



Plan CC – Comprehensive Plan 2035



Council Presentation
December 16, 2014



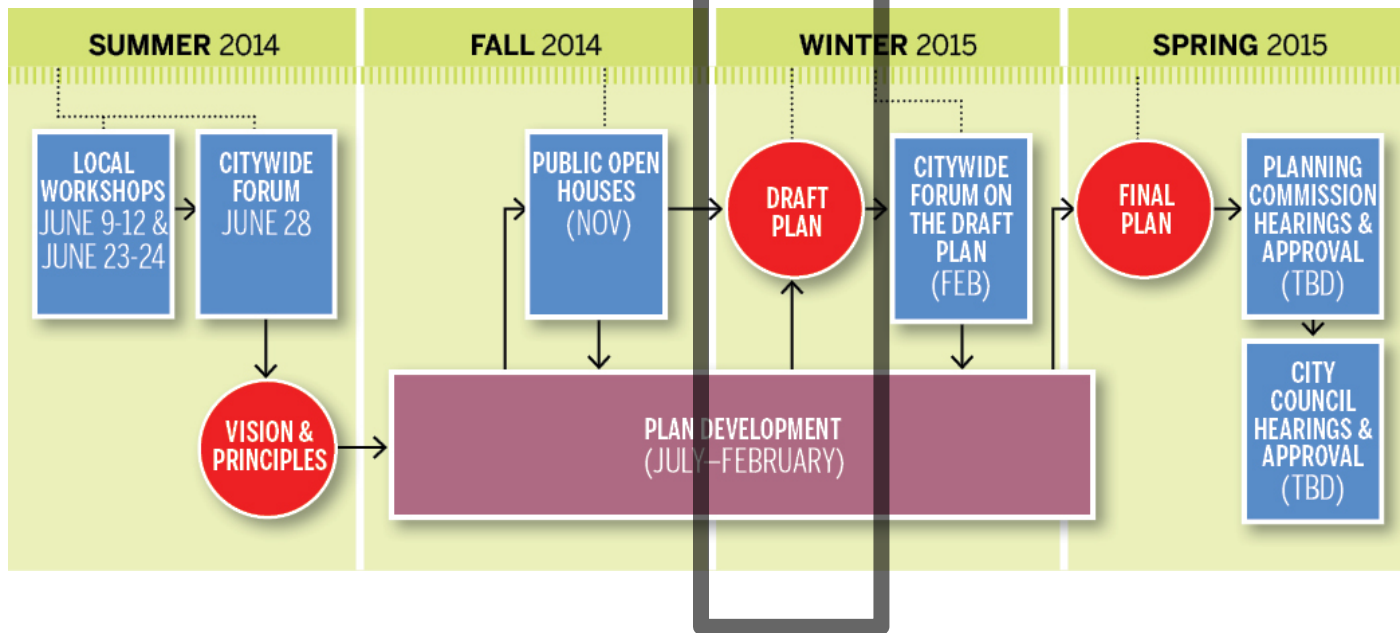
Agenda



1. Project Status
 2. Summary of Technical Reports
 - a. Residential Market Potential Analysis
 - b. Office, Retail, and Hotel Market Assessment
 3. Questions/Discussion
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Where are we in the process?





Housing Market Potential



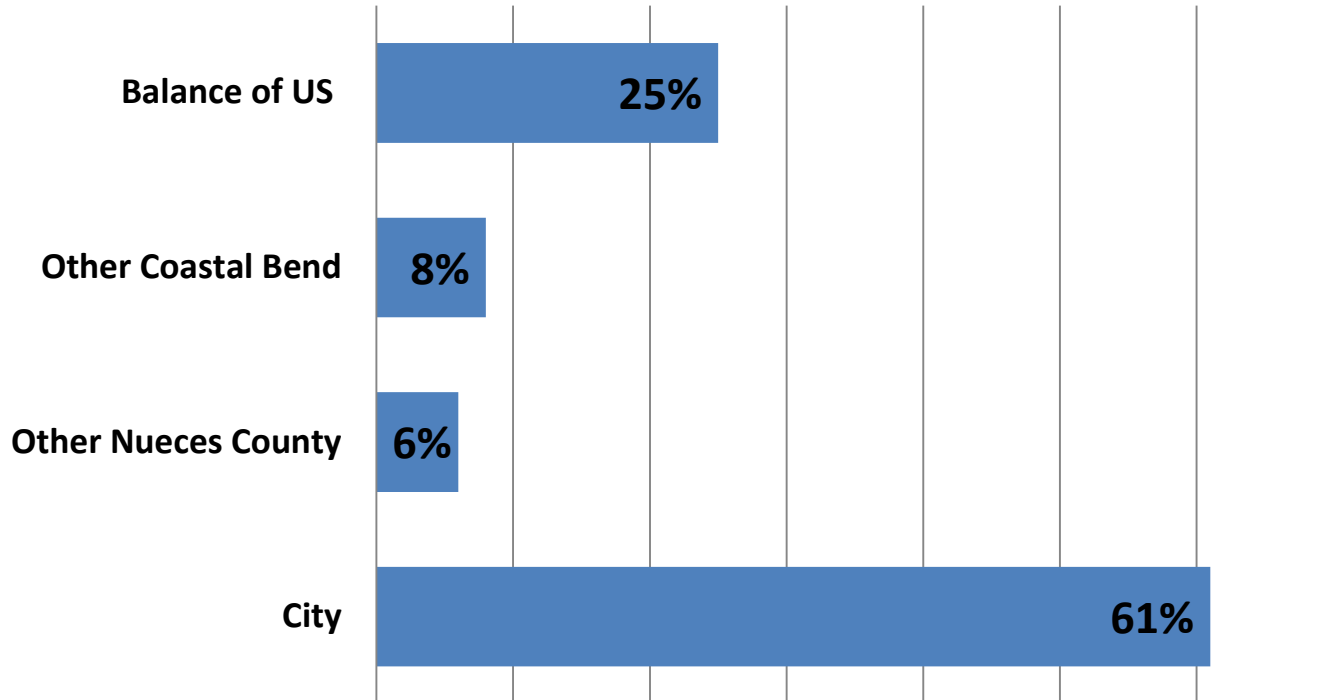
10,000 new housing units over the next
five years



Where are they coming from?



Current Residence of Potential Market for Existing & New Housing





Who are they?



- 55% are Baby Boomers & Millennials
- They prefer walkable urban living with a varied mix of uses, services and activities
 - 39% Millennials
 - 71% coming from Corpus Christi & Coastal Bend
 - *29% coming from elsewhere in the US*
 - 16% Baby Boomers
 - 70% coming from Corpus Christi & Coastal Bend
 - *30% coming from elsewhere in the US*



What are their housing preferences?



- **53% would rent**
- **47% would own**
 - **63% prefer single-family detached houses**
 - **37% townhouses/condos (single-family attached units)**



How many NEW units can the market support annually for the next 5 years?



Housing Type	Anticipated New Units/Year	2014 Permitted Units
Multifamily (For Rent)	1,357	974
Townhouses & Duplexes (For Sale)	183	65
Single-Family Detached (For Sale)	546	917
TOTAL ANNUAL NEW UNITS over the next 5 years	2,086	1,956

Of all the new units:

Rental: 58%
For sale: 42%

Market rate: 72%
Below market rate: 28%
(does not include public housing)



Office Market



New office construction unlikely in next 10 years

- Excess vacancy
- Average rents are too low
- Office demand by 2023 = 310,900 sq ft (3% increase)
- Medical office demand by 2023 = 121,000 to 181,000 sq ft
- Existing office supply likely to absorb demand for new office space
- May see some new medical office space constructed



Retail Market



- Visitors/tourists are not significantly adding to retail sales.
 - Resident spending power and retail sales are essentially equal
 - The city is a regional shopping hub for vehicles, building materials, and health and personal care sales
- Additional 904,000 sq ft of retail in the next 10 years (4% increase).
 - Strong economy
 - Projected population growth
- 60% of retail space is in the Mid-City and Southside submarkets, along SPID



Eating/Drinking Establishments



- **Eating/Drinking Establishments are benefitting from visitors/tourists**
 - 30% more eating/drinking sales than would be expected of residents alone



Hotel Market



- More Business Travelers than Tourists
 - 70% of hotel occupancy is business travelers not tourists.
- Business travelers complain of lack of things to do outside the work day.
- Meeting the needs of business travelers is as important as meeting tourist needs.
- **Growth in the economy is supporting the overall hotel industry.**
 - Increase since 2008 in:
 - Number of hotel rooms
 - Occupancy rate of hotels.
 - Revenue per available room



Questions/Discussion