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**MIXED-USE/MULTIUSE
CROCKER CENTER
BOCA RATON, FLORIDA**

PROJECT TYPE

A 436,000-square-foot suburban mixed-use project that includes an office tower, a 256-room Marriott hotel, and 86,000 square feet of retail space organized around a 20,000-square-foot central outdoor plaza. A second office tower will be completed in August 1988. Project components are connected by a pedestrian plaza and through repetitive and complementary architectural elements. Each component has its own entry and parking areas.



The three uses—retail, office, and hotel—located on this 28-acre suburban site are integrated by a pedestrian promenade and a landscaped courtyard.

SPECIAL FEATURES

- Mutually supportive uses;
- Single developer
- Outdoor plaza

DEVELOPER

Crocker & Company
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Boca Raton, Florida 33486
(305) 395-9666;

ARCHITECT

Cooper Cary & Associates
3520 Piedmont Road, N.E.
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MANAGEMENT

Crocker & Company
(office and retail)
Boca Raton, Florida

Interstate Hotels
Pittsburgh, Pennsylvania 15219

GENERAL DESCRIPTION

Based on market studies and his knowledge of the area, Tom Crocker, president of Crocker & Company and an office developer in suburban Palm Beach County, knew that the affluent local market could support office, hotel, or retail development on the 28-acre tract of commercially-zoned land he obtained through an unsubordinated ground lease from Arvida Corporation in 1984. To differentiate this development from typical area projects, and to create a more attractive, lively, and amenity-rich environment for office development on the site, he decided to develop all three uses, and to connect them with an outdoor plaza that could serve as a gathering place year-round.

The result was Crocker Center, a 436,000-square-foot suburban mixed use project—the first of its kind in the area—consisting of two six-story office buildings that will, upon completion, contain 220,000 square feet; a 256-room Marriott Hotel; 86,000 square feet of retail space; and a 20,000-square-foot landscaped open plaza. Designed so that the components function independently yet benefit from one another's presence, the center has outperformed other projects on the local market, leasing rapidly at premium rates. Retail space is 100 percent leased, the existing office building is 80 percent leased, and although the hotel is too new to evaluate, having opened in August of 1987, occupancy rates in the first few months have averaged 70 to 80 percent. The developer broke ground on the second office building in January 1988; project construction will be completed in August 1988.

THE SITE

The site is an uncomplicated, level, irregularly shaped parcel fronting Military Trail, a major north/south road readily accessible to both I-95 and Florida's Turnpike. Area demographics are strong, residential construction is booming, and demand for retail facilities is expanding. Few luxury hotels serve the area.

The project is surrounded by attached residential development to the south, by I-95 to the east, and by individual commercial and office developments across the street.

PLANNING

The design evolved from the needs of each use and from the desire to phase the project logically and unobtrusively. The primary goal was for each component to function independently, with the others serving as amenities. The result was a design that organized the structures around an open plaza or courtyard, with each use having its own entrance, identity, and parking. Consistent architectural themes and easy pedestrian connections link the various project elements.

The concept enabled the retail component to be constructed first, along the major access road. The first office building was built next, followed by the structured parking. The hotel, seen as the project's riskiest component, was built after the retail and office components were in place and the project was an established destination.

DESIGN

The architect developed a vocabulary of architectural details—distinct articulation of materials, juxtapositions of color and texture against a reflective glass background, and stairstepped edges—and applied them to all components to create a visual relationship. Colors, materials, and landscaping were chosen for their appropriateness to the area: colors of rose, sand, and teal green; synthetic stucco and glass; palms and indigenous shrubs and flowering plants.

The 120,000-square-foot office building has a simple, efficient design with six 20,000-square-foot flexible floor plates. The building is connected to a structured parking garage by a lighted and landscaped covered walkway. In this office market, structured parking is considered a significant amenity because of its convenience, shelter from the sun, and efficient use of land.

Besides its ability to reflect beautiful Florida skies and sunsets, glass curtain wall is the most energy efficient material for this climate. However, because use of glass alone would make the plaza too hot and cause blinding reflections, the building facades that face the plaza and the perimeter road are articulated with stepped, punched screens of rose stucco.

In designing the hotel, a major consideration, and one that determined the building's location on the site, was the necessity that it be visible from I-95. The massing and facade complements the office building design by using a similar stepped pattern on the facade, but without the glass curtain wall. The hotel has its own surface parking area and separate service access. Unlike most Marriott Hotels, it has only one restaurant; the developer did not want the customary range of hotel restaurants to compete with restaurant tenants elsewhere in the center.

Market research dictated that the retail component be a high-end, specialty-type center. It was designed for maximum visibility and accessibility along Military Trail—much like a standard strip center—with ample grade-level parking. Constructed in two 400-foot wings from a central point that serves as the entrance to the interior plaza, the retail center is highly efficient for pedestrians.

The developer envisioned the plaza as an area where people could enjoy being outdoors day and night, year-round, in the warm Florida climate. It was designed as a refreshing, attractive gathering place with lush landscaping, shaded seating areas, and a central fountain. Activity is encouraged by special events, dramatic night lighting, and by restaurants that open to the plaza offering sheltered sidewalk cafe-style dining.

Connections and signage are clear and understandable. Kiosks scattered about the project provide information and advertise special events. A large covered kiosk that announces the "front" entrance to the project between the retail wings also is used for seasonal activities and to shelter valet parking patrons.

TENANTS

The mix and arrangement of retail tenants was designed to encourage shopping. The center is anchored by restaurant—a contemporary bar and grill at one end, and an

upscale McDonalds at the other. In the center of the retail area, drawing visitors into the plaza, are five additional restaurants. Art galleries and other late-night-crowd pleasers are scattered among the restaurants; other tenants include a children's shop, boutiques, jewelry stores, a fine menswear shop, a bookstore, a kitchenware store, and gift shops.

McDonalds Corporation was the "kickoff" tenant for the office building, leasing 22,000 square feet, and wanted one of its restaurants included in the retail center. This proved to be controversial and other retail tenants initially objected. However, the design of the restaurant, its signs, and interior decor were negotiated to conform with this luxurious center, and today the restaurant—with its marble, granite, and stainless steel fittings—is not only very popular, profitable, and accepted, but is quite a conversation piece. Other major office tenants to date include Citicorp Savings, Concord Assets Group, and Stockton, Whatley, Davin & Company.

MARKETING AND MANAGEMENT

The project components are marketed separately. Both in-house leasing personnel and outside brokers market the office space. Marriott Corporation markets the hotel through its national network. The retail center is marketed primarily through special events. Each retail tenant pays a per square-foot fee to cover the costs of these events. Very little common media advertising has been used.

Crocker & Company manages all components except for the inside of the hotel, which is managed by Interstate Hotels, the largest manager of Marriott Hotels in the United States.

EXPERIENCE GAINED

- Mixed-use projects offer opportunities and advantages, but also pose difficult legal problems when more than one entity is involved. In this case, two firms experienced in retail and hotel development that were involved in the initial planning eventually withdrew because the various parties were unable to agree on joint venture arrangements.
- Having a mix of uses has accelerated absorption of the office space and has enabled it to command premium rents. The retail space, originally planned as an amenity for office tenants, has turned out to be the most profitable project component so far.
- Each project component has its own energy management system. In retrospect a more sophisticated integrated system would have been more efficient.
- In developing a high-quality project in an affluent area, attention to details and finishes such as lighting, landscaping, and choice of materials is extremely important. The developer has found that to create the desired project image, certain elements originally omitted because of cost/value judgments should have been included. To achieve the desired effect, some retrofitting has been done.

PROJECT DATA

LAND USE INFORMATION

Site Area: 28 acres

Gross Building Area:	Square Feet
Office ¹	220,000
Hotel	130,000
Retail	<u>86,000</u>
Total upon Completion	436,000

Parking:

Total Parking Spaces²: 1,770

Surface Spaces: 844

Structured Spaces: 926

Parking Index: 5 spaces per 1,000 square feet CLA for commercial and retail; 1 per room plus 1 per employee for hotel

ECONOMIC INFORMATION³

Site Acquisition Cost: Land obtained through unsubordinated ground lease. Payments are \$1,330,000 per year.

Site Improvement Costs:

Excavation/Clearing/Filling	\$ 332,000
Grading	45,000
Sewer/Water/Drainage	363,000
Paving	604,000
Curbs/Sidewalks	78,000
Landscaping/Irrigation	480,000
Other ⁴	<u>270,000</u>
Total	\$2,172,000

Construction Cost³:

Superstructure	\$ 6,995,000
HVAC	1,580,000

Electrical	1,657,000
Plumbing/Sprinklers	1,309,000
Elevators	714,000
Fees/General	1,471,000
Finishes	3,637,000
Graphics/Specialists	<u>69,000</u>
Totals ⁵	\$17,432,000

RETAIL LEASE INFORMATION

Rents per Square Foot: \$25 to \$35

Length of Leases: 5 to 15 years

Lease Provisions: All leases are triple net, with annual rent escalations at fixed rates or tied to the consumer price index (with minimums).

OFFICE LEASE INFORMATION

Rents per Square Foot: \$18 to \$21

Length of Leases: 5 to 10 years

Lease Provisions: All are triple net; no expense stops.

Notes:

¹Only one office building (120,000 square feet) was completed as of early 1988.

²Total upon project completion.

³Does not include costs associated with the second office building.

⁴Includes fees, general conditions, FP&L, and site lighting.

⁵Excludes furniture, fixtures, and equipment for hotel and all tenant improvements.

This Development Case Study is intended as a resource for subscribers in improving the quality of future projects. Data contained herein were made available by the project's development team and constitute a report on, not an endorsement of, the project by ULI—the Urban Land Institute.