

Malabar Village



City of Palm Bay – City Council Meeting

BRIDGE

ASSET MANAGEMENT

Bridge Asset Management is a private real estate investment and development firm focusing on industrial, retail and residential assets

Bridge Asset Management operates in New York, New Jersey and Florida while leveraging local partnerships and working in collaboration with local municipalities and operators



Development Examples – New York

- **Type: Mixed-use**
- **Total units: 200 apartments + community facilities**
- **Combined projects cost: \$60MM**
- **Completion dates: 2023**



Development Example – 2718-2750 Van Buren St, Hollywood, FL

- **Type: Multifamily**
- **Units: 151 apartments**
- **Project cost: \$46.5MM**
- **Estimated completion: 2028**



Development Example – 2217-2231 Jackson St, Hollywood, FL

- **Type: Multifamily**
- **Units: 95 apartments**
- **Project cost: \$24.7MM**
- **Estimated completion: 2028**



Aerial Location Map



Drone Aerial

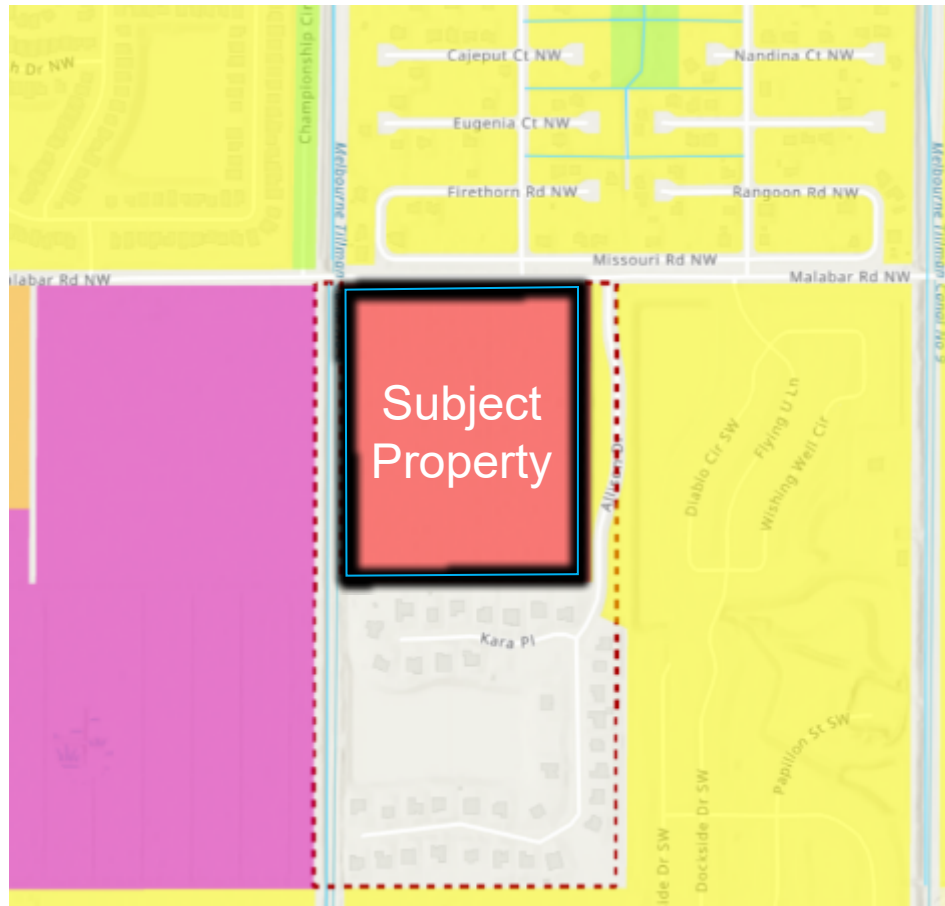


Applications

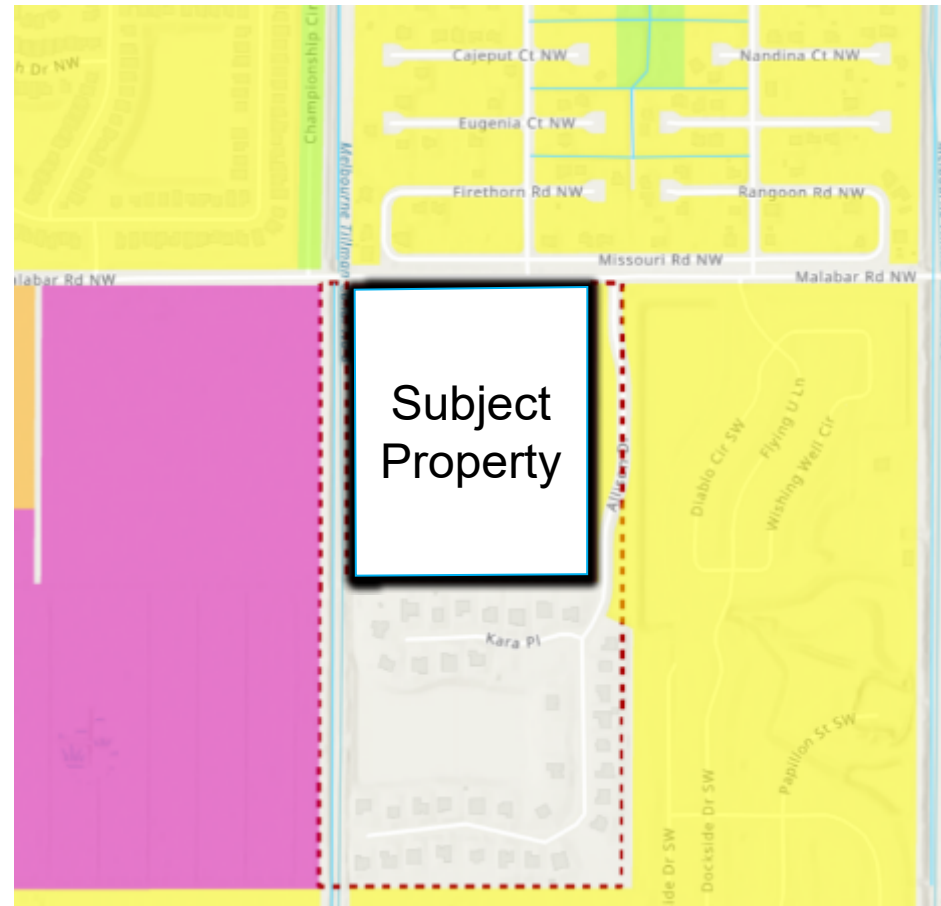
- **Small-scale comprehensive plan future land use map amendment from commercial to neighborhood center use**
- **Preliminary and Final Development Plan for mixed used development consisting +/-11.21 acres of commercial space and of 424 multifamily units**

Future Land Use Map Amendment

Current



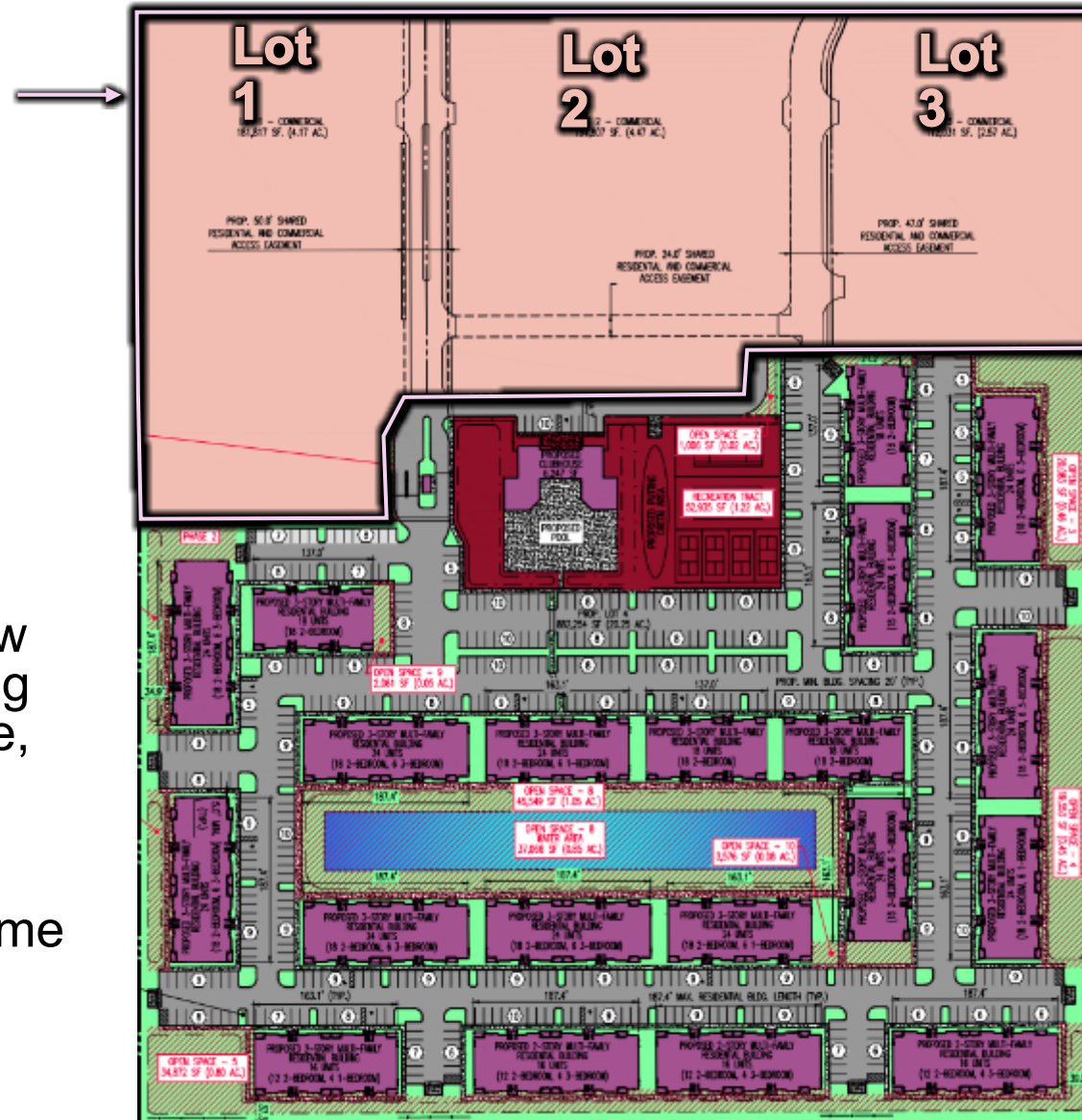
Proposed



- Agricultural
- Community Mixed-Use
- Commercial
- Conservation
- High Density Residential
- Industrial
- Low Density Residential
- Moderate Density Residential
- Neighborhood Center
- Neighborhood Commercial
- Parkway Flex Use
- Professional Office
- Public/Semi-Public
- Residential 1 Unit Per 2.5 Acres
- Residential, Medium Density
- Regional Activity Center
- Residential 1 Unit Per Acre
- Recreation & Open Space
- Rural Single Family
- Special Planning Area
- Special Planning Area: Calumet Farms
- Special Planning Area: Centerlane
- Special Planning Area: Emerald Lakes
- Special Planning Area: Micco Park Village
- Urban Mixed-Use
- Utilities

Proposed Development Plan – Commercial Component

- Three (3) commercial lots fronting Malabar Road
- +/- 11.21ac of commercial (36% of the property)
 - Lot 1 – 4.17ac
 - Lot 2 – 4.47ac
 - Lot 3 – 2.57ac
- No self-storage, as developer is proposing a self-restriction to not allow self-storage use, including interior or outside storage, or commercial storage
- Commercial to be developed at the same time or prior to the residential component of the project



USE AREA LEGEND

	PROPOSED COMMERCIAL LOT
	PROPOSED RESIDENTIAL STRUCTURE
	PROPOSED PERVIOUS/LANDSCAPING AREA
	PROPOSED OPEN SPACE
	PROPOSED PAVEMENT, PROPOSED 19'x10' PARKING
	PROPOSED 16'x10' PARKING (WITH 3' LANDSCAPE OVERHANG)
	PROPOSED SIDEWALK
	PROPOSED WATER SURFACE
	PROPOSED RECREATIONAL TRACT

Commercial Conceptual Renderings



Project Goals

- **Create a flourishing mixed-use community to accommodate Palm Bay's growth in the spirit of Live – Work – Play**
 - **Accommodate fast population growth**
 - **Enable the development of quality commercial properties**
 - **Balance residential and commercial development in a synergetic way**



More people moved to this Florida city than anywhere else in 2023, according to U-Haul

Southern Living

**The South's Best Cities
On The Rise 2024**

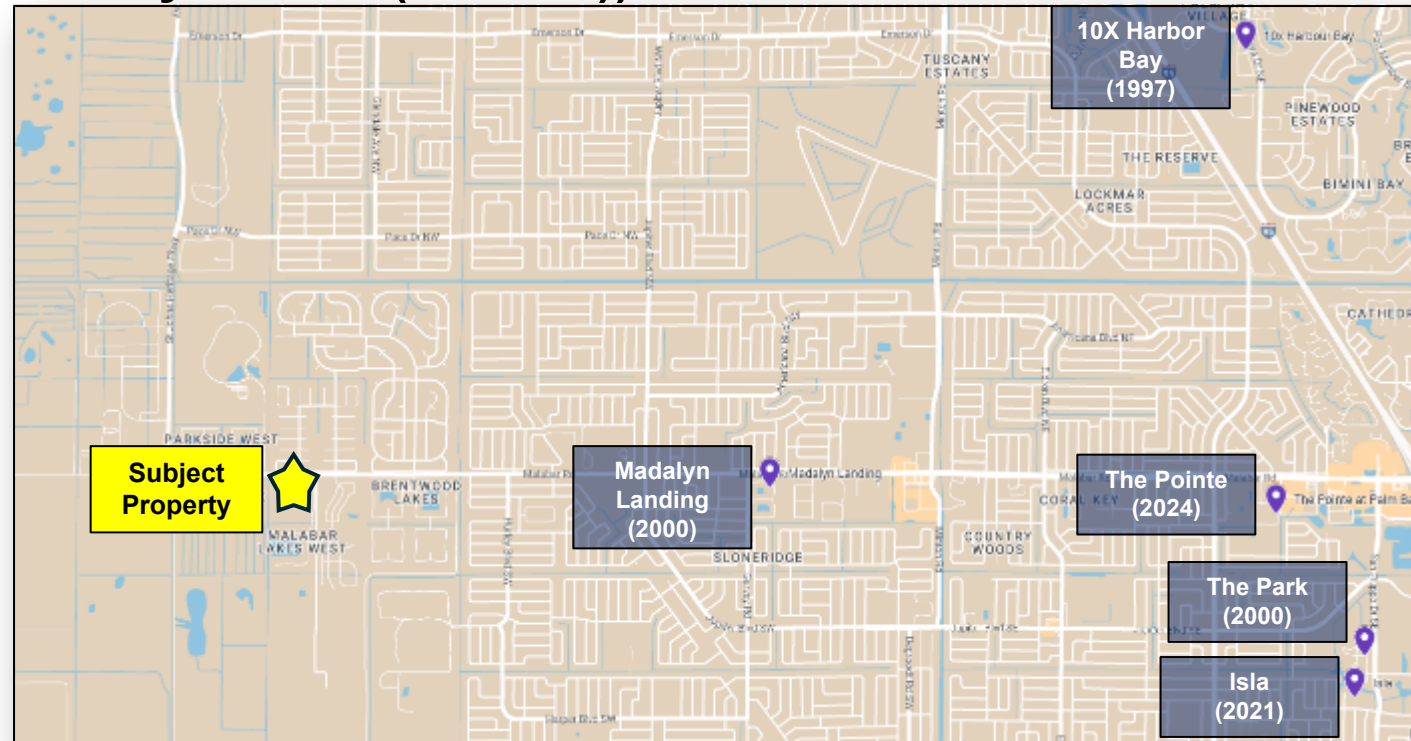
Commercial Development in Area

- Malabar Road has 2 large scale shopping centers (over 1,100,000 SF of existing retail)
- To the west, a new commercial complex is being developed with Publix as an anchor tenant
- 61 Acres on Emerson and St. Johns Heritage are dedicated to commercial



Undersupplied Garden Style Rentals

- **Current Market:**
 - Smaller supply of garden style living options on the market within the City
 - Similar communities have a 95% occupancy rate (excluding lease up period)
 - Lack of housing supply diversity in the western portion of the City (predominantly single-family homes (for sale))
 - Aging rental stock

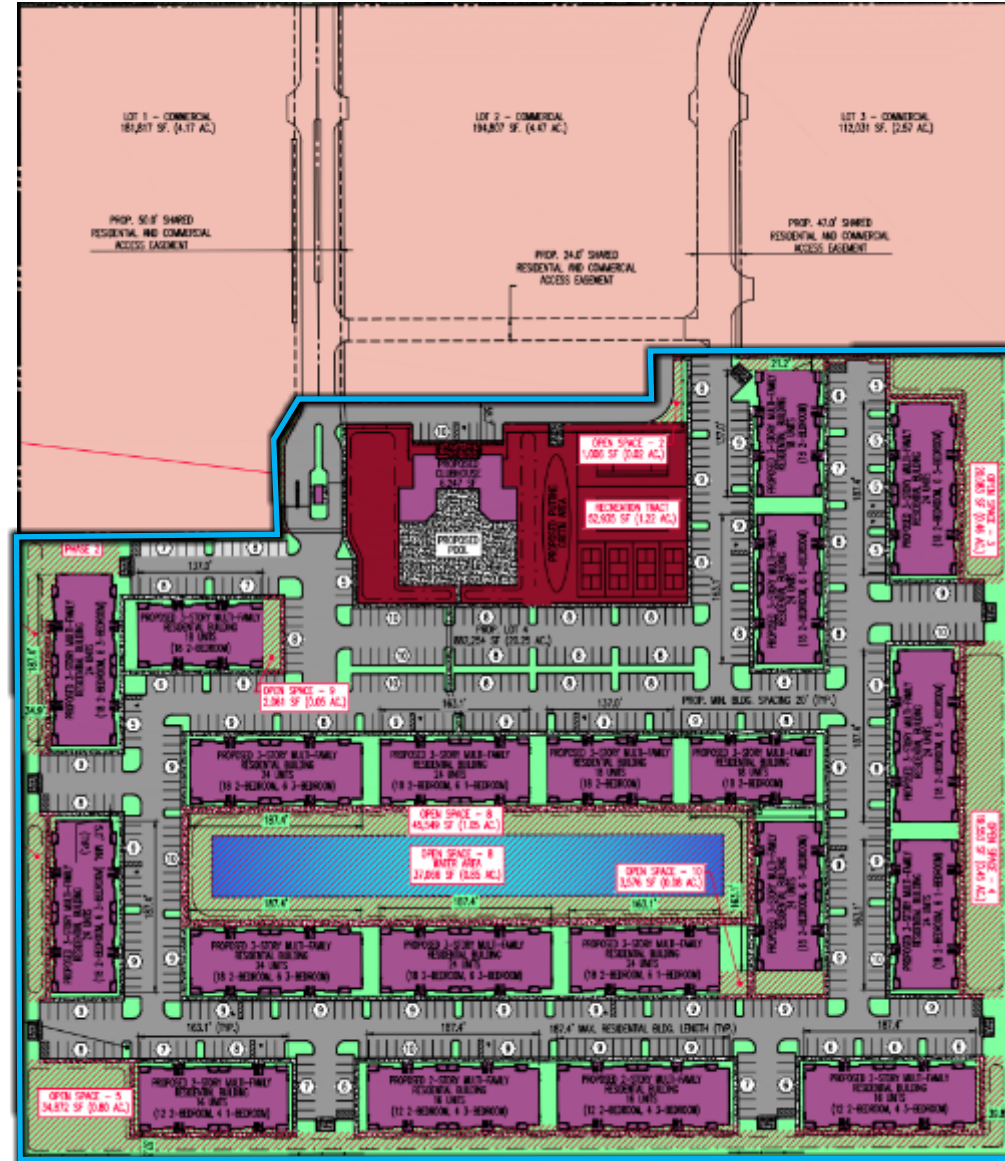


Proposed Development Plan – Residential Component

USE AREA LEGEND

- | | |
|--|--|
|  | PROPOSED COMMERCIAL LOT |
|  | PROPOSED RESIDENTIAL STRUCTURE |
|  | PROPOSED PERVIOUS/LANDSCAPING AREA |
|  | PROPOSED OPEN SPACE |
|  | PROPOSED PAVEMENT,
PROPOSED 19'x10' PARKING |
|  | PROPOSED 16'x10' PARKING (WITH 3'
LANDSCAPE OVERHANG) |
|  | PROPOSED SIDEWALK |
|  | PROPOSED WATER SURFACE |
|  | PROPOSED RECREATIONAL TRACT |

1-Bedroom	34 Units
2-Bedroom	336 Units
3-Bedroom	54 Units
Total	424 Units



- **424 multi-family apartment units**
 - **20.25 units/acre, which is under the maximum 25 units/acre permitted in the Neighborhood Center land use category**
- **2 and 3 story buildings**
 - **Buildings are 2-stories along the southern property line, for lower height where adjacent to the single-family homes to the south**
 - **2-story buildings are set back 37.3' from the southern property line**
 - **Eastern setback is 39.8'**
- **Clubhouse with amenities located within the center of the property**

Transitional Buffer

- The proposed multi-family represents a step down in zoning and will create a transitional buffer between the commercial component of the mixed-use development and the existing single-family homes to the south

Typical Back of Shopping Center



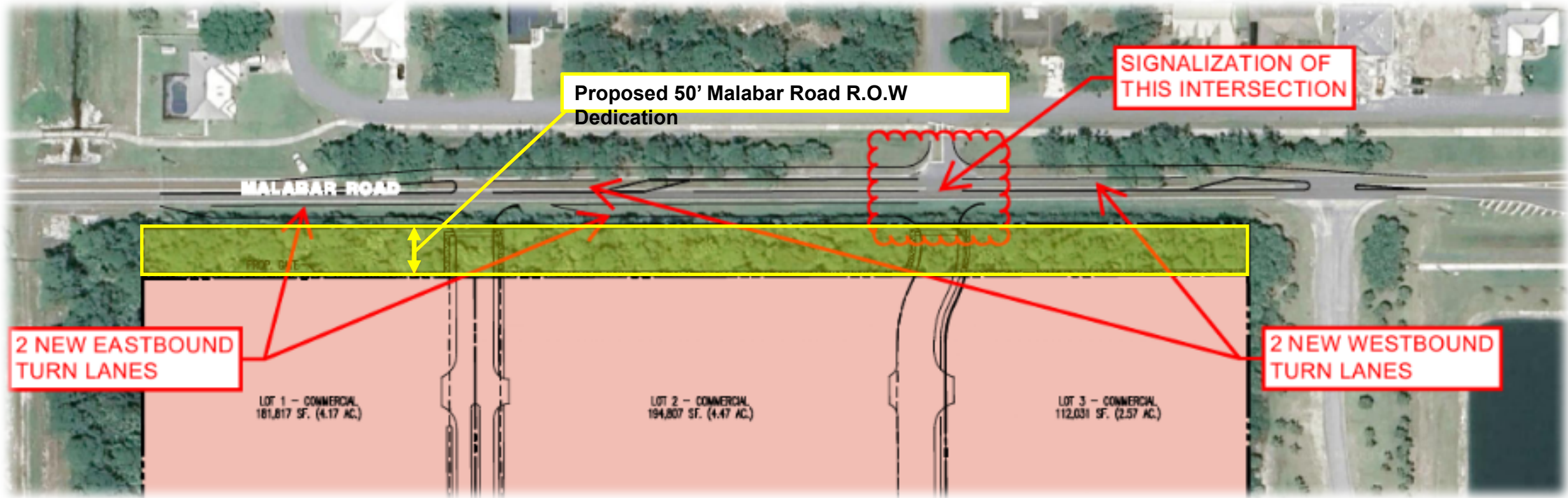
Proposed View (2-story building line and landscaping)



Residential Conceptual Renderings



Malabar Road Right-of-Way Dedication and Road Improvements



- 50' Malabar Road right-of-way dedication is consistent with the right-of-way dedication provided for Lennar's Tillman Lakes development to the east

Traffic Comparison

Current Zoning vs. Proposed Development Trip Generation Comparison

Proposed Development	Morning Peak Hour			Evening Peak Hour			Weekday Daily Trips		
	Enter	Exit	Total	Enter	Exit	Total	Enter	Exit	Total
244,153 Max Potential Retail	172	106	278	515	558	1073	6120	6120	12240
424 Mult-Family Dwelling Units	37	117	154	128	75	203	1397	1397	2794
Total	209	223	432	643	633	1276	7517	7517	15034

Current Zoning	Morning Peak Hour			Evening Peak Hour			Weekday Daily Trips		
	Enter	Exit	Total	Enter	Exit	Total	Enter	Exit	Total
472,321 SF Retail/Commercial	255	157	412	828	898	1726	9098	9098	18196

Traffic Volume Difference	Morning Peak Hour			Evening Peak Hour			Weekday Daily Trips		
	Enter	Exit	Total	Enter	Exit	Total	Enter	Exit	Total
Proposed Development	209	223	432	643	633	1276	7517	7517	15034
Current Zoning Potential	255	157	412	828	898	1726	9098	9098	18196
Traffic Volume Difference	-46	66	20	-185	-265	-450	-1581	-1581	-3162
% Change in Traffic Impacts	5%			-26%			-17%		

Project Benefits

- **Development of a mixed-use project designed as a live-work-play community that will add quality commercial uses fronting Malabar Road, while also providing garden style multifamily apartment units to this area of the City and create a buffer between commercial development and the single-family homes to the south**
- **50' right-of-way dedication for Malabar Road**
- **Project estimated to generate +/- 2.7MM in impact fees to the City, as well as additional tax revenue and job opportunities**
- **Malabar Village represents a greater investment of \$140MM**

Factors of Analysis for LUPA

Malabar Village



Questions?

Rental Demand 1/2

Demand Summary – Brevard County



The methodology used in JBREC's renter demand model is outlined below. We define target renters as households with annual income of \$50K to \$100K within Brevard County. This model is based on incomes, and likely underreports demand from retirees.

We project there are about 9K target apartment renter households in Brevard County today (2023) and we expect the target renter pool will grow by 322 households annually through 2027. Based on turnover from existing apartment renters and expected growth, we estimate there will be nearly 6.1K units of target apartment renter demand when leasing at the Subject commences in 2025. In order to achieve a target absorption of 21 leases per month, the Subject would need to capture 4.2% of the forecasted target renter demand in Brevard County in 2025.

Brevard County - Demand Summary	2022	2023	2024	2025	2026	2027
Existing Target ¹ Renter ² Households 5+ Unit Buildings	8,635	8,957	9,279	9,601	9,923	10,245
Annual Turnover from Apartments (50.5%) ^{3/4}	4,361	4,523	5,516	5,746	5,975	6,204
Annual Target Renter Growth ⁵	322	322	322	322	322	322
Total Target Demand	4,683	4,845	5,838	6,068	6,297	6,526
Monthly Lease Up - Low	20	20	20	20	20	20
Monthly Lease Up - High	30	30	30	30	30	30
Monthly Lease Up - Target	21	21	21	21	21	21
Target Capture Rate	5.4%	5.2%	4.3%	4.2%	4.0%	3.9%

1/ Based on Household Income Range of \$50K to \$100K. Assumes that in the county, households pay 30.7% of the annual income toward rent per American Community Survey 2021. While percentage paid by income may vary, the calculation is intended to establish reasonable rent ranges as perspective. Some households will spend more, and some will spend less.

2/ Percentage of area households that are renter occupied by income level per ESRI 2022. Total HH for 2022 per ESRI. Data is adjusted based on ACS distribution.

3/ Percentage of renters by income level that are likely to rent apartments. Data per US Census Bureau. Census reports 41.0% of all households in the county who rent, rent in structures that are 5+ units. For purposes of this analysis, JBREC defined these as apartments. JBREC model varies by income level, assuming that lower-income households are more likely to rent apartments than higher-income households (which may tend toward single-family homes).

4/ Average annual turnover from the period April 2022 to April 2023. Turnover rates per RealPage.

5/ 2027 growth per ESRI. Percentages by income increase given the adjusted household income distribution.

Rental Demand 2/2

Apartment Renter Demand – Brevard County



Over 34% of renter households in Brevard County fall within the target income ranges for the Subject today (\$50K to \$100K). Our demand model calculates that target renters are expected to account for about 38% of renter households by 2027. The largest target renter group is 25-34 (38% of target apartment households). The combined 55+ age groups account for about 43% of target apartment demand. We expect these groups to be the primary drivers demand at the Subject.

Brevard		Number of Renters that Rent in 5+ Unit Buildings - 2022							Total
Annual Household Income	Monthly Rental Rate 1/	Under 25	25-34	35-44	45-54	55-64	65-74	75+	
\$0 to \$25,000	\$0 - \$600	1,081	1,155	976	166	694	1,401	1,953	7,426
\$25,000 to \$35,000	\$600 - \$900	369	752	218	593	909	207	189	3,238
\$35,000 to \$50,000	\$900 - \$1,300	0	564	606	692	462	350	632	3,306
\$50,000 to \$75,000	\$1,300 - \$1,900	632	2,309	174	325	700	1,560	404	6,104
\$75,000 to \$100,000	\$1,900 - \$2,600	0	935	146	377	1,073	0	0	2,531
\$100,000 to \$150,000	\$2,600 - \$3,800	0	277	653	0	331	121	0	1,381
\$150,000 to \$200,000	\$3,800 - \$5,100	0	499	0	97	255	0	0	850
\$200,000+	\$5,100 - \$7,700	0	0	0	0	134	35	0	168
Total		2,082	6,491	2,773	2,250	4,557	3,673	3,178	25,003

2022 Target
Apartment Renters:
8,635

Brevard		Number of Renters that Rent in 5+ Unit Buildings - 2027							Total
Annual Household Income	Monthly Rental Rate 1/	Under 25	25-34	35-44	45-54	55-64	65-74	75+	
\$0 to \$25,000	\$0 - \$600	1,073	913	863	127	488	1,256	2,037	6,757
\$25,000 to \$35,000	\$600 - \$900	378	648	208	465	710	205	207	2,822
\$35,000 to \$50,000	\$900 - \$1,300	0	533	623	614	392	395	783	3,340
\$50,000 to \$75,000	\$1,300 - \$1,900	825	2,529	203	326	698	2,070	616	7,268
\$75,000 to \$100,000	\$1,900 - \$2,600	0	1,152	194	425	1,205	0	0	2,976
\$100,000 to \$150,000	\$2,600 - \$3,800	0	397	1,010	0	434	201	0	2,042
\$150,000 to \$200,000	\$3,800 - \$5,100	0	800	0	144	398	0	0	1,342
\$200,000+	\$5,100 - \$7,700	0	0	0	0	176	59	0	235
Total		2,276	6,971	3,102	2,101	4,500	4,186	3,643	26,780

2027 Target
Apartment Renters:
10,243

1/ Based on Household Income Range of \$50K to \$100K. Assumes that in the county, households pay 30.7% of the annual income toward rent per American Community Survey 2021. While percentage paid by income may vary, the calculation is intended to establish reasonable rent ranges as perspective. Some households will spend more, and some will spend less.