SUBURBIA SPREADS IN PALM BEACH COUNTY

Developers turn western Palm Beach County agricultural land into communities

BY ERIK BOJNANSKY | ebojnansky@bizjournals.com

To provide homes for newcomers wishing to move here and locals trying to stay, developers are turning farms and ranches into neighborhoods in western Palm Beach County.

Most of this building activity is occurring more than a half-hour west of West Palm Beach, between Florida's Turnpike and the Everglades Agricultural Area. It isn't a new phenomenon, as landowners have sought the zoning to build new homes and commercial projects in that area for several decades. Yet, in recent years, developer interest has increased significantly as they hunt for land to build housing without tearing structures down.

"We found the future and the next frontier, and it's in the northwest part of the county," said Misha Ezratti, president of Sunrise-based GL Homes, which specializes in constructing single-family communities. "It will be a huge part of our future for the next 10 years."

GL Homes is active in three of western Palm Beach County's hot spots: Avenir in west Palm Beach Gardens, unincorporated Arden just north of the Wellington Environmental Preserve, and the 9-year-old city of Westlake. The homebuilder also owns thousands of acres in Indian Trails Grove, where it can construct about 3,900 houses.

But it isn't just GL Homes. Several other developers – Lennar, Kolter Homes, Kenco Communities, Toll Brothers and Konover South – are building and/or acquiring properties in the western part of the county for new homes and commercial uses.

Many of these builders are in Avenir, a former 4,700-acre ranch that's been rezoned into a planned suburban community. It's here that Panther National built an 18-hole championship golf course designed by retired golf superstar Jack Nicklaus, a 3-par golf course, and more than 200 luxury homes.

"We found the future and the next frontier, and it's in the northwest part of the county."

Misha Ezratti, president of GL Homes

And then there's Westlake, a city with a population of 6,000 that was built on a 3,800-acre former citrus farm – and is still growing.

In 2013, Minto Communities, an affiliate of Ottawa-based real estate developer Minto Group, paid $51 million for Callery-Judge Grove. A year later, Minto rezoned the land for 4,500 homes and more than 2 million square feet of commercial space. When county bureaucrats moved too slow to grant permits, Minto spearheaded the formation of a city, which was achieved in 2016. Since then, Minto and other developers have built not only housing, but shopping centers, offices, industrial parks and a free-standing emergency department run by Wellington Regional Medical Center.

John Carter, senior VP of Minto

1

2

3

GL HOMES

O'CONNELL | GOLDBERG
PUBLIC RELATIONS

MINTO GROUP

WELLINGTON REGIONAL MEDICAL CENTER

BOB HARRIS PRODUCTIONS INC.

GL HOMES

1. Aerial view of Westlake.

2. A newly built home in GL Homes' Apex at Avenir community in Palm Beach Gardens.

3. Wellington Regional Medical Center's free-standing emergency department in Westlake.

4. An Azalea-style three-bedroom home in Westlake is priced at just over $550,000. However, Minto has also built townhomes in the city at prices starting in the $350,000s.

5. Misha Ezratti, president of GL Homes.

Communities, said the scarcity of vacant land in Palm Beach County was what led his company to create Westlake.

"There's nothing left in Palm Beach County, even going back to 10 years ago," he said. "If you go around the county, I'm sure you'll find a 10-acre or 20-acre vacant parcel. But when we bought the property, we made a strategic approach to it. It was one of the last remaining places out there, other than Avenir and Arden."

As with those in communities elsewhere in South Florida, many homes being built in western Palm Beach still target the affluent demographic that's heading to the region to find good weather and avoid state income taxes. Since the Los Angeles wildfires, GL Homes' Ezratti said he's had a "ton of leads" from prospective homebuyers from California inquiring about homes in Apex at Avenir.

"A lot of people are interested in Florida as a refuge from the different natural catastrophes, whether its wildfires, mudslides or earthquakes," he said.

The lower land prices have also created opportunities for developers to build attainable housing. In Westlake, townhomes are priced from the $350,000s, Carter said, which has generated plenty of attention from people residing in West Palm Beach.

"We're seeing an influx of first-time homebuyers, civil servants and some [empty-nesters] from Wellington," Carter said.

Indeed, the migration of wealthy households to South Florida has pushed middle-class homebuyers westward to Westlake or northward to Martin and St. Lucie counties, said Michael Hass, a Wellington resident and senior VP of development with Bainbridge Cos.

But don't expect too much development in western Palm Beach County, he said. Westlake and the surrounding areas still lack the zoning for intensive development, as well as the road infrastructure.

"As the development frontier goes further west, people become aware of the traffic, and you don't want to put 40,000 new residents out west on Seminole Pratt Whitney Road," Hass said, referring to the four-lane road that goes through Westlake near Arden and Wellington.

"As of this moment, there isn't a great way to get people back and forth," he added. "Or, to be more pragmatic about it, the people near those areas don't want 40,000 more people heading west or east."

Still, there is additional development on the horizon.

Wellington, once considered a bedroom community on Palm Beach County's western fringe, has now become a central location for its burgeoning urban sprawl. West Palm Beach-based Related Ross is in negotiations with the village to build a private K-12 school in a project with 600 apartments, 150 hotel rooms, a 250,000-square-foot shopping center and more than 82,000 square feet of restaurant space on a 66-acre parcel that's now used for agriculture.

In addition, Wellington is in the process of rezoning 258 acres of recently annexed rural land by Seminole Pratt Whiney Road to enable the development of more single-family homes and commercial uses.

Beyond Wellington, will more farmland go the way of Callery-Judge Grove? Yes, but not huge tracts large enough to create a city, said Neil Merin, chairman of West Palm Beach-based NAI Merin Hunter Codman.

"You're going to have ongoing infill development, but you won't see large-scale developments like Avenir or Arden until we penetrate sugar growing land," he said, referring to the sugar fields within the Everglades Agricultural Area at the southern edge of Lake Okeechobee.

"Someday there might be a last crop," Merin said, "but that is in another generation."

O'CONNELL | GOLDBERG
PUBLIC RELATIONS

SUBURBIA SPREADS IN PALM BEACH COUNTY

Developers turn western Palm Beach County agricultural land into communities

BY ERIK BOJNANSKY | ebojnansky@bizjournals.com

To provide homes for newcomers wishing to move here and locals trying to stay, developers are turning farms and ranches into neighborhoods in western Palm Beach County.

Most of this building activity is occurring more than a half-hour west of West Palm Beach, between Florida's Turnpike and the Everglades Agricultural Area. It isn't a new phenomenon, as landowners have sought the zoning to build new homes and commercial projects in that area for several decades. Yet, in recent years, developer interest has increased significantly as they hunt for land to build housing without tearing structures down.

"We found the future and the next frontier, and it's in the northwest part of the county," said Misha Ezratti, president of Sunrise-based GL Homes, which specializes in constructing single-family communities. "It will be a huge part of our future for the next 10 years."

GL Homes is active in three of western Palm Beach County's hot spots: Avenir in west Palm Beach Gardens, unincorporated Arden just north of the Wellington Environmental Preserve, and the 9-year-old city of Westlake. The homebuilder also owns thousands of acres in Indian Trails Grove, where it can construct about 3,900 houses.

But it isn't just GL Homes. Several other developers – Lennar, Kolter Homes, Kenco Communities, Toll Brothers and Konover South – are building and/or acquiring properties in the western part of the county for new homes and commercial uses.

Many of these builders are in Avenir, a former 4,700-acre ranch that's been rezoned into a planned suburban community. It's here that Panther National built an 18-hole championship golf course designed by retired golf superstar Jack Nicklaus, a 3-par golf course, and more than 200 luxury homes.

1

MINTO GROUP

4

BOB HARRIS PRODUCTIONS INC.

5

GL HOMES

2

GL HOMES

3

WELLINGTON REGIONAL MEDICAL CENTER

1. Aerial view of Westlake.

2. A newly built home in GL Homes' Apex at Avenir community in Palm Beach Gardens.

3. Wellington Regional Medical Center's free-standing emergency department in Westlake.

4. An Azalea-style three-bedroom home in Westlake is priced at just over $550,000. However, Minto has also built townhomes in the city at prices starting in the $350,000s.

5. Misha Ezratti, president of GL Homes.

And then there's Westlake, a city with a population of 6,000 that was built on a 3,800-acre former citrus farm – and is still growing.

In 2013, Minto Communities, an affiliate of Ottawa-based real estate developer Minto Group, paid $51 million for Callery-Judge Grove. A year later, Minto rezoned the land for 4,500 homes and more than 2 million square feet of commercial space. When county bureaucrats moved too slow to grant permits, Minto spearheaded the formation of a city, which was achieved in 2016. Since then, Minto and other developers have built not only housing, but shopping centers, offices, industrial parks and a free-standing emergency department run by Wellington Regional Medical Center.

"We found the future and the next frontier, and it's in the northwest part of the county."

Misha Ezratti, president of GL Homes

John Carter, senior VP of Minto Communities, said the scarcity of vacant land in Palm Beach County was what led his company to create Westlake.

"There's nothing left in Palm Beach County, even going back to 10 years ago," he said. "If you go around the county, I'm sure you'll find a 10-acre or 20-acre vacant parcel. But when we bought the property, we made a strategic approach to it. It was one of the last remaining places out there, other than Avenir and Arden."

As with those in communities elsewhere in South Florida, many homes being built in western Palm Beach still target the affluent demographic that's heading to the region to find good weather and avoid state income taxes. Since the Los Angeles wildfires, GL Homes' Ezratti said he's had a "ton of leads" from prospective homebuyers from California inquiring about homes in Apex at Avenir.

"A lot of people are interested in Florida as a refuge from the different natural catastrophes, whether its wildfires, mudslides or earthquakes," he said.

The lower land prices have also created opportunities for developers to build attainable housing. In Westlake, townhomes are priced from the $350,000s, Carter said, which has generated plenty of attention from people residing in West Palm Beach.

"We're seeing an influx of first-time homebuyers, civil servants and some [empty-nesters] from Wellington," Carter said.

Indeed, the migration of wealthy households to South Florida has pushed middle-class homebuyers westward to Westlake or northward to Martin and St. Lucie counties, said Michael Hass, a Wellington resident and senior VP of development with Bainbridge Cos.

But don't expect too much development in western Palm Beach County, he said. Westlake and the surrounding areas still lack the zoning for intensive development, as well as the road infrastructure.

"As the development frontier goes further west, people become aware of the traffic, and you don't want to put 40,000 new residents out west on Seminole Pratt Whitney Road," Hass said, referring to the four-lane road that goes through Westlake near Arden and Wellington.

"As of this moment, there isn't a great way to get people back and forth," he added. "Or, to be more pragmatic about it, the people near those areas don't want 40,000 more people heading west or east."

Still, there is additional development on the horizon.

Wellington, once considered a bedroom community on Palm Beach County's western fringe, has now become a central location for its burgeoning urban sprawl. West Palm Beach-based Related Ross is in negotiations with the village to build a private K-12 school in a project with 600 apartments, 150 hotel rooms, a 250,000-square-foot shopping center and more than 82,000 square feet of restaurant space on a 66-acre parcel that's now used for agriculture.

In addition, Wellington is in the process of rezoning 258 acres of recently annexed rural land by Seminole Pratt Whitney Road to enable the development of more single-family homes and commercial uses.

Beyond Wellington, will more farmland go the way of Callery-Judge Grove? Yes, but not huge tracts large enough to create a city, said Neil Merin, chairman of West Palm Beach-based NAI Merin Hunter Codina.

"You're going to have ongoing infill development, but you won't see large-scale developments like Avenir or Arden until we penetrate sugar growing land," he said, referring to the sugar fields within the Everglades Agricultural Area at the southern edge of Lake Okeechobee.

"Someday there might be a last crop," Merin said, "but that is in another generation."

O'CONNELL | GOLDBERG
PUBLIC RELATIONS