

F. Justification Statement

To answer application requirements, the justification statement discusses the location, transportation, compatibility, suitability, functional relationship, and land use combinations for the proposed Inland Logistics Center (“ILC”).

Location and Transportation

The subject property, approximately 319 acres, is located southeast of South Bay and south of Lake Okeechobee in unincorporated Palm Beach County, Florida (See Figure F-1 below). It is also located near the Special Planning Areas, and the Glades Economic Development Overlay District established by the Palm Beach County Comprehensive Plan (See Map LU 3.1 and Figures F-2 and F-3 below).

The property’s current land use designation is Agricultural Production, and its zoning is Agricultural Production District (See Figures F-4 and F-5 below.) Consistent with the motion adopted by the Palm Beach County Board of County Commissioners on September 9, 2008, this application requests the approval by Palm Beach County to change the future land use of an area which encompasses the proposed site location to accommodate an Inland Logistics Center (“ILC”).

The site is uniquely located to serve the needs of an ILC. Among other factors used in the evaluation, location was a key factor used by Cambridge Systematics in a recent report to the Seaport Office, Florida Department of Transportation and the Port of Palm Beach.¹ The report identified the area south of South Bay along US 27 as one of five prime sites to consider establishing an ILC to serve a significant and sustained future market demand in the South Florida Region. The site offers a combination of features such as ready access to major intrastate roadways; close proximity, access, and connection to several Florida seaports; ready access to the South, Southwest, and Central Florida marketplaces; availability of affordable land which is large enough to accommodate an ILC; and access to rail. (See Attachment G for an additional discussion of the area’s need for economic development and analysis of market demand for an ILC, and Appendix D for additional discussion of the possible loss of jobs in the area resulting from the proposed state buyout of the US Sugar Corporation assets.)

The proposed site offers frontage along a major north-south regional roadway, US 27. The roadway is a major intrastate truck route with available capacity to maintain an acceptable level of service, and is part of the State’s Strategic Intermodal System (“SIS”). As excerpted below, the SIS enabling legislation emphasizes the need for increasing freight movement and international trade, economic prosperity, and interregional and intercity travel. It also authorizes the focus of State resources (i.e., funding) on improving the SIS.

Increasing demands are continuing to be placed on the state's transportation system by a fast-growing economy, continued population growth, and **projected increases in freight movement, international trade**, and tourism. The Legislature also finds that the **state's growing regional and intercity economic centers will increase the demand for interregional and intercity travel ...**

¹ See Appendix B.

Therefore, the Legislature declares that the designation of a strategic intermodal system, composed of facilities and services of statewide and interregional significance, will efficiently serve the mobility needs of Florida's citizens, businesses, and visitors and will **help Florida become a worldwide economic leader, enhance economic prosperity and competitiveness**, enrich quality of life, and reflect responsible environmental stewardship. To that end, it is the intent of the Legislature that the strategic intermodal System consist of transportation facilities that **meet a strategic and essential state interest and that limited resources available for the implementation of statewide and interregional transportation priorities be focused on that system**. [Emphases added] (SOURCE: s. 339.61, Florida Statutes.)

The subject property would be developed to serve these goals and needs, and will contribute to solving congestion problems on other parts of the SIS. Specifically, a large volume of north-south freight traffic would be diverted from I-95 and the Turnpike to US 27 because of the ILC.

Local and regional roadway traffic to and from the site could also be accommodated by nearby County Road 827A, an east-west thoroughfare that could also serve as a bypass route for South Bay. This is consistent with future Palm Beach County roadway planning, as the road is shown on the Palm Beach County Thoroughfare Right of Way Identification Map for expansion and improvement. (See Figure F-6 below.)

Rail access for this site would be provided by building a link to the existing rail spur which now serves the applicant's adjacent Okeelanta Sugar Mill and Cogeneration operations. This rail linkage would connect the site to both of the major rail lines serving major markets throughout Florida (CSX and FEC), and potentially enhance connections between Florida's East Coast and West Coast seaports.

An additional rail link to the site may also be forthcoming. With funding provided by the Florida Legislature in 2008, The Florida Department of Transportation is studying the feasibility of building a rail link along US 27. This link could provide an additional freight connection to western Broward and Miami-Dade Counties and their respective seaports.

Compatibility, Suitability, and Land Use Combinations

An Inland Logistics Center ("ILC") is comprised primarily of light industrial uses such as warehousing, cargo transfer, rail cargo handling and transfer, and related industrial and office uses. The Port of Palm Beach is seeking to establish an ILC in a location which best suits these functions. These uses would most closely constitute an industrial land use according to the Palm Beach County Future Land Use Element. Therefore, the current land use designation of "Agricultural Production" on this property would no longer be appropriate.

The land and water conditions are suitable for this proposed land use, provided the appropriate geotechnical and civil engineering, and site preparation is completed. Appropriate portions of the site will need to be dredged and filled to ensure adequate load bearing capacity for industrial uses. In addition, a stormwater attenuation system will need to be designed to meet and exceed flood protection and water quality standards. Precedent for this type of land use is provided by the nearby property, where virtually identical conditions support the use of the land for a sugar refinery and mill, a cogeneration plant, sugar container storage, truck transfer, a distribution center, rail, and related office support. The design of an ILC located in this area (within the Everglades Agricultural Area) must be carried out consistent with regional water management objectives of the South Florida Water Management District ("SFWMD"), and consistent with the implementation of the Comprehensive Everglades Restoration Project. This requirement was also recognized in the Cambridge Inland Port Feasibility Study (See Appendix B, and Attachment I, Drainage Statement.)

Regarding water utilities, two options exist for water and wastewater utility services to the site. The publicly-owned systems serving South Bay, Belle Glade and Pahokee could be improved and extended as needed to accommodate the anticipated additional capacity to serve potable and wastewater needs. The recently opened Lake Region Water Treatment Plant which uses reverse osmosis technology to provide potable water, is a new source consistent with the SFWMD Lower East Coast Regional Water Supply Plan and which is assumed to have available capacity to serve the site. Alternatively, the owner could provide on-site potable water and wastewater systems such as those which now serve the adjacent Okeelanta Sugar Mill and Cogeneration operations. The anticipated water utility needs and services are further analyzed in Attachment P.

The intended future land uses of industrial and related office support are compatible with the surrounding Agricultural Production land use and zoning (See Figures F-4 and F-5 below). Appropriate site planning, buffers, and traffic management can be employed to mitigate any potential minor conflicts. Consistent with the traffic analysis (Attachment H), the anticipated intensity of industrial development is estimated at 3.8 to 4.0 million square feet. Thus, a Floor Area Ratio near the range of 0.27 to .30 would likely serve the intended uses, which is well within the maximum provided in the Palm Beach County Future Land Use Element.

The proposed land use would result in an appropriate combination of land uses in this area. Due to the industrial nature and large-scale needs of an ILC operation, it is appropriate to separate this use from residential areas. For example, the ILC will generate significant volumes of large truck traffic, and optimal design includes linear access to rail lines in excess of one mile. Therefore, it is appropriate that this proposed land use will be separated from the South Bay residential areas, and combined with compatible adjacent agricultural land uses.

Though the proposed site would be separated from the residential area, it is close enough to accommodate employee commuting via transit. The property owner now provides transportation via bus to the employees of the nearby Okeelanta Mill and Cogeneration operations, with approximately 70 percent of its workers residing in the local Glades communities. Public transit for employees could also be provided to serve the ILC, since an existing public transit route (Palm Tran bus stop) is located less than four miles from the site.

With the addition of an ILC on the proposed site, a combination of the following key components to support sustainable economic development would be present: the provision of a significant number of quality jobs, and nearby housing and labor pool with educational opportunities.

The total market potential for additional jobs resulting from an ILC in the South Florida region (moderate scenario) is 22,849 direct jobs by 2020, with an estimated direct personal income of \$742,605,000 or \$32,499 per job.² Approximately 411 full-time equivalent jobs are created per 1 million square feet of ILC,³ meaning that 1,562-1,644 jobs could be created with a 3.8-4.0 million square foot facility on the proposed site.

A majority of the labor pool to fill the jobs is anticipated to come from the adjacent Glades communities. Just as approximately 70 percent of the workers at the Okeelanta Sugar Mill and Cogeneration facilities live in the local communities, a similar pattern of local hiring and local

² Cambridge Systematics, Inc. and Martin & Associates, Inc. "Multi-Modal Logistics Complex: Market & Economic Analysis," Presented to Inland Port Task Force, June 6, 2008, page 10.

³ Ibid., page 8.



commuting is expected to be duplicated at the proposed ILC.⁴ Housing to accommodate the workers can be provided locally as well. While the local housing stock is in need of enhancement,⁵ the potential exists for significant residential growth in the area. Roughly 11,000 acres of residential land in the unincorporated Urban Service Area surrounding South Bay, Belle Glade, and Pahokee is designated for urban residential development on the County's Future Land Use Atlas, with a development potential of approximately 80,000 dwelling units.⁶ Further, enhanced job training and technical skill building will be provided by Palm Beach Community College through its Trade and Industry educational programs, and the new Technical Education Center about to be constructed in Belle Glade.

⁴ Consistent with the traffic assumptions provided in Attachment H, approximately 70 percent of workers are anticipated to reside and commute from neighboring Glades communities.

⁵ See Appendix A, "Visioning in the Glades."

⁶ This is a total estimate of acreage and resulting housing units in the High Residential 8, 12, and 18, Low Residential 3, and Medium Residential 5 land use designations. Source: Palm Beach County 2008 Parcel Database, and conversations with Palm Beach County Planning staff, 2008.