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## An Economic Master Plan For Project Future

Economics Research Associates

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AN ECONOMIC MASTER PLAN  
FOR PROJECT FUTURE

Prepared for  
WALT DISNEY PRODUCTIONS  
October 13, 1965

*e.r.a.*

ECONOMICS RESEARCH ASSOCIATES  
LOS ANGELES, CALIFORNIA

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## INTRODUCTION

Walt Disney Productions has had development of a theme park in Florida under consideration for several years. Recognizing Disneyland's impact on the Anaheim economy, Project Future was envisioned as taking full advantage of the vast potential of a Disney theme park as an economic catalyst to build a complete community. Considerable research previously was completed on a possible Florida project to help in selecting a suitable site and to estimate the impact and economic rewards of such a development if carried to completion.

The purpose of this report is to formulate an economic master plan for Project Future, incorporating the contributions of previous research. A site for the development has been chosen about 7 miles southwest of Orlando on Interstate Highway 4. By measuring market support and determining economic feasibility of an appropriate configuration of land use at the site, the master plan will serve as the starting point of an integrated, phased development program. Its principal function is to identify categories of potential investment and to estimate their contribution to overall development, thereby sharpening and focusing project concepts. The economic master plan thus will permit physical planning to proceed on a realistic basis, leading in turn to precise construction and financial planning.

The economic master plan rests in part upon the contributions of previous research into Florida tourism and the Orlando area economic base. This stage of planning, however, required information in considerably greater depth, and previously unpublished data were developed from the confidential files of the Florida Development Commission and by original research conducted in Florida. This material is presented in the two sections of the report immediately following the summary and conclusions. Detailed analysis of each land use appropriate to Project Future makes up the remainder of the report.

Economics Research Associates acknowledges with appreciation the contributions to this study by many individuals and organizations. Particularly valuable assistance was provided by Messrs. Robert P. Foster, Edward B. Crowell, and Paul J. A. Bauer of Walt Disney Productions, Mr. Paul L. E. Helliwell of Helliwell, Melrose and DeWolf, and Mr. Roy O. Hawkins.

Research was performed under the supervision of Harrison A. Price, President of Economics Research Associates. Robert E. Shedlock was project leader, assisted by Lawrence W. Kelly.



## Section I

### SUMMARY AND CONCLUSIONS

With estimated attendance potential of 4.1 to 4.7 million persons annually between now and 1980, a Disney theme park at Project Future from its inception will be a bigger commercial recreation attraction than any Florida now has. Because out-of-state tourists are expected to constitute 80 to 90 per cent of its attendance, Project Future can more than double theme park revenue by developing facilities to prolong visitor stay. Guest accommodations and a resort area with a beach, golf courses, and a full range of recreational facilities would be appropriate.

As extensive as recreational development might be at Project Future, it will require less than 10 per cent of the site's 27,000-odd acres. And while employment in the project's recreation sector will provide the nucleus of demand for eventual development of residential areas, feasibility of community development depends on the extent to which industry can be attracted to the site to provide jobs. With the amount of growth expected in the local area's economic base, it appears reasonable that Project Future can look forward to a community of some 23,000 residents by 1980.

### THEME PARK ATTENDANCE AND PLANNING

Since a large number of tourist groups are composed entirely of adults who visit Florida regularly, interest in Project Future's theme park among the tourist audience is expected to be greatest in its earliest years of operation. After initial impact wears off, it will be more difficult to attract attendance as widely, because adult groups bound for destinations in distant parts of the state are unlikely to return frequently to Project Future. Prudent economic planning, therefore, requires the probability be recognized that market penetration of the tourist audience will stabilize at a lower level after several years of operation, resulting in a slight and temporary attendance decline. Potential attendance is estimated at 4.5 million for the first year of operation<sup>1/</sup>, decreasing

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<sup>1/</sup> Assumed for planning purposes as 1968.

slightly to 4.1 million after about five years, and increasing again to about 4.7 million by 1980, as the size of the tourist and resident base grows. Over the first ten years of operation total attendance of 43 million is expected, about 6 million less than Disneyland experienced in a like period.

Peaks in attendance at Project Future's theme park should be less extreme than those at most commercial recreation attractions, because tourists compose so large a proportion of its year-round audience. Summer months still can be expected to mark the highpoint, although the peak should be somewhat less pronounced than at Disneyland. In addition, weekly attendance patterns should not be characterized by the extreme weekend peaking that occurs when local residents provide principal support. More efficient utilization of park facilities will be possible as a result.

Expenditure at the park in its initial years is expected to average \$5.06 per person, derived as follows: admissions and rides, \$3.76; food service, \$0.75; and merchandise, \$0.55. This is less than present expenditure at Disneyland by about \$1.00. Gross revenue at Project Future's theme park is expected to total \$20 to \$23 million annually through 1980.<sup>1/</sup>

The Project Future site experiences nearly four times as much rain as Anaheim. Heavy rainfall occurring on summer afternoons indicates that extensive portions of the theme park should be covered, and perhaps air conditioned to avoid interrupting visitor stay. Land area of 150 acres is estimated to be sufficient for development of the park, including space for parking, landscaping, maintenance facilities, and expansion.

#### DEVELOPMENT OF A RESORT AREA

Attractive hotel accommodations and extensive recreation facilities will encourage Project Future theme park visitors to stop overnight, and perhaps stay on for several days. Golf and water recreation are recommended

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<sup>1/</sup> Expenditure and revenue figures are expressed in constant 1965 dollars.



as the foundation for developing resort business. Each is feasible at the site, popular with Florida tourists, and time consuming enough to prolong visitor stay a full extra day. They make an excellent combination at Project Future because their principal seasons in Florida are complementary, and they will provide year-round activity.

Out-of-state tourist demand appears sufficient to support two 18-hole regulation golf courses and a lake-front beach. With proper development, Bay Lake could be turned into one of the state's most attractive beach resorts: a spacious, sandy beach lined with cabanas and ringed by palm trees and other subtropical vegetation would provide the desired atmosphere. An area should be set aside for water skiing to add spectator interest, increase participation, and provide a source of beach-derived income.

In addition to golf and water recreation, all facilities customarily associated with Florida's resort hotels should be offered at Project Future: swimming and wading pools, putting greens, tennis courts, shuffleboard, steam rooms, sauna baths, a gymnasium, ice skating rink, miniature golf course, bowling alley, and playgrounds for children all would be appropriate. A direct contribution of almost \$1 million annually to Project Future's gross revenue can be expected from resort area recreation facilities, although their economic feasibility rests primarily on the extent to which they contribute to hotel demand.

To capitalize fully on Project Future's tourist attraction potential, recreation and hotel facilities should complement each other. Hotel design and locations should be selected to interrelate and promote to best advantage the project's various recreational aspects. Because summer days are often characterized by mornings perfect for the beach or golf, followed by afternoon thunderstorms, hotel guests at Project Future should be permitted to move freely from one recreation area to another.

Hotel demand at Project Future will depend on the success with which tourists are entertained. Resort area recreation is directed to this end, but most activities are oriented to daytime. Since visitors whose stay is prolonged into late afternoon or evening are likely to remain overnight, appropriate amusements should be devised. Different attractions of approximately equal interest presented concurrently in the early evening at separate locations would help maintain tourist interest for more than



one evening. Fireworks, a parade, or band concerts could be used to advantage at the theme park, for example, while an evening water and ski show could be staged at Bay Lake.

The range of recreation and hotel facilities supported by theme park and resort visitors will enable Project Future to become a major competitor for Florida's convention business, attracting from 10 to 15 per cent of annual delegate attendance. Conventions should prove an excellent source of off-season demand, since only 20 per cent of meetings held in Florida typically occur during Project Future's peak tourist months of June, July, and August.

Hotel demand from all sources of business at Project Future will support 4,550 hotel rooms at the start of the project, and 5,300 rooms by 1980. Due to a seasonal peak in summer, occupancy rates much higher than 50 or 55 per cent probably will be difficult to achieve. Project Future has an advantage over other resorts, however, in that it will not be forced by lack of visitor appeal to operate at lower rates off-season. With room rates of \$12 to \$14 per night (consistent with other Florida hotels), hotels at Project Future can expect to gross \$23 to \$26 million annually, including income from restaurant and bar operations. Approximately 1,100 acres will be required for the combined hotel and resort area, including Bay Lake, golf courses, parking, and 5,300 guest units.

### COMMUNITY DEVELOPMENT

Absorption of the vast amount of land at Project Future will depend on community development, not on commercial recreation. Theme park, hotels, Bay Lake resort area, golf courses, and all related uses will require less than 10 per cent of land available at the site. Because Project Future is removed from existing urban development, attracting residents of the area will require that employment be provided at or near the site. Commercial recreation alone should provide enough jobs during the first three or four years of operation to establish a community of some 2,500 homes and a neighborhood shopping center.

Assuming residential development will continue to be related rather closely to employment at the site, industrial development will provide the impetus for continued growth. Industrial employment is expected to increase substantially in Central Florida over the next 15 years, and Project Future can offer excellent highway access and reasonable land costs to attract new plant sites. A community of some 7,000 homes appears feasible by 1980, requiring about 150 acres for industrial development and about 1,900 acres for residential facilities, including home sites, stores, parks, schools, and the like.

Because hotel use should have priority at Bay Lake, it is difficult to determine whether any water-front homesites can be made available. In the absence of detailed site planning, and because the Orlando area in general is not a strong second home or retirement area, appeal to these markets will probably be very limited, and conventional housing markets should take precedence in planning construction.

#### DEVELOPMENT OF AN AIRPORT

Most tourists to Florida currently travel by automobile, and Project Future is exceptionally well located on Florida's highway network to serve them conveniently. Lack of a full service airport in the vicinity of Orlando, however, presents Project Future with an exceptional opportunity to enhance its position as a tourist center. Jet traffic into the area is currently handled at McCoy Air Force Base as a temporary convenience because Herndon Municipal Airport is not large enough for development into a full service facility. Local planners, recognizing that dual operation cannot continue indefinitely, have recommended a new airport be constructed. Its location on the subject site would result in several benefits for Project Future: it would make the project a more convenient stopover for air travelers, a class of increasing importance as air fares are reduced and air travel becomes more prevalent; it would enable Project Future to develop airport hotel facilities to serve business travelers; and it would enhance the site's potential for industrial development.



## Section II

### TOURISM IN FLORIDA

A theme park with a supporting recreation and hotel complex will be the major focus of initial development at Project Future. Tourists are always a vital consideration in planning a large commercial recreation project, but will be far more important at Project Future than they were, for example, in planning Disneyland. In Southern California a large resident population provides substantial support for the park; Orlando's much smaller population makes it imperative that Project Future successfully attract Florida's proportionately larger tourist population.

#### VOLUME AND PURPOSE OF TRAVEL TO FLORIDA

The phenomenal growth of tourism in Florida is best illustrated by comparison with Southern California, as presented in Figure 1. Since World War II, tourist volume in Southern California has approximately doubled. Tourism in Florida followed a similar growth pattern up to 1955, when a dramatic change occurred -- the combined result of decreased travel time and cost to reach Florida, increased national prosperity, changed vacation habits, and aggressive promotion. As a consequence, tourism in Florida has now more than tripled since the war. It currently approaches 15 million visitors annually, a volume 2.5 times as great as Southern California's.

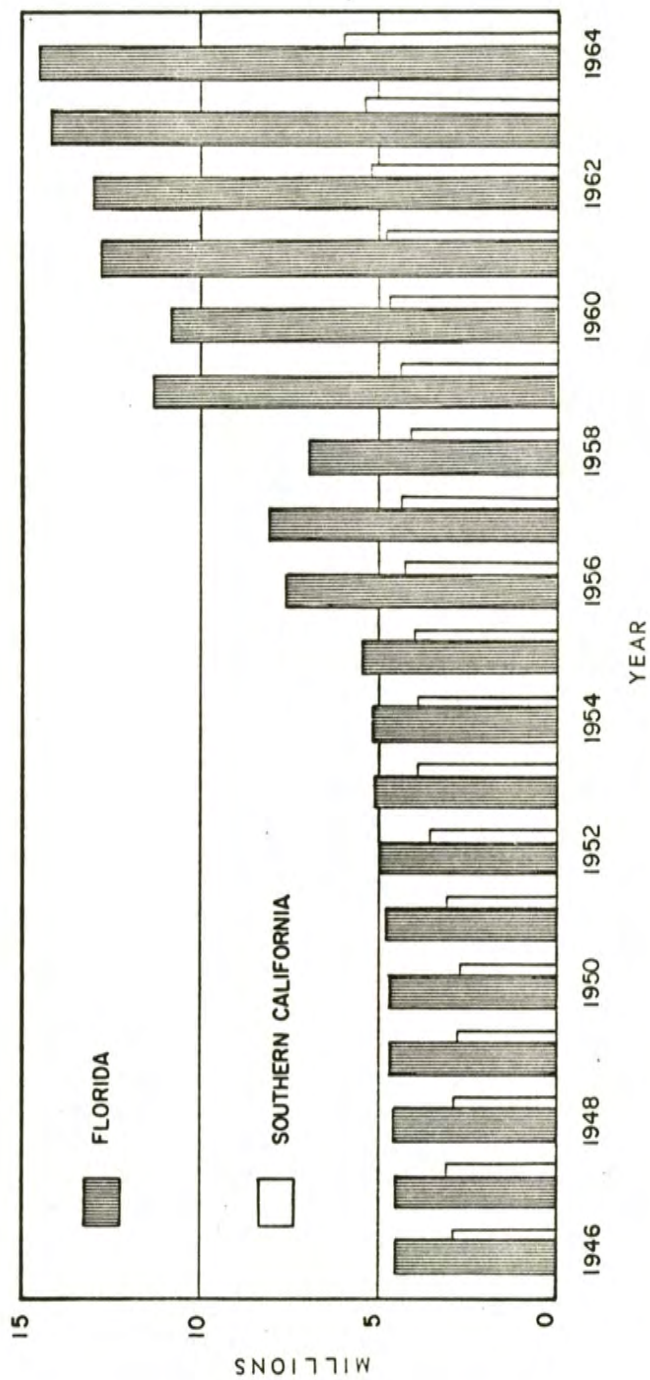
Ninety-three per cent of Florida's visitors live east of the Rocky Mountains, as shown in Figure 2. Northern states<sup>1/</sup> provide 54 per cent of Florida's visitors annually; Southern states<sup>2/</sup> contribute 39 per cent.

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<sup>1/</sup> Composed of the New England, Middle Atlantic, East North Central, and West North Central regions.

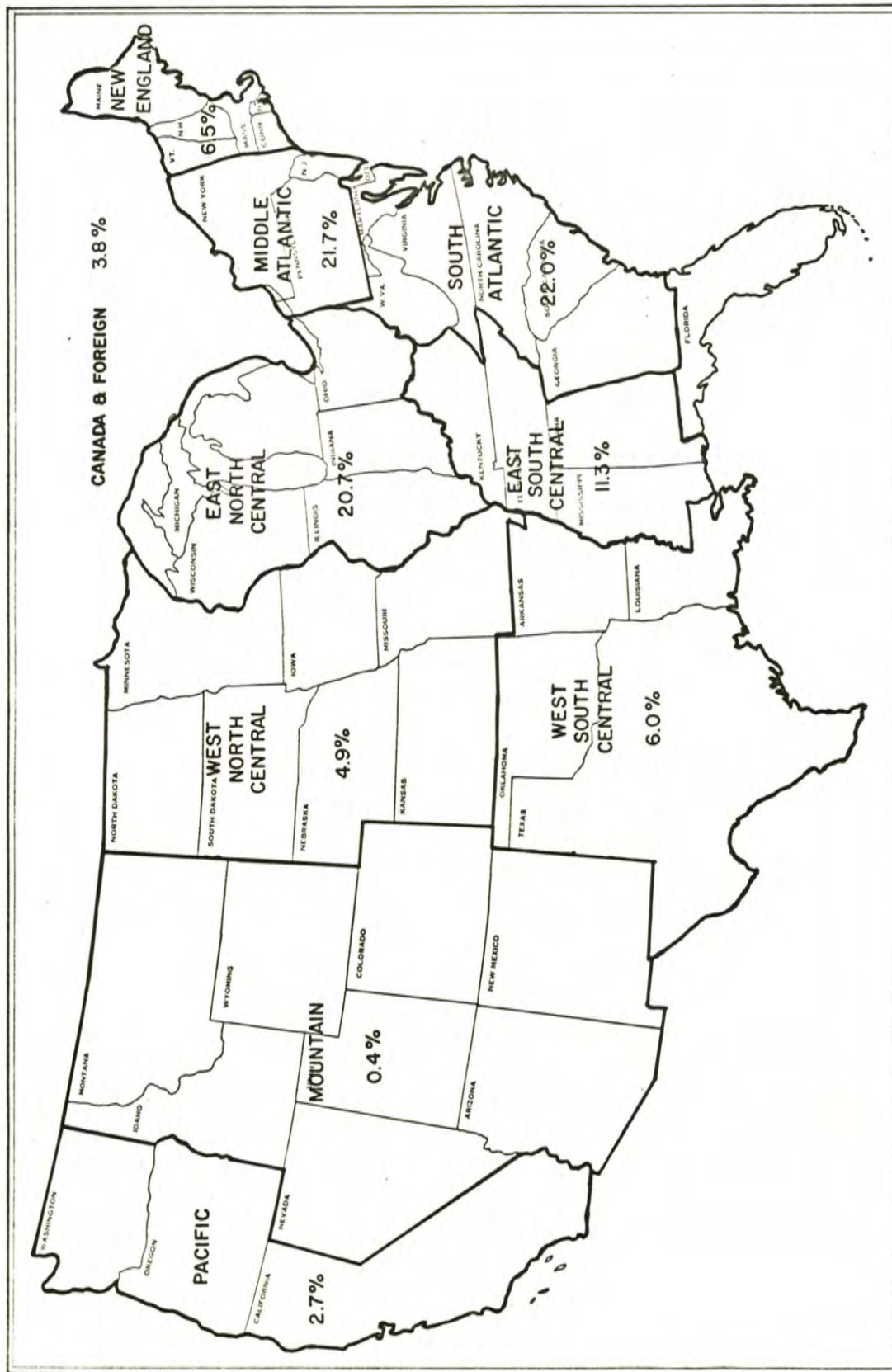
<sup>2/</sup> South Atlantic, East South Central, and West South Central regions.





SOURCE: FLORIDA DEVELOPMENT COMMISSION, SOUTHERN CALIFORNIA ALL YEAR CLUB, AND ECONOMICS RESEARCH ASSOCIATES.

Figure 1  
OUT-OF-STATE TOURISTS IN FLORIDA  
AND SOUTHERN CALIFORNIA, 1946-1964



SOURCE: FLORIDA DEVELOPMENT COMMISSION AND  
ECONOMICS RESEARCH ASSOCIATES.

Figure 2

ORIGIN OF OUT-OF-STATE TOURISTS IN FLORIDA  
BY GEOGRAPHIC REGION, 1964



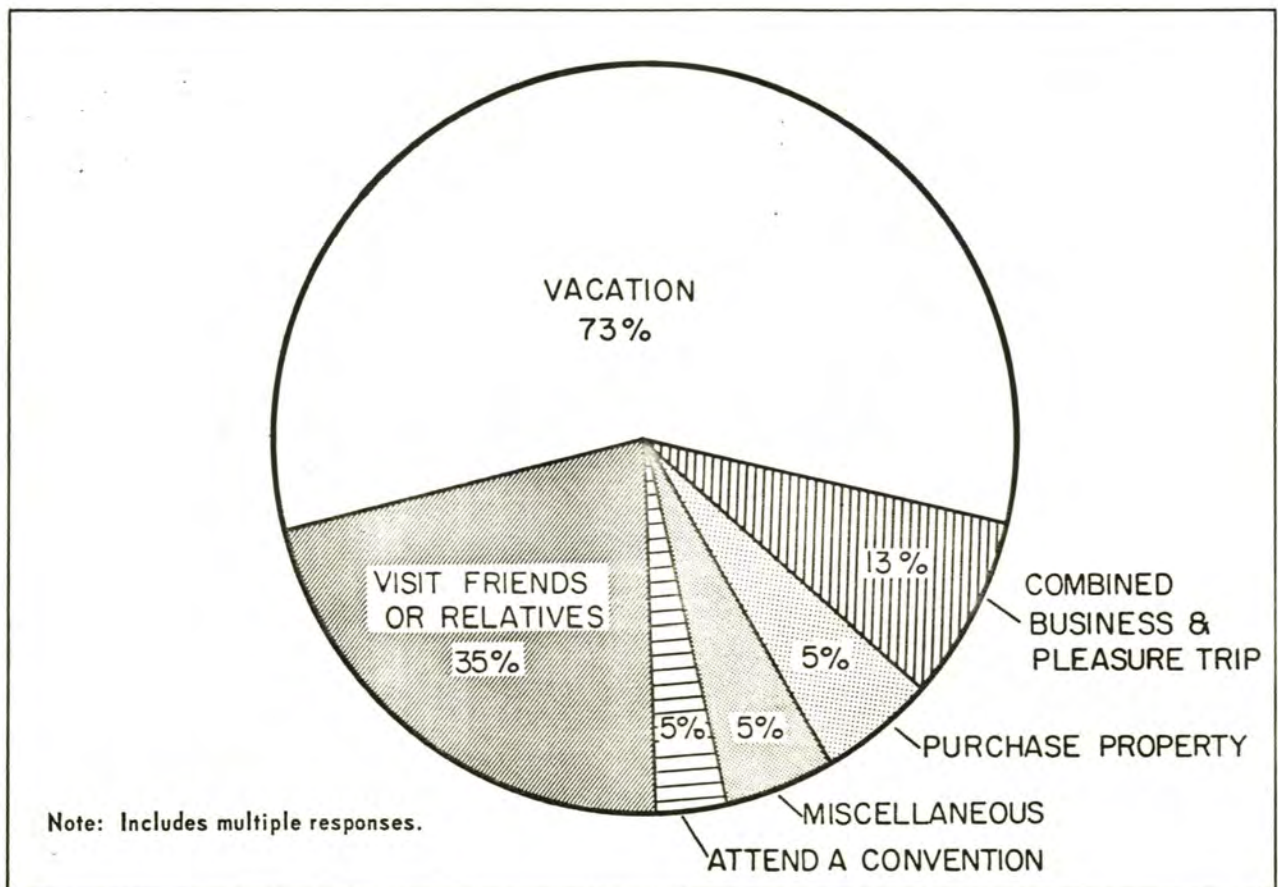
In visiting Florida the accent is on enjoyment. As shown in Figure 3, most tourists come to Florida for a vacation. The second most common reason is to visit friends and relatives. Some tourists attend a convention, conduct business, or purchase property, but in many cases business is combined with a vacation, or the businessman is accompanied by family members whose interest is recreation.

South Florida, and the Gold Coast in particular, is the most frequently selected destination of both automobile and air travelers, as shown in Figures 4 and 5. Thirty-six per cent of automobile tourists and 56 per cent of air travelers had a destination in South Florida in 1964. Central Florida is next in popularity, attracting 30 per cent of automobile and 28 per cent of air tourists. In keeping with the recreational emphasis of Florida trips, most destinations were coastal resort areas.

The automobile is by far the most frequently used transportation to Florida. For the past several years, approximately 82 per cent of Florida's visitors have come by automobile, 12 per cent by plane, 3 per cent by bus, and 3 per cent by train. Car rental figures are not disclosed. However, on the basis of interviews with key industry personnel, Florida Trend Magazine reports that Florida has an extremely high rate of automobile rental derived primarily from tourists arriving by plane, rather than from traveling businessmen, the predominate source of nationwide car rental business. Because Florida travel is keyed to enjoyment and all but a fraction of tourists either arrive by car or rent one, travel patterns of Florida tourists permit an extremely high degree of flexibility.

A very small but potentially important segment of Florida's tourists travel by private plane. Based on small aircraft movements, the Florida Development Commission estimates approximately 300,000 out-of-state tourists arrived by private plane in 1964, or about 2 per cent of all tourists to Florida. Like commercial air traffic, private planes are strongly oriented to South Florida and the Gold Coast.

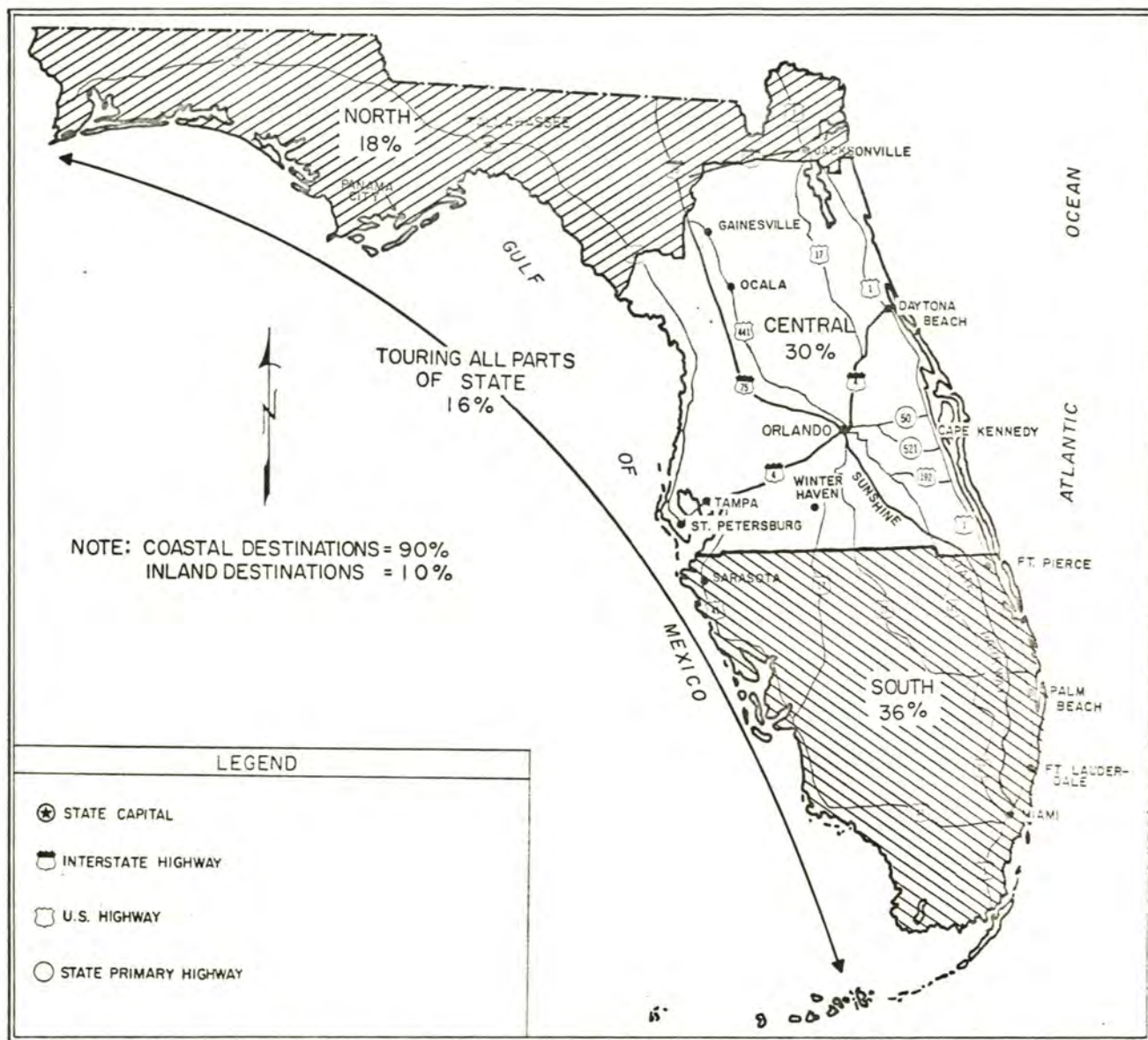




SOURCE: FLORIDA DEVELOPMENT COMMISSION AND ECONOMICS RESEARCH ASSOCIATES.

Figure 3

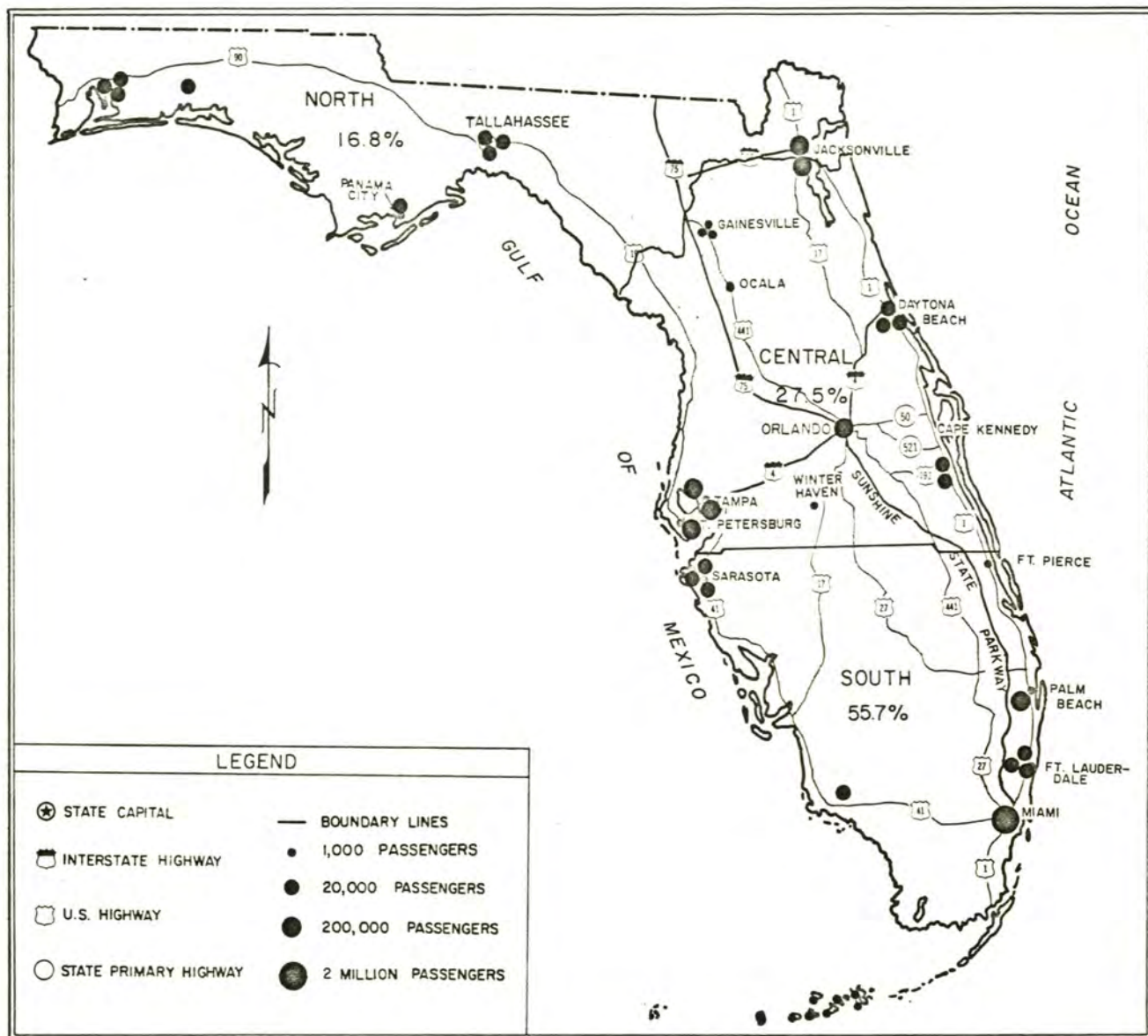
PURPOSE OF TOURIST VISITS TO FLORIDA, 1964



SOURCE: FLORIDA DEVELOPMENT COMMISSION AND ECONOMICS RESEARCH ASSOCIATES.

Figure 4

PRINCIPAL DESTINATIONS  
OF AUTOMOBILE TOURISTS IN FLORIDA, 1964



SOURCE: FEDERAL AVIATION AGENCY, CIVIL AERONAUTICS BOARD, AND ECONOMICS RESEARCH ASSOCIATES.

Figure 5  
DESTINATION OF AIR TRAVELERS TO FLORIDA,  
1963-1964



## SEASONAL DIFFERENCES IN FLORIDA TOURISM

Visiting Florida in prewar years was largely the prerogative of wealthy Northerners who came to Florida for extended winter vacations. Much growth in Florida's tourist volume since the war is the result of increased summer travel. Table I shows the visiting pattern in recent years by month. Nearly half of Florida's tourists now arrive between May and September. A greater number come during the three mid-summer months of June, July and August than in any other period of comparable duration.

Travelers visiting Florida in summer are different from winter tourists<sup>1/</sup> in many respects; their distinguishing characteristics are explored in the following paragraphs.

### Geographic Origin

As revealed in Figure 6, 68 per cent of winter tourists are residents of Northern states; Southerners account for only 26 per cent. In summer the proportions are more nearly equal: 40 per cent from Northern and 53 per cent from Southern states.

### Mode of Travel

As shown in Table II, automobile travel, the most popular means of reaching Florida, attains a seasonal peak of approximately 87 per cent of all arrivals in summer and decreases to 77 per cent in winter. The season for air travel is the opposite of that for automobile travel, increasing to 17 per cent in winter and decreasing to 8 per cent in summer. Greater dependence on air travel in winter results from the greater average distance winter visitors live from Florida, combined with unfavorable road conditions in the Northeast and Midwest during winter.

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<sup>1/</sup> Winter and summer tourists are defined as those arriving during the principal months of each respective season, the total of which is not a complete year.

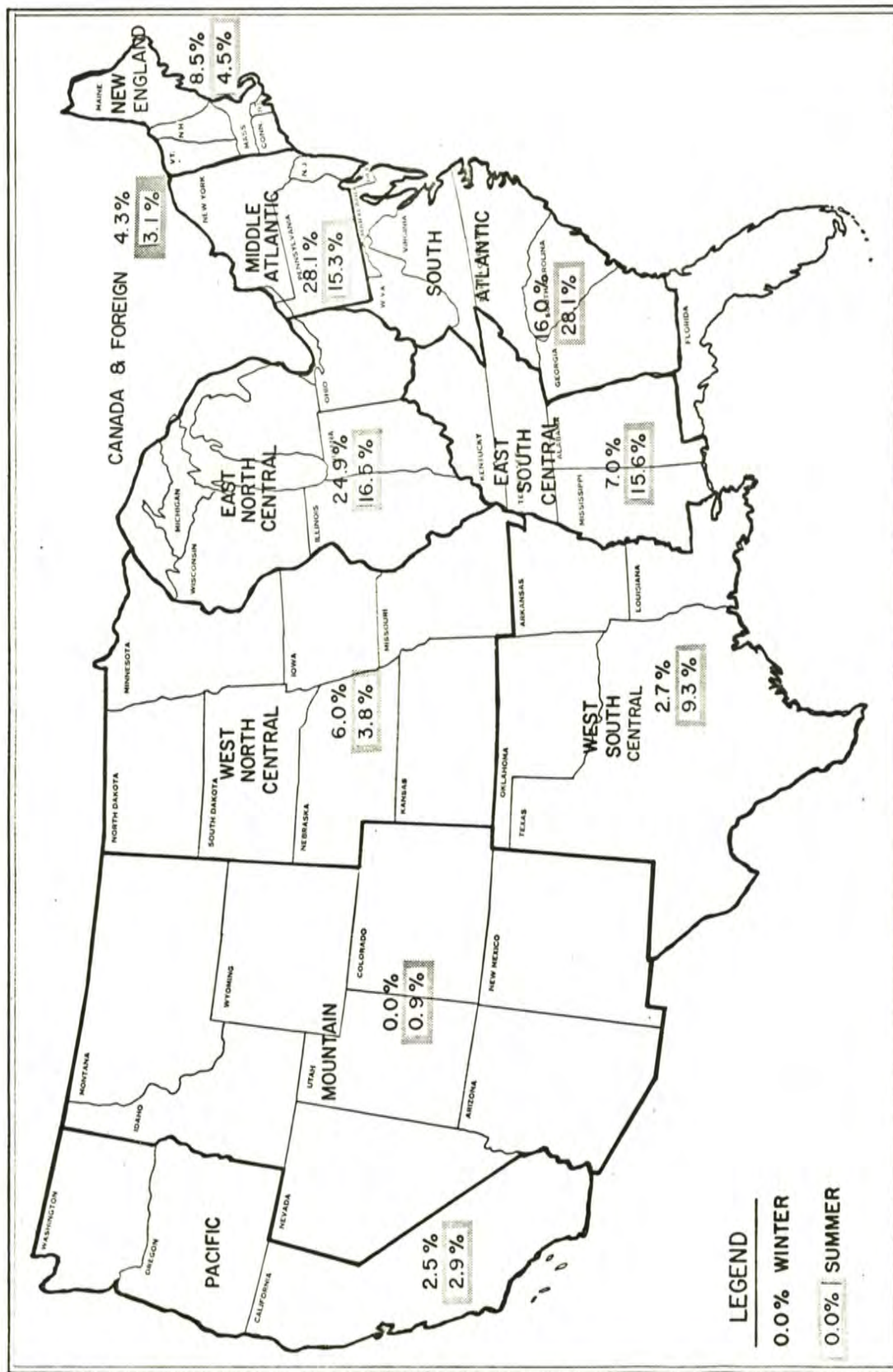
Table I

MONTHLY PATTERN OF OUT-OF-STATE TOURIST ARRIVALS  
IN FLORIDA, 1960 - 1964

<u>Month</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>
January	8.2%	7.5%	7.6%	7.3%	7.2%
February	9.1	7.7	8.3	7.6	7.5
March	7.1	8.1	8.6	8.0	8.4
April	8.4	7.2	8.0	7.9	7.0
May	6.6	6.7	6.7	7.3	7.3
June	10.6	9.4	10.9	10.9	10.4
July	13.4	15.3	12.4	11.2	11.4
August	11.6	10.4	10.7	11.5	11.5
September	4.4	5.5	5.2	6.3	6.7
October	6.5	5.8	6.0	6.1	6.7
November	6.0	6.8	6.5	6.4	6.8
December	8.1	9.6	8.8	9.4	9.0
May - September	46.6	47.3	45.9	47.2	47.3
December - April	53.4	52.7	54.1	52.8	52.7

Source: Florida Development Commission and Economics Research  
Associates.





SOURCE: FLORIDA DEVELOPMENT COMMISSION AND ECONOMICS RESEARCH ASSOCIATES.

Figure 6  
COMPARISON OF ORIGIN OF WINTER AND SUMMER TOURISTS  
IN FLORIDA BY GEOGRAPHIC REGION, 1964

Table II

MODE OF TRANSPORTATION  
USED BY TOURISTS TO FLORIDA,  
JANUARY-DECEMBER 1964

<u>Month</u>	<u>Auto</u>	<u>Plane</u>	<u>Train</u>	<u>Bus</u>
January	77%	16%	4%	3%
February	77	17	3	3
March	77	17	3	3
April	82	13	2	3
May	85	11	2	2
June	87	8	2	3
July	87	8	2	3
August	86	8	3	3
September	84	11	2	3
October	81	13	2	4
November	80	14	2	4
December	79	15	3	3
Total	82%	12%	3%	3%

Source: Florida Development Commission, and Economics Research Associates.



## Destination

Seasonal differences in popularity of destination points in various parts of Florida is partly a response to climate and partly a function of tourists' geographic origin. Until recently tourism in Florida was dominated by Northern vacationers who came in winter, and hence popularized the warmest and southernmost Florida resorts. The habit of patronizing these resorts persisted as summer-time vacationing by Northerners developed, making the Gold Coast, as shown in Figure 7, the single most popular tourist destination in Florida regardless of season.

Florida's northernmost resorts, on the other hand, are closer to the South both geographically and temperamentally than the Gold Coast. They are popular in summer, with principal support provided by vacationers from Southern states. Panama City, the most frequently visited resort in Florida's Panhandle, is the second most popular summer destination in the state. Almost all its visitors come by automobile from nearby Southern states, and 75 per cent of its annual tourist volume is experienced between May and September.

Daytona Beach and resorts in the Jacksonville area are also popular summer vacation spots with Southerners, although they have been more successful than Panhandle beaches in developing other business to balance the year. Their primary orientation to summer, however, is reflected in higher rates for accommodations between May and September, and in the scheduling of dog racing and jai alai in Daytona Beach during these months.

The area designated in this report as Central Florida is hybrid in nature, with points north or south of the tri-county area<sup>1/</sup> sharing similarities with respective neighboring regions. Central Florida as a whole, consequently, experiences relatively little fluctuation in tourist popularity compared with North and South Florida:

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<sup>1/</sup> Including Orange, Osceola, and Seminole counties. .

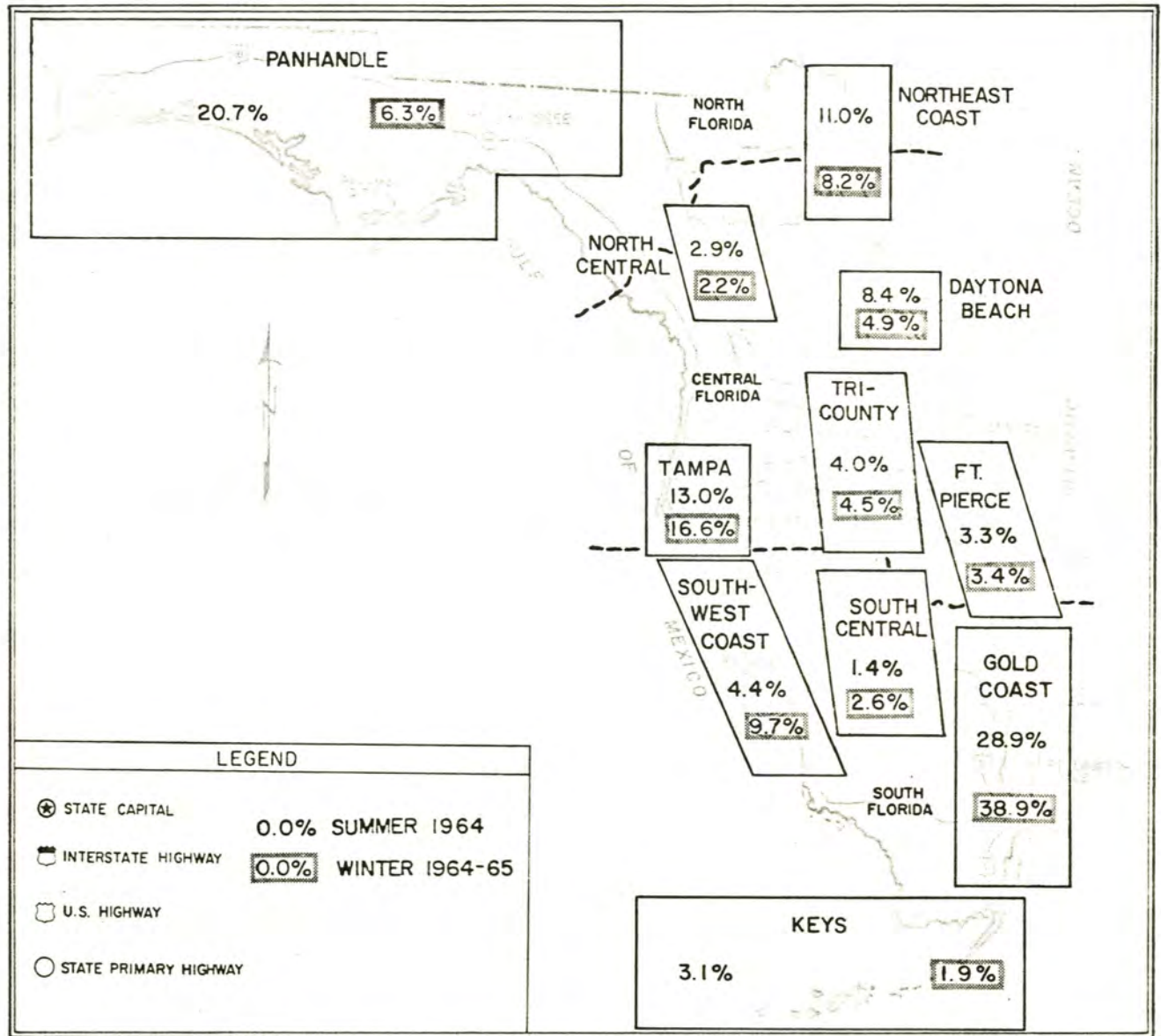


Figure 7

SEASONAL VARIATION IN DESTINATION POINTS  
OF AUTOMOBILE TOURISTS IN FLORIDA, 1964-1965



<u>Destination</u>	<u>Percentage of Tourists</u>	
	<u>Summer</u>	<u>Winter</u>
North Florida	31.7%	14.5%
Central Florida	33.0	34.2
South Florida	<u>35.3</u>	<u>51.3</u>
Total	100.0%	100.0%

### Group Composition

Seasonal differences in composition of groups visiting Florida are presented in Table III. Summer groups are dominated to a greater degree by vacationing families, indicated by larger group size and a greater proportion of children. In winter, when children are in school, tourist groups tend to consist most frequently of adult couples, many of whom are of retirement or semi-retirement age. Approximately 70 per cent of all families with children under 16 visiting Florida come between May and September.

### Duration of Stay

During summer, length of stay in Florida is a relatively short eight days, compared with a more leisurly 13-1/2 days in winter. Two factors operate to keep trips shorter in summer: first, weekend trips to North Florida beach resorts from Georgia and Alabama primarily take place then; and second, families vacationing in summer are generally limited to two weeks, while winter vacationers often are retired or semi-retired couples free to stay the entire season.

### Accommodations

Regardless of season, 58 per cent of Florida's visitors stay in a hotel or motel at their destination, as shown in Table IV. The longer stay prevalent in winter results in more frequent leasing of homes and apartments on a seasonal basis, and in more trailer living. A larger proportion of summer visitors stay with friends or relatives than do winter tourists.

Table III

SEASONAL DIFFERENCES IN COMPOSITION  
OF TOURIST GROUPS VISITING FLORIDA

	<u>Summer</u>	<u>Winter</u>
<u>Average Group Size</u>	3. 3	2. 3
<u>Age-Sex Distribution</u>		
Men	34%	46%
Women	36	44
Children (under 16)	30	10
	—	—
Total	100%	100%

Source: Florida Development Commission, and Economics Research Associates.



Table IV

ACCOMMODATIONS PLANNED AT DESTINATION  
BY WINTER AND SUMMER TOURISTS TO FLORIDA,  
1964

<u>Accommodation</u>	<u>Summer</u>	<u>Winter</u>
Hotel - Motel	58%	58%
Rented house or apartment	5	10
Beach cottage	5	2
Trailer park	3	5
With friends or relatives	25	19
Other	<u>4</u>	<u>6</u>
Total	100%	100%

Source: Florida Development Commission and Economics Research  
Associates.

## Activities

Figure 8 illustrates seasonal variation in activities enjoyed by Florida visitors. Beaches and swimming are of first importance throughout the year, but are of course, more highly regarded during the hot and humid summer than in winter. Also because of temperature differences, participator sports are more popular in winter than summer. Spectator sports, dominated by spring training of major league baseball teams, horse racing, dog racing, and jai alai, are presented primarily during the winter season.

Florida's natural scenery, commercial attractions, and museums are enjoyed more by summer than winter visitors. Rather than a seasonal difference, however, this is the result of a higher incidence of repeat visiting in winter. This is treated more fully later in this section.

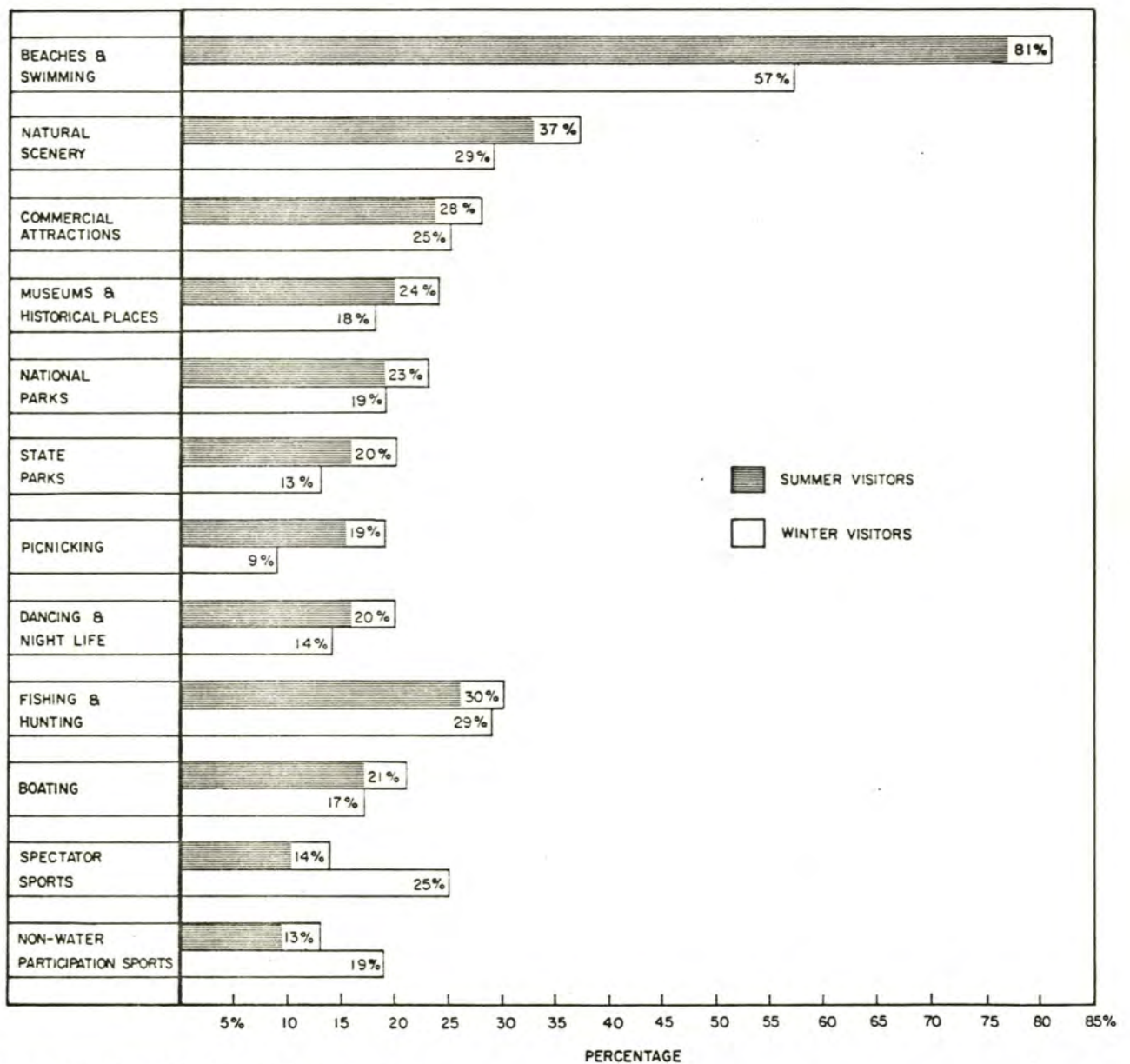
## Expenditures

Table V reveals that tourists in Florida spend an average of \$15.76 per day, or a total of approximately \$500 for an 11-day stay for a party of three persons. Because few Florida vacationers stay with friends and relatives, and because auto travel is so widespread, expenditures for food, lodging, and automotive expenses occupy a prominent place in the travel budget. In keeping with the recreational intent of visiting Florida, however, spending for amusements, souvenirs, and gifts also is important, accounting for about 20 per cent of expenditures on an annual basis.

Florida Development Commission surveys reveal that total per capita spending fluctuates between \$18.12 in winter and \$13.15 in summer, but their records do not provide an itemized breakdown of seasonal differences in expenditure patterns. It is possible, however, to calculate seasonal variation in expenditures for lodging from independent data on prices and tourist accommodation preferences<sup>1/</sup>. Because lodging accounts for 60 per cent of the difference in total winter and summer tourist spending, remaining items can then be established with reasonable accuracy from analysis of influencing factors.

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<sup>1/</sup> See Appendix A.



SOURCE: FLORIDA DEVELOPMENT COMMISSION AND  
ECONOMICS RESEARCH ASSOCIATES.

Figure 8

SEASONAL VARIATION IN ACTIVITIES MOST DESIRED  
AND ENJOYED BY TOURISTS IN FLORIDA, 1964



Table V

SEASONAL VARIATION IN EXPENDITURES OF OUT-OF-STATE  
TOURISTS IN FLORIDA, 1964

<u>Item</u>	<u>Daily Per Capita Expenditure</u>		<u>Per Party Expenditure Per Trip</u>	
	<u>Annual</u>	<u>Winter</u>	<u>Annual</u>	<u>Summer</u>
Food and drink	\$ 4.33	\$ 4.75	\$137.37	\$101.40
Lodging	3.99	5.30	126.59	57.98
Automotive	1.40	1.35	44.41	41.60
Clothing	1.83	2.01	58.04	45.50
Convenience goods	0.65	0.65	20.61	16.90
Services	0.40	0.40	12.69	10.40
Amusements	2.02	2.51	64.09	42.12
Souvenirs and gifts	<u>1.14</u>	<u>1.15</u>	<u>36.18</u>	<u>26.00</u>
Total	\$15.76	\$18.12	\$499.98	\$341.90

Source: Florida Development Commission and Economics Research Associates.

Amusement expenditures, estimated at \$1.57 per capita per day in summer and \$2.51 in winter, are of special concern in planning Project Future. Variation in this category partly reflects activity preferences due to weather. Swimming, requiring little or no outlay, is extremely popular in summer because it is by far the most comfortable pastime in Florida's summer climate. More fundamentally, however, substantial differences in income between winter and summer tourist groups underlie amusement spending patterns, and attendance at a Project Future theme park will be much more a luxury to summer than winter visitors. In terms of current per capita expenditures at Disneyland<sup>1/</sup>, attendance by the typical family visiting Florida in winter would require less than 20 per cent of the amusement budget for the trip, while it would require nearly 40 per cent for the average summertime group.

#### REPEAT VISITING IN FLORIDA

One of the most striking contrasts in tourism to Southern California and Florida is the proportion of repeat visitors: only one-third of Southern California's tourists have visited before, while three-quarters of tourists in Florida have made a previous visit.

Recent data are not available regarding frequency of visitation, but it is well known that Florida enjoys a substantial volume of regular visitors, including many who return annually. The number of previous visits made by automobile tourists entering the state in 1956 is shown in Table VI. Approximately 25 per cent of repeat visitors had been to Florida six or more times, and consequently could be considered more or less regular visitors. In 1956 repeat visiting accounted for only 60 per cent of all tourists compared with 75 per cent at present, suggesting the proportion of frequent visitors to the state has increased in intervening years.

No significant difference is observable in type of accommodations used by first-time and repeat visitors to Florida, as shown in Table VII. While many people visit Florida regularly, hotel and motel accommodations remain overwhelmingly first choice. This is an indication that despite return trips, even visiting on an annual basis does not justify ownership of second homes by more than a very small minority. To be used

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<sup>1/</sup> \$4.70, exclusive of food and merchandise.

Table VI

NUMBER OF PREVIOUS VISITS  
BY RETURN AUTOMOBILE TOURISTS IN FLORIDA,  
1956

<u>Number of Visits</u>	<u>Percentage of Visitors</u>		
	<u>Total</u>	<u>Summer</u>	<u>Winter</u>
20 or more	2.1%	2.2%	2.0%
10 or more	8.5	6.8	9.5
9 or more	9.1	7.3	10.1
8 or more	10.6	8.6	11.7
7 or more	19.8	17.5	21.1
6 or more	24.5	21.5	26.3
5 or more	31.5	28.4	33.3
4 or more	41.5	38.3	43.3
3 or more	56.6	52.5	59.0
2 or more	75.2	71.3	77.5
1 or more	100.0	100.0	100.0
First time visitors	39.5	46.9	35.3

Source: Florida Development Commission, and Economics Research  
Associates.



Table VII

ACCOMMODATIONS PLANNED AT DESTINATION BY  
REPEAT AND BY ALL TOURISTS IN FLORIDA,  
1964  
(percentage)

<u>Accommodations</u>	<u>Repeat Tourists</u>	<u>All Tourists</u>
Hotel	14%	14%
Motel	40	42
Rented house or apartment	9	8
Beach cottage	3	3
Trailer park	5	6
With friends or relatives	23	21
Second home and other	5	5

Source: Florida Development Commission and Economics Research  
Associates.

frequently enough to warrant the investment, second homes generally must be within weekend commuting distance.

### Seasonality

Repeat visiting follows a seasonal pattern: 82 per cent of winter tourists are repeaters, compared with 67 per cent in summer. Florida is a favorite choice of those living in the Eastern United States who take winter vacations, since under prevailing air fares it is the nearest and most cheaply reached subtropical resort area.

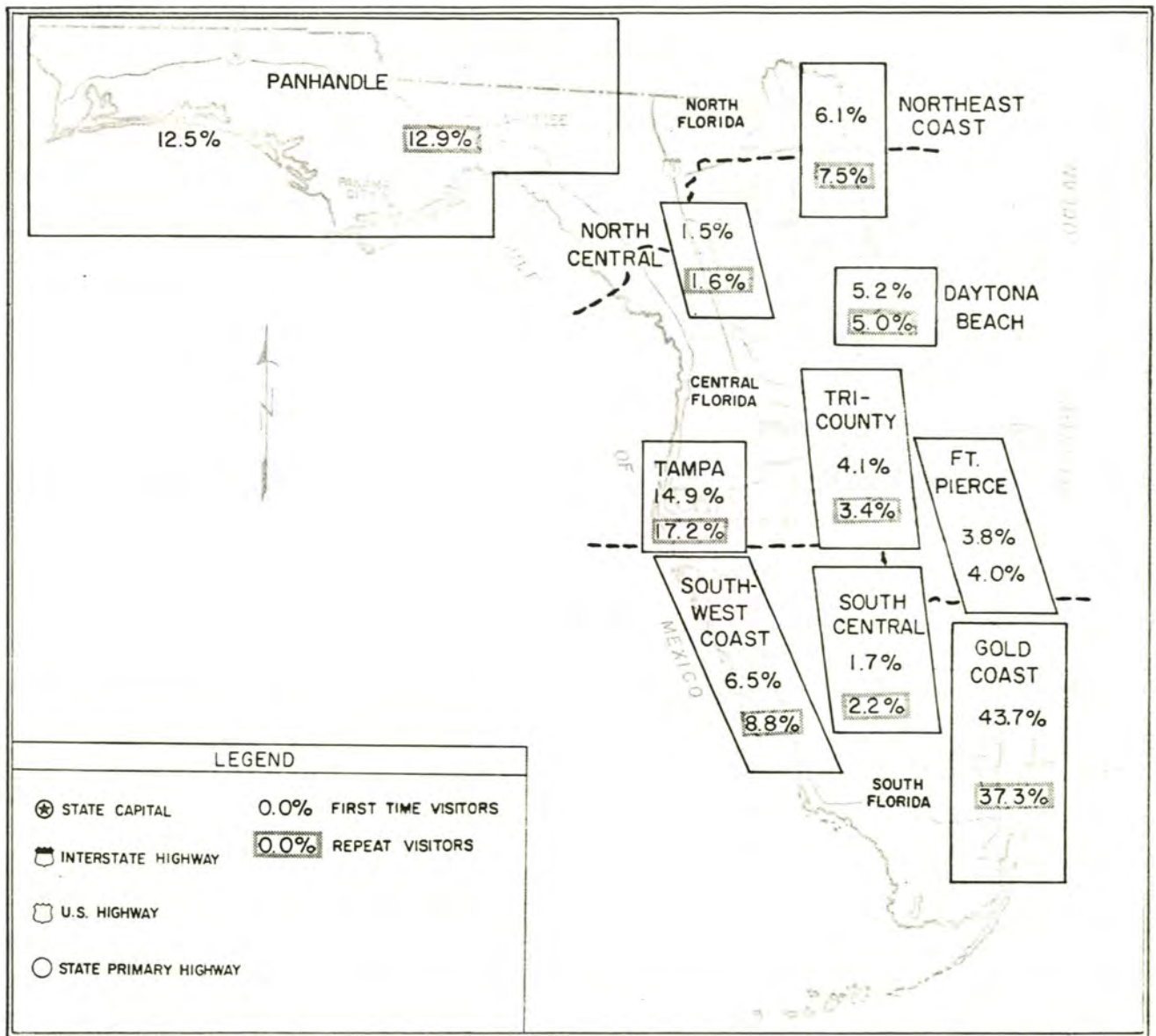
A concomitant of more frequent return visiting in winter is more extensive use of air travel; 15 per cent of repeat tourists arrive by plane, compared with 8 per cent of those who have not visited before.

### Destination

Because return visiting is so prevalent, all Florida destinations are more heavily patronized by repeat than by first-time visitors. Nonetheless, proportions do vary, as Figure 9 demonstrates. The Gold Coast, most popular of all tourist destinations, is a natural choice for the uninitiated, attracting a larger share of first-time than repeat travelers. More experienced visitors tend to seek out somewhat less popular spots like the Southwest Coast and the Tampa - St. Petersburg area. Orlando's tri-county area is not yet a tourist-oriented destination: it attracts almost equally small proportions of repeat and new visitors to Florida.

### Activities

Figure 10 presents a comparison of activities enjoyed by first-time and repeat travelers to Florida. Florida's natural scenery, commercial and historical attractions, parks, and night life are considerably less appealing to those who visit the state often than to those visiting for the first time. Activities like swimming, boating, and spectator sports are about equally enjoyed. The single activity significantly more popular with repeat than first-time tourists is non-water participator sports. This is understandable because repeat visitors are in Florida to a greater extent during cooler weather, and they devote less time to sightseeing.

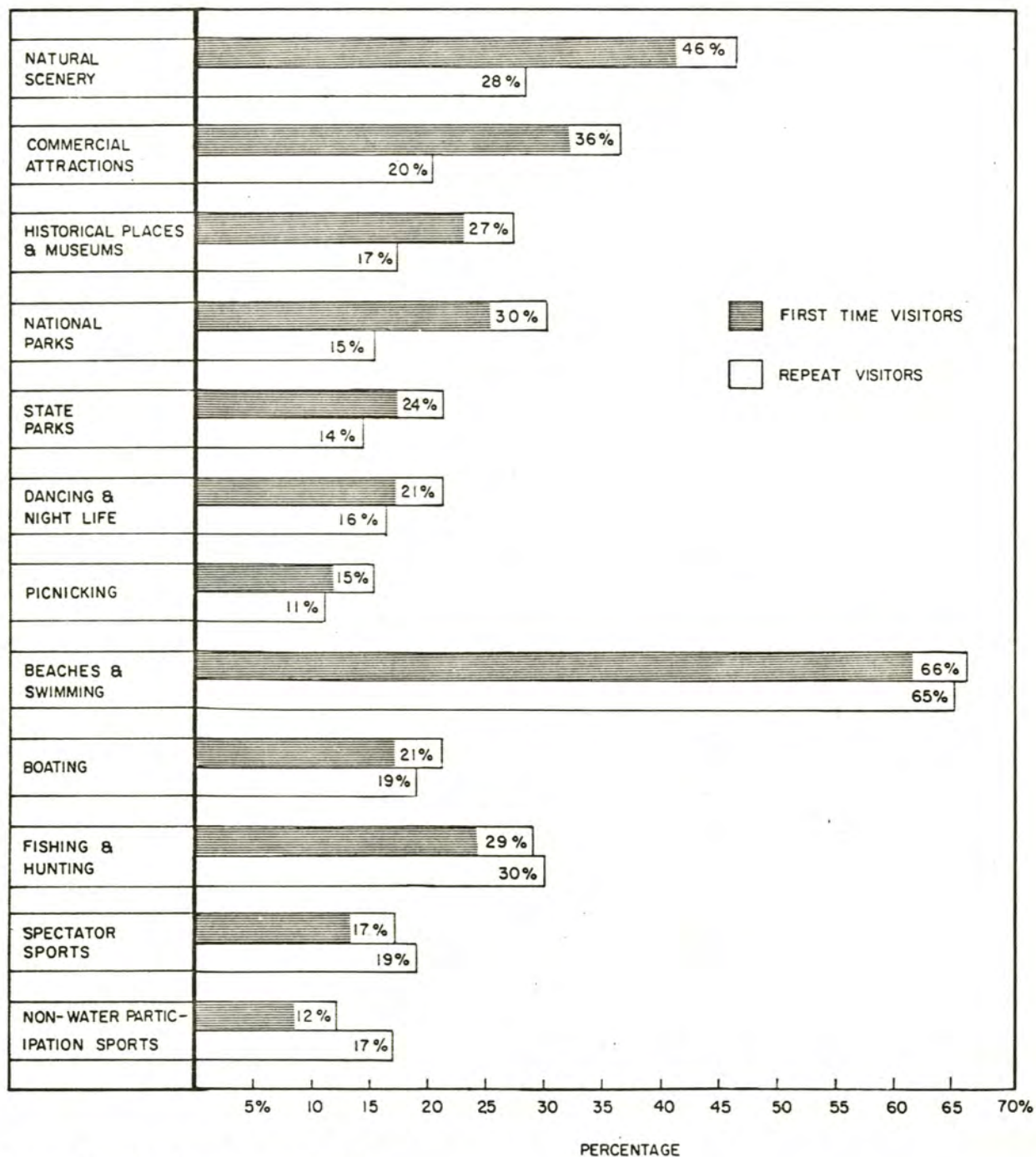


SOURCE: FLORIDA DEVELOPMENT COMMISSION AND ECONOMICS RESEARCH ASSOCIATES.

Figure 9

DESTINATION POINTS OF FIRST-TIME  
COMPARED WITH REPEAT VISITORS TO FLORIDA, 1964





SOURCE: FLORIDA DEVELOPMENT COMMISSION AND  
ECONOMICS RESEARCH ASSOCIATES.

Figure 10

THE EFFECT OF REPEAT VISITING ON ACTIVITIES  
LOOKED FORWARD TO IN FLORIDA, 1964

## CONVENTIONS

Although Florida conventions are not attended entirely by out-of-state visitors, they are related closely enough to tourism to merit analysis in the same context. The Florida Development Commission estimates conventions brought on the order of 650,000 visitors to the state in 1964, both as delegates and accompanying family members. A relatively small portion of Florida's visitors, convention goers nonetheless are important to Project Future as a potential source of destination business as opposed to stopover trade.

### Size and Type

In 1964, approximately 2,100 conventions took place in Florida. State conventions outnumbered other types by a sizable margin, but national gatherings were attended by more delegates and lasted longer. Delegates to national conventions, furthermore, spent an average of \$1.50 to \$2.00 more per day than delegates to state and regional meetings. As a consequence, national conventions in total were almost as profitable as the greater number of state conventions. Table VIII summarizes Florida convention activity for the past year by type of gathering.

It is not possible to gather data on growth of convention activity in Florida for a meaningful period because statistics have not been recorded on comparable bases. The International Association of Convention Bureaus believes, however, that nationwide growth in convention activity over the past decade has resulted primarily from an increased number of state and regional, rather than national conventions. As a consequence, Florida will doubtless maintain its position as a leading choice for national meetings, but will experience greater growth in state and regional activity. As one of the fastest growing states in the rapidly expanding Southeastern portion of the country, Florida has excellent prospects for increased convention business from these sources in the future.

Table VIII

CONVENTION ACTIVITY IN FLORIDA, 1964

	Type of Convention			Total
	National	Regional	State	
Conventions held:				
Number	463	397	1,231	2,091
Percentage	22%	19%	59%	100%
Delegates attending:				
Number	178,164	82,501	303,485	564,150
Percentage	31%	15%	54%	100%
Average number of delegates	385	208	247	270
Average duration (days)	5.31	3.69	3.53	4.11
Total attendance in delegate days:				
Number	946,433	304,231	1,068,521	2,319,185
Percentage	41%	13%	46%	100%
Estimated revenue from conventions:				
Amount	\$30,285,856	\$8,518,468	\$32,589,891	\$71,394,215
Percentage of total	42%	12%	46%	100%

Source: Florida Development Commission, and Economics Research Associates.



### Seasonality

Florida's convention business, regardless of type, is concentrated in two principal seasons, spring and fall. Monthly convention activity in Florida is shown in Table IX by type; Table X provides a comparison of national conventions held on the Gold Coast with those in leading convention cities throughout the nation. The spring-fall pattern is not uncommon nationwide. Winter generally is not a desirable time for conventions because of unpleasant weather and difficult travel conditions, and summer is not because of vacations. Florida naturally tends to get slightly more convention activity than other parts of the country in winter, although conventions are more difficult to book then because hotels are filled with tourists paying top rates and conventions are not encouraged. During Florida's fall period, September, the traditional hurricane month, is generally avoided.

### Location

The Gold Coast now dominates all types of Florida convention business, as Table XI illustrates. Virtually all national conventions are held in the Gold Coast area, as well as approximately one-quarter of state and regional meetings. Jacksonville is the only alternative more popular than the Gold Coast for regional conventions, undoubtedly because in flavor it is the most Southern of Florida's large cities. In 1964 Tampa led in state convention attendance.

### Facilities

Exceptionally well developed convention facilities are an important reason why the Gold Coast attracts so large a share of Florida's conventions, particularly on the national level:

1. Air transportation, extremely important in assembling delegates from all over the country, is far better to Miami than to any other part of the state. It is possible to reach Miami by direct flight from almost twice as many United States and foreign points as any other Florida city.

Table IX

SEASONALITY OF FLORIDA CONVENTIONS, BY TYPE,  
1964

<u>Month</u>	<u>State and Regional</u>	<u>National</u>
January	4%	9%
February	5	5
March	8	4
April	18	11
May	13	11
June	11	7
July	--	6
August	5	13
September	5	7
October	20	15
November	8	12
December	<u>4</u>	<u>-</u>
Total	100%	100%

Source: World Convention Dates, and Economics Research Associates.

Table X

PERCENTAGE OF NATIONAL CONVENTIONS BY MONTH,  
FLORIDA GOLD COAST AND FIVE MAJOR CONVENTION CITIES  
1964

Month	Florida Gold Coast	New York	Chicago	Washington D. C.	San Francisco	Dallas
January	9%	5%	4%	5%	--	8%
February	5	3	8	3	7%	9
March	4	5	7	9	4	7
April	11	6	11	12	11	9
May	11	12	12	13	6	14
June	7	11	8	11	19	9
July	6	10	4	8	5	7
August	13	15	9	8	4	6
September	7	10	10	8	9	9
October	15	14	13	15	13	9
November	12	4	9	4	20	9
December	--	5	5	4	2	4
Total	100%	100%	100%	100%	100%	100%

Source: World Convention Dates and Economics Research Associates.



Table XI

PERCENTAGE OF  
FLORIDA'S 1964 CONVENTION ATTENDANCE  
BY AREA

<u>Area</u>	<u>Type of Convention</u>			<u>Total</u>
	<u>National</u>	<u>Regional</u>	<u>State</u>	
Panhandle	--	3%	7%	3%
Jacksonville	2%	46	16	15
North Central	1	6	6	4
Tri-county	2	5	9	5
Tampa	5	13	29	17
Southwest	1	2	7	4
Gold Coast	89	24	25	51
Scattered	<u>--</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	100%	100%	100%	100%

Source: Florida Convention Bureau, and Economics Research Associates.

2. Miami has two major auditoriums, with capacity for 3,000 persons in one and 9,000 in the other. The auditorium and convention hall at Miami Beach contain 200,000 square feet of space, and can accommodate up to 17,000 persons.
3. With an average of 385 delegates, national conventions require a considerable amount of hotel space, and preference is given to hotels large enough to house all delegates in one place. Miami has six hotels of 250 rooms or more, and Miami Beach 27. The largest hotel in Miami Beach is the Fontainebleu, containing 1,000 guest rooms, 25 meeting rooms, and a ballroom accommodating up to 7,000 persons. With rates for a double room which vary from \$17 to \$28 off-season, and from \$38 to \$55 in season, the Fontainebleu is Florida's leading convention hotel.
4. The large volume of tourist business has helped the Gold Coast develop a glamorous reputation, a strong entertainment orientation, and luxury hotel facilities. Many hotels offer their guests private beaches, swimming pools, gymnasiums, tennis courts, ice skating, bowling, putting greens, golf privileges at Miami's best country clubs, entertainment by top-name talent, and supervised children's programs. Apart from hotels, the Miami area contains nightclubs, dog and horse race tracks, a jai alai fronton, and facilities for all types of outdoor and spectator sports.

Tampa - St. Petersburg and Jacksonville are the only areas outside the Gold Coast which attract a significant share of Florida's conventions. After the Gold Coast, facilities in these areas are the most extensive in Florida. A new and attractive convention hall, central location in the state, and less expensive facilities than the Gold Coast are advantages claimed by Tampa to attract conventions. Jacksonville's convention center, its position as a focus of commerce and industry, and ties with neighbor states are the basis of its convention activity. Lack of modern hotel space in both cities, however, is a limiting factor in development of this business. The only downtown Jacksonville hotel built since World War II is the Robert Meyer, containing 510 rooms. Tampa's largest hotel, the remodeled Floridian, has only 400 rooms.



Orlando, central city of the tri-county area, currently is unable to compete with Florida's leading convention cities because it lacks a convention center and suitable hotel space. The Robert Meyer Motor Inn is the largest new hotel in the city; it contains 250 rooms. Other downtown hotels are old, and motels are too small to house conventions of any size. A new auditorium-theater complex is planned in downtown Orlando which will facilitate handling more and larger conventions than can be accommodated at present.

Apart from facilities directly servicing conventions, Gold Coast cities have devoted considerable money and effort to developing professional convention bureaus to attract business in recognition of its importance to their economies. The Miami Beach Convention Bureau promotes full-time locally, in New York, and in Chicago. Its operating budget last year was \$167,000, exclusive of costs of general publicity and advertising provided by the city and promotional efforts of individual hotels.

#### FUTURE TRAVEL TO FLORIDA

Insight into the rapid increase of tourism in Florida in the recent past and its probable rate of future growth is provided by an analysis of market penetration, presented in Figure 11. Several observations can be made about the existing pattern:

1. Recent increases in tourism were achieved by substantial gains in market penetration in portions of Florida's traditional market -- notably the Midwest and South.
2. Rates of market penetration throughout Florida's market are already extremely high.
3. Propensity to visit Florida is not a simple function of distance. While distance presently is an important factor beyond 1,500 miles, in closer states other influences appear to be more important. Florida's greater market penetration into East Central compared with South Atlantic states, for example, is undoubtedly related to differences in climate and availability of water for recreation.



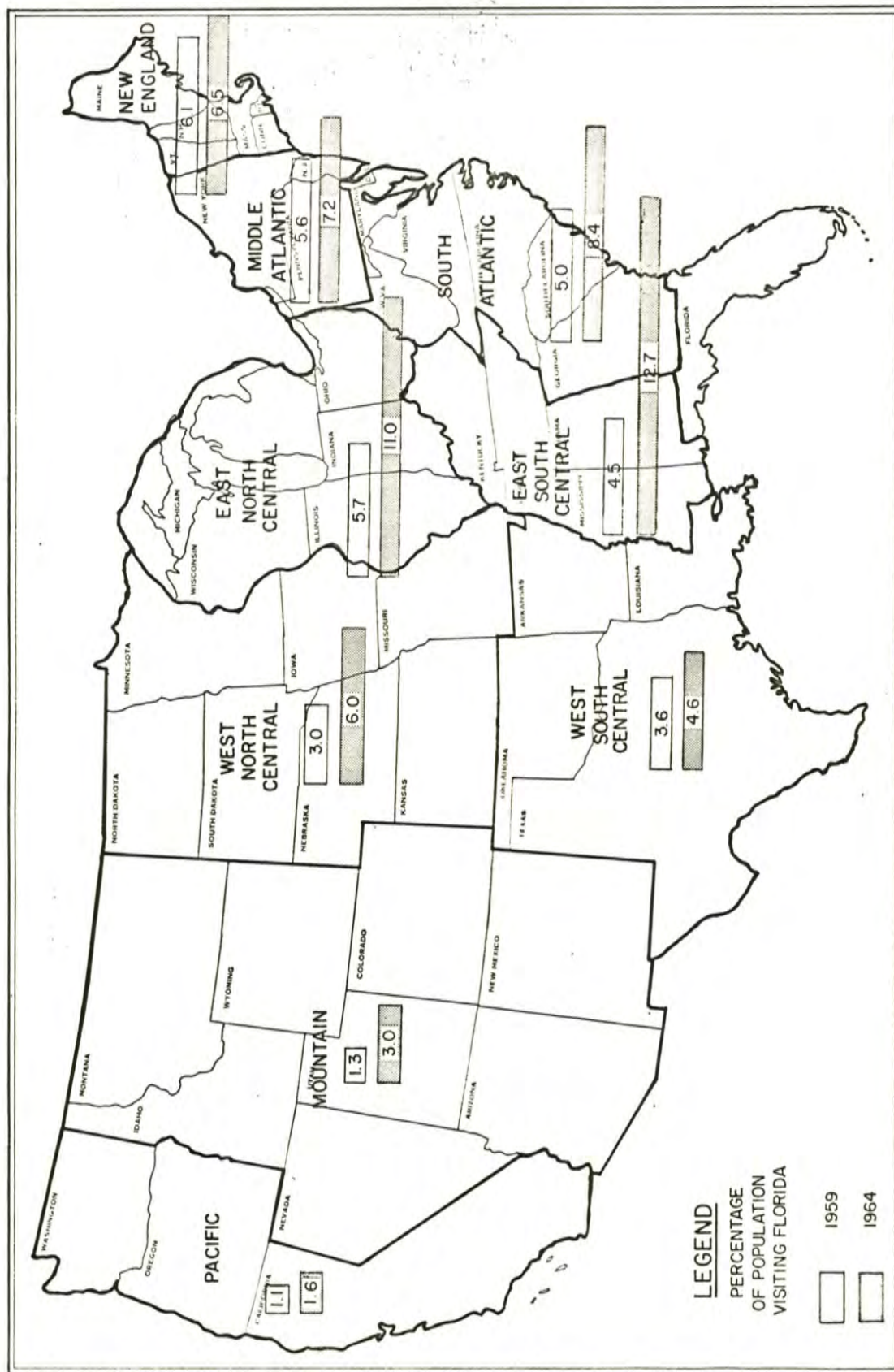


Figure 11

FLORIDA TOURISM'S MARKET PENETRATION  
 BY GEOGRAPHIC REGION, 1959 AND 1964

SOURCE: FLORIDA DEVELOPMENT COMMISSION AND  
 ECONOMICS RESEARCH ASSOCIATES.

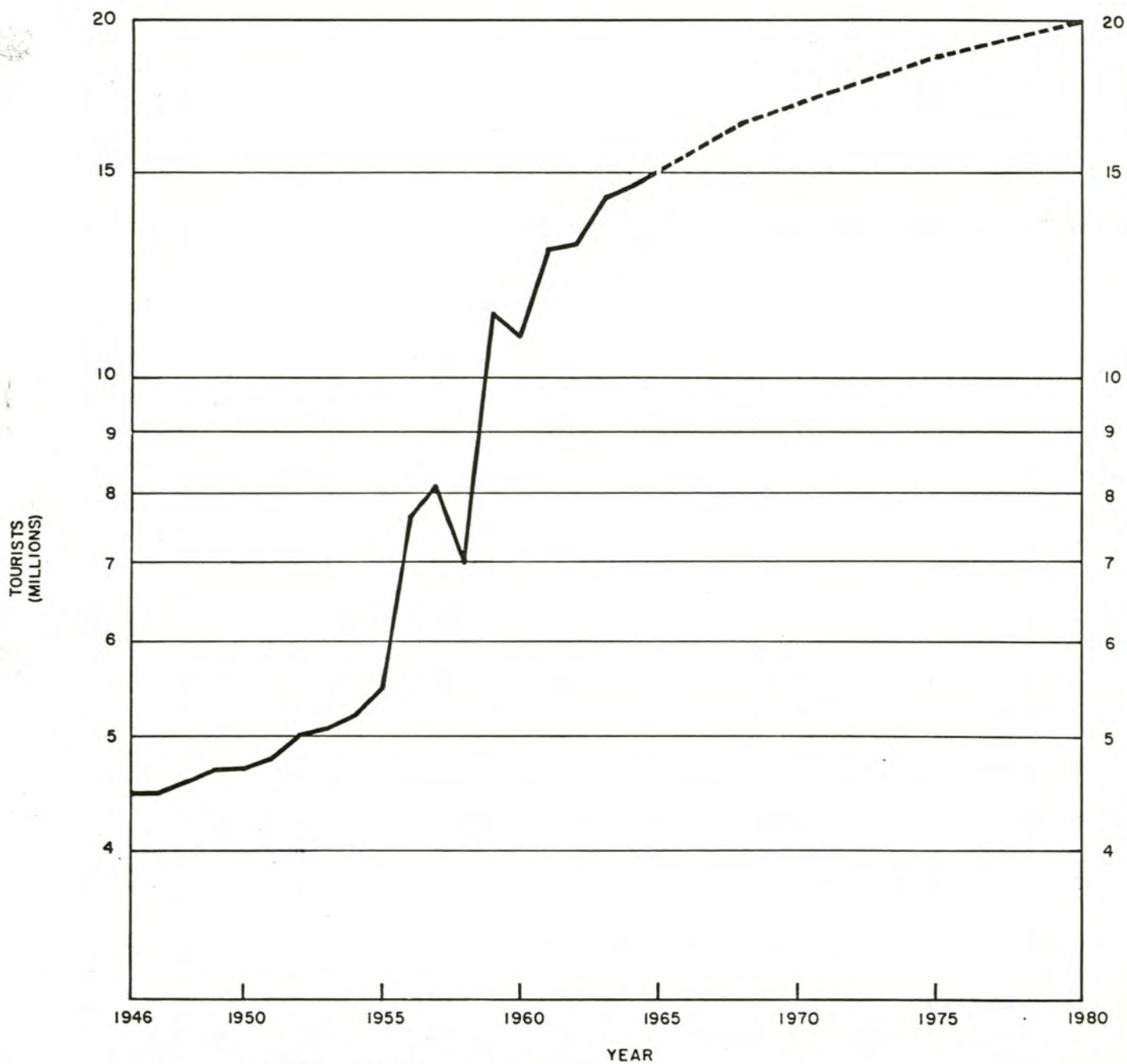
Regarding future growth of tourism, a number of factors will operate over the next ten to 15 years to increase travel to Florida: Project Future will provide the interest of a larger commercial attraction than now available in the state; Interama, if it comes to fruition (as appears likely) will add an additional strong commercial attraction; better roads and cheaper travel will make Florida more easily accessible to a greater number of people; Florida will continue to have the most pleasant winter climate on the heavily populated East Coast; and the number of people retiring in Florida whose family and friends will come to visit them is constantly increasing.

Despite these favorable influences, however, the diminished rate of increase in Florida tourism observable over the past three or four years suggests two extremely negative factors are also at work: market penetration is already so high it will be difficult to increase, and cheaper travel is heightening competition from the Southwestern United States, the Caribbean, and Europe. As a consequence, a much slower rate of increase in Florida tourism can be expected over the next 15 years than was experienced over the last decade. Rather than resulting principally from increased penetration, future growth in tourist volume will depend primarily on population increase in the eastern half of the United States. On this basis, as shown in Figure 12, the number of tourists visiting Florida is projected to increase more slowly in the future, to about 20 million by 1980. Nevertheless, this will represent the largest volume of tourists of any state in the country.

#### IMPLICATIONS OF TOURIST CHARACTERISTICS FOR PROJECT FUTURE

The combination of a large number of tourists, widespread use of the automobile, popularity of South and Central destinations, and recreation motivated travel provides commercial recreation segments of Project Future with excellent attraction potential. With no attempt to project attendance at this point in the report, Table XII shows that a potential audience estimated at almost 11 million persons, or three out of every four tourists, came within a two-hour drive of the subject property in 1964 without the inducement of a major attraction in the area. Exposure to a potential audience this large, and the emphasis placed





SOURCE: FLORIDA DEVELOPMENT COMMISSION AND  
ECONOMICS RESEARCH ASSOCIATES.

Figure 12  
TOURISM IN FLORIDA, 1945-1980



Table XII

TOURISTS IN FLORIDA TRAVELING WITHIN A TWO-HOUR DRIVE OF  
THE SITE LOCATION OF PROJECT FUTURE, 1964  
(in thousands)

Destination in	Mode of Travel					
	Automobile		Plane		Train and Bus	
	Percentage	Number	Percentage	Number	Percentage <sup>1/</sup>	Number
Central Florida	30%	3,575	28%	498	30%	237
Passing through Central Florida while touring or en route South	52	6,197	--	--	36	284
Total	82%	9,772	28%	498	66%	521
					74%	10,791

<sup>1/</sup> Estimated as similar to automobile travel patterns, with allowance for a greater share of destinations in North Florida.

Source: Florida Development Commission, Federal Aviation Agency, and Economics Research Associates.

upon recreation and enjoyment in Florida vacationing are extremely favorable indications of a successful complex of commercial recreation attractions at Project Future.

Less favorable factors are tourist characteristics relating to age and frequency of visit to Florida. As a result of their influence, attendance can be expected to peak in summer when a greater number of children and first-time visitors are present. Success at Project Future, nonetheless, will depend to a considerable extent on the degree to which its amusement complex can attract adults and induce revisiting on subsequent trips, and park design should reflect this requirement. Greater penetration of summertime tourists means Project Future will draw Florida's least affluent visitors. Their travel budget, however, permits expenditure adequate to sustain a successful commercial recreation project.

The site for Project Future was chosen to maximize audience potential for a theme park, and examination of tourist travel patterns shows that the site fulfills this function more effectively than any possible alternative location. It is not, however, a principal tourist destination. Competition from Gold Coast and other popular coastal resorts suggests that only a fraction of those who attend the theme park in Project Future could be induced to lengthen their stay to take advantage of the other facilities. The principal appeal to vacationing tourists for a longer stay, especially in summer, should be made on the basis of water recreation, the most popular tourist pastime, and an activity not competitive with theme park attendance. Conventions are another excellent source of visitors to Project Future, staying longer than overnight.

### Section III

#### THE IMMEDIATE ENVIRONMENT OF PROJECT FUTURE

Two aspects of the immediate environment in which Project Future will be set are essential considerations in project planning and design: the physical features and limitations of the site and the economic base of the local area. Together they form the subject matter of this section.

#### THE SUBJECT SITE

Figure 13 shows the location of the subject property, approximately 15 miles southwest of Orlando on Interstate Highway 4. The property includes a total of 27,400 acres -- about 75 per cent northwest of the highway and 25 per cent southeast.

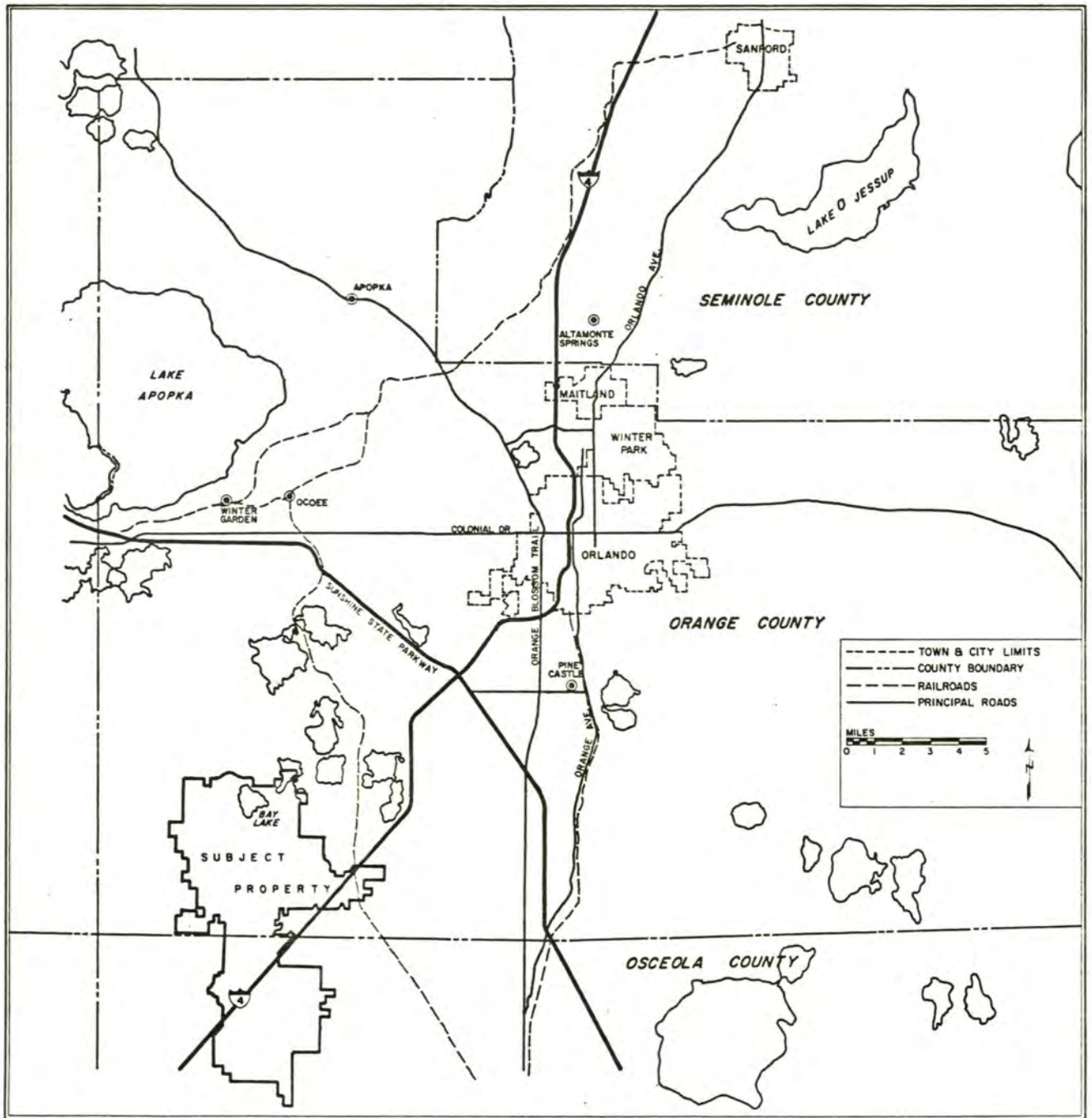
Located in Florida's central highlands, the subject property is generally flat land suitable for citrus, although about half of it is now swamp. The entire perimeter of Bay Lake is within the property boundaries. The lake has a water surface of approximately 450 acres, ranging in depth up to 13 feet. Portions of Lake Mabel and South Lake are also within the boundaries of the subject site.

The principal focus of Project Future will be development of a theme park centered recreation and hotel complex. Physical access and climate, consequently, are important features of the site, described in detail below.

#### Accessibility

When Florida's parkway and interstate highway network is completed, Orlando will be located at its center. The proposed highway system, in its present state of completion, is shown in Figure 14. Because direct access can be provided from Interstate Highway 4 to the subject property, Project Future will have two important advantages over alternative sites:

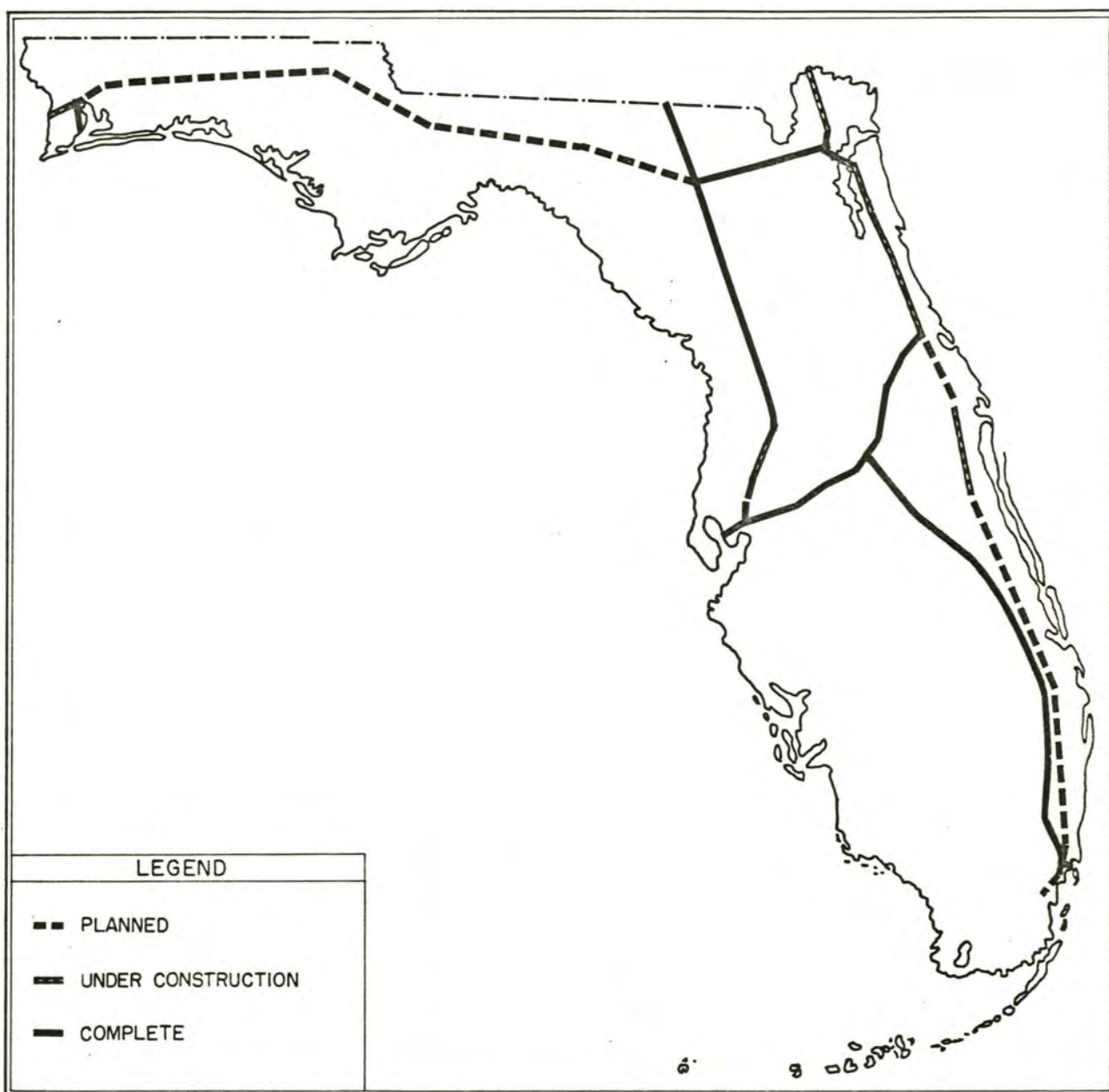




SOURCE: ECONOMICS RESEARCH ASSOCIATES.

Figure 13

THE SUBJECT PROPERTY AND URBANIZED PORTIONS  
OF THE TRI-COUNTY AREA



SOURCE: FLORIDA DEPARTMENT OF HIGHWAYS AND  
ECONOMICS RESEARCH ASSOCIATES.

Figure 14

FLORIDA'S HIGHWAY SYSTEM, 1965



central location in the state and direct superhighway connections to all parts of Florida. These advantages are especially important with respect to tourist potential, since most tourists drive into or through Central Florida, and hence will come within a short and easy drive of the subject site.

Access to Orlando and the subject property is much less advantageous by air than by automobile when compared with other Florida destinations. The city presently is served by two airports: Herndon Municipal, 2-1/2 miles east of downtown, handling all propeller aircraft; and McCoy Air Force Base, on the city's southeastern edge, used exclusively for jet traffic. Herndon Airport, bordered by residential development and several lakes, is not suitable for expansion to a full service facility capable of landing jets. McCoy Air Force Base, on the other hand, is part of the SAC network and is presently under joint use solely as a temporary convenience providing commercial jet aircraft a place to land in the vicinity. In case of conflict, military operations have priority, and can completely suspend civilian flights. Recognizing that continued joint use is unsatisfactory to all concerned, the East Central Florida Regional Planning Council has recommended a new airport be developed in a new location in the general Orlando area.

Regardless of the site which might be chosen for a new airport, access to Project Future undoubtedly would be improved by a new facility capable of better scheduling and handling of passenger traffic. The existing situation, however, presents Project Future with the unique opportunity of providing a site for a new airport. Such an arrangement would be advantageous to all:

1. The community would benefit from a new, full service airport away from densely populated areas, but on a superhighway connecting it with downtown Orlando.
2. Air passengers would benefit from the airport's closeness to what will become the two most frequently selected destinations in the community -- the Martin Company, currently Orlando's major employer, and Project Future itself.



3. Project Future would benefit in increased attraction potential for tourists traveling by air, greater hotel demand, and higher potential for industrial development.

Because it is not now possible to evaluate the probability of successfully arranging for inclusion of a full service commercial airport in Project Future, analyses of various land uses later in this report do not assume such a facility as part of the overall development scheme. Were such a facility to be included, development potential would be considerably enhanced.

### Climate

The subject property shares the climate of Orlando and Central Florida, which generally can be characterized as registering slightly greater temperature extremes and slightly less rainfall than most coastal areas.

Maximum and minimum temperatures for Orlando throughout the year are presented in Table XIII. In summer, maximum temperature in the low 90's is usual; a temperature of 100 degrees or more is a rarity. Maximum temperature in winter is in the low 70's. Frosts do occur, but infrequently.

Winter temperature in the Orlando area and the rest of the state are compared in Figure 15, and summer temperatures in Figure 16. The degree of warmth in winter is almost entirely a function of distance south, accounting for the popularity of southernmost resorts with tourists. In summer, however, temperature is a matter of distance inland, with temperatures several degrees cooler prevailing on the coasts. Neither in winter or summer, consequently, does temperature in Orlando compare favorably with Central and South Florida coastal areas.

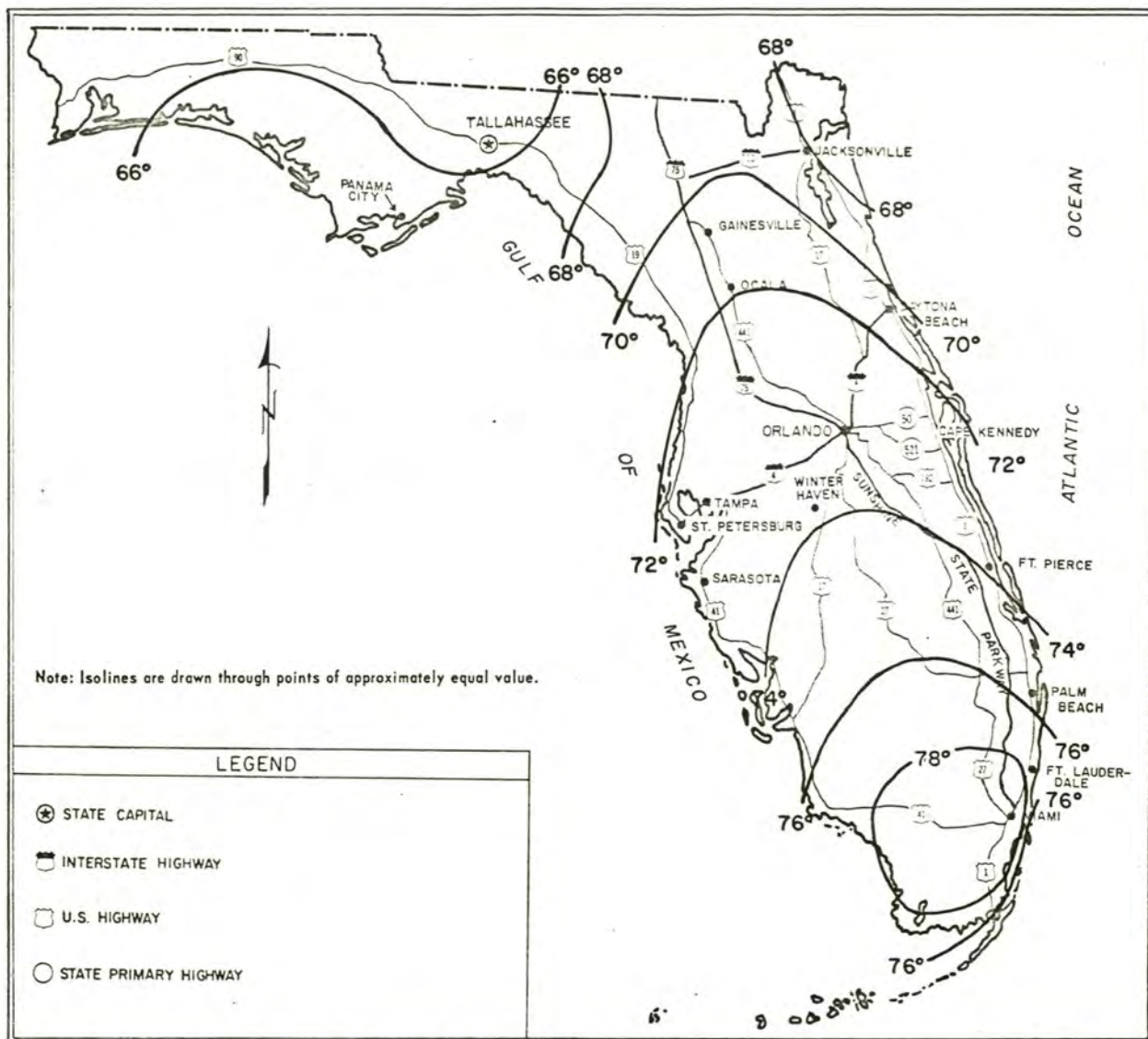
As shown in Table XIV, relative humidity in Orlando is quite high, a characteristic of semi-tropical climates like Florida's. On summer afternoons at 1:00 p. m., close to the hour when maximum temperature is reached, relative humidity is about 50 per cent, its lowest point during the day. Relative humidity remains quite high throughout the year, tending to make winter evenings seem damp and chilly and summer days hot and humid to those accustomed to drier climate. Areas in which the vast

Table XIII

TEMPERATURE AT ORLANDO, FLORIDA  
(degrees fahrenheit)

<u>Month</u>	<u>Climatological Standard</u>		<u>Extreme Temperatures</u>	
	<u>Normal Temperatures</u>		<u>Recorded 1960 - 1964</u>	
	<u>Daily</u> <u>Maximum</u>	<u>Daily</u> <u>Minimum</u>	<u>Highest</u>	<u>Lowest</u>
January	70.7	50.0	87	29
February	72.0	51.7	90	35
March	76.7	55.0	91	33
April	81.5	60.8	94	45
May	87.9	67.2	100	52
June	91.1	71.4	98	62
July	92.0	73.0	100	68
August	92.0	73.5	99	67
September	88.6	71.4	96	63
October	82.6	65.3	95	49
November	75.6	56.2	88	39
December	70.6	51.2	90	20

Source: U.S. Weather Bureau, and Economics Research Associates.

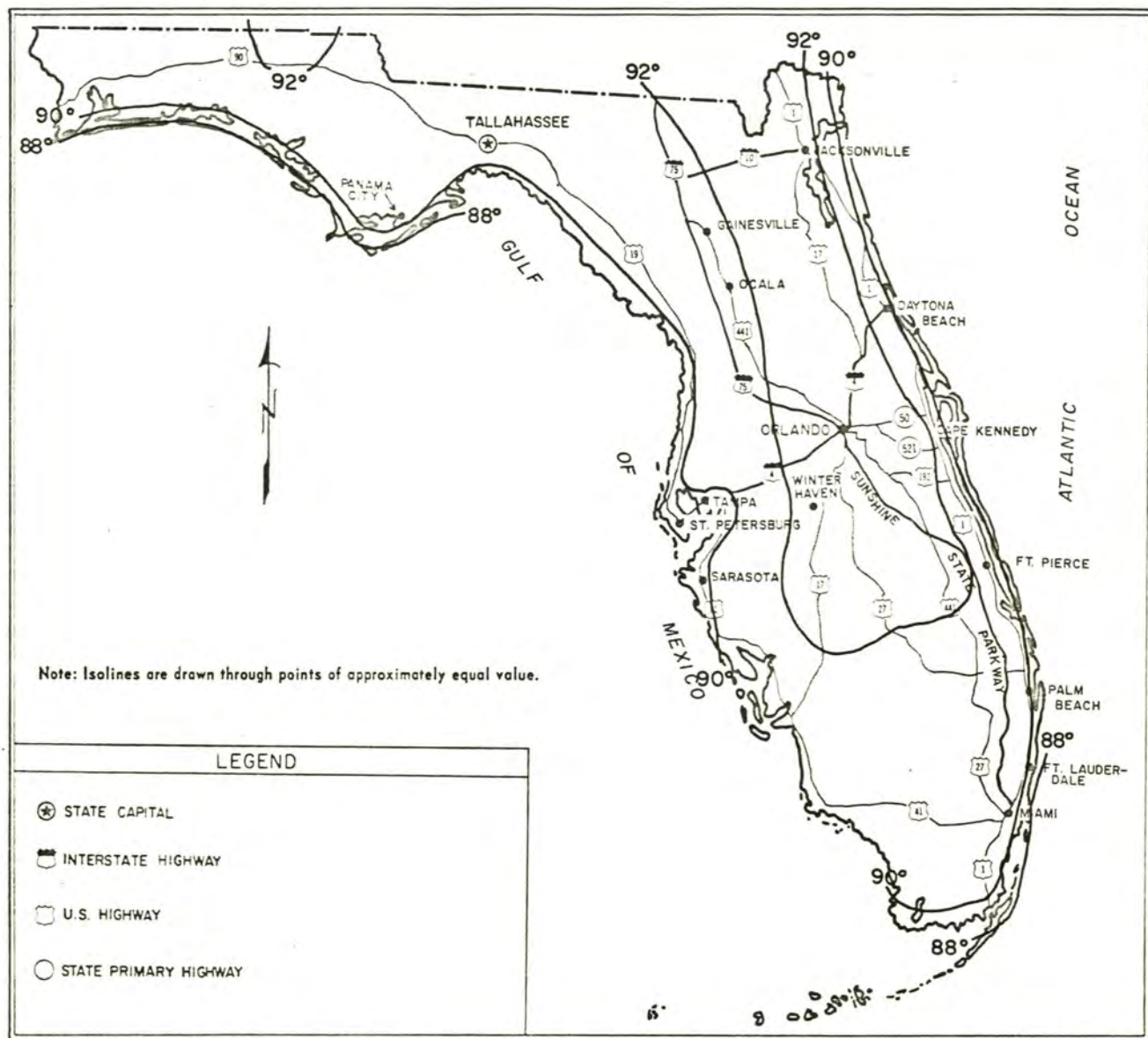


SOURCE: U.S. WEATHER BUREAU AND ECONOMICS RESEARCH ASSOCIATES.

Figure 15

MEAN MAXIMUM TEMPERATURE IN FLORIDA IN JANUARY  
(In Degrees Fahrenheit)





SOURCE: U. S. WEATHER BUREAU AND ECONOMICS RESEARCH ASSOCIATES.

Figure 16

MEAN MAXIMUM TEMPERATURE IN FLORIDA IN JULY  
(In Degrees Fahrenheit)

Table XIV

RELATIVE HUMIDITY AT ORLANDO, FLORIDA  
(Climatological standard normals, based on  
1931 - 1960)

<u>Month</u>	<u>1 a. m.</u>	<u>7 a. m.</u>	<u>1 p. m.</u>	<u>7 p. m.</u>
January	86%	89%	57%	68%
February	86	90	55	65
March	81	88	49	61
April	79	83	42	54
May	84	87	45	61
June	87	89	54	70
July	88	91	53	72
August	91	93	57	76
September	91	93	59	76
October	84	87	50	69
November	85	88	55	71
December	83	84	55	68

Source: U. S. Weather Bureau, and Economic Research Associates.

majority of Florida tourists live year-round, however, experience either greater extremes of temperature or equally humid conditions, so Florida's climate is quite desirable in comparison.

Accompanying Florida's heat and humidity is, by Southern California standards, a considerable amount of rainfall. Table XV shows that Orlando receives an annual total of 51 inches of rain, more than three times as great as Anaheim's 15-inch total.

Nearly half Orlando's annual precipitation falls during June, July, and August. In summer, up to 20 inches of rain have fallen in a single month. Summer rains usually come as afternoon thunder showers, often preceded by cloudless mornings.

Annual rainfall data for Florida are presented in Figure 17. Many areas receive as much as or even more rainfall than Orlando, although it is somewhat better distributed with regard to the tourist season: Daytona Beach, for example, gets less rainfall in summer, and Miami Beach experiences its peak rainfall in September and October, the two least frequently selected months for visiting Florida. In an area receiving as much rain as Florida, bugs and pests are a problem requiring careful control.

Although tropical storms occur relatively often in Florida, Orlando is not in the primary zone of impact, and improved building codes have helped reduce damage associated with their occurrence.

#### LOCAL ECONOMIC BASE

Location of Project Future near Orlando places it in an economic unit composed of three Central Florida counties -- Orange, Osceola, and Seminole. Figure 18 shows the tri-county area in relation to the rest of Florida.

Since World War II, the tri-county area has made significant progress in its evolution from an agriculturally based economy to a better balanced and more urban economic base. Situated in Florida's citrus belt,



Table XV

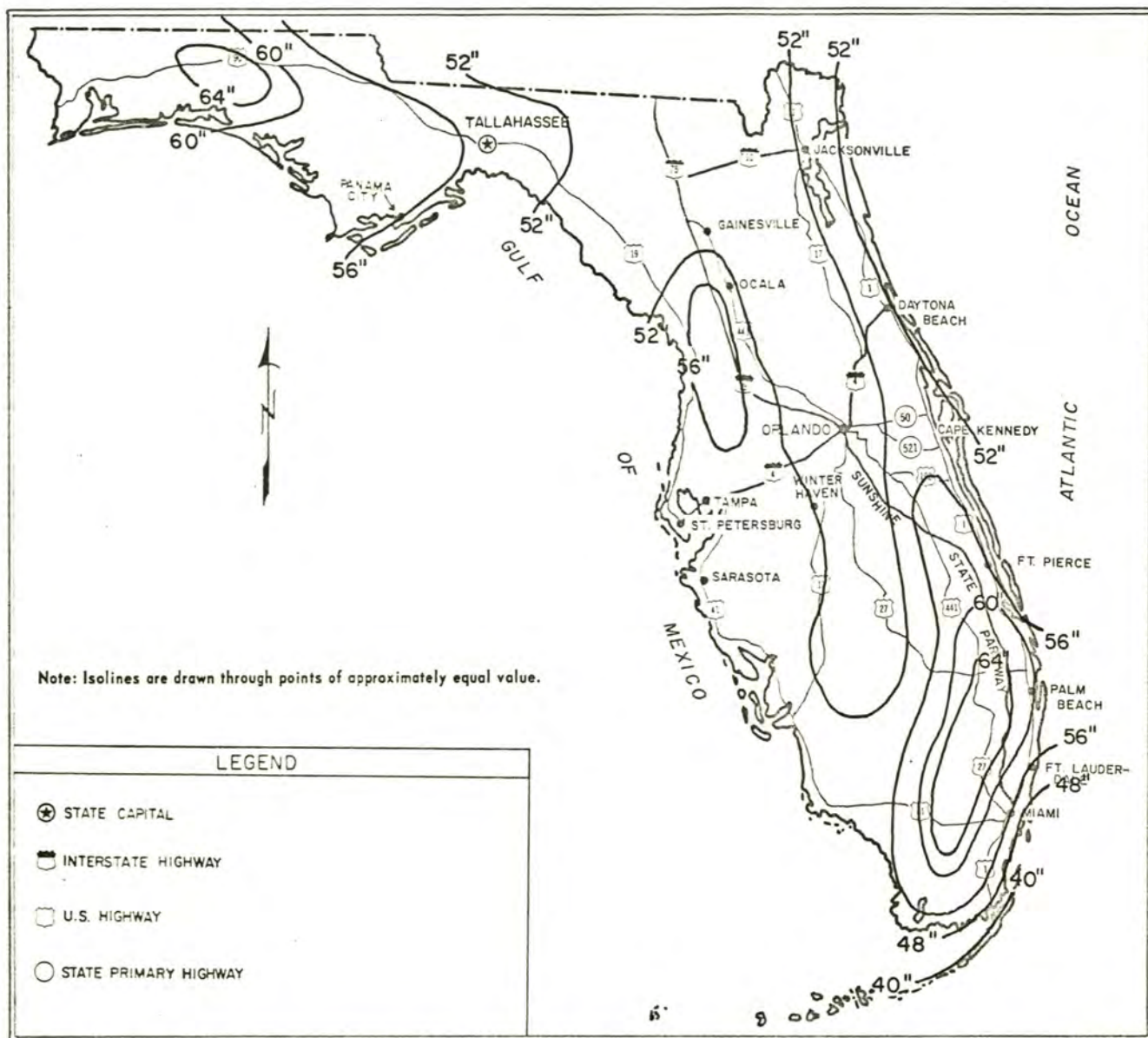
RAINFALL AT ORLANDO, FLORIDA  
(Climatological standard normals, based on 1931 -  
1960; in inches)

<u>Month</u>	<u>Normal Total</u>	<u>Monthly Maximum</u>	<u>Monthly Minimum</u>
January	2.00	6.44	0.15
February	2.42	5.64	0.10
March	3.41	10.54	0.16
April	3.42	6.18	0.28
May	3.57	8.58	0.43
June	6.96	13.70	1.97
July	8.00	19.57	3.83
August	6.94	15.19	3.20
September	7.23	15.87	1.65
October	3.96	14.51	0.46
November	1.57	6.39	0.09
December	<u>1.89</u>	4.30	T
Total	51.37		

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T = Trace, an amount too small to measure.

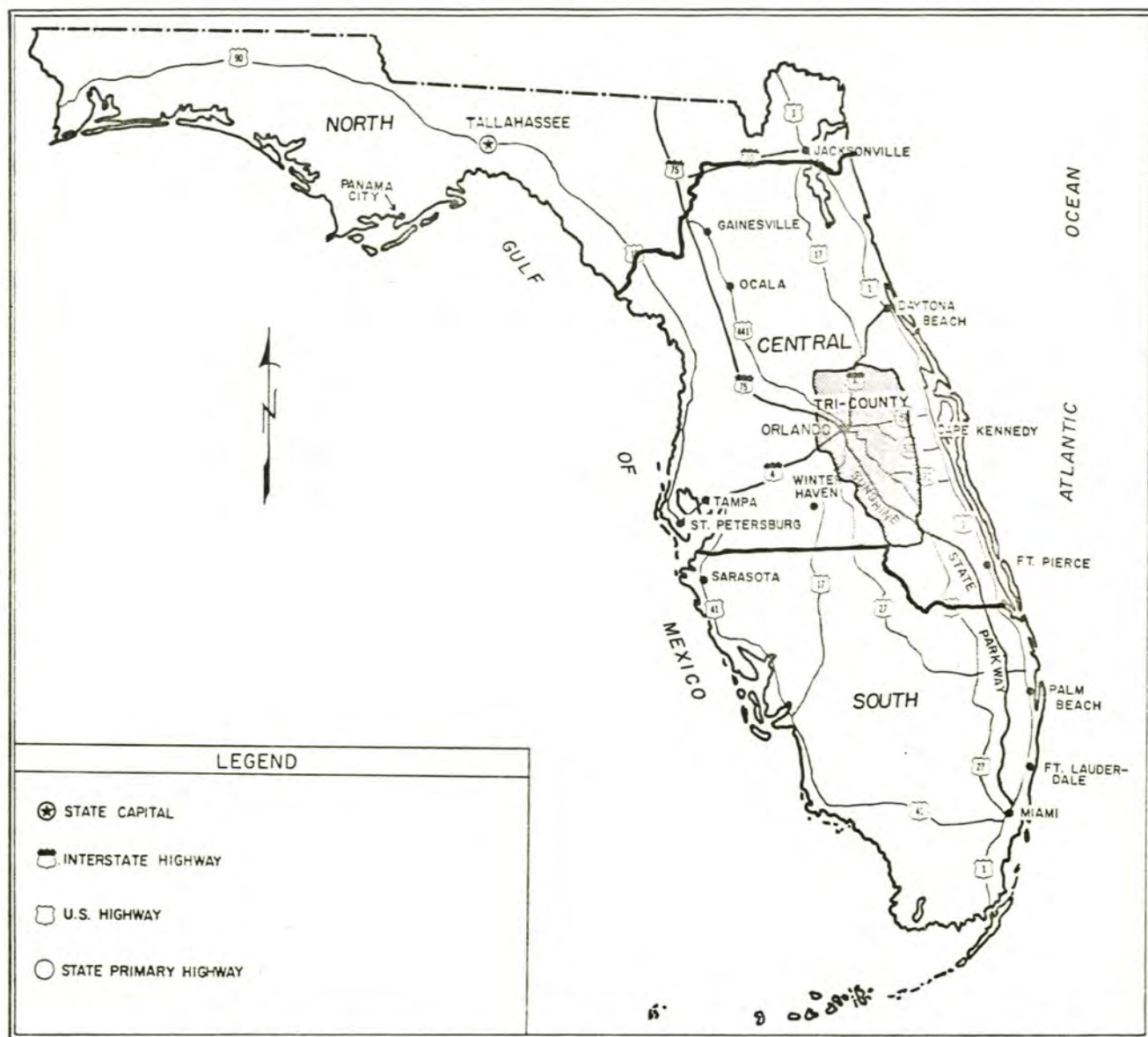
Source: U. S. Weather Bureau, and Economics Research Associates.



SOURCE: U.S. WEATHER BUREAU AND ECONOMICS RESEARCH ASSOCIATES.

Figure 17

MEAN ANNUAL PRECIPITATION IN FLORIDA  
(In Inches)



SOURCE: ECONOMICS RESEARCH ASSOCIATES.

Figure 18

# FLORIDA AND THE TRI-COUNTY AREA



Orlando, the area's principal city, once served largely as the trade and distribution center for surrounding agricultural districts. Establishment of the Air Force Missile Testing Center at Patrick Air Force Base and the Atlantic Missile Range at Cape Kennedy in the early 1950's, however, brought vast changes to Central Florida.

Although the two principal centers of space exploration are outside the tri-county area, Martin Company and other space related firms have headquartered in it, thereby providing an expanded base of manufacturing activity. Moreover, in its role as a trade and transportation center, Orlando shares indirectly in the impact of the space industry on the entire region.

Table XVI shows changes which have occurred in the composition of the tri-county labor force since 1950, as well as those expected through 1980. Similar data for Orange County, California are provided for comparison. Like Orange County, California, the tri-county area is experiencing decreasing agricultural and increasing manufacturing employment, although rate of change in employment is not as rapid in the Orlando area. By 1980 the composition of the labor force in the tri-county area will be much like it was in Orange County, California in 1960. Orlando's established position in the space industry and its location on Florida's highway network will enable the area to attract more industry and further expand its industrial base. Manufacturing can be expected to provide employment for about 25 per cent of Orlando's labor force by 1980.

Service jobs, which decreased in importance in Orlando from 1950 to 1960, will provide employment for an increased share of workers when development of commercial recreation and hotel facilities for Project Future begins in the latter part of the 1960's.

The shifting base of economic activity in the tri-county area will be accompanied by population growth, changes in the composition of the population, and increased wealth of the community. The most important features of these demographic changes are outlined in the following paragraphs.

Table XVI

PERCENTAGE DISTRIBUTION OF EMPLOYMENT BY INDUSTRY GROUP IN  
THE TRI-COUNTY AREA AND ORANGE COUNTY, CALIFORNIA  
1950 - 1980

Industry Group	Tri-County Area				Orange County, California			
	1950	1960	1970	1980	1950	1960	1970	1980
Agriculture	11.9%	8.1%	5.0%	1.0%	11.6%	3.4%	1.4%	0.8%
Manufacturing	9.0	16.0	18.0	25.0	16.9	29.4	30.1	30.5
Contract construction	9.3	10.7	9.0	8.0	10.2	8.5	6.6	6.0
Transportation, communi- cation and utilities	5.4	5.5	5.0	4.5	5.4	4.9	4.7	4.4
Trade	28.4	21.7	21.0	21.0	23.2	19.5	19.7	20.0
Finance, insurance, and real estate	4.9	5.5	6.0	6.5	3.7	4.8	5.2	5.4
Services	25.9	23.5	26.8	24.9	20.0	20.4	22.3	22.8
Public administration	3.4	4.7	4.9	5.1	5.0	4.2	4.4	4.6
Miscellaneous	1.8	4.3	4.3	4.3	4.0	4.9	5.6	5.5
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: U. S. Census, and Economics Research Associates.



### Population Growth

Current population of the tri-county area is nearly 400,000. As shown in Figure 19, very rapid population growth occurred during the 1950's; establishment of aerospace industries in Central Florida provided much of the momentum, in the form of 14,000 to 16,000 new basic jobs for tri-county residents. In contrast to large scale introduction of new industry, the past five years have seen more orderly expansion and addition to the existing economic base. The result has been a slower rate of growth.

The introduction of Project Future into the tri-county economy will produce an effect similar to that which occurred when aerospace industries were first established, but on a smaller scale. As a consequence, rate of population growth will increase through the early 1970's, then level off, and finally decrease again. Population is projected to reach 710,000 by 1980, at average annual increases ranging from 25,000 during Project Future's development period, to 16,000 in the last half of the 1970's.

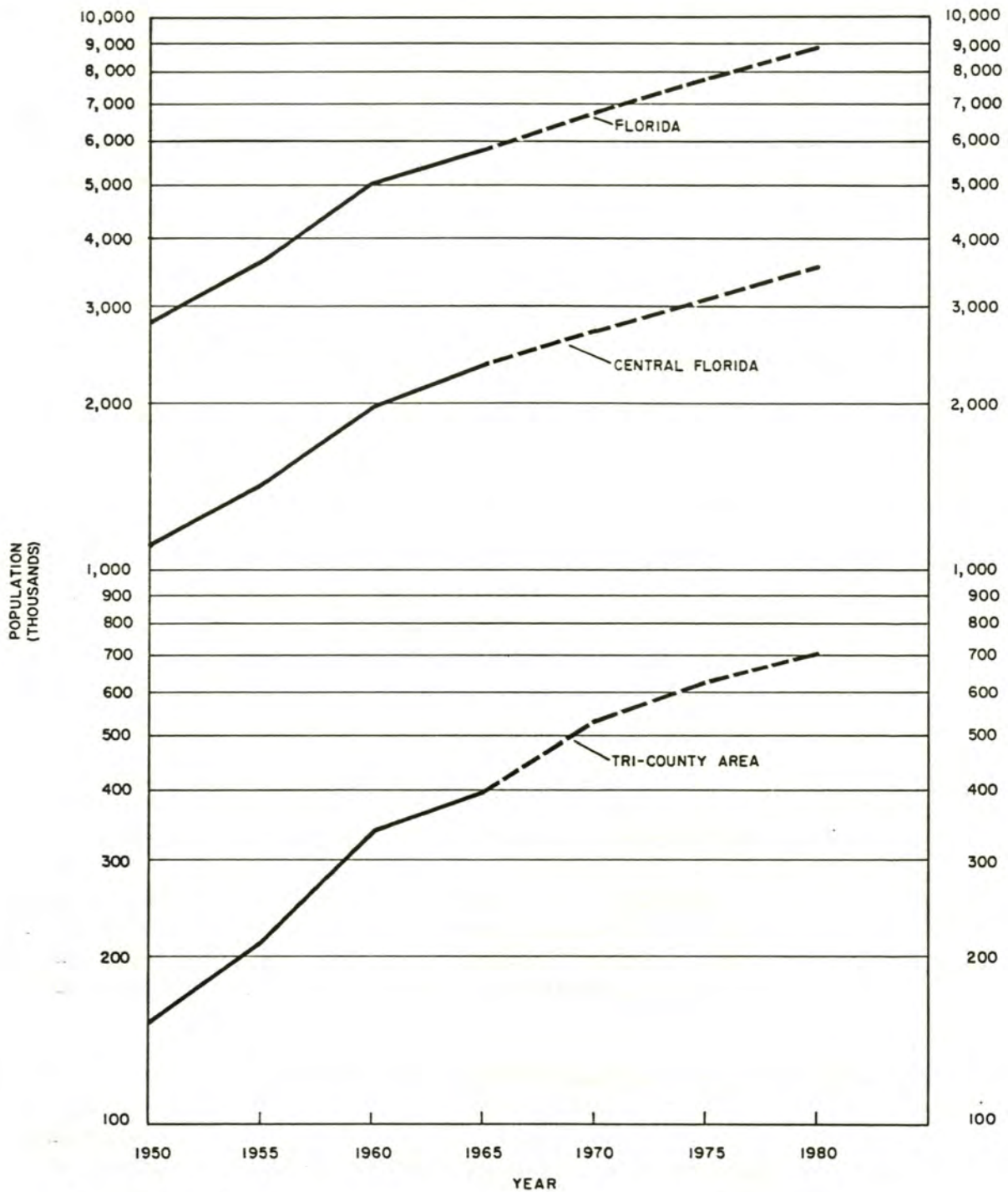
Population growth since 1950 has followed much the same pattern in the tri-county area as in the state as a whole and the Central Florida region. Development of Project Future will produce a more exaggerated effect on the tri-county population growth pattern than on larger areas. Impact of the project will result in tri-county area population constituting a slightly greater share of regional and state population than at present.

In comparison with Anaheim, the location for Project Future offers greater tourist potential, but a much smaller resident population. Disneyland is in a metropolitan complex<sup>1/</sup> of nearly 11 million residents, approximately twice the population of the entire state of Florida. The metropolitan Los Angeles complex includes 28 times as many residents as Project Future's tri-county area.

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<sup>1/</sup> Including six counties: Los Angeles, Orange, San Diego, Riverside, San Bernardino, and Ventura.





SOURCE: U.S. CENSUS AND ECONOMICS RESEARCH ASSOCIATES.

Figure 19

POPULATION TRENDS FOR FLORIDA, CENTRAL FLORIDA  
AND TRI-COUNTY AREA, 1950-1980

## Age

A percentage distribution of age of the population in the tri-county area, the State of Florida, and Orange County, California is shown in Table XVII. Florida's position as a retirement center is reflected in the large proportion of persons at "official" retirement age -- 65 or older. In 1960, 11.2 per cent of Florida's population fell into this category, in contrast with 9.2 per cent in the country as a whole. The tri-county area is not a highly popular choice for Florida retirement, but nonetheless contains a considerably greater proportion of senior citizens than an area like Orange County, California -- 10 per cent versus 6.6 per cent.

No age data more recent than those in Table XVII are available, but it is certain that Florida's climate, proximity to Eastern population centers, relatively inexpensive living, and established retirement communities will continue to attract large numbers of retirees through the next 15 years.

## Income

As shown in Table XVIII, personal income in Florida recently has lagged behind the prevailing level in the United States by \$200-\$300 per capita. While personal income is higher than in other Southeastern states, Florida's relative lack of industrialization and dependence on agriculture and tourism are reflected in the considerable difference between income in the industrial states and Florida. Continued industrialization and diversification of the state economy will help close the gap, but since a large part of Florida's economic support through 1980 will still come from tourism and retirement, income cannot be expected to reach a level comparable with the major industrial states.

The tri-county area is more industrialized than the state as a whole, and is less important as a retirement center than many other Florida communities. Consequently, as the comparison of households by income group in Table XIX shows, the average family living in the tri-county area enjoyed an annual income approximately \$500 greater than the average Florida family in 1960. Based on continued growth

Table XVII

PERCENTAGE DISTRIBUTION OF POPULATION BY AGE  
TRI-COUNTY AREA, STATE OF FLORIDA,  
ORANGE COUNTY, CALIFORNIA,  
1960

<u>Age Group</u>	<u>Tri-County Area</u>	<u>Florida</u>	<u>Orange County, California</u>
16 and under	34.6%	32.7%	38.5%
17 - 64	55.4	56.1	54.9
65 and over	<u>10.0</u>	<u>11.2</u>	<u>6.6</u>
Total	100.0%	100.0%	100.0%

Source: U. S. Census and Economics Research Associates.



Table XVIII

FLORIDA PER CAPITA PERSONAL INCOME  
COMPARED WITH SELECTED AREAS  
(IN 1963 DOLLARS)

<u>Area</u>	<u>Year</u>				
	<u>1950</u>	<u>1958</u>	<u>1960</u>	<u>1962</u>	<u>1963</u>
United States <sup>1/</sup>	\$1, 205	\$1, 924	\$2, 232	\$2, 328	\$2, 448
Florida	1, 042	1, 738	1, 996	2, 030	2, 157
Rest of Southeast <sup>2/</sup>	820	1, 361	1, 737	1, 658	1, 774
Major industrial states <sup>3/</sup>	1, 388	2, 164	2, 508	2, 592	2, 825
Rest of nation	1, 158	1, 880	2, 057	2, 318	2, 226

<sup>1/</sup> Excluding Alaska and Hawaii

<sup>2/</sup> Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia.

<sup>3/</sup> California, Illinois, Massachusetts, Michigan, New Jersey, New York, Ohio, Pennsylvania, and Texas.

Source: U. S. Statistical Abstract, 1961; Survey of Current Business, 1964; and Economics Research Associates.

Table XIX

HOUSEHOLD INCOME DISTRIBUTION,  
FLORIDA AND TRI-COUNTY AREA, 1960

<u>Income Group</u>	<u>Florida</u>	<u>Tri-County Area</u>
Less than \$3,000	28.5%	22.3%
\$ 3,000-\$4,999	24.9	25.1
\$ 5,000-\$5,999	11.4	11.8
\$ 6,000-\$6,999	8.9	9.2
\$ 7,000-\$9,999	15.2	17.6
\$10,000 and over	11.1	14.0
Median income	\$4,722	\$5,222

Source: U. S. Census and Economics Research Associates.

of the industrial base and the introduction of Project Future into the local economy, household income is forecast to increase about 2 per cent per year to a median value of \$8,150 by 1980 (in constant 1960 dollars). Expected gains in income will result in the percentage distribution of income shown in Table XX.

Neighborhood patterns of income distribution in the urban portion of the tri-county area are shown in Figure 20. Project Future, located well outside the presently populated area, is about 15 miles south of downtown Orlando. High income areas are in the opposite direction: north and northeast of downtown. The southwest quadrant houses a high proportion of Orlando's nonwhite population, and therefore is generally characterized by relatively low income families.

While the site is distant from existing urban development and will be completely buffered from surrounding areas when developed, it is apparant that the general trend in better residential development is in the opposite direction from Project Future.

#### IMPLICATIONS FOR PROJECT FUTURE OF ITS IMMEDIATE ENVIRONMENT

The favorable position of Project Future on Florida's developing interstate highway network provides excellent potential for attracting the large volume of tourists traveling by automobile in the general area. The potential tourist audience of 11 million visitors annually passing within a two-hour drive of the site is much greater than the 2.5 million residents living in the tri-county area, indicating Project Future will be heavily dependent on tourist support. Development of a full service airport on the subject property would provide advantages for Project Future with respect to air traffic similar to those it will enjoy for highway travel.

Because peak attendance is expected in summer when Orlando experiences seven to eight inches of rain per month, at least some weatherizing is indicated. Extensive portions of the theme park should be covered, and, in some cases, air conditioned.



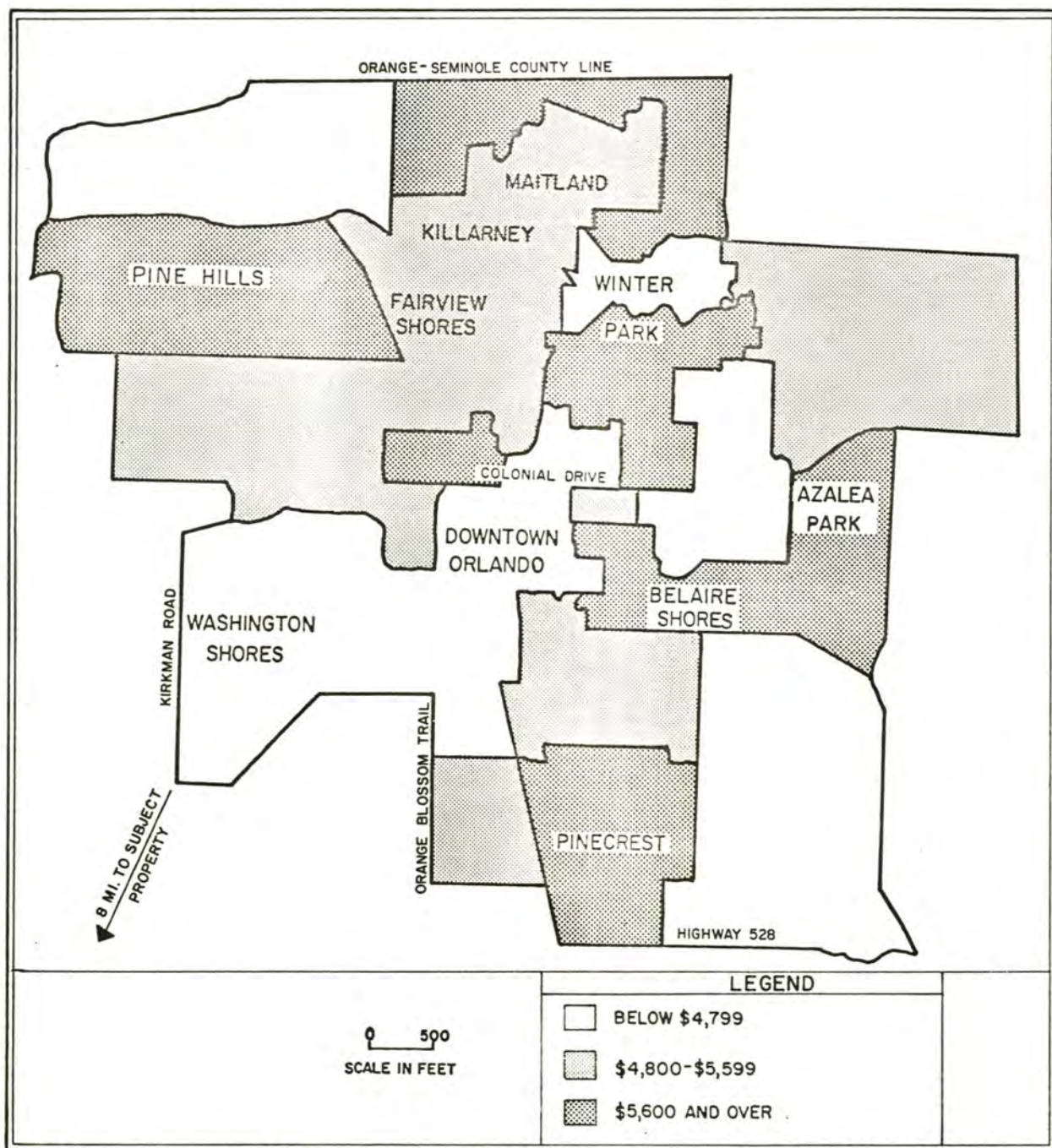
Table XX

HOUSEHOLD INCOME DISTRIBUTION, TRI-COUNTY AREA  
1960-1980

<u>Income Group</u>	<u>1960</u>	<u>1965</u>	<u>1970</u>	<u>1975</u>	<u>1980</u>
Less than \$3, 000	22. 3%	16. 5%	11. 5%	6. 5%	3. 0%
\$ 3, 000-\$ 4, 999	25. 1	22. 0	19. 5	15. 0	12. 0
\$ 5, 000-\$ 5, 999	11. 8	14. 0	12. 0	11. 5	8. 5
\$ 6, 000-\$ 6, 999	9. 2	10. 0	12. 0	13. 0	11. 5
\$ 7, 000-\$ 7, 999	7. 7	9. 0	10. 0	11. 5	14. 0
\$ 8, 000-\$ 9, 999	9. 9	12. 0	15. 0	18. 0	19. 5
\$10, 000-\$14, 999	9. 3	11. 5	13. 5	17. 0	22. 5
\$15, 000 and over	<u>4. 7</u>	<u>5. 0</u>	<u>6. 5</u>	<u>7. 5</u>	<u>9. 0</u>
Total	100. 0%	100. 0%	100. 0%	100. 0%	100. 0%
Median income	\$5, 220	\$5, 840	\$6, 520	\$7, 290	\$8, 150

Note: Reflects constant 1960 dollars.

Source: U. S. Census, Sales Management, and Economics Research Associates.



SOURCE: U.S. CENSUS AND ECONOMICS RESEARCH ASSOCIATES.

Figure 20

MEDIAN INCOME OF FAMILIES  
AND UNRELATED INDIVIDUALS,  
URBAN PORTION OF TRI-COUNTY AREA, 1960

The economic base of the three-county area in which Project Future is to be located is relatively small. As a consequence, Project Future will have considerable impact and will initiate considerable growth. By the same token, however, the relatively small economic base limits industrial and residential development potential in the near term, compared with possibilities for commercial recreation.



## Section IV

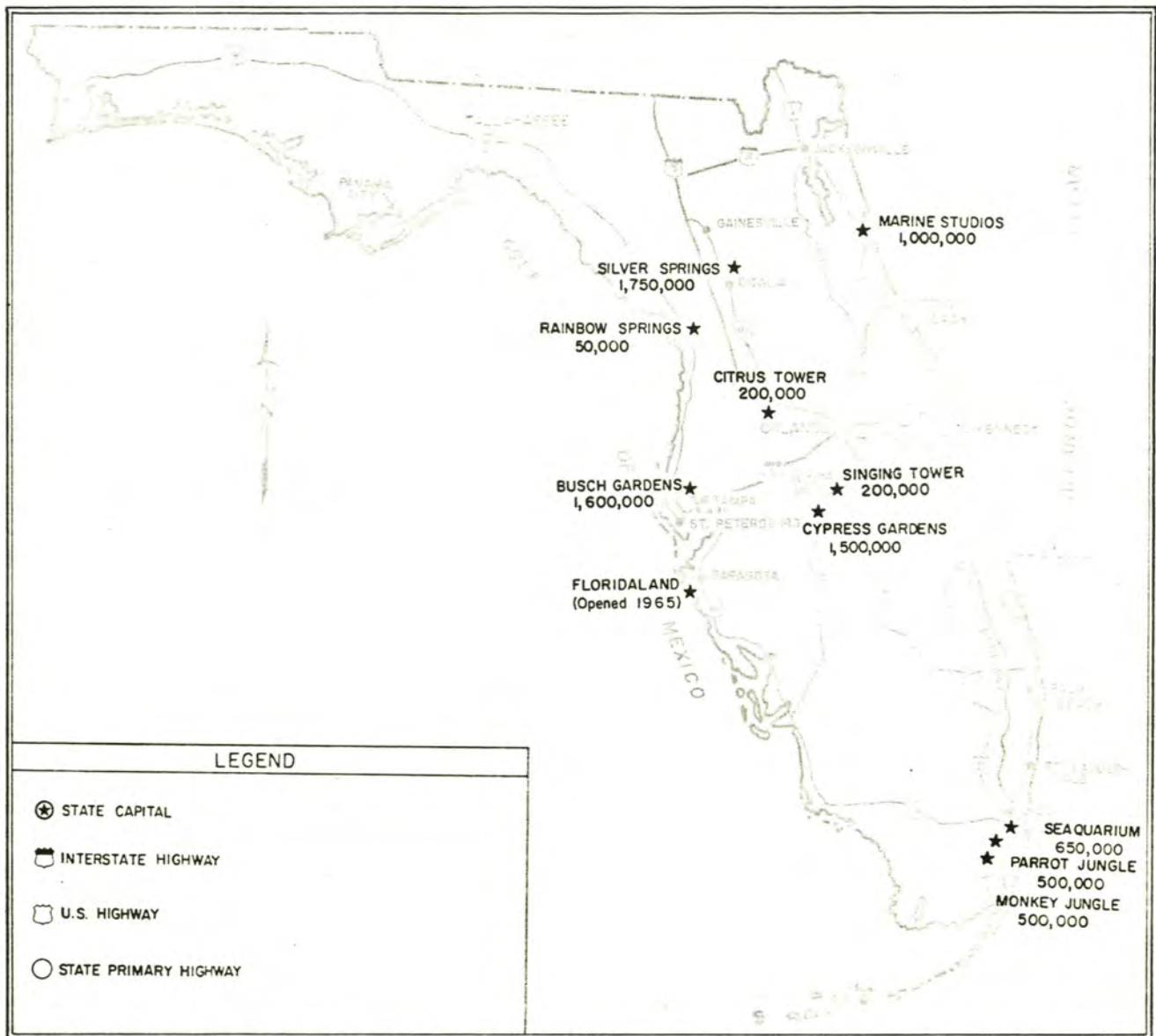
### THEME PARK DEVELOPMENT POTENTIAL

The two previous sections of this report evaluate audience characteristics influencing potential attendance at a commercial recreation complex at Project Future. Drawing upon these analyses, the purpose of this section is four-fold:

1. To evaluate relationships between audience characteristics and attendance at established Florida attractions.
2. To develop estimates of attendance at the proposed theme park in sufficient detail to provide a basis for preliminary physical planning.
3. To determine planning parameters for that part of the physical plant dependent upon expected attendance levels.
4. To estimate potential revenue as a foundation for detailed financial planning.

### ESTABLISHED COMMERCIAL ATTRACTIONS

Figure 21 pinpoints major commercial attractions in Florida and lists the most recent estimates of attendance available for each. Themes of these attractions are generally quite similar, some of them copied from Disneyland. The most frequently repeated element is related to water -- an underwater show, glass bottom boat ride, an aquarium, or water skiing. Newer attractions tend to incorporate a Western or ghost town or Indian village theme, and sometimes feature variations of appropriate Disneyland rides. Busch Gardens, principally a bird and zoological park, is currently installing the first monorail in Florida.



SOURCE: ECONOMICS RESEARCH ASSOCIATES.

Figure 21

ANNUAL ATTENDANCE AT PRINCIPAL  
RECREATION ATTRACTION IN FLORIDA, 1964



Prices at more frequently attended parks are relatively high for attractions too often characterized by static exhibits, little visitor participation, and a relatively short visitor stay. Silver Springs is the most expensive, charging \$3.40 for adults and \$1.75 for children. Others of any size charge \$2.00 or \$2.25 for adults and slightly more than half that for children. At most attractions admission is the only entertainment charge; rides and shows cost nothing extra. Busch Gardens, run as a promotional service is free.

Location and access at all existing attractions is less favorable than at the site acquired for Project Future, involving in several instances side trips of 15 miles or more from major highways.

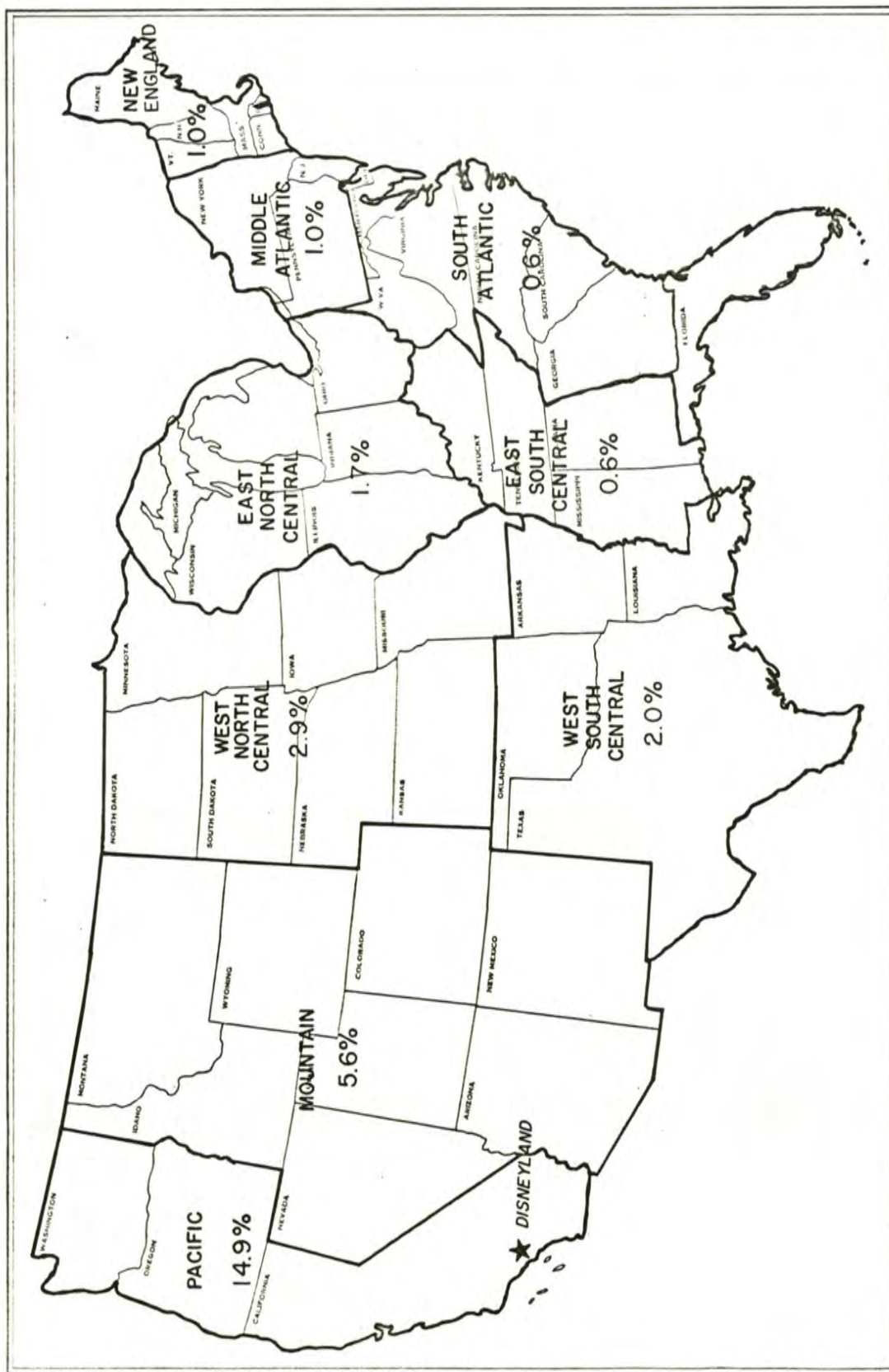
Silver Springs, Busch Gardens, and Cypress Gardens are currently the most successful attractions in the state. All are located in Central Florida. Investment at each is less than \$8 million, and attendance ranges between 1.5 and 2 million persons per year. They presently attract attendance of only 7 to 10 per cent of their total potential audience annually, a very poor showing compared with market penetration rates of 20 to 35 per cent achieved at parks like Disneyland, Six Flags Over Texas, and Knott's Berry Farm, but quite respectable considering the small investment and the age, sophistication, and frequency of visit of the Florida tourist.

### THEME PARK ATTENDANCE

Sections II and III indicate that the relationship between the subject site and tourist travel is highly favorable for potential tourist attraction to Project Future: 75 per cent of all out-of-state visitors presently pass within a two-hour drive on a trip whose principal purpose is recreation and entertainment. Existing commercial recreation attractions in less accessible locations in Central Florida draw sizable audiences despite low investment and limited content, and should easily be surpassed by Project Future.

In addition to favorable location and limited competition, a circumstance favoring large attendance volume at Project Future is revealed by Figure 22. Although most travelers to Florida know of Disneyland, its market penetration in the Eastern United States on an





SOURCE: DISNEYLAND AND ECONOMICS RESEARCH ASSOCIATES.

Figure 22

# DISNEYLAND'S ANNUAL PATTERN OF REGIONAL MARKET PENETRATION

annual basis is relatively low. As a consequence, it is estimated that only 5 to 10 per cent of Florida's tourists have ever attended the Anaheim park, and previous exposure to Disneyland attractions will not act to restrict attendance at Project Future.

While almost all available evidence suggests high market penetration into the tourist audience by the Project Future theme park, there are important indications that penetration will be lower than Disneyland's and more difficult to maintain after the first several years of operation. First, Florida's resident population is very small relative to the number of tourists visiting the state. The reverse is true in Southern California, with the result that many visitors are hosted by residents, encouraging and facilitating tourist attendance at local attractions. Second, Florida entertains a significant proportion of adult travelers who visit the state relatively often. Although adults compose two-thirds of attendance at Disneyland and penetration among repeat visitors to Southern California is a high 30 per cent, the situation in Florida is materially different from Southern California and much less likely to result in return visits to a theme park. Repeat visiting in Florida, for instance, is more frequent and more strongly dominated by groups composed entirely of adults.

For these reasons, market penetration of the tourist audience can be expected to decrease and then to stabilize several years after the initial impact of a theme park at Project Future wears off. A project of the quality for which Disney is noted will, of course, generate interest among all Florida tourists in its first few years of existence. Even constant changing and evolving of attractions to promote revisiting, however, will not counterbalance the negative effect of factors unique to Florida: the frequency of repeat visiting in the state, which is so great that no economically feasible park revisions could sufficiently renew the attraction to maintain its appeal to these tourists; the large number of older persons comprising the repeat visitors; and the fact that some 75 per cent of the tourist market consists of repeaters, most of whom are bound for specific destinations a considerable distance away from Project Future. Although it may be difficult to visualize stabilization of market penetration at the Project Future theme park, the circumstances prevailing in Florida dictate that prudent economic planning prepare for such a stabilization.



Table XXI shows estimated attendance at the theme park through 1980, assuming it opens in 1968. Market penetration of the tourist market in the initial years is estimated at 30 per cent for first-time visitors to Florida. Lower rates are projected for repeat visitors, since time pressure to attend in any given year will not be as great. After the initial operating period, market penetration of the audience repeatedly visiting Florida is projected to decrease to a range of 5 to 25 per cent, depending upon the frequency with which trips to Florida are taken. Overall penetration of the tourist audience is estimated at 24 per cent during the initial period and 19 per cent thereafter, in comparison with Disneyland's current rate of 35 to 40 per cent.

Below average income and a concentration of retired people in Florida were considered in estimating penetration of resident markets: 25 per cent of the tri-county area, 15 per cent of the remainder of Central Florida, and 5 per cent of North and South Florida. Projected rates are consistent with attendance history at existing Florida attractions. Studies reveal that their annual market penetration of residents of the immediate area ranges from 20 to 30 per cent, and is less than 10 per cent at distances over 100 miles. This order of attraction is considerably below Disneyland's experience in California markets: 51 per cent of Orange County, 25 per cent of Southern California as a whole, and 10 per cent of Northern California.

The pattern of annual attendance resulting from estimates of the various market segments in Table XXI is portrayed graphically in Figure 23 for the period through 1980. Total attendance of about 4.5 million can be expected the first year. Decreased interest among repeat tourists to Florida will cause attendance to drop in subsequent years, reaching a low point about five years after opening. From this point on an increased base of tourist volume and resident population will gradually increase attendance again, bringing the total to 4.8 million by 1980.

#### Seasonal Variation in Attendance

Table XXII presents the estimated attendance pattern at the park by month. The incidence of young families visiting Florida is greater in summer than winter; 70 per cent of all children under 16



Table XXI

ESTIMATED ATTENDANCE AT PROJECT FUTURE THEME PARK, 1968-1980  
(thousands)

	1968			1973			1980		
	Number	Percentage Penetration	Attendance	Number	Percentage Penetration	Attendance	Number	Percentage Penetration	Attendance
<b>Tourists:</b>									
First-time visitors to Florida	4,125	30%	1,235	4,500	30%	1,340	5,000	30%	1,500
Frequently repeating visitors	3,713	15	557	4,050	5	203	4,500	5	225
Infrequently repeating visitors	8,662	25	2,168	9,450	20	1,895	10,500	20	2,100
Total tourists	16,500	24%	3,960	18,000	19%	3,438	20,000	19%	3,825
<b>Residents:</b>									
Tri-county area	473	25%	118	599	25%	150	710	25%	178
Remainder of Central Florida	2,095	15	314	2,345	15	352	2,840	15	426
North and South Florida	3,852	5	193	4,406	5	220	5,280	5	264
Total residents	6,420	10%	625	7,350	10%	722	8,830	10%	868
Total	22,920	20%	4,585	25,350	16%	4,160	28,830	16%	4,693

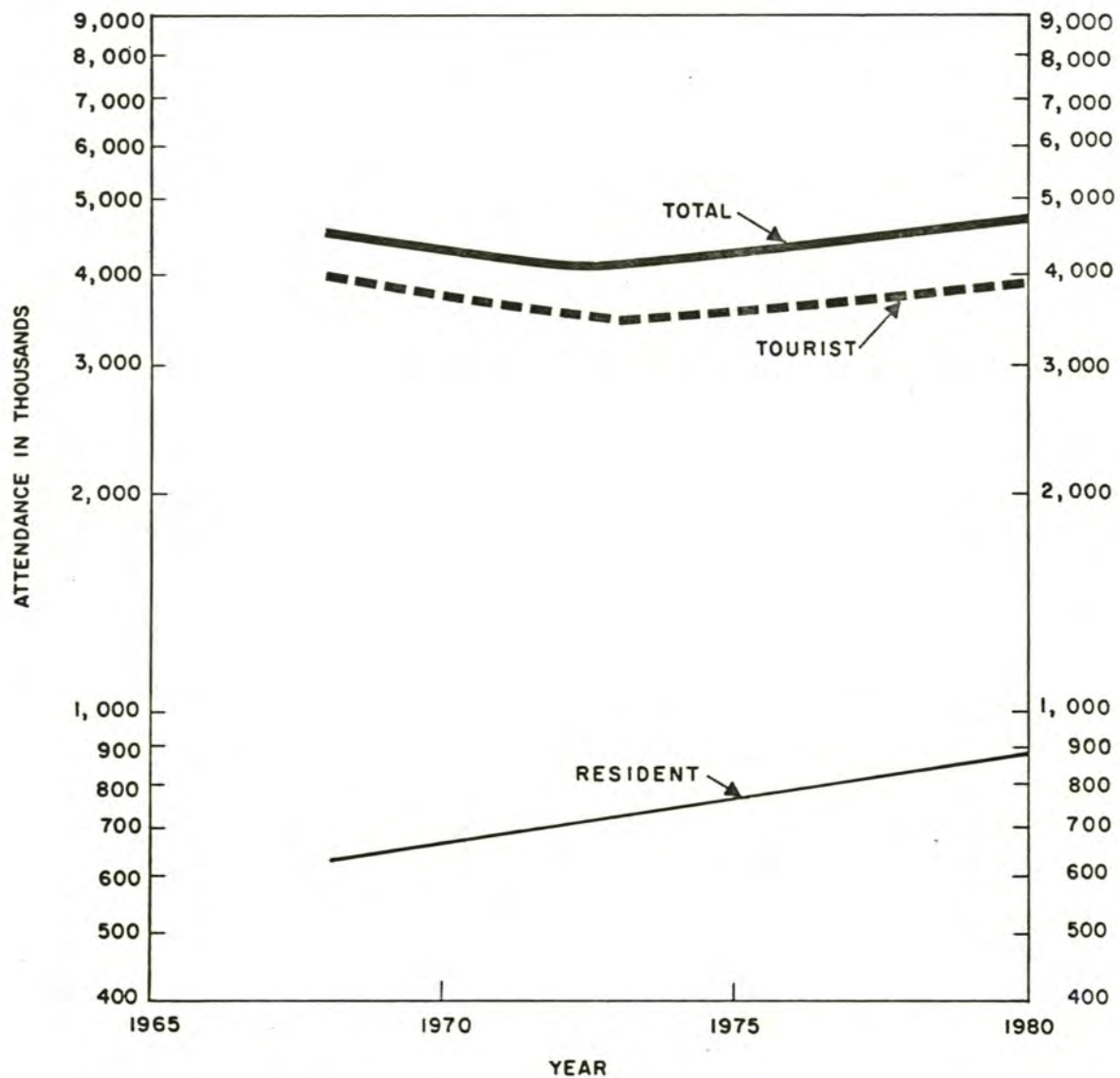
Note: Annual estimates of percentage penetration are averages of seasonal estimates.

Source: Economics Research Associates.

3960,  
4585,  
8545

3438  
4160  
7598

3825  
4693  
8518



SOURCE: ECONOMICS RESEARCH ASSOCIATES.

Figure 23

ESTIMATED ATTENDANCE  
AT PROJECT FUTURE THEME PARK, 1968-1980  
(In Thousands)

Table XXII

MONTHLY DISTRIBUTION OF ESTIMATED ATTENDANCE  
AT PROJECT FUTURE THEME PARK  
COMPARED WITH TOURISTS IN FLORIDA  
AND DISNEYLAND ATTENDANCE

<u>Month</u>	Percentage of Estimated Attendance at Project Future Theme Park		Percentage of Tourists Visiting Florida	Percentage of Attendance at Disneyland 1964
	<u>Initial Years<sup>1/</sup></u>	<u>Thereafter</u>		
January	7%	5%	7%	4%
February	6	5	8	4
March	8	7	8	6
April	8	7	8	4
May	8	9	7	7
June	12	14	10	14
July	15	18	13	18
August	13	15	11	20
September	5	7	6	9
October	5	4	6	5
November	6	4	7	4
December	<u>7</u>	<u>5</u>	<u>9</u>	<u>5</u>
Total	100%	100%	100%	100%

<sup>1/</sup> Assumed to include the first five years of operation.

Source: Economics Research Associates.



and their parents come in summer. Because a theme park has maximum appeal for such families, a more strongly accentuated summer peak can be expected in Project Future attendance than occurs overall in Florida tourism. Attraction of older families and repeat visitors who commonly visit Florida in winter will reduce this effect in initial years; it should become more pronounced as time progresses and the interest of this group decreases. In early years 40 per cent of visitors will attend in June, July, and August, later increasing to 47 per cent. Disneyland records 52 per cent of annual attendance during these months, a reflection of restricted winter-time demand for commercial recreation of this type in Southern California due to less favorable weather and seasonal decreases in tourist volume and vacation time among residents.

#### Age Distribution of Attendance

Initial attraction of winter tourists without children will result in an attendance consisting of 67 per cent adults in 1968, as shown in Table XXIII. Later this proportion can be expected to drop to about 63 per cent, more typical of recent experience at Disneyland.

#### Peak Period Attendance

Attendance patterns through the week are presented in Table XXIV. Typical of commercial recreation attractions throughout the country, it is anticipated that Saturdays and Sundays will account for 17 per cent of weekly attendance in summer, and weekdays for 13 per cent apiece. Because patronage at Project Future is expected to depend so heavily on tourists having an unrestricted choice of day, however, this same pattern is expected to prevail throughout the year. At most other attractions attendance on weekend days increases to 25 or 30 per cent of weekly admissions.

Weekday attendance in certain winter months may fall below profitable levels as early market penetration rates decrease, requiring the park to operate on a five- or six-day week. Lowest weekday attendance will be experienced in October and November, averaging between 4,900 to 5,100 persons per day by the fifth year of operation. If the park is to be closed on more than one weekday, it is recommended that

Table XXIII

AGE DISTRIBUTION OF ESTIMATED ATTENDANCE  
AT PROJECT FUTURE THEME PARK,  
1968-1980

	1968		1973		1980	
	Number (000)	Percentage	Number (000)	Percentage	Number (000)	Percentage
Adult (18 years or over)	3,072	67%	2,621	63%	2,957	63%
Junior (12-17 years)	575	13	585	14	660	14
Child (under 12 years)	<u>938</u>	<u>20</u>	<u>954</u>	<u>23</u>	<u>1,076</u>	<u>23</u>
Total	4,585	100%	4,160	100%	4,693	100%

Note: Percentages rounded to the nearest digit.

Source: Economics Research Associates.

WEEKLY DISTRIBUTION OF ESTIMATED ATTENDANCE AT PROJECT FUTURE THEME PARK, 1968, 1973, AND 1980  
(thousands)

Month	1968			1973			1980		
	Total Monthly Attendance	Average Weekly Attendance	Average Saturday-Sunday Attendance	Total Monthly Attendance	Average Weekly Attendance	Average Saturday-Sunday Attendance	Total Monthly Attendance	Average Weekly Attendance	Average Saturday-Sunday Attendance
January	321	72.5	12.3	209	47.2	8.0	235	53.0	9.0
February	275	66.4	11.3	208	52.0	8.8	234	56.5	9.6
March	367	82.8	14.1	291	65.7	11.2	329	74.3	12.6
April	367	85.5	14.5	291	67.8	11.5	329	76.7	13.0
May	367	82.8	14.1	374	84.4	14.4	422	95.3	16.2
June	550	128.2	21.8	582	135.7	23.1	657	153.1	26.0
July	688	155.3	26.4	750	169.3	28.8	845	190.7	32.4
August	596	134.5	22.9	624	140.9	24.0	704	158.9	27.0
September	229	53.4	9.1	291	67.8	11.5	328	76.5	13.0
October	229	51.7	8.8	166	37.5	6.4	188	42.4	7.2
November	275	64.1	10.9	166	38.7	6.6	188	43.8	7.4
December	321	72.5	12.3	208	47.0	8.0	234	52.8	9.0



days which are not successive be selected to avoid presenting tourists passing through Central Florida with difficulty in scheduling a convenient stopover.

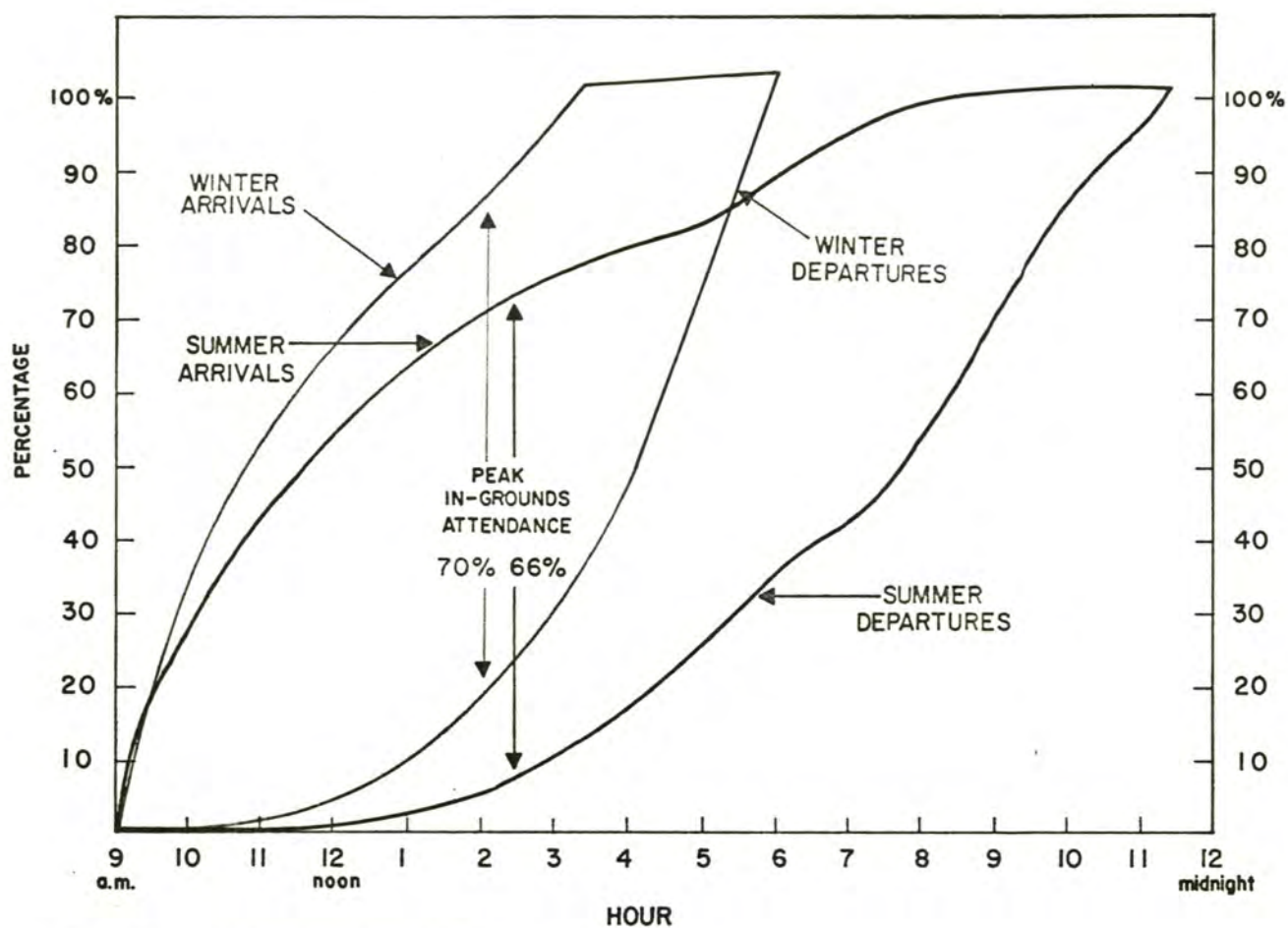
Figure 24 shows hourly attendance at the Project Future theme park. Assuming the park opens at 9 a. m. and closes at midnight in summer, peak in-grounds attendance of 66 per cent occurs at approximately 2:30 p. m. , based on an average stay estimated at about 6-1/2 hours. In winter, operating between 9 a. m. and 6 p. m. , an average stay two hours shorter is projected, and peak in-grounds attendance of 70 per cent occurs at about 2 p. m. The related factors of length of stay and peak in-grounds attendance presuppose some form of climate control at Project Future, since summer afternoon attendance at an attraction entirely outdoors would be curtailed on up to 50 per cent of all days by rain.

## PHYSICAL PLANNING

Optimum sizing of physical plant is related to attendance patterns in various ways, depending upon the particular aspect of plant under consideration. Principal areas of physical planning analyzed below include parking, ticket and ride demand, food and merchandise service, and toilet and washroom facilities.

### Parking

Attendance at Project Future presupposes a parking area will be available to visitors. Therefore the required number of parking spaces is directly determined by maximum in-grounds attendance on the busiest visitor day of the year. As previously shown in Table XXIII, peak attendance is expected to occur on a July Saturday or Sunday. Required parking is calculated as follows:



SOURCE: ECONOMICS RESEARCH ASSOCIATES.

Figure 24

HOURLY ATTENDANCE AT PROJECT FUTURE THEME PARK  
AS A PERCENTAGE OF DAILY ATTENDANCE

	<u>1968</u>	<u>1973</u>	<u>1980</u>
Peak day attendance (July weekend day)	26,400	28,800	32,400
Peak in-grounds attendance (66 per cent of total)	17,400	19,000	21,400
Parking spaces required (at 3.3 persons per party <sup>1/</sup> )	5,300	5,800	6,500
Acres required (at 130 spaces per acre)	41	45	50

#### Ticket and Ride Demand

It is neither economical nor necessary to plan physical plant, except for parking, for the absolute attendance peak. A good balance is achieved if facilities are planned for an average of the top 20 to 25 days of the year, in this case all weekend days through the summer. Table XXV shows both maximum ticket and ride demand. Ticket demand is derived from arrival patterns presented earlier in Figure 24. Turnstiles should be planned to handle 4,300 persons per hour in 1968, and 5,100 per hour by 1980. Peak demand at entrances for a long-stay attraction like a theme park is experienced during the first few hours after opening.

Ride demand at Project Future is shown for participation rates of 1.30 to 1.50 rides per hour, consistent with the experience at Disneyland. In 1968, with 15,600 persons in the park at once on a weekend afternoon in summer, enough rides and attractions must be available to handle 20,000 to 23,000 persons per hour. Capacity and duration of planned rides will determine the optimum number of attractions.

#### Food Service Facilities

Table XXVI lists the food service facilities required to handle crowds during the luncheon period. Since fewer people will be in-park

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<sup>1/</sup> Assuming all parties arrive at the park by automobile.



Table XXV

TICKET AND RIDE DEMAND,  
PROJECT FUTURE THEME PARK, 1968-1980

	<u>1968</u>	<u>1973</u>	<u>1980</u>
Average summer weekend day attendance	23, 700	25, 300	28, 500
Maximum demand at entrance (18 per cent)	4, 300	4, 600	5, 100
Maximum in-grounds attendance (66 per cent)	15, 600	16, 700	18, 800
Ride participation:			
1. 30 rides per hour	20, 300	21, 700	24, 400
1. 40 rides per hour	21, 800	23, 400	26, 300
1. 50 rides per hour	23, 400	25, 100	28, 200

Source: Economics Research Associates.

Table XXVI

FOOD SERVICE REQUIREMENTS,  
PROJECT FUTURE THEME PARK, 1968-1980

	<u>1968</u>	<u>1973</u>	<u>1980</u>
Preference for type of facility:			
Restaurant	15%	15%	15%
Cafeteria	25	25	25
Snack stand	60	60	60
Average summer weekend day attendance	23, 700	25, 300	28, 500
Average in-grounds attendance from 11 a. m. to 2 p. m.	13, 200	14, 100	15, 900
Maximum hourly food service demand	4, 400	4, 700	5, 300
Number of seats required:			
Restaurant (1. 2 turns per seat per hour)	580	580	600
Cafeteria (1. 7 turns per seat per hour)	650	690	780
Snack stand (4. 0 turns per seat per hour)	650	700	800
Square footage required:			
Restaurant (50 square feet per seat)	29, 000	29, 000	33, 000
Cafeteria (40 square feet per seat)	26, 000	27, 600	31, 200
Snack stand (15 square feet per seat)	9, 800	10, 500	12, 000

Source: Disneyland Park and Economics Research Associates.

during the evening meal, these facilities will be adequate for that period as well. Preferences with respect to type of facility, hourly turnover of seats, and space requirements are derived from experience at Disneyland and similar attractions.

#### Merchandise Service Facilities

It is expected that merchandise sales at the Project Future theme park will be \$0.55 per capita, roughly comparable with Disneyland. At \$60-\$80 annual sales volume per square foot, a desirable ratio for profitable operations, 32,000 to 42,000 square feet of space will be required for merchandise service in 1968. Maximum supportable space will increase to 43,000 square feet by 1980.

#### Toilets and Washrooms

Toilet and washroom facilities recommended for the crowds expected at the Project Future theme park are summarized below:

	<u>1968</u>	<u>1973</u>	<u>1980</u>
Maximum summer weekend			
day attendance	23,700	25,300	28,500
Men's urinals	55	65	70
Men's toilets	35	40	45
Women's toilets	110	125	145
Wash basins	45	50	60

#### Land Area

An amusement area containing 1 acre for every 400 persons in-grounds on a peak day is sufficient space to properly balance disadvantages of crowding with advantages of compactness. By 1980 a maximum crowd of 18,800 persons is expected in-grounds on an average summer weekend day. The amusement and service areas required to handle expected attendance totals 150 acres, distributed as follows:



	<u>Acres</u>
Amusement area	47
Parking	50
Allowance for expansion, landscaping maintenance, etc.	<u>53</u>
Total theme park area	150

### REVENUE POTENTIAL

A policy of balanced admissions offering both general admission and discount coupon books similar to Disneyland's is highly desirable at Project Future. It will permit the widest possible range of visitor choice in activities and prices, and therefore will be an excellent method of attracting people of all ages, income, and interests to the park.

In Disneyland's early years of operation, as shown in Table XXVII a majority of both adults and children purchased general admission tickets. Acceptance of coupon books was much greater among juniors, however, accounting for 73 per cent of attendance. Intervening years have seen a substantial shift to coupon books by adults and children, the result of several factors:

1. Increase familiarity with the coupon system.
2. Recognition by adults that participation at Disneyland adds to enjoyment.
3. Realization that Disneyland merits repeat visits, and that coupons can be used on a later occasion.
4. Increased investment by the park in rides and exhibits, stimulating visitor interest.

Compared with Disneyland, Project Future will attract a large out-of-state tourist attendance and relatively low resident attendance. The intention of most tourists when they first enter the park will be not to make a return visit. This is especially true of groups composed

Table XXVII

TYPE OF ADMISSION TO DISNEYLAND PURCHASED  
BY AGE GROUP, 1956-1963

	<u>General Admission</u>	<u>Coupon Books</u>
<u>Adults</u> (18 years or over)		
1956	68%	32%
1958	58	42
1963	39	61
<u>Juniors</u> (12-17 years)		
1956	27%	73%
1958	31	69
1963	18	82
<u>Children</u> (under 12 years)		
1956	55%	45%
1958	28	72
1963	25	75

Source: Disneyland Park and Economics Research Associates.



entirely of adults. It is probable, therefore, that the proportion of admissions by coupon book at Project Future through 1980 will be characteristic of Disneyland's early years of operation, and not current experience. It has been assumed for planning purposes that 30 per cent of adults and 70 per cent of juniors and children will purchase coupon books. At prices comparable to Disneyland's, Table XXVIII shows per capita expenditure at the Project Future theme park.

Revenue from gate admissions at Project Future is expected to average \$2.70 per capita. Two cash rides per person at \$0.50 each will provide an additional dollar. Food service of \$0.75 and a \$0.55 average purchase of merchandise is expected to bring the total to \$5.06 per person, slightly less than Disneyland experienced during its first year of operation. Expenditure at the level estimated is equivalent to approximately 30 per cent of the average amount budgeted by tourists for amusements on a trip to Florida. This certainly is an attainable amount, but is sufficient to put attendance at the theme park into the expensive category in the minds of tourists and residents alike.

Per capita revenue has increased by approximately \$1 in the ten years Disneyland has been open, about half of it associated with more frequent coupon book purchases in recent years. Because a shift of comparable magnitude on the part of adults is not expected at Project Future, per capita revenue will not increase much beyond \$5.50 by 1980 (in constant 1965 dollars) unless compensating increases in adult general admission are put into effect.

In summary, the outlook for a profitable theme park at Project Future is excellent, although more detailed park design and financial planning are necessary before return on investment can be calculated. Attendance is expected to be greater initially than it was at Disneyland, but to grow more slowly. Over a ten-year period, consequently, attendance is projected to total approximately 6 million less than at Disneyland. It would be desirable from a profit standpoint, therefore, to hold investment to corresponding levels, at least until the reaction of Florida's repeat visitors has been tested. Less sharp peaks in seasonal and weekly attendance should contribute to this goal by permitting more efficient utilization of park facilities.



Table XXVIII

PER CAPITA EXPENDITURE  
AT PROJECT FUTURE THEME PARK, 1968

<u>Source of Revenue</u>	<u>Percentage of Attendees</u>	<u>Average Price</u>	<u>Per Capita Revenue</u>
<u>Gate Admissions</u>			
Adults			
General admission	44%	\$2.00	\$0.88
Coupon books	23	4.20	0.97
Juniors			
General admission	4	1.20	0.05
Coupon books	9	3.80	0.34
Children			
General admission	6	0.60	0.04
Coupon books	<u>14</u>	3.40	<u>0.48</u>
Total	100%	\$2.76	\$2.76
<u>Cash Rides</u>	200%	\$0.50	\$1.00
<u>Food Service</u>			
Snack stand	60%	\$0.50	\$0.30
Cafeteria	25	1.00	0.25
Restaurant	<u>15</u>	1.35	<u>0.20</u>
Total	100%	\$0.75	\$0.75
<u>Merchandise</u>	100%	\$0.55	\$0.55
Grand Total	100%	\$5.06	\$5.06

Note: Inconstant 1965 dollars.

Source: Disneyland Park and Economics Research Associates.

## Section V

### DEVELOPMENT POTENTIAL OF A DESTINATION POINT RESORT

Development of a theme park and hotels to accommodate stopover visitors would capitalize on only a portion of the vast attraction potential of Project Future. The theme park will draw to its site a larger audience than any resort in Florida now attracts. By developing a suitable configuration of supplementary activities, stopover visitors could be induced to remain for a protracted stay, and Project Future could become a profitable destination point resort.

At the outset it should be recognized that patronage at such a resort will be quite small compared with theme park attendance because a resort can be expected to attract only a fraction of the park's visitors:

1. While the major portion of Florida's travelers have vacation as their sole purpose, a number have other objectives requiring them to reach a specific place -- visiting friends and relatives or conducting business, for example.
2. Project Future is at a disadvantage in competing with coastal areas for resort business because its weather is less suitable year-round, and it is not on the ocean.
3. Studies of the Disneyland audience reveal that the visitor drawn to a theme park most often is also interested in sightseeing and visiting similar attractions. It will be difficult, therefore, to keep him in a single location.

A further difficulty inherent in Project Future is its remoteness from urban development. As a consequence, it will not be possible to rely on recreational activities elsewhere in the tri-county area to prolong hotel stopover. Orlando has theaters, jai alai, dog and harness racing, and serves as spring training base for the Minnesota Twins. Almost all these attractions, however, are on the north side of town, and would be more conveniently visited by tourists from another base of operation.



Despite these handicaps, a destination point resort can be developed at Project Future if appeals are made to the tourist on the proper basis. The purpose of this section of the report is to measure market demand for various types of recreation and suggest a possible configuration of activities. Final definition of the resort concept and the basis of its appeal must await the inputs of land planning, design, and detailed financial analysis.

The configuration of activities for the resort selected must be time consuming enough to prolong visitor stay at least an additional day. Activities should not be competitive with the theme park. Experience at the New York World's Fair suggests an extremely large attraction increases visitor selectivity more than it lengthens average stay beyond a single day. Visiting Project Future as a destination point, therefore, should be promoted on a basis which is entirely separate from theme park attendance, rather than an extension of it.

### WATER RECREATION

Water recreation is the obvious choice for primary emphasis in developing Project Future's potential as a destination point resort. Visiting the beach is by far the most popular pastime of Florida tourists, especially in summer when peak theme park attendance will occur. Water recreation, furthermore, fulfills essential criteria for resort activities: it is both time consuming and complementary with theme park attendance. Summer mornings ideal for the beach often are followed by thundershowers. At most beach resorts, consequently, visitors frequently must amuse themselves at their hotels for several hours in the afternoon. An unsurpassable recreational package could be offered at Project Future by enabling hotel guests to divide days between beach and theme park.

Water recreation represents an appropriate combination with the Project Future theme park for a second reason: it requires very little expenditure by the tourist. In-park surveys have established that visitors regard Disneyland as worthwhile and enjoyable -- but expensive. Visiting a similar theme park in Florida will require a sizable portion of the average traveler's amusement budget, and most visitors will be forced to move on unless a much less expensive form of amusement is available. Water recreation fills this requirement.



Bay Lake is the obvious choice for developing a beach, assuming it can be made suitable for swimming. Neither of the other two lakes at the subject site is completely within the site boundaries, and control of their development would be impossible.

Bay Lake has a water surface of approximately 450 acres. In the absence of ocean, pounding surf, and apparently endless stretches of beach, an attractive subtropical atmosphere must be created to distinguish Project Future and make it competitive with other resorts. Construction of a sandy beach is recommended, complete with cabanas and chairs, and possibly bordered with palm trees and other tropical vegetation. Although much of this setting will have to be created, unity of control introduces the possibility of developing one of the state's superior beach resorts. Small fenced-in sections of private beach, groins stretching into the ocean to slow beach erosion, and omnipresent advertising are detractions spoiling many Florida beaches which can be completely avoided at Project Future.

A lake-front beach resort at Project Future would have greater success in detaining summer than winter visitors. The Gold Coast has better beach weather in winter, resulting in a marked preference among tourists for South Florida resorts. If 10 per cent of tourists visiting the theme park could be induced to stay an additional day at the beach in the peak months of June, July, and August, and an average of 3 per cent the remainder of the year (principally in spring and fall), beach attendance would range from 220,000 to 240,000 annually, as shown in Table XXIX. Attendance at this level would require Project Future to attract less than 10 per cent of the crowd drawn annually to Daytona Beach or Panama City, resorts whose beach resources are most extensive, but whose principal attraction is water recreation nonetheless.

Allowing 100 square feet of beach per user and use at an effective capacity of 85 per cent in summer, a beach approximately 125 feet deep completely encircling Bay Lake would be adequate to handle expected crowds. Because a beach much greater than 125 feet in depth would not create the desired resort atmosphere, attendance of 240,000 persons annually would appear to be the effective limit of beach-derived resort business. If Bay Lake is highly successful in attracting visitors, it may be economically feasible to enlarge its capacity, construct another lake with similar attractions, or purchase enough land to allow development of South Lake or Lake Mabel.

Table XXIX

PROJECTED ATTENDANCE AT A PROJECT FUTURE BEACH RESORT,  
1968 - 1980  
(thousands)

	<u>1968</u>	<u>1973</u>	<u>1980</u>
Theme Park Attendance by Out-of-State Tourists:			
June, July, August	1,584	1,616	1,799
Remainder of year	<u>2,376</u>	<u>1,822</u>	<u>2,026</u>
Total	3,960	3,438	3,825
Market Penetration by Beach Resort:			
June, July, August (10 per cent)	158	162	180
Remainder of year (3 per cent)	<u>71</u>	<u>55</u>	<u>61</u>
Total	229	217	241

Source: Economics Research Associates.



In addition to beach area, parking will also be required at Bay Lake, although parking spaces might be shared to a considerable extent with hotels, since use of the beach should probably be restricted to hotel guests to prevent overcrowding.

### Water Skiing

Water skiing is an excellent way to increase participation, provide spectator interest, and supplement income at Bay Lake. Because tourists generally will not have equipment with them, water skiing should be encouraged by renting boats and skis and providing instruction for those who desire it.

Less than 6 per cent of the United States population water skis, with participation most frequent among those under 25. Due to the predominance of visitors to Florida over this age, only about 4 per cent of attendance at Bay Lake could be expected to ski. As shown below, 18 surface acres should be adequate provision for a ski area:

Annual beach attendance	240, 000
Water ski attendance:	
Annual (at 4 per cent)	9, 600
Per month in summer	3, 200
Daily in summer	107
Peak hour (at 33 per cent of daily)	36
Boats required (at 2 skiers per boat)	18
Surface area (at 1 acre per boat)	18

Required investment in equipment and personnel for skiing on Bay Lake might be used to much fuller advantage by staging a water ski show. If presented at dusk or during early evening it could be a strong inducement for visitors who might otherwise leave Project Future for other parts of the state to remain and perhaps stay over-night. Presentation at night would further serve to dramatize and differentiate the Project Future ski show from competitor shows. Assuming evening attractions at the theme park would have visitor priority, a ski show might attract annual attendance of 83, 000-102, 000 from two principal sources: (1) Guests staying at Project Future in order to participate



in more activities than those offered at the theme park; and (2) tri-county area residents. Attendance might be made up as follows:

	<u>1968</u>	<u>1980</u>
<u>Potential Audience</u>		
Resort area summer visitors	176, 000	198, 000
Tri-county residents	473, 000	710, 000
<u>Ski Show Attendance</u>		
Resort area visitors (at 33 per cent)	59, 000	66, 000
Tri-county residents (at 5 per cent)	<u>24, 000</u>	<u>36, 000</u>
Total	83, 000	102, 000

#### GOLF

In general golf is an excellent activity for inclusion in a resort area because it is both time consuming and destination determining: a superior course will attract visitors from considerable distances on its own merits. At Project Future it has the additional advantage of providing an ideal seasonal complement to water recreation.

No specific data from Florida Development Commission surveys reveal tourist interest in golf, but about 20 per cent of winter and 13 per cent of summer visitors indicated a desire to participate in some form of outdoor sport apart from water recreation. Golf is undoubtedly the most popular non-water sport in Florida: ninth in population, the state has been among the top four or five in golf course construction in recent years. Large resort hotels either have their own golf facilities, or if located on beach-front property where prohibitive land costs preclude course development, offer their guests golfing privileges at nearby country clubs.

An 18-hole course can accommodate without undue crowding approximately 200 rounds of golf daily, or a maximum of 70,000 rounds per year. Summer heat and rain and winter cold snaps suggest annual play of 57,000 rounds would be more realistic at Project Future -- 100 rounds per day during June, July, and August, and an average of 175

over the remainder of the year. At this level of play, market penetration of less than 2 per cent of theme park attendance in summer and 5 per cent in winter would be required to support two 18-hole courses. Considering the recreational orientation of Florida travelers, market penetration rates this low should easily be achieved, provided course design and green fees are comparable with other resorts. Five per cent of all guests at the Disneyland Hotel are estimated to play the par-3 course, and many resort hotels with a regulation course find it used by 10 per cent or more of their guests. Green fees range from \$2.00 to \$7.00 in the tri-county area, and are higher at the best courses elsewhere in Florida.

In addition to promoting destination point resort business, golf is an activity which can be used to help foster community development at Project Future, since a golf course lends itself to development of fairway homesites. Such a plan should prove highly popular in the tri-county area, because residents are presently underserved with respect to golfing facilities. By National Golf Foundation standards, which call for a golf course for every 30,000 residents, as many as five additional courses could profitably be supported by local residents alone. Although tourist play must predominate if golf is to contribute to the goal of making Project Future a destination point resort, a club might be set up and enough memberships sold to facilitate absorption of fairway lots.

#### SUPPLEMENTARY ACTIVITIES

Golf and water recreation are the only sports feasible for development at Project Future which are important enough to change tourist destination patterns or to prolong visitor stay a full extra day. As will be demonstrated in the following section of the report, however, tourist demand for accommodations at Project Future is expected to support over 4,000 hotel rooms. Recreation facilities appropriate to any large Florida hotel complex, therefore, can and should be supplied at Project Future to supplement water recreation and golf. A heated swimming pool for every 150 to 200 hotel rooms, wading pools, putting greens, tennis courts, shuffleboard, steam rooms, a gymnasium, and playgrounds for children all would be appropriate. Beyond that usually offered by hotels, Project Future might further broaden the scope of recreation to include ice skating, miniature golf, and several lanes of bowling. All three are sports popular with teen-agers and young adults, sharing the advantage, from Project Future's viewpoint, of being ideal for family recreation.



### Ice Skating

Both the Deauville and Fontainebleau, two outstanding luxury hotels in Miami Beach, contain ice rinks. At the height of its winter tourist season the Deauville is reported to attract an average of 250 skaters per day to its 1,200 square foot indoor rink.

Winterhurst Skating Rink, Florida's largest in both size and attendance, is located in Fort Lauderdale. Containing a rink surface of 15,725 square feet, it attracts an estimated 200,000 skaters annually. Its highly successful 12 per cent market penetration of combined resident and tourist audiences is a reflection of the relatively youthful crowd attracted to Fort Lauderdale, as well as interest promoted by hockey games played through the winter at the rink.

Admission charges at ice rinks typically are \$0.75 for children and \$1.25 for adults. Skate rentals usually add an additional \$0.75 to \$1.00.

An ice rink planned for Project Future should be relatively small, because large rinks are more difficult to keep cool, resulting in watery ice and poor skating conditions. A rink large enough to accommodate an average of 300 skaters per day during a summer peak would require market penetration of less than 2 per cent or overnight hotel guests at Project Future, generating annual attendance of approximately 45,000.

### Miniature Golf

Miniature golf is popular with youngsters, usually utilized as an occasion for family recreation. It is in no sense competitive with regulation par-3 golf. Requiring play of about 90,000 rounds annually at a price of \$0.50 to \$0.75, a miniature golf course patronized by only 3 per cent of Project Future hotel guests could operate profitably. The Disneyland Hotel estimates a substantial percentage of its guests play the miniature course available there.



### Bowling

While only about 5 per cent of the United States population regularly participates in bowling, and although no support for a bowling alley would be forthcoming from league play by residents, several lanes of bowling would be economically feasible at Project Future. To operate profitably, a bowling alley requires at least 40 lines of bowling per day. At market penetration of 3 to 5 per cent of hotel guests, six to ten lanes could be supported at Project Future.

### UNSUITABLE ACTIVITIES

Analysis thus far has centered on recreational activities which might be developed at Project Future. It is also appropriate to recognize that some activities which are an important part of Florida vacationing are inappropriate at Project Future because they conflict with more profitable activities. Fishing, for example, is precluded because it produces no revenue, and the property's limited water resources can be put to better use. Hunting is inappropriate near a commercial recreation area where it could constitute a hazard. Campers can usually be attracted only where fishing, hunting, or swimming is available to them, and consequently this market cannot be tapped without forgoing more lucrative opportunities.

### REVENUE FROM MAJOR ACTIVITIES

Detailed financial planning is required to calculate profit and return of investment on resort area activities at Project Future. Although proposed recreation should be self-supporting, additional profit will be produced in the form of increased hotel and restaurant income associated with resort area visiting. Direct income of about \$964,000 annually can be expected from major activities, a very small contribution compared with theme park income of approximately \$22 million annually:

Water skiing:

Average attendance	9,600
Average expenditure	\$ 10
Annual revenue	\$ 96,000

Ski show:

Average attendance	92,000
Average expenditure	\$ 2
Annual revenue	\$184,000

Golf:

Average attendance	114,000
Average expenditure	\$ 6
Annual revenue	\$684,000

Total annual revenue	\$964,000
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LAND REQUIREMENTS FOR  
RECREATIONAL ACTIVITIES

Approximate land requirements for recreational facilities which might be developed in the Project Future resort area are shown below:

	<u>Acres</u>
Bay Lake -- water surface, beach, and service area	575
Golf courses	320
Sports center -- housing miniature golf, ice skating, and bowling	4
Parking required in addition to that shared with hotels -- 800 spaces at 130 per acre	<u>6</u>
Total area required for resort activities	905



## Section VI

### POTENTIAL DEMAND FOR ACCOMMODATIONS

Project Future's theme park will serve as its drawing card, attracting visitor attention and interest. To persuade visitors to stop at Project Future for longer than a theme park visit, however, an attractive combination of recreation and hotel<sup>1/</sup> facilities will be required. As noted, much of the resort area recreation will be centered around hotels, with the area's economic feasibility dependent upon the degree to which it contributes to hotel support. An integral and fundamental part, therefore, of both theme park and resort development, Project Future hotels should be designed and deployed throughout the site to interrelate and promote to best advantage the various recreational aspects of the project.

#### HOTEL ROOM DEMAND

Hotel demand at Project Future will be derived from three principal sources: theme park attendees stopping overnight, resort area visitors, and conventions.

#### Theme Park Stopovers

Only limited insight into possible hotel demand associated with attendance at the Project Future theme park is afforded by analysis of existing Florida attractions. They are small, visitor stay in-park is relatively short, and they close by dark. The occasion for visitors to demand overnight accommodations, consequently, is much less frequent than can be expected at Project Future. Despite the handicaps mentioned, however, attendance at Silver Springs supports a sizable

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<sup>1/</sup> The term "hotel" is used throughout this analysis in its generic sense for the sake of brevity and to avoid confusion; accommodations at Project Future should be developed with the automobile tourist in mind, and hence for the most part will probably take on the appearance of motels and motor hotels.



hotel complex for an isolated location offering no after-dark entertainment and remote from drive-by traffic. Assuming occupancy rates typical of the general area, the 231 hotel units at Silver Springs attract 10 to 20 per cent of non-local attendance for an overnight stay.

Table XXX shows hotel demand associated with attendance at Disneyland, a more apt comparison with Project Future despite its Southern California location. Last year approximately 3.0 million visitors to the park came from out-of-town. In-park surveys reveal about half of Disneyland's out-of-town visitors stay in a hotel. In 1964, the 1,740 hotel units located within five blocks of Disneyland had an estimated annual demand for 293,400 room-nights derived entirely from theme park attendance (excluding conventions and commercial travelers). Guests staying in nearby hotels to attend Disneyland stop an average of only one night; hotel demand, therefore, is most appropriately described as an overnight stop-over for 59 of 100 out-of-town visitors requiring hotel accommodations.

Theme park attendance should generate even greater stopover business at Project Future than it does at Disneyland, for three major reasons:

1. Use of hotel accommodations is a little more frequent among visitors to Florida than to Southern California -- 54 per cent of Florida tourists stay in hotels, compared with slightly less than 50 per cent in Southern California.
2. Many out-of-state visitors attending Project Future still will be a considerable distance from their ultimate destination, requiring a hotel overnight regardless of accommodations they have at their destination point.
3. Project Future will be much more isolated than Disneyland, and should be, therefore, a more likely stopping place for those who have spent the day there.

As Table XXXI shows, 86 per cent of all theme park visitors can be expected to spend the night following their visit in a hotel somewhere in the area of Project Future -- some because they will stay in hotels throughout their entire vacation, and others because Project Future is

Table XXX

THEME PARK ATTENDANCE AND  
RELATED HOTEL DEMAND AT DISNEYLAND, 1964

Theme park attendance from:	
Out-of-state	2,400,000
Northern California	<u>600,000</u>
Total non-local attendance	3,000,000
 Persons requiring hotel accommodations (at 50 per cent of non-local attendance)	 1,500,000
Room-night demand (at average party size of 3 persons)	500,000
 Number of hotel rooms at Disneyland (five-block radius)	 1,740
Annual capacity	635,100
Annual Disneyland generated demand (at average occupancy of 77 per cent, with 60 per cent of business related to visits to Disneyland)	 293,400
 Penetration by Disneyland based hotels of total hotel demand associated with theme park attendance	  59%

Source: Disneyland Park, Disneyland Hotel, and  
Economics Research Associates.

Table XXXI

POTENTIAL PROJECT FUTURE HOTEL DEMAND FROM  
THEME PARK ATTENDANCE, 1968-1980  
(thousands)

	<u>1968</u>	<u>1973</u>	<u>1980</u>
Out-of-state theme park attendance	3,960	3,438	3,825
Out-of-state visitors desiring a hotel room: :			
Visitors over two hours from ultimate destination <sup>1/</sup>	2,772	2,407	2,678
Visitors preferring hotel accommodations at destination <sup>2/</sup>	<u>642</u>	<u>557</u>	<u>619</u>
Total	3,414	2,964	3,297
Out-of-state parties desiring a hotel room (at three persons per party)	1,137	987	1,099
Estimated annual room night demand at site (at 70 per cent market penetration)	796	691	769
During June, July, and August	318	325	361
During remainder of year	478	366	408

<sup>1/</sup> 70 per cent of out-of-state visitors.

<sup>2/</sup> 30 per cent of out-of-state visitors have local destinations;  
54 per cent of them prefer hotel accommodations.

Source: Economics Research Associates.



too far from their ultimate destination to consider moving on until the following day. Its remoteness from competing hotels and the attractiveness of the overall environment should permit Project Future hotels to capture 70 per cent of demand, 10 per cent more than the combined share of Disneyland and surrounding hotels. Toward this end it is suggested that some form of theme park entertainment comparable to Disneyland's fireworks be staged to hold crowds at Project Future during the early evening hours. In the earliest years of operation, 40 per cent of room-night demand can be expected to occur in summer; as the peak in summer theme park attendance increases, this proportion should also increase, stabilizing at about 47 per cent following the fifth year of operation.

### Resort Area Visitors

Resort area visitors will make up a second major portion of hotel demand at Project Future. The beach at Bay Lake and two regulation golf courses will be the major activities governing overnight stay at Project Future. Factors influencing the decision of resort area visitors to stop overnight are similar to those affecting theme park visitors except in one respect: those who attended the theme park, stayed overnight, and spent the following day at Bay Lake or on the golf course are likely to decide to resume the journey toward their ultimate destination by mid-afternoon. This will be particularly true in summer, when afternoon showers curtail beach activity. For this reason, market penetration of only 35 per cent of resort area attendance is assumed, compared with 70 per cent of theme park. A relatively early checkout time might help detain visitors an additional day, as would some form of special entertainment for a short period in the late afternoon or early evening. Something comparable to the fireworks displays at Disneyland would be required -- perhaps a parade, band concerts, or waterski show, in addition to the entertainment staged at the theme park.

Table XXXII shows hotel demand associated with participation in resort area activities. In the years through 1980, demand is expected to range from 33,000 to 36,000 room-nights. Resort area attractions,

Table XXXII

POTENTIAL PROJECT FUTURE HOTEL DEMAND FROM  
RESORT AREA ATTENDANCE, 1968-1980  
(thousands)

	<u>1968</u>	<u>1973</u>	<u>1980</u>
Beach attendance	229	217	241
Golf course attendance	<u>114</u>	<u>114</u>	<u>114</u>
Total	343	331	355
Visitors desiring a hotel room:			
Visitors over two hours from ultimate destination <sup>1/</sup>	240	232	249
Visitors preferring hotel accommodations at destination <sup>2/</sup>	<u>56</u>	<u>53</u>	<u>57</u>
Total	296	285	306
Parties desiring a hotel room (at 3 persons per party)	99	95	103
Estimated room-night demand at site (at 35 per cent penetration):	35	33	36
During June, July, and August	18	18	20
During remainder of year	17	15	16

<sup>1/</sup> 70 per cent of out-of-state visitors.

<sup>2/</sup> 30 per cent of out-of-state visitors have local destinations;  
54 per cent of them prefer hotel accommodations.

Source: Economics Research Associates.



consequently, can be expected to generate only 4 or 5 per cent of the demand for hotel rooms associated with theme park attendance.

### Conventions

Project Future can expect substantial convention business because of its attractions and facilities:

1. Project Future will constitute the largest hotel complex outside the Gold Coast, and will have more hotel rooms under one operation than any other development in Florida. A hotel complex this size will be capable of housing and providing meeting facilities adequate for even the largest delegate groups.
2. Project Future will offer an excellent resort area with all the recreation facilities available elsewhere, topped by a Disney theme park.
3. Project Future has the advantage of central location in the state with excellent access by highway, and possible direct access to the site by air.

Analysis of convention activity in Section II of this report reveals that while the Gold Coast dominates convention activity, cities with adequate meeting facilities and hotel space are able to capture 15 to 20 per cent of the market. Competition will undoubtedly become more intense as more cities develop convention facilities, but penetration of 10 to 15 per cent of the market by Project Future appears to be a reasonable goal. It is not certain how much convention activity in Florida will expand, but based on present convention attendance, Project Future can expect delegates to increase from 57,000 in 1968 to 85,000 by 1980. Room-night demand from conventions is calculated in Table XXXIII, assuming about 20 per cent of all conventions will be held during summer, typical of experience throughout the state.



Table XXXIII

POTENTIAL PROJECT FUTURE DEMAND FROM  
CONVENTION ATTENDANCE, 1968-1980  
(thousands)

	<u>1968</u>	<u>1973</u>	<u>1980</u>
Convention attendance	57	69	85
Estimated room-night demand (at 2.5 nights per delegate) <sup>1/</sup>	143	173	213
During June, July, and August	29	35	43
During remainder of year	114	138	170

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<sup>1/</sup> Conventions typically last an average of over four days, but room-night demand has been calculated at 2.5 days to avoid duplication resulting from delegate attendance at the theme park and resort area.

Source: Economics Research Associates.

### Hotel Room Construction

Table XXXIV shows the number of hotel rooms required to accommodate demand at Project Future. In the initial period of development, 4,550 rooms will be needed to meet peak summer demand; by 1980, the number will reach 5,300. Because of the sharp demand peak, annual occupancy of only 52 to 59 per cent can be expected. Comparable or even lower rates of occupancy are experienced in other parts of Florida, as shown in Table XXXV.

### REVENUE POTENTIAL OF HOTELS

Detailed financial planning is required to calculate return on investment from the hotel portion of Project Future, but its contribution to gross revenue can readily be estimated. Table XXXVI shows rates currently charged at the newer and larger hotels in Florida's summer resorts. In-season rates begin at \$12-\$14 and increase to approximately \$25, except for suites and the most elaborate accommodations. Cheaper rates are available in older and less advantageously located hotels; the average hotel room rents for \$11.53 per day in summer (see Appendix A). Rates at Project Future averaging about \$12-\$14 daily, consequently, would span the principal range of demand and attract the largest possible audience while maintaining good quality.

Project Future will have an additional advantage over other resorts whose peak demand occurs in summer: it need not reduce rates in winter to attract visitors, since its principal appeal does not change with the weather, as occurs elsewhere in the state. Winter visitors to Project Future will be accustomed to rates as high as or higher than those summer resorts charge in-season, and should be willing to pay similar rates at Project Future.

Experience at resort hotels throughout the country suggests income from room rental can be doubled by the sale of food and beverages, a conclusion borne out by tourist expenditure patterns: last year the average tourist in Florida spent \$8.32 per day for food and lodging combined, 52 per cent of it on food and drink. Assuming room rates of \$12-\$14 per night, therefore, an overnight stay at Project Future should produce income of about \$24-\$28 per room. The average guest, consequently, would spend \$8 or \$9 per day for food and lodging while staying at Project Future.

Table XXXIV

HOTEL ROOMS REQUIRED AT PROJECT FUTURE  
TO MEET DEMAND FROM ALL SOURCES, 1968-1980

	<u>1968</u>	<u>1973</u>	<u>1980</u>
Estimated room-night demand during June, July, and August, derived from:			
Theme park attendance	318, 000	325, 000	361, 000
Resort area attendance	18, 000	18, 000	20, 000
Convention attendance	<u>29, 000</u>	<u>35, 000</u>	<u>43, 000</u>
Total	365, 000	378, 000	424, 000
Number of hotel rooms required to accommodate summer demand at 87 per cent occupancy	4, 550	4, 700	5, 300
Estimated annual room-night demand derived from:			
Theme park attendance	796, 000	691, 000	769, 000
Resort area attendance	35, 000	33, 000	36, 000
Convention attendance	<u>143, 000</u>	<u>173, 000</u>	<u>213, 000</u>
Total	974, 000	897, 000	1, 018, 000
Annual occupancy rate:	59%	52%	53%

Source: Economics Research Associates.



Table XXXV

## HOTEL OCCUPANCY IN FLORIDA,

1961 - 1964

(percentage)

	Areas				
	Dade County Beaches <sup>1/</sup>	Broward and Palm Beach Counties <sup>2/</sup>	Dade County Inland	West Coast <sup>3/</sup> Area	Tampa - Jacksonville - Orlando
Annual					
1961	62%	48%	53%	49%	54%
1962	59	49	53	53	52
1963	63	53	51	51	46
1964	65	56	55	52	45
Monthly During					
1964					
January	71%	71%	71%	55%	51%
February	94	88	83	86	60
March	76	84	70	74	52
April	73	60	53	62	47
May	48	37	42	52	33
June	48	45	40	54	41
July	65	45	42	46	31
August	66	40	54	43	25
September	46	26	47	36	44
October	64	39	48	38	54
November	62	56	49	37	52
December	65	63	55	41	47

<sup>1/</sup> Including Hollywood.<sup>2/</sup> Excluding Hollywood.<sup>3/</sup> St. Petersburg to Sarasota.

Source: Horwath and Horwath and Economics Research Associates.

Table XXXVI

HOTEL RATES AT SUMMER RESORT AREAS  
IN FLORIDA, 1965

	<u>In-Season</u>	<u>Off-Season</u>
<u>Daytona Beach</u>		
Carousel	\$15-\$20	\$ 6-\$12
Castaway	12- 26	6- 14
Daytona Cabana	14- 22	8- 14
Daytona Riviera	14- 40	10- 24
Desert Isle	12- 30	8- 18
Diplomat	14- 46	8- 24
Holiday Shores	15- 22	9- 12
Monterey	12- 20	6- 12
New Frontier	12- 22	8- 14
Royal Hawaiian	15- 26	7- 10
Summit	16- 24	10- 14
Voyager	16- 25	10- 18
<u>Jacksonville Beach</u>		
Ebbtide	15- 20	11- 15
Sea Horse	13- 17	11- 13
Sol-Mar	12- 18	6- 10
<u>Panama City</u>		
Escape	16- 21	10- 14
Fun 'N' Sand	13- 20	8- 10
Holiday Inn	20- 22	10- 12
Sandpiper	16- 24	10- 12

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Note: Rates shown are for double rooms.

Source: American Automobile Association and Economics  
Research Associates.

typical of expenses commonly incurred by Florida tourists. In addition to generating revenue from food and drink, a hotel complex of 4,550-5,300 rooms would support a small number of specialty clothing, gift, and similar shops.

At the rate of expenditure projected, hotels would contribute \$23 to \$26 million annually to gross income (in constant 1965 dollars). This is approximately equal to theme park revenue.

#### LAND REQUIREMENT FOR PROJECT FUTURE HOTELS

The amount of space required for Project Future hotels depends to a considerable extent upon their configuration. Because land is plentiful, and because automobile travelers comprising Project Future's clientele can be most easily accommodated in motels, relatively low density of units per acre is desirable. Wide distribution of units throughout the site will give the hotel complex the widest appeal. Suggested locations for optimum development of hotel space are the theme park, Bay Lake, and the golf course. Although a landing strip for private planes and fly-in motel facilities are seldom feasible without an additional source of support, Project Future will enjoy wide enough patronage to spread out the overhead associated with such a facility. Should a full service airport be located on the property, an additional source of hotel demand will be created, increasing room demand and hotel revenue above the levels estimated in this analysis.

Based on room demand calculated in Table XXXIV, Project Future requires approximately 150 to 175 acres of land for hotel accommodations through 1980:

	<u>1968</u>	<u>1973</u>	<u>1980</u>
Number of units	4,550	4,700	5,300
Acres required (at 30 units per acre)	152	157	177

An acreage allowance of 30 units per acre should be sufficient to provide parking, landscaping, swimming pools, and other facilities appropriate to the hotel complex.



## Section VII

### PLANNING PARAMETERS FOR INDUSTRIAL DEVELOPMENT

Land uses related to commercial recreation and the business of serving tourists are the principal focus of initial development at Project Future. A theme park, beach, golf course, and hotels will require, however, only 5 to 10 per cent of the 27,400 acres comprising the site. Use of remaining land for a residential community is primarily contingent upon industrial development at Project Future. Commercial recreation can help start residential development: it will employ some 4,000 workers who will require housing in the general area, and its recreational facilities will attract some residents away from other tri-county communities.

But remoteness from present population centers means Project Future will not be in the path of orderly suburban development for many years to come. Large scale residential development on the site, therefore, is dependent upon sufficient basic employment to justify a community and the facilities it must include: stores, schools, churches, etc. The purpose of this section of the report is to assess factors influencing potential industrial development at Project Future.

### INDUSTRIAL GROWTH PATTERNS IN FLORIDA

In the last 15 years manufacturing employment in Florida increased from 102,000 to 289,000, an advance of nearly 185 per cent. Several factors are pertinent to understanding patterns of industrial growth in the recent past and evaluating their probable future course:

1. Establishment of a large number of new plants, many of them by companies moving into the state for the first time, has been the basis of Florida's rapid industrial expansion. As Table XXXVII shows, no less than 600 new plants have been established in Florida each year for the past seven years; major expansions of existing plants have totaled over 50 annually.

Table XXXVII

NEW INDUSTRIAL PLANTS  
AND MAJOR PLANT EXPANSIONS IN FLORIDA,  
1956 - 1963

<u>Year</u>	<u>Number of New Plants</u>	<u>Number of Major Expansions</u>
1956	405	36
1957	799	54
1958	638	62
1959	700	84
1960	724	115
1961	608	84
1962	677	93
1963	744	72

Source: Florida Development Commission and Economics Research  
Associates.



2. Florida's industrial development has been characterized by broadly based growth, resulting in considerable diversification. As recently as 1950, two categories made up half of Florida's manufacturing employment: furniture, lumber, and wood products; and food and kindred products. Substantial gains in most other types of manufacturing employment by 1960 provided a much more balanced economic base, as Table XXXVIII reveals.
3. Introduction of space and electronics industries produced much of the momentum behind Florida's industrial growth; approximately one-third of Florida's civilian labor force is now employed in this new field. While the impact of new electronics plants has been felt throughout the state, Central Florida, where Cape Kennedy is located, has received a proportionately greater share. As a result it has become a more important center of industry; 45 per cent of the state's manufacturing jobs are now held by Central Florida residents, compared with only 38 per cent in 1954.

Figure 26 presents long term growth projected for manufacturing employment in Florida, Central Florida, and the tri-county area. From a present base of 285,000 jobs, manufacturing employment in the state is expected to increase to approximately 520,000 by 1980. Concerning the role of space and electronics in this expansion, two points are quite clear: first, both are industries of the future, destined to become much more highly developed; and second, Cape Kennedy is one of the major centers of space exploration in the United States, and is certain to have an important part in the government's space program in the future. As rocket components become more sophisticated, larger, and more difficult to ship, more manufacture and assembly in the general vicinity of the launching area is likely. Industrial growth in Florida related to space exploration, therefore, can reasonably be expected to continue to increase in the near future.

Florida's newly diversified manufacturing base provides added assurance that established growth trends will continue over the next 15 years. The state has become an important tourist and retirement area, and these influences have increased population, created large new markets, and resulted in demand for many varieties of industry to meet local needs. These sources of growth, regardless of Florida's fortunes in the space program, will act to stabilize future industrial expansion and development.

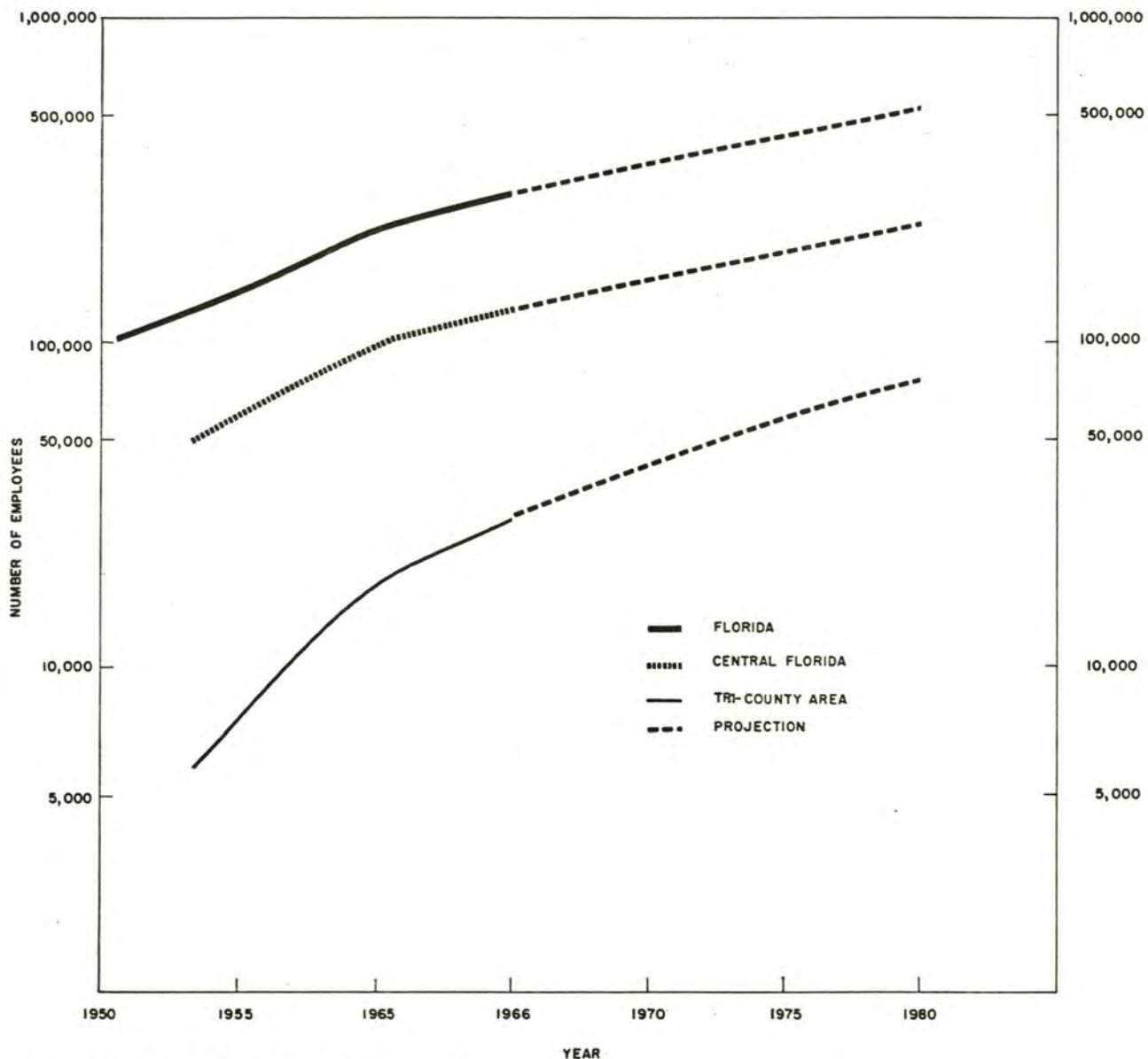


Table XXXVIII

MANUFACTURING EMPLOYMENT IN FLORIDA, 1950-1960

<u>Category</u>	<u>1950</u> <u>Percentage</u>	<u>1960</u> <u>Percentage</u>
Furniture and lumber and wood products	25.1%	10.4%
Primary metal industries	0.7	1.4
Fabricated metal industries	3.4	11.4
Machinery, except electrical	2.5	3.5
Electrical machinery, equipment, and supplies	0.9	6.4
Motor vehicles and motor vehicle equipment	0.6	0.6
Transportation equipment, except motor vehicle	2.9	5.1
Other durable goods	5.0	8.6
Food and kindred products	23.6	19.5
Textile mill products	0.5	3.1
Apparel and other fabricated textile products	3.7	4.5
Printing, publishing, and allied products	9.6	8.8
Chemical and allied products	5.0	5.0
Other nondurable goods	<u>16.5</u>	<u>11.7</u>
Total	100.0%	100.0%

Source: U.S. Census, 1960, and Economics Research Associates.



SOURCE: U. S. CENSUS, 1960; FLORIDA INDUSTRIAL COMMISSION;  
AND ECONOMICS RESEARCH ASSOCIATES.

Figure 25

MANUFACTURING EMPLOYMENT IN FLORIDA,  
CENTRAL FLORIDA, AND TRI-COUNTY AREA,  
1950-1980

Forces influencing future industrial growth in the state as a whole will also largely determine what happens in Central Florida and the tri-county area. Between 1959 and 1963, almost half the state's new industrial jobs were created in Central Florida. Its established position in space exploration should enable it to maintain its share of growth, and increase industrial employment to 230,000 jobs by 1980.

As described in Section III, Orlando was in an excellent position to benefit from introduction of electronics and space industries to Central Florida. Large government holdings at the Cape, relatively high land prices along the coast, and marshy lands extending between the Cape and Orlando were important factors contributing to the tri-county area's attracting relatively large portions of this industry. In addition, its role as an established population, trade, and transportation center made it the preferred location for any industries not directly related to space. Its position in this respect will be further reinforced over the next 15 years by two developments: first, establishment in Orlando of Space University, a technically oriented four-year college with an estimated enrollment of 15,000 students; and second, possible construction through the area of a branch of an east-west canal linking Cape Kennedy with the Gulf of Mexico. These developments are expected to help increase manufacturing employment in the tri-county area to 76,500 jobs by 1980.

#### DETERMINANTS OF PLANT SITE LOCATION

Analysis of factors determining the location of future industrial growth in the tri-county area is required before the potential share Project Future might hope to attract can be determined.

##### Highway Access

In a recent McGraw-Hill survey of companies opening new plants<sup>1/</sup>, the factor most frequently mentioned as influencing choice of location was highway access. Seventy-six per cent of the firms surveyed indicated

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<sup>1/</sup> Reported in Land Economics, "Why Manufacturers Choose Plant Locations," August 1965, Madison, Wisconsin.



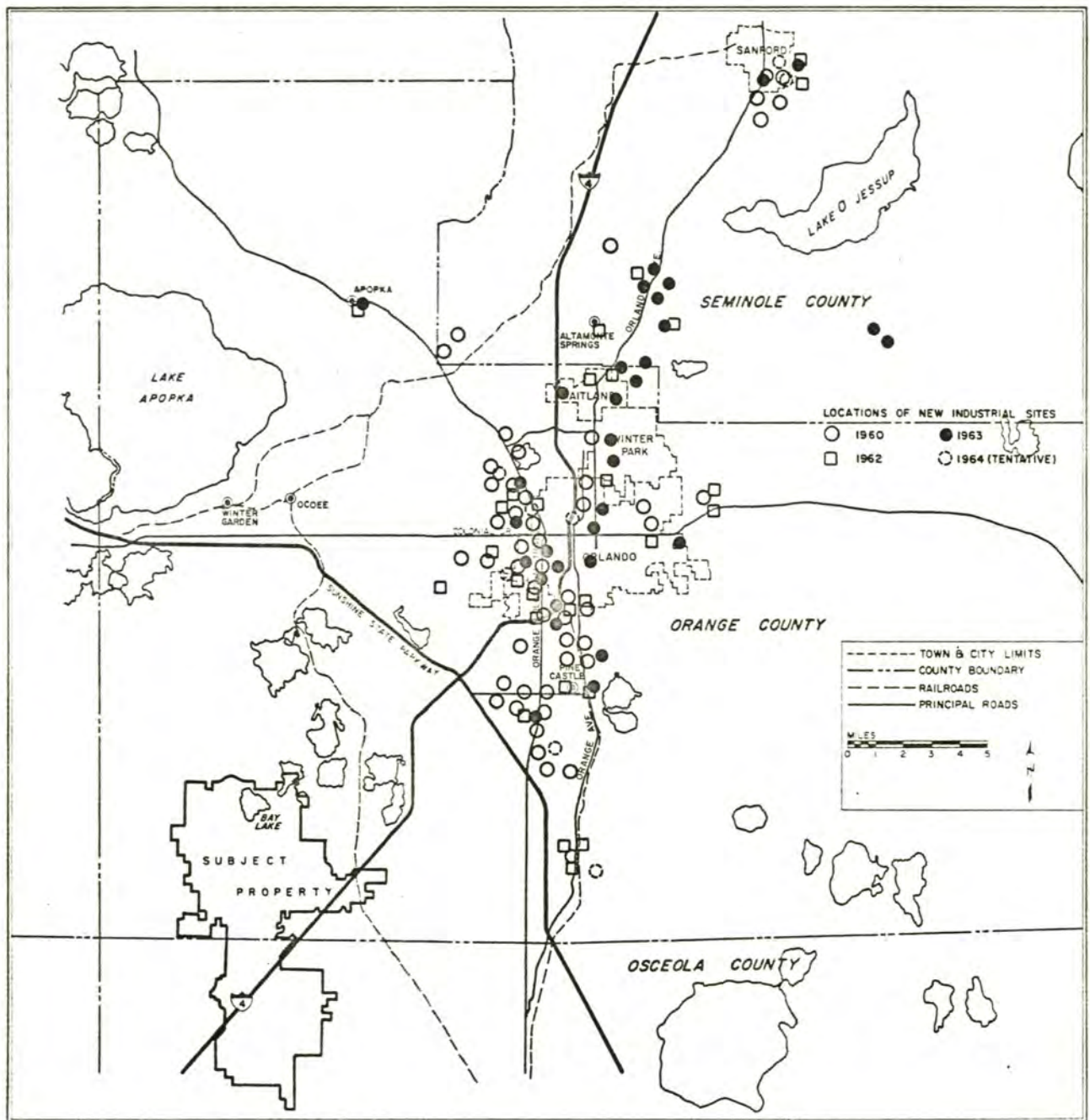
location on a good highway network was important to them because they depend more heavily on trucking than on any other form of transportation. The importance of this factor in the tri-county area is obvious from an examination of Figure 26; since 1960 almost all new industrial plants have been located along either Interstate Highway 4 or the Sunshine State Parkway. Straddling Highway 4, the subject property is extremely well located to attract new industrial plants, provide traffic to the Project Future theme park and hotels does not create highway congestion.

#### Air Transportation

Air transportation is much less frequently important to industries in selecting a plant site than highway access. Proximity to an airport was a factor in only 20 per cent of the cases covered by the McGraw-Hill survey, compared with 76 per cent for highway access. The desirability of developing an airport on the subject site was described in Section III, in connection with tourist travel. If an airport were developed, Project Future would obviously fall heir to those industries requiring a site convenient to air transportation, although they are a relatively small minority.

#### Land Cost

Development of the tri-county area into a large metropolitan community has been accompanied by rising prices for land. This in turn has resulted in selection of suburban locations for new plant sites, where land is cheapest. Figure 26, which showed that new plant location has been following the highway network, also shows that sites generally have been selected at increasing distances from the urban center -- in many cases, at the fringe of urban development. Because inexpensive land costs were mentioned as a determinant of location by as many as 67 per cent of respondents in the McGraw-Hill survey, continued decentralization of industry in the tri-county area can be expected. This generally is a favorable circumstance for attracting industry to Project Future.



SOURCE: FLORIDA DEVELOPMENT COMMISSION AND  
ECONOMICS RESEARCH ASSOCIATES

Figure 26

LOCATION OF NEW INDUSTRIAL SITES  
IN TRI-COUNTY AREA, 1960-1964



### Existence of Industrial Parks

Industrial parks in reality are a response to demand for good transportation, inexpensive land, and compatibility of industrial with other land uses in suburban areas. By their very existence, however, they become a factor influencing the choice of location for a new plant.

Many industries find location in an industrial park advantageous from their particular standpoint. As they do throughout the country, industrial parks in the tri-county area offer good highway access, planned sites with installed utilities, protective restrictions, and attractive landscaping. Further, they create an atmosphere compatible with the surrounding community. Their chief disadvantage is greater land costs. An industry planning a large new plant, therefore, usually prefers to make its own arrangements for items like utilities and roads (which often will be underwritten by local government as an inducement to attract industry) in exchange for the cheaper cost of raw land.

The tri-county area has an abundance of available land in industrial parks, as Table XXXIX shows. Over 4,000 acres are presently available, generally in sites southeast of downtown Orlando, as shown in Figure 27. With so much land on the market in the same general part of the tri-county area as Project Future, existing industrial parks can be expected to offer considerable competition in attracting new industry.

### Location of Existing Industry

Much of the industrial growth expected in the next 15 years will consist of expanded capacity of existing plants. Of the 192,900 new jobs created in the last eight years by Florida's industrial growth, 64,800, or 33 per cent, were added by plant expansion. The share of total industrial growth in the tri-county area Project Future can expect to attract over the next 15 years, therefore, will be restricted by as much as one-third by expansion of established plants at present locations.

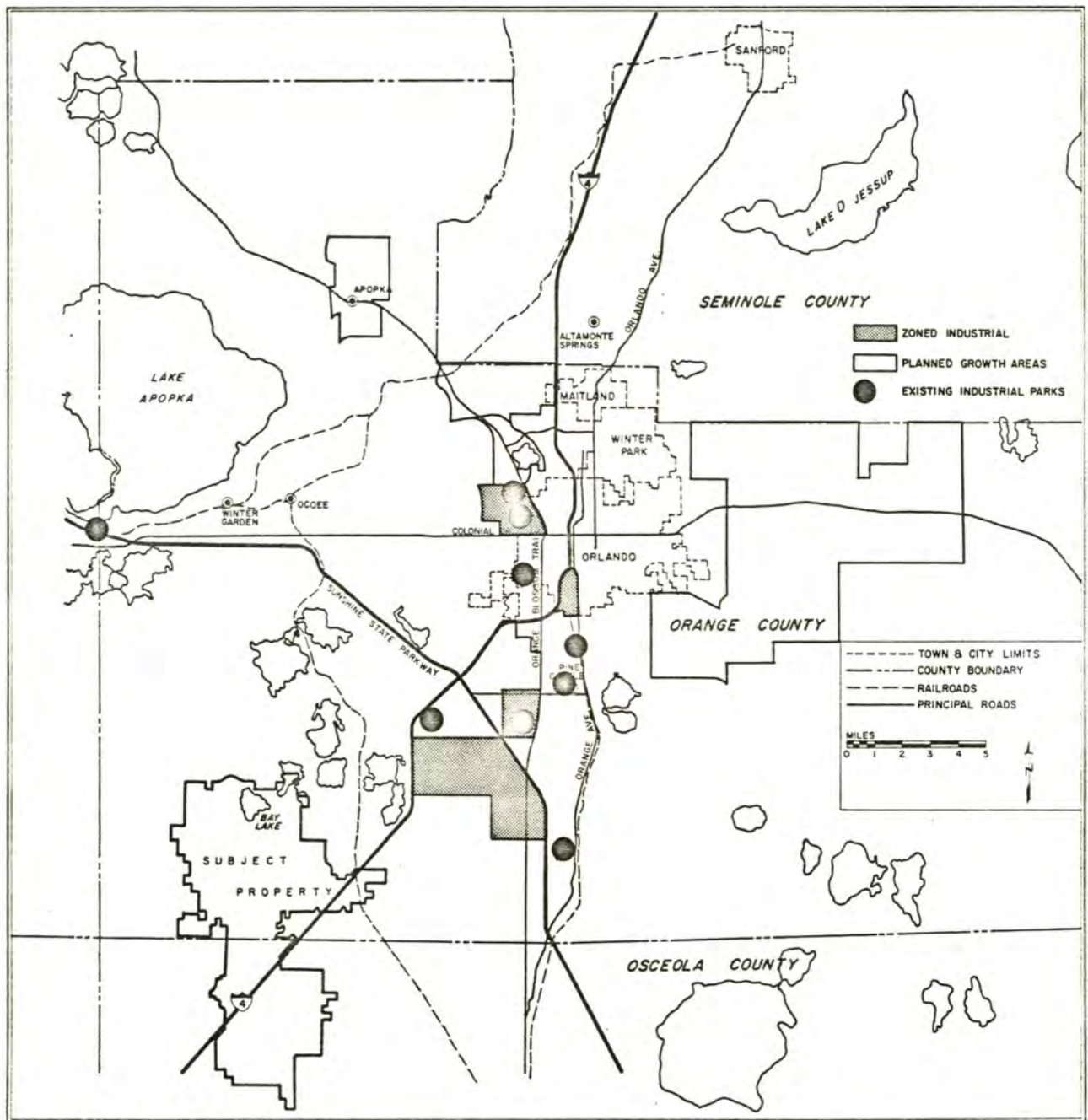


Table XXXIX

AVAILABLE AND DEVELOPED LAND IN EXISTING  
INDUSTRIAL PARKS, TRI-COUNTY AREA,  
1965

<u>Name of Park</u>	<u>Number of Acres Available</u>	<u>Percentage of Acres Developed</u>	<u>Number of Acres Developed</u>
Lake Holden Village	53	96%	50.8
Silver Star	110	41	45.1
Gainesway	740	--	--
Central Florida Park	1,159	8	92.7
Orlando Central Park	2,100	4	84.0
Fairvilla	120	40	48.0
Acme	14	25	3.5
Sand Lake	102	--	--
Haines City	<u>90</u>	<u>7</u>	<u>6.3</u>
Total	4,488	7%	330.4

Source: Orange County Planning Department and Economics Research  
Associates.



SOURCE: ORANGE COUNTY, FLORIDA, PLANNING COMMISSION;  
AND ECONOMICS RESEARCH ASSOCIATES.

Figure 27

INDUSTRIAL PARKS AND PLANNED INDUSTRIAL ZONES,  
TRI-COUNTY AREA, 1965

### Other Factors

Availability of railroad transportation, topography, drainage, and room for expansion are factors which often influence the selection of a particular plant site. With respect to these factors, however, Project Future appears to offer no special advantages or disadvantages as an industrial plant location compared with other available tri-county sites.

### INDUSTRIAL DEVELOPMENT POTENTIAL AT PROJECT FUTURE

Industrial employment in the tri-county area is expected to increase from its present level of 28,500 jobs to 76,500 jobs by 1980. Not all these jobs will be created by new plants; if present trends continue, at least one-third of new manufacturing jobs will be filled at plants expanding capacity at present locations. Expansion of the industrial base will, nonetheless, require a considerable amount of land for new sites.

A nationwide survey made by the Urban Land Institute reveals that industrial districts developed by private interests currently require an acre of land for every 22 employees. While this figure is only an average which varies widely with types of plant, its reliability for planning purposes has been confirmed by experience in Orange County, California, and appears to be validated by fragmentary information available on recently developed plants in the tri-county area<sup>1/</sup>. Acreage requirements for new plants consistent with expected increases in manufacturing employment in the tri-county area over the next 15 years are shown below:

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<sup>1/</sup> Plants constructed in the tri-county area since 1959 were built for an average of 115 employees per net acre of plant space. Conversion to gross space at a factor of approximately four times net space would result in about 22 employees per acre.



<u>Period</u>	<u>Increase in Manufacturing Employment</u>	<u>Expected Increase at New Plants</u>	<u>Gross Acres Required</u>
1965 - 1970	12,500	8,400	380
1970 - 1975	16,000	10,700	490
1975 - 1980	<u>19,500</u>	<u>13,100</u>	<u>600</u>
Total	48,000	32,200	1,470

Good highway access and reasonable land cost, at least compared with existing industrial parks, are advantages Project Future can offer to attract a share of new industry seeking plant sites. Development of an airport on the site would enhance its attractiveness.

Substantial amounts of land, however, are available in existing industrial parks, and competition will be considerable. Project Future, moreover, will have limited appeal for large plants unless it is prepared to offer concessions available from local government throughout the area. Possible highway congestion due to theme park and resort activity could also prove a handicap. It seems reasonable, therefore, that penetration be planned for no more than 10 per cent of the market, resulting in absorption of approximately 150 acres of land by 1985.

## Section VIII

### COMMUNITY DEVELOPMENT POTENTIAL

Concurrent development of commercial recreation and an industrial base introduces the possibility of large scale residential construction at Project Future. This is true even though it is about seven miles from present urban development in Orlando, and suburbanization normally would not occur in the area for a number of years. To successfully attract residents who will have the option of living elsewhere in the tri-county area, housing at Project Future must be competitive in price, type, and every other respect with the rest of the tri-county market. The shape of future housing demand in this area and its implications for residential development at Project Future are the subject of this section of the report.

#### EXISTING INVENTORY

The existing housing inventory in the tri-county area is the base upon which the future housing supply must be built. At the time the last census of housing was completed in 1960, the tri-county area had 98,600 occupied housing units. Owner occupied units comprised 70 per cent and renter occupied units 30 per cent of the total:

<u>Type of Unit</u>	<u>Number</u>	<u>Percentage of Total</u>
Owner occupied	68,527	70%
Renter occupied	<u>30,073</u>	<u>30</u>
Total	98,600	100%

In general, units in the 1960 inventory<sup>1/</sup> were relatively new and in good condition, as shown in Tables XL and XLI. Nearly 60 per cent of tri-county housing was less than ten years old, and 85 per cent of the total

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<sup>1/</sup> Data on detailed characteristics of the 1960 housing inventory are available only for units located in the Orlando Standard Metropolitan Statistical Area, composed of Orange and Seminole counties. Omission of the 2,846 units in Osceola County does not materially affect the conclusions of this analysis.

Table XL

AGE OF OCCUPIED HOUSING UNITS,  
ORLANDO STANDARD METROPOLITAN STATISTICAL AREA, 1960

<u>Period Constructed</u>	<u>Total</u>		<u>Renter</u>		<u>Owner</u>	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
Occupied Units:						
1939 or earlier	24,192	25.3%	12,807	43.9%	11,385	17.1%
1940 - 1949	16,497	17.2	6,243	21.4	10,254	15.4
1950 - 1954	19,844	20.7	4,930	16.9	14,914	22.4
1955 - 1958	23,409	24.5	3,967	13.6	19,442	29.2
1959 - March 1960	<u>11,812</u>	<u>12.3</u>	<u>1,225</u>	<u>4.2</u>	<u>10,587</u>	<u>15.9</u>
Total	95,754	100.0%	29,172	100.0%	66,582	100.0%

Source: U. S. Census, 1960, and Economics Research Associates.



Table XLI

CONDITION OF OCCUPIED HOUSING UNITS,  
ORLANDO STANDARD METROPOLITAN STATISTICAL AREA, 1960

<u>Condition</u>	<u>Total Units</u>		<u>Renter</u>		<u>Owner</u>	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
Sound	81,104	84.7%	20,304	69.6%	60,789	91.3%
Substandard:						
Dilapidated	4,692	4.9	3,092	10.6	1,665	2.5
Deteriorating	9,958	10.4	5,776	19.8	4,128	6.2
Total	14,650	15.3	8,868	30.4	5,793	8.7
Total occupied units	95,754	100.0%	29,172	100.0%	66,582	100.0%

Source: U. S. Census, 1960, and Economics Research Associates.

inventory was judged to be in sound condition. Much greater proportions of rental units were old and in substandard condition than were owner occupied units.

Most rented units in 1960 were single family homes or duplexes, as shown in Table XLII. Very few apartment houses were larger in size than ten units. Until the very recent past, most tri-county residents owned their own single family homes. Renters frequently occupied the oldest and least desirable single family units in the inventory. Little high density multiple unit housing existed.

Since 1960, however, the national trend in apartment building has made itself felt in the tri-county area, especially in Orange County. Large, modern apartment complexes have been built, generally in the form of garden apartments, although smaller units continue to be built by those desiring some form of income property in Florida. Table XLIII reveals that building permits for construction of multiple units have increased to over 20 per cent of the total in the last two years.

#### CURRENT MARKET FOR NEW HOUSING

The tri-county area, along with the entire region surrounding Cape Kennedy, is presently recovering from an overbuilt housing situation. Cities close to Cape Kennedy, such as Eau Gallie, Melbourne, and Satellite Beach have experienced a greater problem in this respect than the tri-county area. Overbuilding has been concentrated principally in the market for multiple units. As recently as the beginning of this year the FHA found vacancy rates of 40 per cent and over in new apartments in Cape Kennedy's bedroom communities. Apartment vacancy in the tri-county area is about 18 per cent; somewhat high, but much less serious than near the Cape.

Overbuilding of single family housing did not reach the stages of a glutted market and a large number of unsold homes, but resulted instead in overgenerous financing terms and subsequently high rates of foreclosure. When the problem became apparent, the FHA instituted more stringent lending policies which still remain in effect. The cautious attitude of local developers is reflected in the general absence of speculative building. While new tract homes are for sale, building is no more than a few units in advance of demand.

Table XLII

RENTER OCCUPIED HOUSING  
BY NUMBER OF UNITS IN STRUCTURE,  
ORLANDO STANDARD METROPOLITAN STATISTICAL AREA,  
1960

<u>Units in Structure</u>	<u>Number</u>	<u>Percentage</u>
1	18,798	64.4%
2	4,155	14.2
3 and 4	2,174	7.5
5 - 9	1,679	5.7
10 - 19	1,013	3.5
20 - 49	570	2.0
50 and over	250	0.9
Trailer	<u>533</u>	<u>1.8</u>
Total	29,172	100.0%

Source: U. S. Census, 1960, and Economics Research Associates.



Table XLIII

BUILDING PERMITS ISSUED IN ORANGE COUNTY, FLORIDA  
1960 - 1964

<u>Year</u>	<u>Single Units</u>		<u>Multiple Units</u>		<u>Total</u>	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
1960	3,614	90.4%	382	9.6%	3,996	100.0%
1961	3,278	86.6	508	13.4	3,786	100.0
1962	2,410	87.1	356	12.9	2,766	100.0
1963	2,251	76.4	696	23.6	2,947	100.0
1964	<u>2,491</u>	<u>77.4</u>	<u>714</u>	<u>22.3</u>	<u>3,205</u>	<u>100.0</u>
Total	14,044	84.1%	2,656	15.9%	16,700	100.0%

Source: Orange and Seminole counties Planning Commission  
and Economics Research Associates.

### Single Family Housing

Table XLIV presents current data on a series of representative single family home developments in the tri-county market. New tract housing ranges in price from about \$12,000 for a two-bedroom home in a modest neighborhood to \$20,000 or more in better locations. The best residential districts have considerably more expensive homes than these, but they are built on a custom basis.

Average family size in the tri-county area is 3.3 persons, and modest three- or four-bedroom homes dominate the tract housing market. Built-in appliances are standard in most models, as is air conditioning.

### Multiple Family Housing

Characteristics of new apartment complexes in the tri-county area are shown in Table XLV. Largely introduced since 1960, they typically take the form of two- or three-story garden apartments containing 50 or more units. In general they are designed for the above-average income multiple market, and are built in the tri-county area's better neighborhoods, often on the shore of one of numerous lakes. Priced to rent for \$125 per month and over, the apartments feature a full range of amenities: carpets, drapes, air conditioning, built-in appliances, and a swimming pool. Considering length of time they have been open, vacancy rates are relatively high.

Lower priced new multiple units are widely available in the tri-county area, often in the form of duplexes or triplexes. They are much more modest than the big apartments, and are most often priced to rent for \$75 to \$110 per month.

### Condominiums

Condominiums have been widely offered in Florida in the last few years because of their appeal to retirement and second home markets. The advantages they offer -- easy upkeep and full maintenance during the owner's absence -- makes them especially well suited to both groups, although they do not attract the majority of Florida retirees because of relatively high price.

Table XLIV

REPRESENTATIVE SINGLE FAMILY HOUSING DEVELOPMENTS IN THE  
TRI-COUNTY AREA, JULY 1965

Name of Development	Location	Income Level of Neighborhood	Number of Bedrooms	Number of Baths	House Area (square feet)	Total Sales Price	Sales Price Per Square Foot
Candlelight Park	Southeast Orlando	High	3 4	2 2	1,670 2,200	\$15,400-\$15,950 17,200-17,725	\$ 9.22-\$ 9.55 7.82- 8.06
Forest Park	Northwest Orlando	High	3 4	2 2	1,800 2,300	\$22,000 23,500	\$12.25 10.22
Georgetown	South Central Orlando	Medium	3 3	1-1/2 2	1,550 1,650	\$14,700-\$15,500 14,025-18,225	\$ 9.50-\$10.00 8.50-11.05
Oakland	Northwest Orlando	Medium	3 4	2 2	1,400 1,600	\$14,200-\$15,900 15,500	\$10.14-\$11.35 9.64 .68
Oakridge	South Central Orlando	Low	2 3 3 4	1 1 2 2	800 950 1,200 1,250	\$11,990 12,950 13,650-\$14,350 14,150	\$14.87 13.63 11.38-\$11.95 11.32
Southwood	Southwest Orlando	Low	2 3 3 4	1 1 2 2	n. a. n. a. n. a. n. a.	\$11,900 12,800 14,200-\$14,800 15,750	n. a. n. a. n. a. n. a.

n. a. = not available.

Source: Economics Research Associates.



Table XLV

REPRESENTATIVE APARTMENTS AVAILABLE IN THE  
TRI-COUNTY AREA, JULY 1965

Description	Lake Killarney, Winter Park	Lucern Towers Orlando	Pineclack Village, South Orlando	Sutton Place, Winter Park	Winter Park Arms, Winter Park
Number of units	200	157	80	80	127
Number of stores	2	9	2	4	3
Number of square feet per apartment <sup>1/</sup>	1,100	900	930	1,200	1,050
Vacancy	25%	13%	10%	30%	20%
Rental Rate					
One-bedroom unfurnished	\$125 - \$135	\$167 - \$188	--	\$165 - \$190	\$155 - \$165
Two-bedroom unfurnished	\$153 - \$170	\$167 - \$210	\$135 - \$150	\$200 - \$210	\$195 - \$210
Amenities <sup>2/</sup>					
Furnished	X	--	X	X	X
Carpets, drapes, air- conditioning	A	A <sup>3/</sup>	A	A	A
Built-ins	A	A	A	A	A
Dishwasher	--	--	--	X	X
Balcony, patio	A	A	A	--	A
Elevator	--	C	--	C	C
Sundry room	C	C	C	C	C
Fireplace	--	--	--	--	X
Extra bath	--	--	--	--	X
Dressing room	--	--	--	--	--
Landscaping	Fair	Fair	Poor	Fair	Excellent
Recreational room	C	--	--	C	C
Lake-front	Yes	Yes	No	Yes	Yes
Pool	C	C	C	C	C
Lease required	Yes	No	No	Yes	Yes
Age limit	None	None	None	Yes	None
Parking	Uncovered	Uncovered	Uncovered	16 and over Carport	Uncovered
Period open	2-1/2 years	4 years	3-1/2 years	1-1/6 years	n. a.

n. a. = not available.

<sup>1/</sup> Two-bedroom.<sup>2/</sup> A = all units, X = optional, C = community.<sup>3/</sup> Air conditioning only.

Source: Economics Research Associates.

Most condominiums are currently being built by large builders where mass second home and retirement markets exist: the Gold Coast and on the west coast between St. Petersburg and Sarasota. Because the tri-county area is not well established as a retirement or second home location, relatively few condominiums have been built there.

Table XLVI provides data on condominium developments currently on the market in Florida. They span a wide range of prices, depending upon area, but in general are nearly as expensive as alternative single family housing would be to purchase. Condominiums command these prices because most often they are on choice lake-or ocean-front sites. Apartment sizes are relatively small, in keeping with retirement or second home needs, but two-bedroom models predominate. Recreational facilities are offered at all developments, their luxuriance depending upon apartment price. A monthly maintenance charge is standard at condominiums, adding to living expenses of the occupants.

#### Trailer Parks

Trailer parks are highly popular with Florida's large number of retired residents because they offer relatively inexpensive living in surroundings which often have been created specifically for senior citizens. Florida currently has 1,500 trailer parks containing over 100,000 spaces. On a statewide basis an estimated 15 per cent of new dwelling units occupied in recent years were mobile homes. Largest concentrations are on the west coast, in St. Petersburg, Sarasota, Bradenton, and surrounding communities. While some parks rent mobile homes or accept trailers on an overnight basis, most concentrate on, or are restricted entirely to, permanent residents. Manufacturers estimate 75 per cent of all trailers in Florida were bought in the state, put in place, and never moved again.

Low cost is the obvious appeal of trailer living for retired people: the Florida Mobile Home Association estimates the average trailer cost only \$4,500, and while prices can run as high as a single family home for the largest and most complete models, furnishings are usually included.

The tri-county area has approximately 60 mobile home parks, containing a total of over 4,500 spaces -- about 4 per cent of the total tri-county housing inventory. Table XLVII shows size, rental rates,



Table XLVI

## REPRESENTATIVE CONDOMINIUM DEVELOPMENTS IN FLORIDA, JULY 1965

Name and Location of Development	Features	Total Number of Units	Type of Apartment			Size (square feet)	Sales Price		Monthly Maintenance Charge
			Number of Bedrooms	Number of Baths	Percentage of Total Units		Total	Per Square Foot	
Maitland Harbour, tri-county area	Recreation area, lake, pool, shuffleboard	39	2	2	100%	995	\$17,750-\$19,250	\$17.85-\$19.35	\$ 80
Lake Maitland Terrace, tri-county area	Garden, lake, pool, putting green	181	1	1	40%	540	\$10,850-\$11,050	\$20.00-\$20.46	\$ 30
			2	1	10	786	13,050- 16,050	16.62- 20.44	38
			2	1-1/2	35	865	14,250- 16,650	16.47- 19.25	38
			2	2	15	1,080	22,050- 22,300	20.42- 20.65	60
Daytona Beach Harbour, Daytona Beach	Swimming pool, putting green, shuffleboard, boat dock, recreation hall	72	1	1	25%	576	\$11,450	\$20.00	\$ 50
Winter Haven Harbour, Winter Haven	Swimming pool, boat dock, recreation hall, shuffleboard	63	2	1-1-1/2	65	600	14,450-\$16,450	24.00-\$27.50	65
			2	2	10	800	15,700- 16,075	19.50- 20.00	65
			1	1	20%	570	\$10,750	\$18.75	\$ 45
Leisure by the Sea, Fort Lauderdale	Pool, putting green, shuffleboard	91	2	1-1-1/2	60	600	13,950-\$15,950	23.25-\$26.50	60
			2	2	20	900	18,250- 20,250	20.25- 22.50	75
			1	1	50%	590	\$ 9,990-\$11,490	\$17.00-\$19.50	\$ 40
			2	1	25	800-900	13,990- 15,490	15.50- 18.75	46
Atlantic Beach Villas, Fort Lauderdale	Private beach, enclosed parking, pool, recreation center	61	2	2	25	800-900	15,490- 16,990	17.25- 19.25	51
			2	1-1/2	n.a.	1,050	\$21,250	\$20.25	63
			2	2-1/2	n.a.	1,180	22,250	18.85	63
			3	2-1/2	n.a.	1,230	24,400	19.85	73
Ocean Summit, Fort Lauderdale	High rise building, pool, clubhouse, security guards, private beach, enclosed parking <sup>1</sup>	225	1	1	13%	940	\$18,200-\$25,000	\$19.40-\$26.60	\$ 33
			1	1-1/2	20	970	19,800- 26,900	20.40- 27.70	40
			2	2	53	1,290	25,300- 32,000	19.60- 24.80	50
			2	2	7	1,340	28,000- 35,000	20.90- 26.10	50
			3	2	7	1,625	29,975- 38,000	18.40- 23.40	60
Fountainhead, Fort Lauderdale	High rise building, enclosed parking, doorman, security service, pool, private beach, sauna baths, recreation rooms	125	1	1-1/2	12%	1,200	\$31,500-\$41,000	\$26.25-\$34.20	\$ 74
			2	2	63	1,700	45,000- 65,000	26.50- 38.25	95-\$101
			3	3	25	2,200	62,500- 73,000	28.40- 33.20	118

n. a. = not available

<sup>1</sup>/ Optional at additional cost.

Source: Economics Research Associates.



Table XLVII

TRI-COUNTY MOBILE HOME PARKS,  
1965

<u>Name</u>	<u>Number of Spaces</u>	<u>Monthly Rent</u>	<u>Recreation Facilities</u>	<u>Rental Units</u>	<u>Overnight Spaces</u>
Armstrong	47	\$21	Yes	--	No
Azalea Gardens	46	30-\$35	Yes	1	Yes
Barton Lake	40	20	No	--	No
Big Econ	63	20	Yes	4	Yes
Blue Skies	11	20	No	--	No
College Park	132	30- 35	Yes	--	No
Conestoga	60	30- 35	Yes	--	No
Cypress Shores	35	26	Yes	--	No
El Punto	41	25	No	31	No
Fairview	36	30	No	--	Yes
Fairvilla	30	20	Yes	--	Yes
Four-Forty-One	56	25	No	3	Yes
Gilbert's	28	20	No	2	Yes
Kirkmont	30	18- 24	Yes	--	Yes
Lake Conway	28	n. a.	No	--	No
Lockhart	24	16	No	4	Yes
Lucas	35	20	No	--	No
MoHo	307	30	Yes	--	No
Orange Avenue	24	30	No	12	No
Pack's	19	20	Yes	6	No
Palamar	65	25	Yes	--	Yes
Palms	94	20- 25	Yes	--	Yes
Pinelock	26	25	Yes	--	No
Royal	46	25	No	1	No
Ruffs	14	20	No	4	No
Sand Lake	100	25	Yes	3	No
Sandy Shores	64	30- 35	No	--	No
Sargent's	46	23	No	8	Yes
Shady Oaks	20	20	Yes	--	No
Sunny South	160	23- 30	Yes	12	Yes
Sunset	18	30	Yes	--	No
Town and County	65	28	Yes	--	No
Trailer Haven	18	25	Yes	4	Yes
Vagabond	25	15- 35	Yes	--	Yes

n. a. = not available.

Source: Florida Trailer Handbook, 1965, and Economics Research Associates.

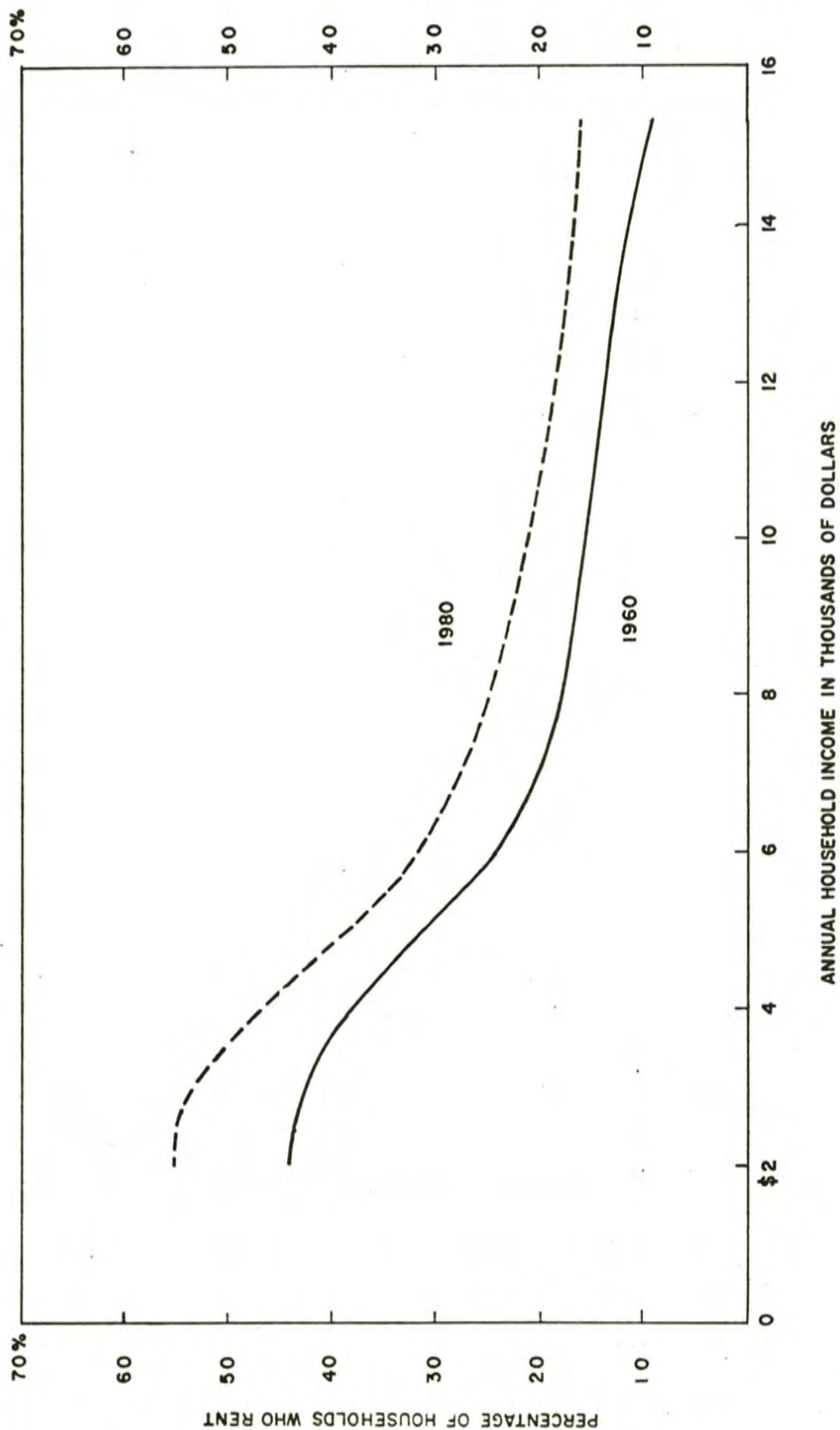
and some of the features of a representative group of parks. In general they are smaller and less complete in services and recreational facilities than those on the west coast of Florida, which often contain several hundred spaces and offer a full range of recreational and community activities. Rental rates of \$20-\$35 per month are typical of most Florida parks.

#### LONG RANGE HOUSING DEMAND

Demand for housing in the tri-county area over the next 15 years will result from the combined effect of obsolescence of existing housing and changes expected to occur in population and income distribution:

1. Although the tri-county housing supply is generally new and in good condition, part of it will require replacement due to obsolescence in the next 15 years.
2. The tri-county area is expected to add approximately 95,000 new families to its existing population by 1980, considerably increasing the need for housing.
3. Median family income is projected to increase 40 per cent by 1980, providing many families with the ability to purchase or rent better housing.

One condition these changing circumstances will influence is the propensity to rent housing. In any community the proportion of families renting living quarters is greater among the lowest income groups than in the upper income brackets. The reason for this is obvious: low income families cannot afford to buy housing and are forced by economic necessity to live in rentals which include the oldest and least desirable units in the inventory. As income increases, the proportion of families renting housing decreases sharply. Regardless of income, however, some families prefer renting to owning, and even at the top end of the income scale at least 8 to 10 per cent of families rent housing in most metropolitan areas. Figure 28 shows the relationship between income and propensity to rent in the tri-county area as it was in 1960, and as it is expected to be in 1980.



SOURCE: U. S. CENSUS, 1960, AND ECONOMICS RESEARCH ASSOCIATES.

Figure 28

PROPENSITY TO RENT HOUSING,  
TRI-COUNTY AREA, 1960-1980



As the tri-county area becomes more highly urbanized, propensity to rent is projected to increase in all income groups. Expanding population and the need for more housing will raise urban land prices, in turn increasing single family housing cost. Despite increases in income, therefore, the cost of owning a home will continue to be prohibitive to a large portion of the population. Supplementing this effect will be a greater preference to rent by those in better economic circumstances: increasing distance of new suburbs from the center of population will make commuting a greater problem, and home ownership will prove a greater burden as increased income and leisure time provide more opportunity for travel. By 1980 the propensity to rent curve in the tri-county area is projected to resemble that in Orange County, California in 1960. Approximately 55 per cent of families in the lowest income group are expected to rent living quarters, along with 16 per cent of families in the upper income brackets.

Table XLVIII shows the number of housing units required in the tri-county area inventory to satisfy demand through 1980, as well as the amount of construction required to bring the inventory to desired levels for both renter and owner occupied housing. Project Future will generate considerable construction activity in the tri-county area in the next five years. The impact will be similar to what occurred when the Martin Company established its Orlando plant: a rapid increase in demand for housing followed by a period of more normal economic growth and a reduced rate of construction. Approximately 116,000 new housing units will be required in the tri-county area through 1980, 43,000 of them before 1970 if plans to develop Project Future proceed. Multiple units will comprise slightly more than 25 per cent of the required new construction.

Prices at which new housing must be built depend on the community's future income structure. Table XLIX shows the amount a family in the tri-county area at any given income level will spend to purchase or rent housing, a function of the proportion of family income typically allocated to housing. Prices for new units based on the expected distribution of income are shown in Table L for units constructed through 1980. The median price to purchase a new home is expected to increase from \$19,600 to \$24,850, and to rent a new apartment, from \$120 to \$140 per month.

Table XLVIII

HOUSING INVENTORY AND REQUIRED CONSTRUCTION  
OF HOUSING UNITS FOR TRI-COUNTY AREA, 1965 - 1980

	Period		
	<u>1965-1970</u>	<u>1970-1975</u>	<u>1975-1980</u>
Inventory at start of period	121, 200	162, 700	191, 500
Inventory at close of period	162, 700	191, 500	215, 700
New demand for construction	41, 500	28, 800	24, 200
Total demand for construction <sup>1/</sup>	42, 800	38, 100	35, 100
Required Construction by Type:			
Units for rental market -			
Number	11, 300	10, 100	9, 700
Percentage	26. 5%	26. 5%	27. 5%
Units for owner market -			
Number	31, 500	28, 000	25, 400
Percentage	73. 5%	73. 5%	72. 5%

<sup>1/</sup> Includes, in addition to new demand, replacement demand made possible by expected increases in income.

Source: Economics Research Associates.

Table XLIX

TYPICAL RELATIONSHIP BETWEEN GROSS FAMILY INCOME  
AND HOME PURCHASING OR RENTING ABILITY

<u>Income Range</u>	<u>Range of Purchase Prices</u>	<u>Range of Rental Payments</u>
\$15,000 and over	\$31,000 and over	\$200 and over
\$10,000 - 14,999	22,000 - \$30,000	143 - \$199
\$ 7,000 - 9,999	15,000 - 21,999	106 - 142
\$ 5,000 - 6,999	13,000 - 14,999	84 - 105
\$ 3,000 - 4,999	8,000 - 12,999	65 - 83
Under \$3,000	Up to \$8,000	Up to \$65

Note: Purchase prices and rental payments are determined by the proportion of income each income group typically allocates to shelter. Mortgage payments and maintenance expense on a home in any given price are approximately equal to indicated rental payments.

Source: Economics Research Associates.



Table L

PRICE RANGE OF NEW HOUSING IN  
TRI-COUNTY AREA, 1965 - 1980

Price Class	1965 - 1970		1970 - 1975		1975 - 1980	
	Number	Percentage	Number	Percentage	Number	Percentage
<u>Purchase Price</u>						
\$31, 000 and over	4, 160	13.2%	3, 140	11.2%	3, 960	15.6%
\$22, 000 - \$30, 999	7, 280	23.1	8, 340	29.8	12, 780	50.3
\$15, 000 - \$21, 999	12, 690	40.3	12, 100	43.2	8, 660	34.1
\$14, 999 and below	7, 370	23.4	4, 420	15.8	--	--
Total	31, 500	100.0%	28, 000	100.0%	25, 400	100.0%
Median Purchase Price	\$19, 600		\$20, 550		\$24, 850	
<u>Rent</u>						
\$200 and over	910	8.1%	650	6.4%	1, 100	11.3%
\$143 - \$199	1, 730	15.3	2, 250	22.3	3, 200	33.0
\$106 - \$142	4, 580	40.5	3, 740	37.0	4, 960	51.1
\$105 and below	4, 080	36.1	3, 460	34.3	440	4.6
Total	11, 300	100.0%	10, 100	100.0%	9, 700	100.0%
Median Rent	\$ 120		\$ 130		\$ 140	

Source: Economics Research Associates.

## HOUSING DEMAND AT PROJECT FUTURE

A residential development at Project Future cannot be expected to have great appeal to the tri-county area at large because Project Future is about seven miles from existing urban development. Orlando's most desirable residential districts and shopping centers, moreover, are on the north side of town, 15 or more miles away. Nevertheless, with development of a theme park, resort area recreation facilities, hotels, and industrial plant sites, some 7,000 persons are expected to be employed at Project Future by 1980. A residential district on the subject property would have obvious advantages for them. In addition, the Martin Company, Orlando's largest employer, is a few miles closer to town than Project Future on Highway 4, and a residential district at Project Future would easily be as convenient as Orlando for Martin's employees. Nearby location of Space University or an airport might provide additional sources of residential demand for Project Future.

Table LI shows potential rates of construction at Project Future, assuming residential demand is closely related to employment at the site. Opportunity to attract potential residents to the site should be greatest during the period of construction and inauguration of the theme park, hotels, and resort facilities. If construction of 830 units annually can be sustained for the first three years, Project Future will have 2,500 resident families, enough to support a neighborhood shopping center and minimal community facilities. From this point, attracting residents from throughout the tri-county area should be easier, but Table LI shows a decreased rate of activity coinciding with decreased opportunities for new employment at the project.

The configuration of housing by price and type of unit shown in Table LI is designed to conform with overall tri-county housing demand to ensure the widest possible range of market support. About 25 per cent of units should be constructed in the form of multiple units for the rental market and 75 per cent single family units for sale. A very small number of condominium units might be built, although the tri-county area is not a strong second home or retirement area, and better established sites like Winter Haven have had difficulty selling more than 30 or 40 condominium units annually. Development of up to 100 trailer spaces might be a more suitable way to attract retirees, especially if they are encouraged to seek part- or full-time employment at the theme park.



Table LI

POTENTIAL DEMAND FOR NEW RESIDENTIAL HOUSING  
AT PROJECT FUTURE, BY TYPE AND PRICE RANGE, 1968-1980

	<u>1968 - 1970</u>	<u>1970 - 1975</u>	<u>1975 - 1980</u>	<u>Total Units 1968 - 1980</u>
<u>Single Family Units</u>				
\$31, 000 and over	240	290	110	640
\$22, 000-\$30, 999	420	770	360	1, 550
\$15, 000-\$21, 999	740	1, 110	250	2, 100
\$14, 999 and below	<u>430</u>	<u>400</u>	--	<u>830</u>
Total	1, 830	2, 570	720	5, 120
<u>Multiple Units</u>				
\$200 per month and over	60	60	30	150
\$143-\$199 per month	100	210	90	400
\$106-\$142 per month	270	340	145	755
\$105 per month and below	<u>240</u>	<u>320</u>	<u>15</u>	<u>575</u>
Total	670	930	280	1, 880
<u>Total Units</u>	2, 500	3, 500	1, 000	7, 000
Annual construction rate	830	700	200	540
Project Future's penetration of tri-county housing demand	11.7%	9.2%	2.8%	7.4%

Source: Economics Research Associates.



To attract residents to Project Future, minimal shopping facilities must be provided. A 15,000 square foot supermarket, functioning as the key tenant of a neighborhood center, would require support of about 1,500 families<sup>1/</sup>. It should be possible to attract at least this many residents early in the project's development, thereby providing minimum economic support for a supermarket, variety store, drug store, dry cleaner and laundry, beauty parlor, barber shop, and shoe repair shop. As population increases, commercial facilities should be expanded in size and scope, until a complete regional center is developed. From the inception of its development Project Future will have better shopping facilities than would normally be feasible, since hotels will provide enough support for small specialty clothing, gift, and similar shops.

Table LII shows Project Future land requirements through 1980, assuming about 7,000 families will become residents by then. Over 1,500 acres will be required for home sites, and an additional 400 acres for commercial development, public buildings, schools, churches, and parks. The land requirement for community development through 1980 can therefore be expected to exceed that of commercial recreation by several hundred acres, with much greater potential for continued future development.

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<sup>1/</sup> Per capita food expenditure of tri-county area residents are estimated at about \$350 annually.

Table LII

LAND USE REQUIREMENTS FOR PROJECT FUTURE,  
1968-1980

Population	23,100
Land use requirements	
<u>Single Family Housing</u>	
Number of units	5,120
Acres (4.0 unit per acre)	1,280
<u>Multiple Housing</u>	
Number of units	1,880
Acres (8.0 unit per acre)	<u>235</u>
Total residential acreage	1,515.0
<u>Commercial and Parking</u>	
Acres (1 acre per 400 population)	57.8
<u>Public and Quasi-public</u>	
Acres (1 acre/500 population)	46.2
<u>Parks, Recreation, and Open Space</u>	
Acres (1 acre per 100 population)	231.0
<u>Schools</u>	
Acres (1 acre per 300 population)	<u>77.0</u>
Total acreage	1,927.0

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Note: Acreage estimates include land for streets.

Source: Urban Land Institute and Economics Research Associates.

## Appendix A

The importance of seasonal variation in expenditures for lodging in establishing both overall expenditure patterns (page II-17), and recommended hotel rates (page VI-9) requires a detailed exposition of the subject, provided by this appendix.

### AVERAGE ANNUAL LODGING EXPENDITURE AND ITS RELATION TO HOTEL RATES

Florida Development Commission surveys indicate the following relationships:

\$ 3.99 per person per day	Total lodging expenditure.
11.17 per group per day	Allowing for 2.8 persons/group.
14.14 per purchasing group per day	21 per cent of tourists stay with friend or relative.

Of the purchasing groups:

- 70 per cent stay in hotels or motels.
- 8 per cent stay in trailer courts.
- 22 per cent stay in apartments, beach cottages, etc.

Records of Horwath and Horwath, a prominent hotel accounting firm, indicate the average hotel-motel room receipt in Florida was \$18.46 in 1964.

Calculating expenses for 100 purchasing groups, therefore, the following average daily price relationships are established:

70 hotel-motel occupants at \$18.46 per day	\$1,292
8 trailer court occupants at \$45 per month	12
22 apartment occupants at \$150 per month	<u>110</u>
	\$1,414 = \$14.14 per group.



## SEASONAL VARIATIONS IN HOTEL RATES

Approximately half Florida's tourists visit in summer and half in winter. Equal proportions stay in hotel-motel rooms in each season, but, winter groups average 2.3 persons, and summer groups 3.3 persons. Winter groups, therefore, account for 60 per cent of annual room demand. Summer hotel rates are about half winter rates, so that seasonal fluctuation in receipts per room is demonstrated by the following formulae:

S = summer rate

W = winter rate

$$0.40S + 0.60 W = 18.46$$

and

$$S = 1/2 W$$

substituting,

$$(0.40)\left(\frac{W}{2}\right) + 0.60 W = 18.46$$

$$0.80 W = 18.46$$

$$W = 23.08$$

and,

$$0.40 S + 0.60 (23.08) = 18.46$$

$$0.40 S = 4.61$$

$$S = 11.53$$

therefore,

Average annual room receipt is \$18.46

Average winter room receipt is \$23.08

Average summer room receipt is \$11.53

## SEASONAL VARIATION IN LODGING EXPENDITURES

The following relationships have been established for tourist lodging in winter:

<u>Accommodation</u>	<u>Frequency Selected</u>	<u>Daily Per Unit Expenditure</u>	<u>Weighted Per Unit Expenditure</u>
Hotel-motel	58%	\$23.08	\$13.39
Trailer park	5	1.50	0.08
Apartment	18	7.50 <sup>1/</sup>	1.35
Friend or relative	<u>19</u>	--	<u>--</u>
	100%		\$14.82 = \$5.30 per person

Similar relationships have been established for summer tourists:

<u>Accommodation</u>	<u>Frequency Selected</u>	<u>Daily Per Unit Expenditure</u>	<u>Weighted Per Unit Expenditure</u>
Hotel-motel	58%	\$11.53	\$ 6.69
Trailer park	3	1.00	0.03
Apartment	14	3.03 <sup>1/</sup>	0.43
Friend or relative	<u>25</u>	--	<u>--</u>
	100%		\$ 7.15 = \$2.23 per person

<sup>1/</sup> Assuming rent of \$225 per apartment per month in winter and \$100 in summer.



