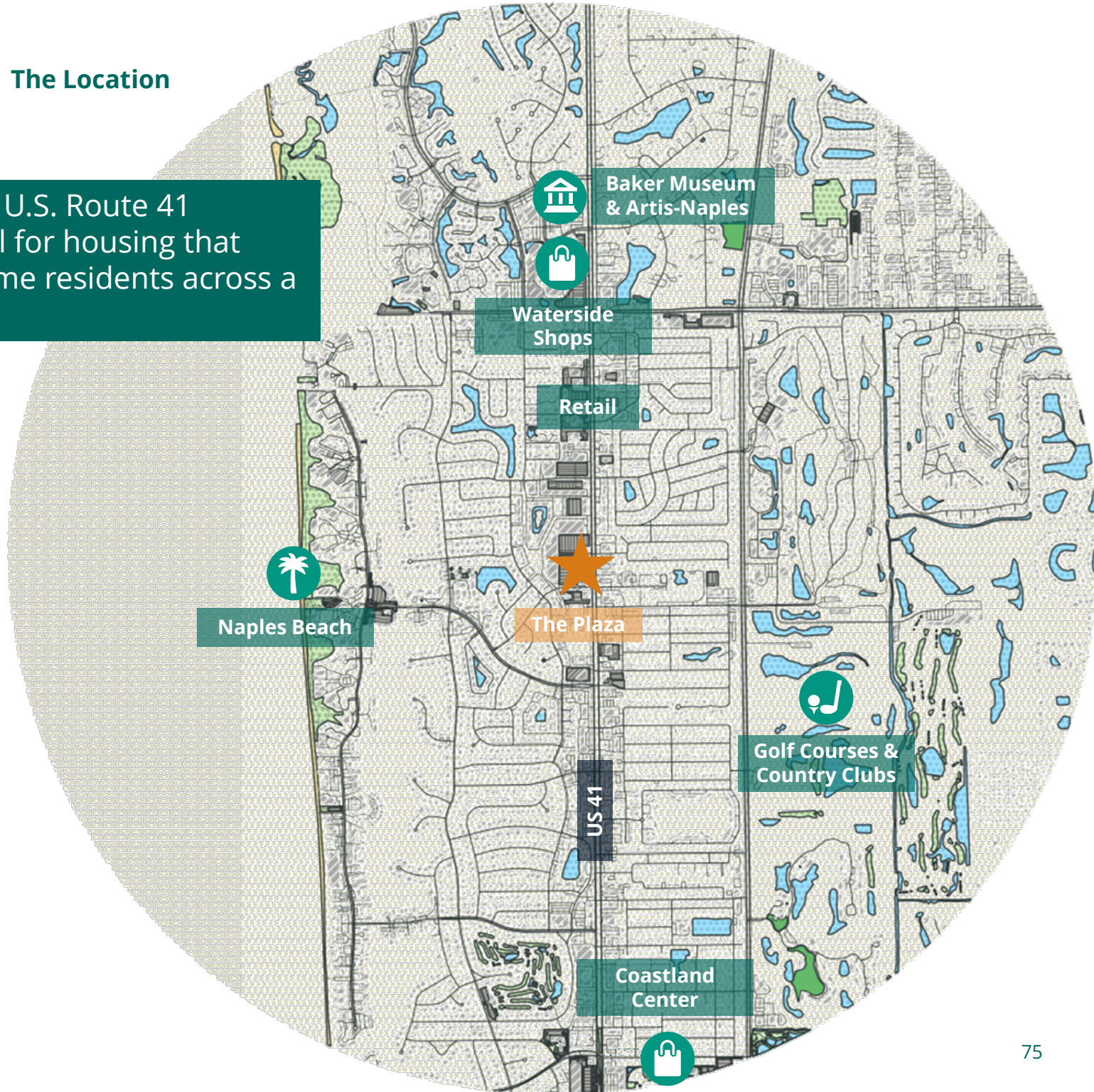
Zoning

Category	Commercial
Floor Area Ratio	NA
Max Height	3 Stories & 42 Ft.

WORKFORCE HOUSING | The Location

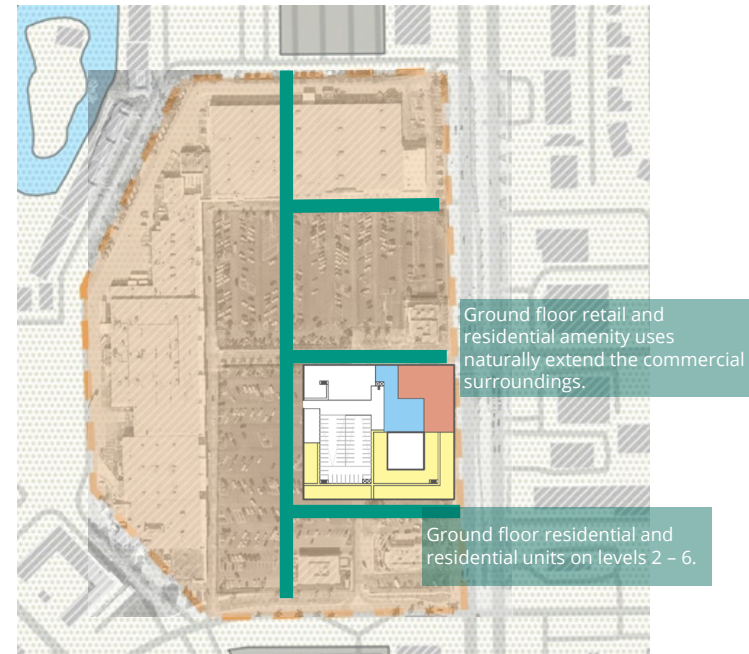
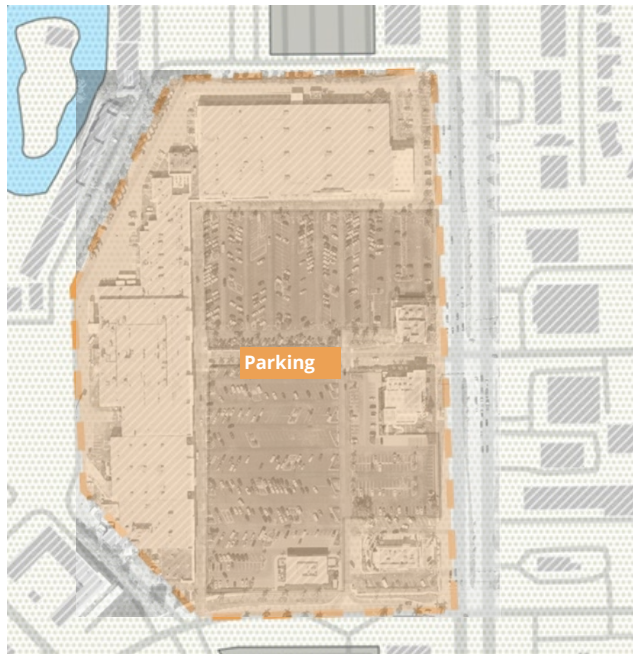
The site's location on U.S. Route 41 positions the site well for housing that supports mixed-income residents across a variety of industries.

The Park Shore Plaza is on one of Naples' main thoroughfares, U.S. Route 41 or North Tamiami Trail, offering a short drive to many amenities ranging from retail to golf courses to beaches. The site is situated between Naples' two regional shopping malls: Coastland Center and Waterside Shops. Although the site is primarily accessible via cars, bus stops are found along North Tamiami Trail.



WORKFORCE HOUSING | The Plan

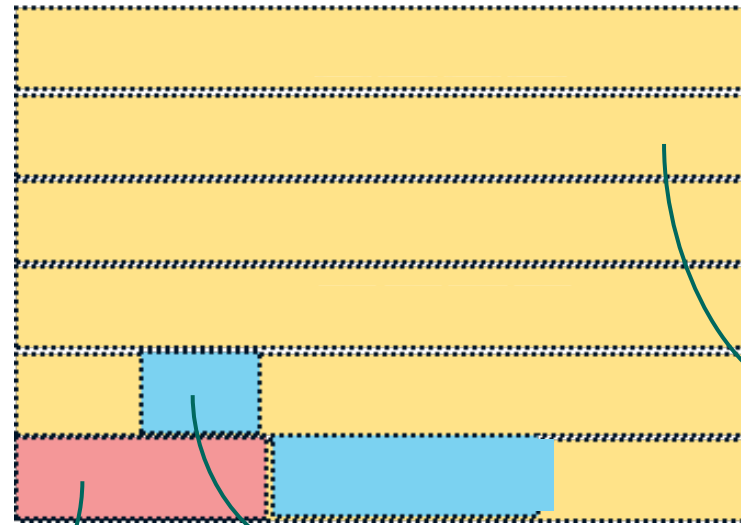
The proposed site creates **390 new multifamily units** in an entirely new mixed-use structure.



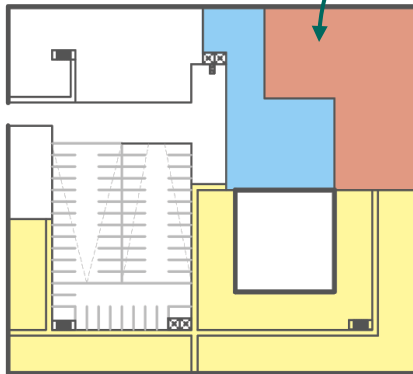
	Current Use	Proposed Adaptive Reuse
	Total	Total
Description	<i>Park Shore Plaza surface parking</i>	<i>Development of new multifamily structure with ground floor retail and residential amenities, parking garage, and a courtyard.</i>
Use	Parking	Mixed
Floors	NA	6
Rentable Square Feet	NA	314,900
Units	0	390
Parking Spaces	NA	236

The proposed site creates **390 new multifamily units** in an entirely new mixed-use structure.

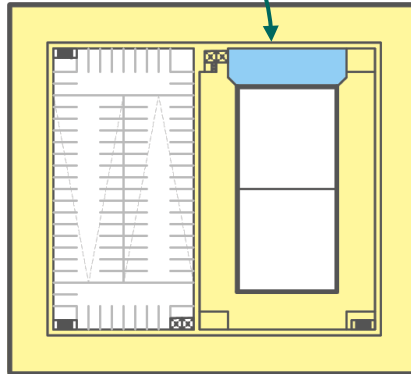
Proposed Section



Ground floor with retail, residential amenities, parking, and some residential units

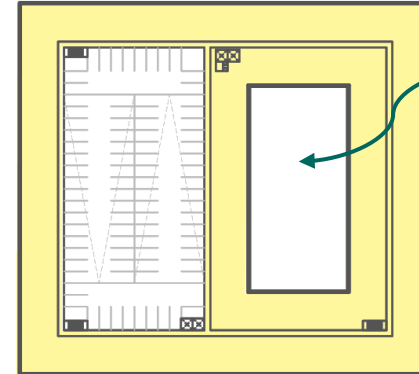


Level 2 residential floor with parking and amenities



Courtyard filters light throughout the building

Levels 3-6 residential floors with parking

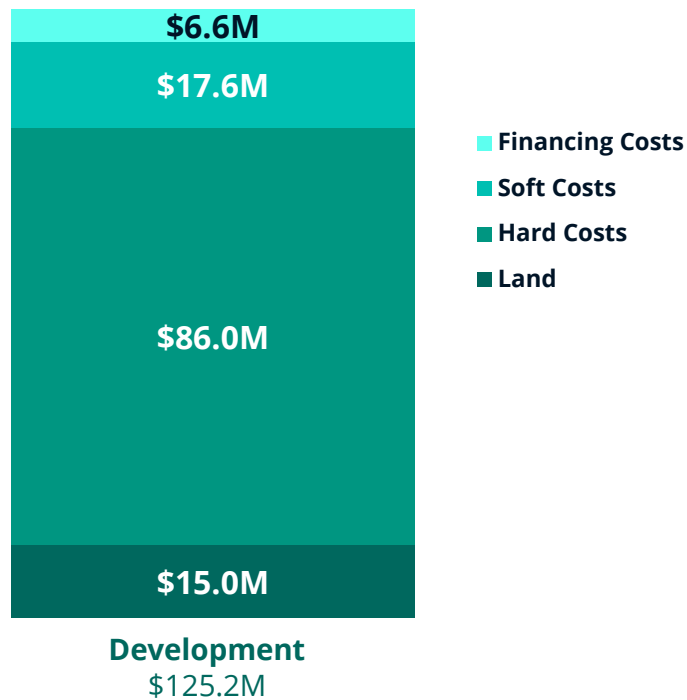


 Retail  Amenity  Multifamily  Parking

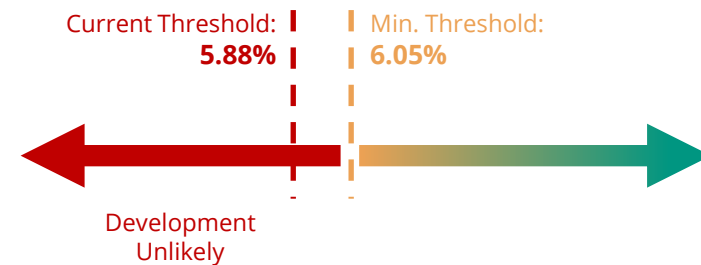
WORKFORCE HOUSING | The Economics

This project proposed **156 units (40%) at 80% AMI** to take full advantage of the Live Local policy package’s expedited municipal approval and preemption, as well as tax abatement in exchange for affordability.

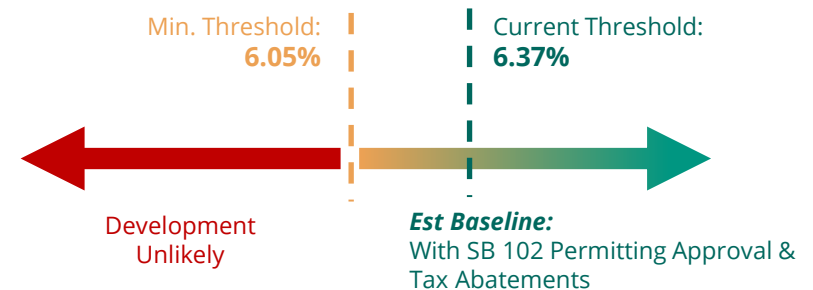
Given the high demand for housing and the extremely high rents in Naples, the affordable units can be subsidized by market-rate units—projecting a \$125 million project that is likely to be developed given municipal approvals through the Live Local Act (SB 102).



Impact: Affordability Requirement without Tax / Approval Benefits of SB 102



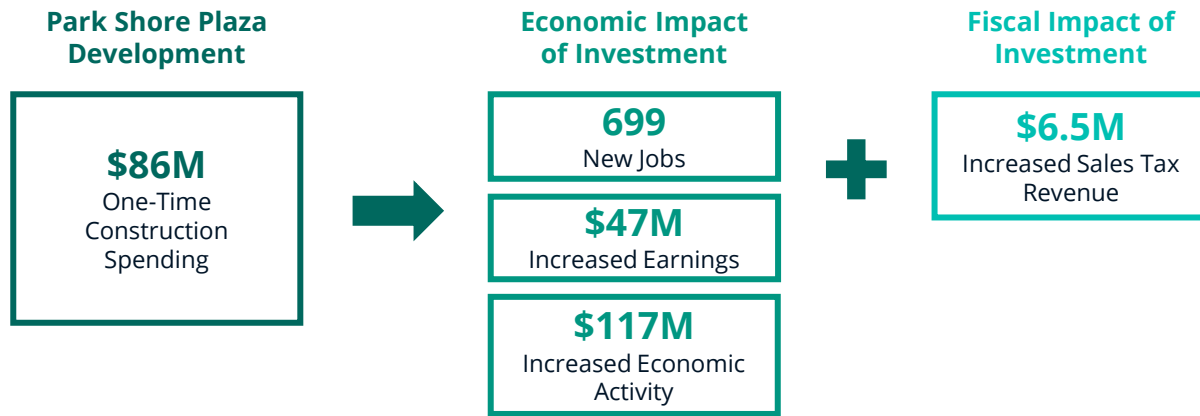
Impact: Affordability Requirement with Tax / Approval Benefits of SB 102



WORKFORCE HOUSING | Economic Impact

This project can generate an additional **390 units (of which 156 would be affordable)**, as well as significant economic and fiscal impacts from both one-time construction spending and ongoing household savings.

One-Time Construction Impacts

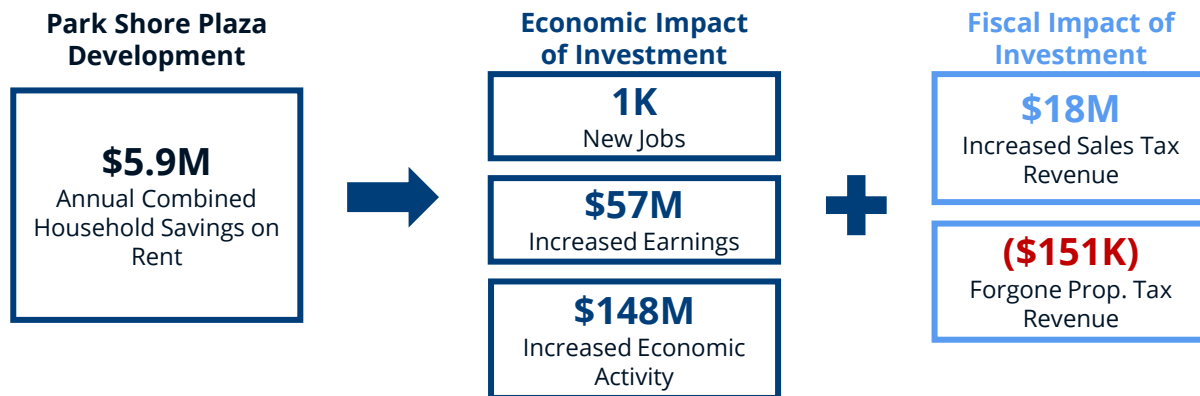


The economic impact of the Park Shore Plaza development would be around **700 new jobs and \$117 million in increased economic activity**. The fiscal impact of the investment would create an additional \$6,500 in sales tax revenue.

In addition, redeveloped units would provide an annual rent savings of **\$18,000 per household** in rent compared to the median rent in Naples (for a combined savings of \$5.9 million for all 156 households). This creates:

- An additional **\$57M in economic activity** across the community.*
- **\$18 million** in sales taxes, in exchange for **\$151,000 in forgone property taxes**.*

Ongoing Spending by Households



*For each affordable unit, HR&A compared affordable rents to the market-rate rents in the same building to estimate the scale of potential rent reduction through access to a unit priced below market-rate. HR&A then analyzed the economic activity that could be supported if all rent reductions were then spent in the local economy. For this analysis, we assume that all reductions in rent are redistributed proportionally based on the Bureau of Labor Statistics Consumer Expenditure Survey.

WORKFORCE HOUSING

Infill development in a large surface parking lot along U.S. Route 41 offers the opportunity to support much-needed mixed-income multifamily product in Naples.

