

Market Analysis and Feasibility Study

DECEMBER 2022

*Report from the Planning Team
(12/16/2022)*



Acknowledgments

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Scope of the Market Analysis and Feasibility Study

Evaluation of Land Use Scenarios

Six land use scenarios were initially developed for analysis. Based on the initial market analysis and input from the community, three land use scenarios were chosen for final analysis.

While this report recommends one preferred land use scenario, the result may have included two to three land use scenarios that reflect community feedback, are commercially viable, and provide an acceptable return on public investment.

The feasibility study will position the St. Louis County Port Authority to issue a new request for proposals for the redevelopment of the site.

Robust Community Engagement

Community engagement was a very important part of this process. Engagement included:

- An advisory committee that included community members worked with the planning team to dive deep into the market analysis and develop principles of preferred development.
- A series of focused neighborhood conversations in small groups.
- Two public forums.

Development Principles

The planning team worked with the advisory committee and the community in developing a set of "development principles." These principles will help inform future development proposals and development standards to ensure community expectations are met.

What is a Market Analysis and Feasibility Study

A market analysis evaluates what land uses are commercially feasible given the existing market conditions. The market analysis examines many factors, including current land use; recent or planned development; economic growth sectors in St. Louis County and the St. Louis region; demographic and housing data, trends, and projections; and market area supply and demand.

A key challenge with a market analysis is that the economy is never static, especially in 2022. For example, mortgage rates in 2022 have doubled. Inflation has driven up construction costs and other segments of the economy. Many national economists are predicting a possible recession in 2023. Therefore, this report's data, information, and price points reflect the best available data at that particular time to evaluate the land use scenarios.

Outline of this Report

This report includes three parts.

- Part 1: Includes the preferred and alternative land use recommendations, a concise overview of the site, and the development principles.
- Part 2: A chronological process of the land use evaluation and community engagement starting with the six initial land use scenarios and progressing to the final three land use scenarios.
- Part 3: The full market analysis and research data.

Community Engagement

The Market Analysis and Feasibility Study included a robust community engagement process. Highlights of engagement included:

- A 20-person Advisory Committee made up of neighborhood organizations, institutions, residents, and other key stakeholders.
- Twelve (12) small group discussions in late April through early June.
- Two (2) pop-up events at the North County Recreation Center.
- Two (2) public forums with over 200 attendees per forum.
- Three (3) small group listening sessions in early October.
- A dedicated project website with over 4,400 unique visitors.
- Regular e-blasts. Over 500 sign-ups for the e-blast from the project website.

A community driven, market based approach.

WEBSITE OVER 4,400 UNIQUE VISITORS!

Click Here to Sign Up to be Emailed with Project Updates

RECENT SCHEDULE

- February: Study Kickoff
- March 23rd: Advisory Committee Meeting #1

UPCOMING SCHEDULE

- April: Advisory Committee Meeting #2

Goals of the Study

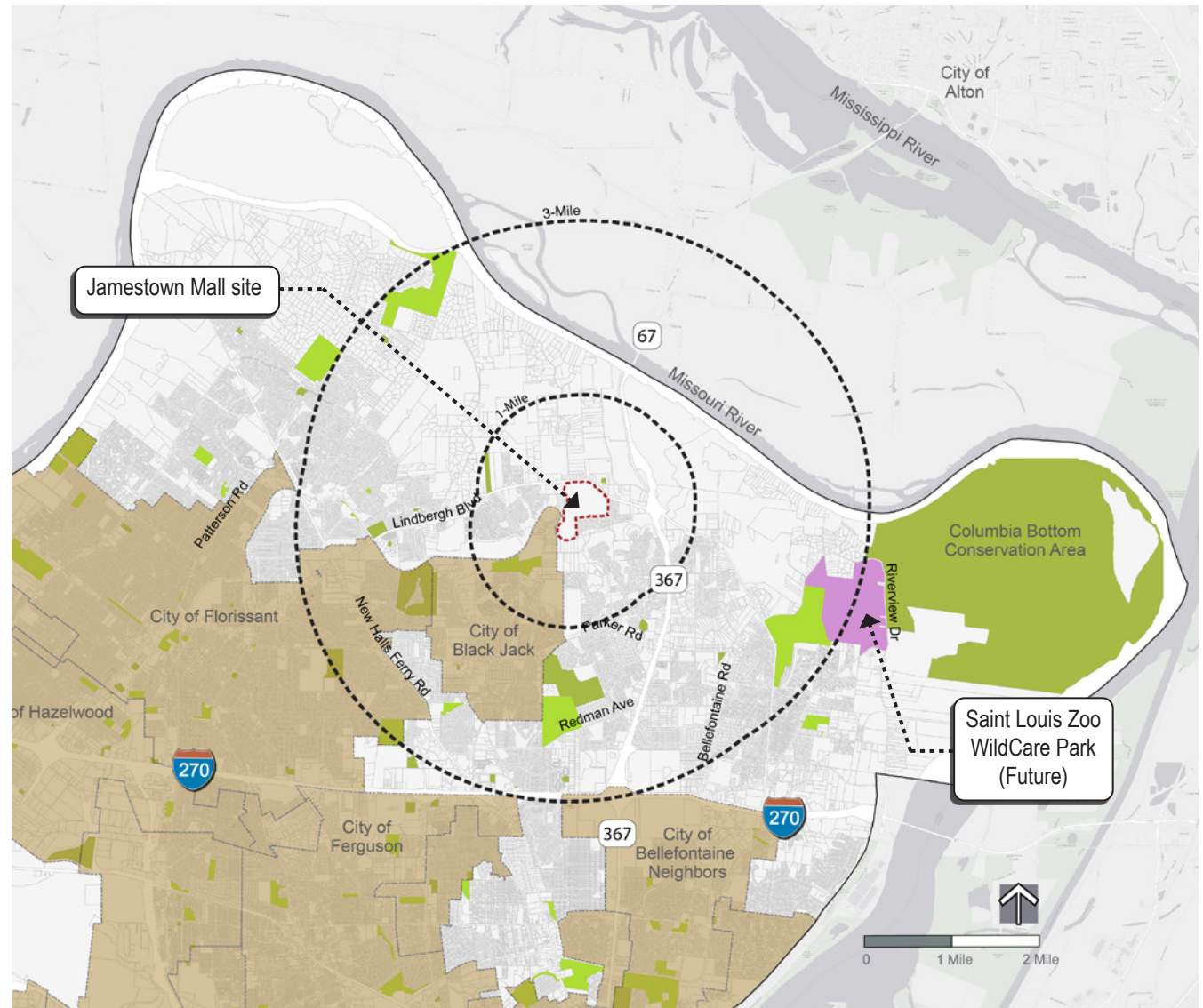


Context

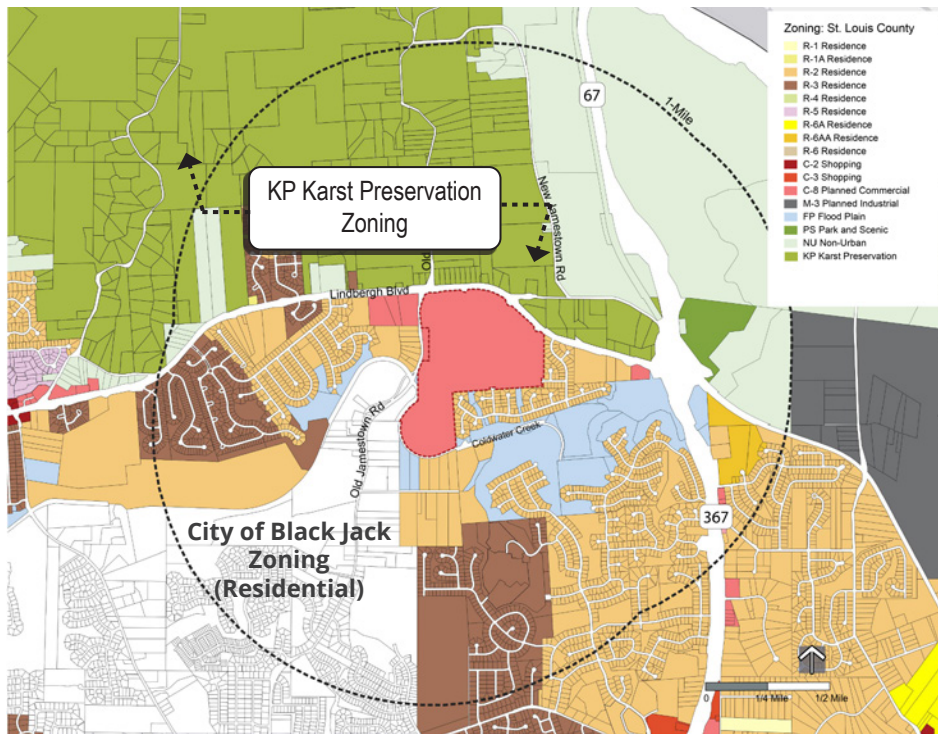
The Jamestown Mall site is located in unincorporated north St. Louis County. The site is adjacent to the City of Black Jack.

The site is near the future Saint Louis Zoo WildCare Park, which is targeted to open in 2027 (see additional information in this section).

Part 3 of this report includes details regarding surrounding land uses. The following pages include important pieces of information regarding zoning and site conditions.



EXISTING ZONING



The existing Jamestown Mall site is zoned C-8 "Planned Commercial."

The south side of Lindbergh Boulevard is primarily residential zoning. On the north side of Lindbergh Boulevard is KP 'Karst Preservation.'

'Karst Preservation' zoning seeks to preserve the karst geology in its natural state while allowing development at an intensity that can be accommodated within the constraints of the geological features of this unique area. Thus, any new development north of Lindbergh will have significant limitations. While the 'Karst Preservation' zoning limits potential expansion opportunities for many development scenarios for the Jamestown Mall site, the existing agriculture land north of Lindbergh is a potential strength for the AgTech Annex scenario, as described later in this report.

Rezoning

The Jamestown Mall site is currently zoned C-8 Planned Commercial District. The C-8 Ordinance governing the Jamestown Mall site only permits a retail shopping mall. In order to change the permitted uses in the C-8 District, or rezone the property to another zoning district, a new Public Hearing before the St. Louis County Planning Commission will be necessary.

According to the St. Louis County Department of Planning, the overall zoning process typically takes 4-6 months, starting with the submission of an application, survey and legal description of the property, and a preliminary site development plan. Once the application is accepted by the Department of Planning, the petition is scheduled for Public Hearing.

The St. Louis Planning Commission does not take action at the Public Hearing. Subsequent to the meeting, the Planning Department staff prepare a detailed information report with a recommendation. The recommendation is presented to the Commission at an Executive Meeting, typically the first Monday of the month following the Public Hearing. The Planning Commission votes to accept, reverse, or modify the staff's recommendation. At a subsequent Executive Session, the Commission votes to forward their Letter of Recommendation to the full County Council. The letter of recommendation includes the report, comments from other reviewing agencies, the preliminary site plan, and detailed conditions of development. All of the Planning Commission Executive Meetings/Sessions are open to the public and included on the County Public Notices webpage. The County Council will usually see the petition on their agenda at four consecutive Tuesday meetings for the following actions:

- Receive and file the Planning Commission's Letter of Recommendation
- Introduce a bill for the rezoning
- Perfect the bill
- Finally pass the legislation

Once the County Executive signs the ordinance, the rezoning is effective. Only then can the petitioner begin the permitting process. The Planning Department is involved in the review and approval of the Site Development Plan, which must adhere to the conditions of development adopted by the Council. The approved Site Development Plan is required in order for the developer to pull permits, which are issued by the County Department of Transportation and Public Works.

Recommended Land Use: Ag-Food Technology Campus

Of the three final scenarios evaluated by not only the consulting team but also by the Advisory Committee and the public at large, the Ag-Food Technology Campus scenario clearly emerged as the preferred direction for the Jamestown Mall site.

Benefits of the Jamestown Ag-Food Technology Campus include:

- Opportunities for expansion space to support the growing regional AgTech/Ag-Food sector. In particular, the site has the potential for lower-cost greenhouses as well as test plots without the need to travel greater distances into the rural areas of the metro area.
- Leveraging existing agriculture land north of Lindbergh Boulevard.
- Opportunity for North St. Louis County to align with the Greater St. Louis Jobs Plan.

Opportunities For Expansion Space To Support The Growing Regional AgTech/Ag-Food Sector

Life, Physical, and Social Science occupations which numbered 7,526 in 2020 and are projected to increase to 8,209 in the St. Louis region by 2030, a growth rate of 9.1 percent. Total jobs in the St. Louis region are projected to increase by 7.3 percent over the decade, indicating that the science occupations will expand more rapidly than the regional average while food and soil scientists will increase more rapidly than general science occupations.

The numbers are not immense, but they are important in a region that has specialized in plant sciences almost from the founding of St. Louis. The evolution of this economic sector most recently manifested its strength with the creation of the Donald Danforth Plant Science Center in 1998. The Danforth Center attracted hundreds of scientists and



related employees to St. Louis and eventually led to the rebranding of a 600-acre area including and adjacent to the Danforth Center called “39 North,” so named because St. Louis straddles the Earth’s 39th parallel which effectively bisects the most productive agricultural lands around the world.

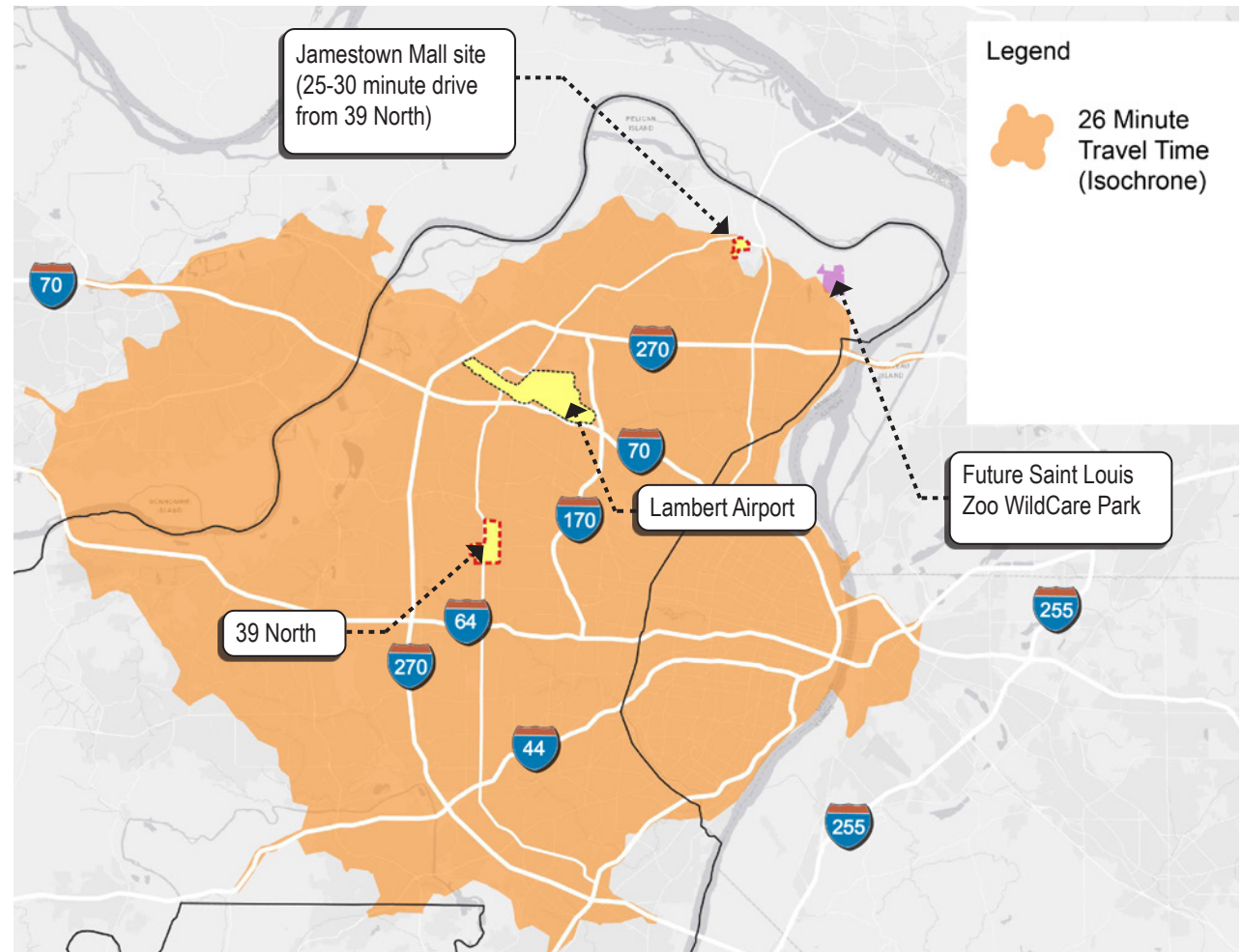
The Jamestown Mall site can address two critical needs for 39 North and the AgTech/Ag-Food sector.

1. Space for Additional Development: The bulk of the 39 North properties are industrial in nature, having been part of a large and very successful industrial park created in the 1960s.¹ There is very little available land for additional development, such as greenhouses, let alone for test plots, though the existing buildings should be suitable for conversion to other agricultural industry purposes, including commercial production as well as research and office space. Moreover, the greenhouses presently in operation at 39 North are said to be equipped with high value technological features which require rents that lower-cost researchers are unwilling or unable to afford.

¹ This would not be said of the specific Danforth Center and nearby buildings which are office and research facilities, designed and built as such.

2. Lower Cost Real Estate: The 39 North properties are relatively expensive in real estate terms. They are located in a highly desirable suburban setting with excellent access and visibility. Many needs of the ag-food tech industry presently point to low-value greenhouses and small test plots, if not also fermentation facilities. Early indications are that such needs cannot be economically met at 39 North, while Jamestown Mall, once the existing buildings are cleared, offers potentially substantial real estate cost savings.²

² Based on analysis of quarterly “market reports” from three commercial real estate firms in metro St. Louis (Newmark Zimmer, Gershman, and Jones Lang LaSalle), office rents in West County (broad location of 39 North) are 32 percent higher than in North County, industrial rents are 46 percent higher, and retail rents are double those in North County.



Historic Growth of the AgTech/Ag-Food Sector

Other indicators of the strength of the agricultural industry and scientific jobs in St. Louis provide larger numbers and impressive growth rates over the long run. The U.S. Bureau of Economic Analysis (BEA) publishes county and metropolitan-level jobs by major economic sector every year in a database initiated in 1969 and presently extending to 2021. Prior to 2001, the data relied on the old Standard Industrial Classification (SIC) system, then switched to the North American Industrial Classification System (NAICS). Many of the economic sectors cannot be compared over that entire timeframe because some were “added”³ when NAICS became the standard.

A good example is what used to be called the *agricultural services, forestry, and fishing* sector within SIC from 1969 to 2000. After 2000, this sector became *forestry, fishing, and related activities*, dropping the agricultural services component which became part of another sector. Still, that pre-2001 sector in metropolitan St. Louis indicates how important the agricultural services industry was in the metro area.

Between 1969 and 2000, metropolitan jobs in agricultural services, forestry, and fishing increased from 2,740 to 11,915, a 287 percent increase in 31 years, or about 11 percent growth per year. In the U.S. as a whole, the average was nine percent per year. Total employment in the metro area over that time increased by an average of just 1.5 percent per year. *Agricultural services, forestry, and fishing* jobs tripled their share of all jobs in the metro area from 0.24 percent in 1969 to 0.73 percent in 2000.

While that sector cannot be traced from 2001 to 2021, a “new” sector was defined in the NAICS that has much relevance for the research and technology focus of Jamestown Mall’s third scenario: *Professional, scientific, and technical services*. The St. Louis metro area had 99,950 jobs in that sector in 2001, increasing to 119,185 by 2021, an average of one percent per year. In comparison, all jobs in the metro area increased by just 0.4 percent per year.

Unfortunately, St. Louis did not keep up with the nation as a whole. *Professional, scientific, and technical services* jobs in the U.S. grew at a rate of 2.2 percent per year (just over double the St. Louis rate) while all jobs increased an average of 1.1 percent per year—also over double St. Louis.

3) Perhaps a better word might be “disaggregated” because the SIC system effectively lumped many sectors together while NAICS pulled them out as significant sectors of their own.

The better news, however, is that *professional, scientific, and technical services* jobs in St. Louis gained a larger share of all metro area jobs over the two decades, from 6.1 percent in 2001 to 6.7 percent in 2021. Such jobs in the entire U.S. increased from 6.2 percent to 7.4 percent of all jobs.

Within St. Louis County alone, *professional, scientific, and technical services jobs* increased from 7.7 percent of all county jobs to 8.0 percent between 2001 and 2021. These jobs in St. Louis County represented 53 percent of all *professional, scientific, and technical services* jobs in the metro area.⁴

4) While there was an increase in numbers of professional, scientific, and technical services jobs in the county, this was actually a decline in the share of metro area jobs in this sector from 60 percent in 2001. Meanwhile, professional, scientific, and technical services jobs in the City of St. Louis increased their share from 16 percent of all metro area jobs in this sector to 20 percent.

Projections of Growth of the AgTech/Ag-Food Sector

The Missouri Economic Research and Information Center (MERIC)⁵ provides estimates and projections of employment in a wide range of economic sectors and occupations for the St. Louis region.⁶ The latest available is for the decade of 2020 to 2030.⁷ Three occupational categories (of 749) best represent the AgTech/Ag-Food sector:⁸

1. Food scientists and technologists who numbered 89 in the St. Louis region in 2020 with projections to 98 by 2030, a 10.1 percent growth rate.
2. Soil and plant scientists who numbered 154 in the St. Louis region in 2020 with projections to 171 by 2030, an 11.0 percent growth rate.
3. Biochemists and biophysicists who numbered 109 in the St. Louis region in 2020 with projections to 113 by 2030, a 3.7 percent increase.

Notwithstanding this projected job growth analysis, an AgTech/Ag-Food development will not likely create a great many jobs on site at the Jamestown Mall site. The industry isn't all that large and it depends more on land and facilities for growing plants than on intense employment. Most jobs would be highly skilled, but likely not in large numbers. In some ways, however, this can contribute to the relative serenity of residential life in North County, particularly around the mall site. There can be important economic development without substantial commuting or other commercial traffic.

5) A component of the Missouri state government's Department of Economic Development.

6) Defined by MERIC for statistical purposes as the City of St. Louis and the counties of St. Louis, St. Charles, Franklin, and Jefferson.

7) Similar projections for the United States as a whole extend to 2031 at present.

8) These do not represent support occupations, such as administrative or management jobs, only those apparently directly involved in agricultural research.

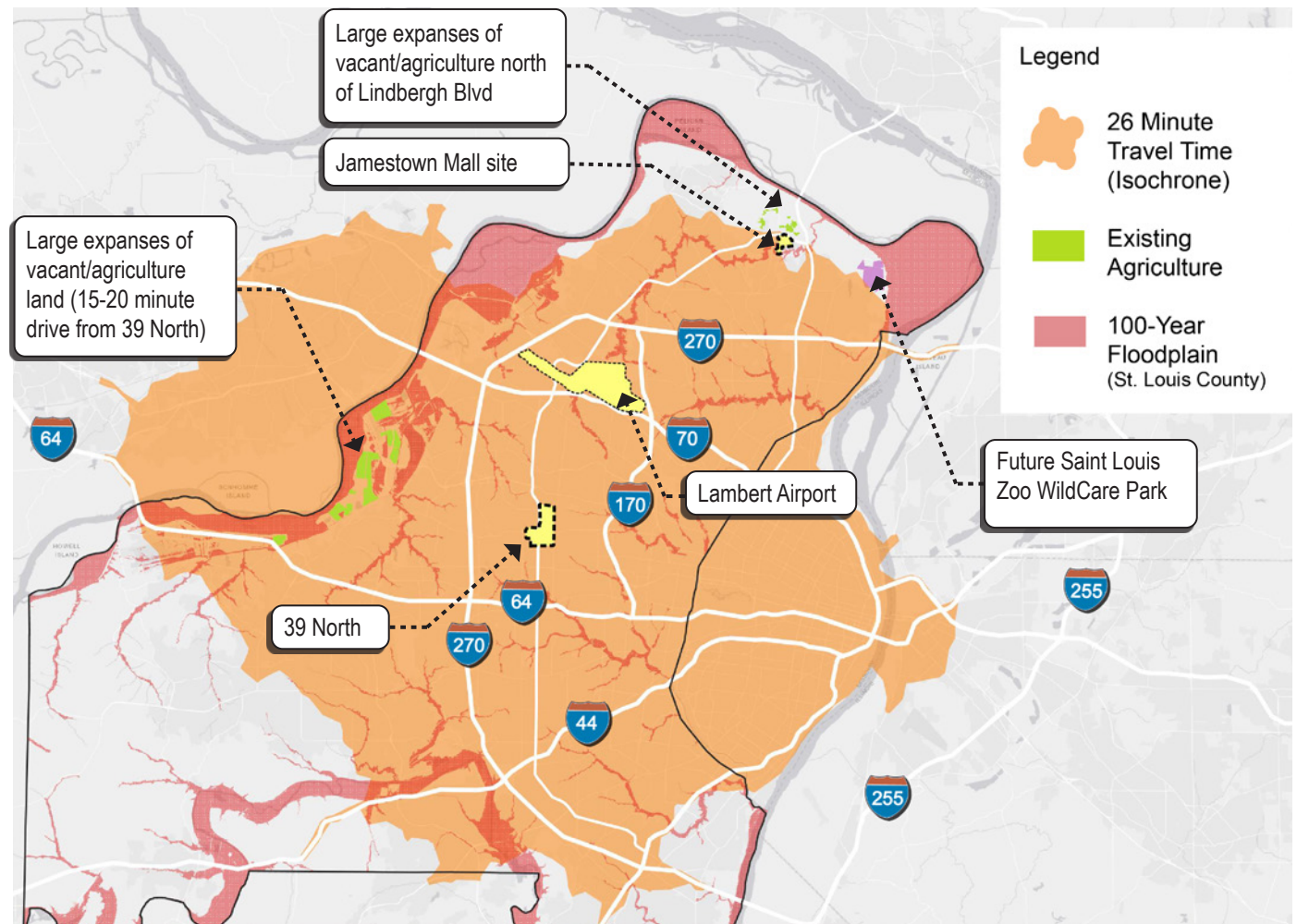
Leveraging Existing Agriculture Land North Of Lindbergh Boulevard

St. Louis County is largely built out, with limited large tracts of vacant (or agriculture) land that could be used for test plots or other complementary uses for the AgTech/Ag-Food sector.

The map on this page shows two areas of vacant/agriculture land not in the 100-year floodplain.

Large expanses of vacant/agriculture land exist in the Chesterfield Bottoms / Howard Bend area (approximately a 15-20 minute drive from 39 North). However, this area has been under increased development pressure in recent years.

North of the Jamestown Mall site, there are over 140 acres of vacant/agriculture land. Much of the land is already farmed. However, 140 acres is likely a conservative estimate. The actual amount of agriculture land is likely over 200 acres. This area is unlikely to receive development pressure because of the Karst Preservation zoning that places restrictions on development.

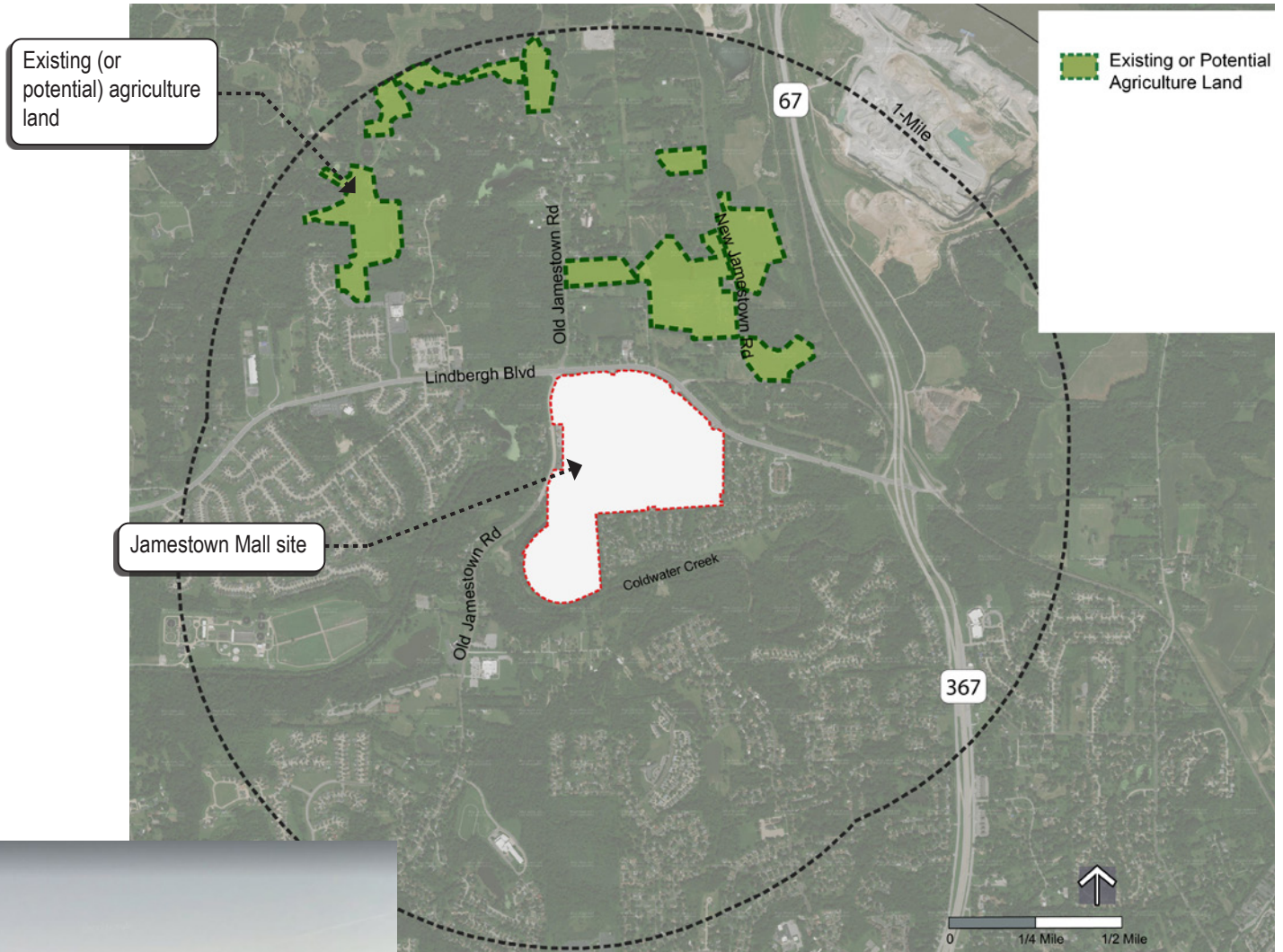


Nearby Existing Agriculture to the Jamestown Mall Site

The map on this page shows existing (or potential) agriculture land within one mile of the Jamestown Mall site.

Much of the land within one mile of the Jamestown Mall site is undeveloped (37% of the land use is classified as vacant/agriculture). However, not all this land is suitable for agriculture. Some of the land is wooded, has steep topography, or has other limitations.

The land highlighted on the map (existing agriculture or potential) totals approximately 140 acres. Much of the land is already farmed. However, 140 acres is likely a conservative estimate. The actual amount of agriculture land is likely over 200 acres.



Left: Existing agriculture land along New Jamestown Road near the Jamestown Mall site.