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FORT MYERS: CONTINUES ITS EXPANSION WITH MIXED-USE

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In the burgeoning marketing of Fort Myers, Florida, an ambitious 706-acre development is currently under construction. Situated along the I-75 corridor, The Forum at Fort Myers is a master-planned, mixed-use, regional destination that will include approximately 1 million square feet of retail, 850,000 square feet of office space, 1,300 residential units, 250,000 square feet of entertainment space and five hotels.

According to Kevin Bird, partner of The Forum at Fort Myers, when the land was purchased in 1998 from the City of Fort Myers, there was very little commercial development or activity in the area and many thought that the market was going to stay that way. However, despite the critics, Bird said they believed that the area would grow. And grow it did. Southwest Florida's population has almost doubled since the 1990s to more than 500,000 people today in Lee County with a projected population of 648,400 in



2010. "The Forum at Fort Myers development has greatly benefited from this growth, a bulk of which has been along I-75 and the east side of I-75," says Bird. "In addition to the imminent growth, our partnership with the city was also key to bringing our vision to reality."

In 2004, Home Depot began construction of the first anchor for the mixed-use project, which was shortly followed by DR Horton's construction of The Colonnade. The Colonnade features 328 townhomes with three floor plans that range in size from 1,593 square feet to 1,894 square feet. Prices for the units start at \$227,990. Shortly thereafter, Sterling Companies came on board and developed The Legends, an apartment complex with 332 upscale units that feature one-, two- and three-bedroom floor plans. Ryland Homes followed suit, purchasing 100 acres to develop Promenade East and West, which features 402 single-family units that includes the Castillo, Chateau and Palazzo series. Residences range in size from 1,504 square feet to more than 3,572 square feet. Prices for these units start in the low \$300s. Bird notes just how much the area has grown by the current prices of the residential homes in the community. "The first, year, the townhomes were selling for \$150,000 to \$200,000 and by the second year, prices had doubled and by the third year, they almost tripled," he remarks.



The location along I-75 and Colonial Boulevard puts the development at the heart of Fort Myers within its bedroom community rather than the seasonal communities that the area is often known for. In addition, the development will serve the untapped Lehigh Acres market, which sits just east of the project. “The Forum at Fort Myers will cater to Fort Myers and its submarkets with a variety of services such as retail, medical office and entertainment options,” says Bird. “We are trying to capture the growing market. The retail market has slowed some, and the residential market certainly has, but we are keying ourselves up for the pendulum to swing back,” says Bird.

The retail component, currently being developed by North American Properties, will include a mix of big-box retailers, national and regional boutiques and restaurants. This mix encompasses seven anchors, approximately 50,000 square feet of small shop and restaurant space and several outparcels for restaurant use. David Rattner, vice president of development for North American Properties, says that the company was drawn to the development because of its fantastic opportunities that exists for retailers in the Fort Myers market. “Without a doubt there was a void in the market as far as retail and restaurant services go,” says Rattner. “The east Fort Myers market is not nearly as well served as the county or the state of Florida for that matter.”

Major anchors for the retail component include the aforementioned Home Depot as well as Target and Best Buy. Having secured the retail component anchors and junior anchors, Rattner notes that North American Properties will focus on securing bank, apparel and high-end, fast-casual restaurant tenants. “The project truly has something for everyone because the line-up is so diverse,” remarks Rattner. “It will be a one-stop destination for all of the customer’s needs.” Situated on 43 acres on the northeast corner of the I-75 and Colonial Boulevard interchange, the project will allow for easy ingress and egress. Construction began on the \$60 million power center in June, and it is slated to open fall 2008.

Currently, 475,000 square feet of the proposed 850,000-square-foot office portion is under construction. Acquired in 2006 by Songy Partners, Forum Corporate Park will feature Class A office space situated on 40 acres. The multi-phase, seven-building park is already partially pre-leased with interest for build-to-suit as well. The remaining office square footage will include galleria type office space situated within 10,000- to 20,000-square-foot buildings that will cater to tenants such as doctors, dentists and attorneys.

The project will also include five hotels, including a Holiday Inn Express that is currently under construction; an 18-screen multiplex, stadium-seating theater; which is being developed by Southern Theatres; and 10 additional outparcels for restaurant and entertainment use, which are currently in the permitting stage. In addition to these amenities, The Forum donated land for the construction of a 28,000-square-foot YMCA, and 5 acres was also donated to the city for a park that is to be located in the middle of the development. Also included is 85 acres that will contain multiple walking trails for use by all.

Bringing together all these varied components and amenities to logistically and conveniently fit within several hundred acres is a challenge for any mixed-use development, but the Forum went one step further. They created a development that

had not only one continuous theme throughout, but also a high level of consistency and quality in each building or component. In order to keep the project's old world Mediterranean theme consistent throughout, every building has to be reviewed by a single architectural review board. This process ensures that each building meets the development's design requirements and that a high level of consistency is kept throughout the entire 706 acres.

Convenience was also a key aspect for the developers. Utilizing I-75, the developers capitalized on two exits that are only a mile apart from each other to establish two easily accessible entrances to the north and south sides of the property. "Convenience to the site is a very unique aspect, but in addition to the convenience, we have created an east/west artery called Hanson Street, which the city really wanted," says Bird. "This street creates an additional connection for the east side to access downtown Fort Myers, and we have donated the right of way through the center of our property for that road. Now there will be three ways to get to our property – from the south, the north and eventually through the center."

However, Bird notes that one of the most unique aspects of the project is yet to come. At the moment there is a little more than 100 acres that has not been purchased for development, but out of that 100 acres, about half of it is under contract. With the remaining parcel of undeveloped land, they are looking for a partner or a developer to create a mixed-use project within the mixed-use development that is The Forum at Fort Myers. Simply put, a dense, urban mixed-use product – something until now has only been seen in dense, urban city environments. "The Forum has all of the right reasons to create a dense mixed-use project of this type – the I-75 exposure, great access, an established community base and pre-paid impact fees – all of the right reason," says Bird.

The build-out of The Forum at Fort Myers is slated to be complete in approximately 2010. Until then, expect to see the city of Fort Myers grow as developments such as The Forum at Fort Myers bring in more tax revenue streams, jobs and housing.