

The Weekly Take

Shining Star: Learnings from a Sun Belt success story

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Spencer Levy

Cities across America are grappling with a key question. How to create a vibrant downtown ecosystem to attract talent and companies that want to hire them? Tampa, FL is one of those places, a top-50 city that's emerged as a shining example of how to bridge the past and the present while forging a new identity. It's a Gulf Coast beach town with a rich, multicultural heritage, big time sports, and a good business climate. *The Wall Street Journal* just ranked Tampa as the fourth hottest job market in America. On this episode, a developer who has taken the lead in fostering this success walks us through the redevelopment story in all its complexity.

Darryl Shaw

You've got people who used to move away and not come back to Tampa and now returning. They're wanting to be here, they're wanting to be in the urban core. You've got multiple interconnected neighborhoods. You've got the water. You've got historic areas. It's just taking on a life of its own and it's happening real time.

Spencer Levy

That's Darryl Shaw, CEO of Casa Ybor, a Tampa based developer with projects in office, residential, and retail. Darryl's an entrepreneur who previously built a national network of veterinary hospitals before turning his full attention to real estate in his hometown. He's led revitalization across the Tampa Bay area, including a large-scale mixed use development called Project Gas Worx and historic landmark district of Ybor City, a 150 year old community that was once known as the cigar capital of the world.

Mike Diblasi

You have a very unique situation here where you have that cultural and historical significance that he has spent over a decade assembling piece by piece without most people ever knowing.

Spencer Levy

And that's Mike Diblasi, a CBRE Managing Director in Tampa and our North Florida market leader. Mike will help us put the work of Casa Ybor into context of the wider story of Tampa as we tie it into takeaways for investors and developers in similar markets nationwide. Coming up, a case study of Tampa and the leading developer who's paving the way for its future. I'm Spencer Levy, and that's right now on The Weekly Take.

Spencer Levy

Welcome to The Weekly Take and welcome to Tampa. I'm here today with two great leaders of the Florida market. But first our client and friend Darryl Shaw. Darryl, thanks so much for joining us.

Darryl Shaw

Thank you, Spencer.

Spencer Levy

And then my friend and colleague Mike Diblasi. Mike, thanks for coming out today.

Mike Diblasi

Absolutely.

Spencer Levy

So Darryl, before we go to the development, there's something about Tampa – beyond just its cultural amenities, beyond just its ease of doing business – that makes Tampa a great place to be a real estate developer. What do you think that might be?

Darryl Shaw

Well, we first have a number of natural advantages. We have the water, which most cities don't. We have wonderful weather, which a lot of cities don't. And we have a tax friendly environment. So sales tax are relatively low. Tax, property taxes are relatively low and there's no state income. So a lot of natural advantages. But we also have a city that was thoughtful and visionary around the urban core. And they invested in the Riverwalk downtown. They invested in public parks downtown. They invested in the trolley that kind of run – that was Mayor Greco that runs through the urban core – and that investment helped spark a revitalization and an interest by and by the public. The government sector can be visionary and put in place the infrastructure that will spur future development.

Spencer Levy

Last time I was in Tampa was five years ago, and it looks like a completely new city. Tell us about the journey and how the city has evolved – very briefly – and where we are today.

Darryl Shaw

Dramatically changed over the last five to seven, five to eight years. The installation of the Riverwalk in downtown Tampa changed the perspective of the city. Downtown Tampa was dormant or dead at night. Mostly office during the day, that's totally transformed. You've got people who used to move away and not come back to Tampa are now returning. They're wanting to be here. They're wanting to be in the urban core. You've got multiple interconnected neighborhoods. You've got the water, you've got historic areas. It's just taking on a life of its own and it's happening real time.

Spencer Levy

Well, speaking of revitalizing, there's still some of the older elements and I really love the old and the new together. And since this is an audio only show, you don't know that I'm drinking cafe con leche and a Cuban coffee right now, courtesy of Darryl. So just talk about the vision of the old and the new.

Darryl Shaw

Yes. So, Ybor has many things going for it. It's got an amazing, rich, multicultural history. Jose Marti, who's like the George Washington to Cuba, used to come to Ybor to raise funds for the Cuban War of Independence against Spain. It has historic architecture, brick streets, and a group called the Barrier Latino that helps govern the architecture so that it's maintained and preserved in a thoughtful way. Tampa's got Ybor cities in the urban core. It's got quick access to downtown. The trolley can exit to the CBD. It's at the intersection of

all the main highways – I-275, I-4, Selmon Connector, and the Selmon Expressway – and so it's got so much going for it. Ybor has been historically more of an entertainment district since the 1990s and I think that's been a strategic advantage. But it's also had a strategic disadvantage and that it's been too heavily weighted toward late night alcohol. So the vision is really to think through how do we bring the people back to live in the district again and then what are those folks need? So they need greenspace, public parks, bike paths, pedestrian paths, grocery stores, nail salons, barbershops – your gym. Right. All the things that you typically want. We're working hard, bringing in really good restaurateurs into the district. We're thinking through the creation of an arts district – and we can certainly talk more about that – to create a rich arts ecosystem. And then we're trying to think through how to create niche industries. There's a lot of interest in office space locating in Ybor more because of the placemaking environment. And so it's trying to weave this tapestry and think through, how do we pull all of these levers so that three to five to seven years from now, it's returned to being one of America's great neighborhoods.

Spencer Levy

So, let's pull the lens back just for a moment more, just being a little bit more specific. This was, as you mentioned, a district that was populated by immigrants, Cubans, multicultural – it was an entertainment district. When did it start? When did it change into this night light district and where are we today? Maybe, Mike, you can give us the big picture there or Darryl.

Mike Diblasi

Yeah, I'm a child of the 80s. So, as I was making my way through the 90s, Ybor started to show up on my radar and so it's kind of always still maintained that. I've come to the Improv here, in comfort, for some really good food, generally at night time. I know for a lot of people that come and enjoy our port and our cruise ships, they'll spend the day in Ybor City before they board the ship. But Darryl probably has some additional history to some of those things.

Darryl Shaw

Around the turn of the century – cigar manufacturing – a lot of cigar manufacturers opened up factories here. Easy access to tobacco through the port. Moved away from the labor unions that were existent in Key West. Ybor became the cigar manufacturing capital of the world. Once manufacturing became mechanized, you no longer needed the labor and so you started seeing that decline in the 40s, 50s – the area became fairly desolate. Urban renewal came through and a lot of the historic structures were demolished. And so the district really languished in the 60s and 70s and maybe starting the 80s and definitely into the 90s – as what Mike was talking about – it started revitalizing as an entertainment district, as a late night entertainment district, which has its pros and cons. There's been stops and starts since the 90s. Taking two steps forward, one step back. And only now are we beginning to see a true critical mass, a return of the residents, because it was a residential district. We're beginning to see the return of that and that's going to bring about the fundamental transformation.

Spencer Levy

Give us a sense of just how many new multi-family units? How big is this hotel? How much retail? Just some big picture numbers.

Darryl Shaw

So, Seventh Avenue has a good ten blocks from 12th to 22nd of retail. Some of that is consumed by office, which over time will turn. Retail doesn't do well yet because we don't have big foot traffic. But, late night bars, clubs, tattoo –

[ck level]

Spencer: Those are still here?

Darryl:

Those are still here. Clubs, tattoo shops, that's where the money is right now. That will evolve. Once Ybor evolves, then some of that space will move more towards a normal retail. Landlords will be able to generate an income from those other uses and the pedestrian traffic will be here to support it. This hotel is relatively new, opened during Covid – Hotel Haya, 170 rooms. It's knocking it out of the park. People are coming from all over – 57 weddings here last year, 72 booked for this year. The politicians are having their functions here, so it's bringing a life and energy back to Ybor City. Gas Worx is going to be the single largest project and that is underway. That will be about 5 million square feet, with 4 to 5,000 residences, over 500,000 square feet of office, a hotel, and over 100,000 square feet of neighborhood retail.

Spencer Levy

That's quite a project for any city, but for a city of the size of Tampa, that's a big piece of the city. So, what phase are you in right now and how do you see it progressing?

Darryl Shaw

We achieved the rezoning and the entitlement a few years ago. The first multifamily project is completing in June of this year – so in a few months – it's about 317 units. And the second multifamily project of about 380 units is starting this month. They've actually started moving dirt. And then later this year, we'll begin construction on the next three blocks on the east side of Nuccio Parkway, plus a park – at three quarter acre park – and that will include over 500 multifamily units. It'll include the food and beverage hub of the district and approximately 100,000 square feet of office, of which 50% is already pre-leased to Growth Financial to move the headquarters here.

Spencer Levy

You showed tremendous vision in assembling land over the last ten years or so, within this community. First of all, how did you do that? How did you assemble the land and how did you work with the local community to bring them on your side?

Darryl Shaw

Good question. So, initially it was individual acquisitions, whether it was myself or I used others to acquire. It was an evolution in terms of the vision. It wasn't until a few years down the road that I began having conversations with the Tampa Bay Rays about potentially relocating the baseball stadium to Ybor City. We identified a geography that has subsequently become Gas Worx. There were multiple assemblages though, you couldn't miss one and have a little house or a vacant lot in the middle of the outfield. And so I said to the Rays that I would try to assemble the property. And if they decided to move here, wonderful. And if they didn't, then I would be able to move forward with a larger development, which is what transpired. That was really the impetus for the Gas Worx development. I think in terms of building the relationships with the community, I've spent a lot of time working with the local neighborhood associations. I'm on the Chamber of Commerce working with the local community redevelopment agency and I've partnered with several folks that were from Ybor City historically that had property here and we've

come together. That has really helped me build the relationships with both the historical Ybor City as well as the folks who are living here today.

Spencer Levy

So you're not really getting NIMBYism? Not in my backyard. We don't want more building. You're seeing exactly the opposite?

Darryl Shaw

I'm seeing the opposite because we're trying to be thoughtful about how we move this process forward. Trying to not have surface lots, parking lots in Seventh Avenue and build to the property line, trying to be thoughtful about the use of materials and brick streets and architecture that conforms with the district. Trying to be thoughtful about height limits. And you build there's significant height restrictions within the historic district. Trying to think through uses that the neighborhood wants. We built a dog park and brought Pete's Bagels to come and have a little coffee shop right there by the dogs park. We brought indoor pickleball, and to one of the big metal warehouses on Adeyemo Drive and they're knocking it out of the park. How do we bring some additional usage? Cheeseologist come – Kelly and Paul, a local couple, started this business. You can go there with a group of friends and make cheese and drink wine. We've got Drip, that has moved into the district that you can go with friends and you can do pottery. So we've got all these activations that are taking places, which is what the local neighborhood wants.

Spencer Levy

It's funny you mentioned pickleball. I think we should have a pickleball only episode of the Weekly Take, because it's come up now again and again and again. Mike, I'm gonna pull the lens out, not just talking about Darryl, but our other clients. It's fair to say the capital markets environment today is not favorable to new construction. But we're hearing an incredible story here. How do you see it?

Mike Diblasi

Yeah. So, I think the success of Tampa shows – and you pointed out earlier that office is a four letter word sometimes – but I will tell you, Tampa is no different where we're seeing this high demand for flight to quality. So, you know, we didn't have any new construction of any significance for decades on the office side. And over the last four or five years, we've delivered several new Class-A buildings in downtown and West Shore that are collectively over 90% leased. And so you kind of look across the landscape and you say, there's obviously companies looking and moving here. And to your point of how you're bringing people back in the office? It's that experience. And so there's going to still be that demand for high class, high amenitized office space. And so we're excited that Darryl, and some of the other developers in town, are still continuing to push forward with those projects because we need them. We don't have any new office space to speak of that people can move into.

Spencer Levy

I guess the last question I would ask is banking related? We had a guest on this show recently who said that the regional banks have much more real estate exposure than they'd like to have that are not lending. So big picture. Are you seeing regional banks still playing in this market? And then Darryl, are they willing to lend into the project?

Darryl Shaw

We have some really good local relationships. We work with Northern Trust, we work with Valley Bank, we work with Hancock Whitney, and they have all been extremely supportive

based on the local relationships. I would agree with you that if you've got a lot of real estate in your portfolio, you have a lot of office in your portfolio, you're trying to bring deposits into the bank – there is a lot of pull back on the lending. We've been fortunate we're able to move our projects forward, but I think we're in the sweet spot in geography. We've got the development, the experience. We've got the reputation with the banks that are willing to be supportive. But yeah, it is more challenging right now.

Spencer Levy

So, Darryl, given some of the – not to be negative – some of the challenges in the capital markets environment today. Kudos to you for putting the shovel in the ground because the best time to build is at the bottom of the market. Because you're going to have the best product coming out when it's done two or three years from now, but the costs are higher. How do you see it?

Darryl Shaw

I concur with you. So this is a long term vision. We're going to build this out over 10 to 15 years. So, it will take time. We definitely want to keep the momentum. We believe that beginning now and completing in 18 to 24 months will be one of the few projects completed during that time and that will absorb pretty well. We also want to keep the momentum to future phases. I absolutely agree with you, Spencer. It's harder to pencil out with insurance the way it is and construction costs, which we've not really seen dip, we've seen stabilized, but we're hoping we're going to see dip over the next several months. It's definitely harder to pencil out, but we are focused on the long term and continuing the momentum.

Mike Diblasi

Yeah, 100%. Case in point is the Water Street project, which is a city within the city and the investment made there and the development and what it's brought in the form of our first five star hotel and a michelin star restaurant. And I told you that if you blindfolded me and dropped me out in the middle of the street over there, I'd look up and I would and no way would I ever think I was in Tampa, Florida. And so I think the really awesome part to speak to our momentum is obviously we have Darryl's project, Gas Worx. We have Water Street that's been completed of only phase one, they're going to move on to phase two. Over in St Pete, we've got the gas plant project, which is going to be developed around where the Rays will be playing. So there's multiple projects of significant scale and size that we've never seen in the history of Tampa before, all coming together at the same time. I think to Darryl's credit, you have a very unique situation here where you have that cultural and historical significance that he has spent over a decade assembling piece by piece, without most people ever knowing. And so he's clearly put the thought and built the relationships in the community that are needed to get the buy in from everybody. And so we're just really excited for Tampa as a whole. And then for the downtown landscape, to just see how it's pushing out in all different directions and then have it all tie back in together to create a more urban, dense, vibrant downtown that 10, 15 years ago we would never see. Everybody drove their car in, went to work at 8am, 5pm got in their car and drove back out to the suburbs. And so it's been really exciting. And to Darryl's point, it's going to be a long journey, but we're already in the second or third, maybe the fourth inning and it will be exciting to see how far we take it.

Spencer Levy

I make no bones about my affinity for Miami. I love it, in part for its cultural reasons. I never really thought of Tampa that way. Should I think of Tampa that way?

Darryl Shaw

Absolutely, and I would say it's rocket fuel since Covid. It's absolutely transforming in every aspect of the market. High end residential, we're seeing transactions that we've never seen before and we're seeing them in large numbers. We're continuing to see people move here. We're seeing students from University of Tampa coming down and the overwhelming majority are staying after college. So absolutely.

Mike Diblasi

Yeah, they're calling me for jobs.

Darryl Shaw

We're continuing to see that.

Mike Diblasi

Yeah.

Spencer Levy

Well, speaking of that, it's not just outside immigration that's driving Tampa. It's the quality of those staying in-state and that's really changed. Really in the last I would say ten years. What do you think?

Darryl Shaw

I couldn't agree with you more. Absolutely.

Mike Diblasi

Yeah. I mean, for a long history of our time here, we were the call center, contact center of the U.S.. We had buildings that would have 10 per 1,000 parking and you'd jam as many people in there. And so we've really changed the diversity of our business landscape here. I mean, you can look at companies like ReliaQuest that were started here – that are one of the largest cybersecurity companies in the world – that have a 150,000 square-foot headquarters at Water Street that was developed and built to the size that it is. It's a unicorn company, all right here, in Tampa, which is driving that labor here. And then they're making investments in the local colleges to help with those innovative programs to train those students – and then to your point – keep them here in our community. I get a lot of calls from graduates from outside of Florida, still to this day, weekly, that are all wanting to move to our community and they're not from here. And so obviously, there are talented people outside of the state of Florida, but to be able to keep those students here in our community and building what we've got going, I think we continue to enhance our image across the country.

Spencer Levy

I was shocked to hear some of the prices that people are playing – in a positive way – for some of these condo units. But notwithstanding the growth in some of the high end of the market, it's still a modestly priced market when you compare it to other places in Florida as natural. Isn't that true?

Darryl Shaw

It is for a number of years. Tampa used to be at around .88 on the price index relative to the average in the United States. We're now coming on par with some of the larger metro areas. So, we've seen a big increase in the cost of housing and the cost of apartments, but it's really only catching up with other metro areas.

Spencer Levy

And then from moving out of the multifamily arena into the office arena. Tell us about how office rents are in the Tampa market.

Mike Diblasi

Yeah. So interestingly enough, before CBRE, I was leasing two high rise towers in downtown Tampa, and for a span of 15 plus years almost every building was \$20 a square foot full service. And now you have the newer projects that are quoting up into the 60s, full service, and people are paying it. Right. I mean, they're paying for that experience, they're right sizing sometimes the size of their office. And so their total outlay for their real estate expense is the same, but they're moving up into better product. So it's been pretty fascinating because nobody would have ever guessed that we could have gotten that high on the rental rate scale. But here we are, and we're still getting deals done.

Spencer Levy

I think this is a story that is not a new story, but now it's out there everywhere. I just got back from Century City in Los Angeles, building a brand new office building there. They're getting 130 bucks a foot. I was just in Dallas building brand new office buildings in downtown Dallas, which has 20% vacancy, and you're getting incredible rents. So I think the office story, while it is clearly challenged and there's enormous swaths of it that need rethinking, there's still a lot of strengths. Best product. Best submarket. Agree with that?

Darryl Shaw

I do, completely. We just completed a small niche office building here in Ybor City – only has a little under 20,000 square feet and we're at \$50 full service for that space. It's small, it's tall ceilings, lots of windows – Creative office.

Spencer Levy

I used to say in my travels, the only market that ever went from tertiary to primary was Austin, Texas. Is that where Tampa is?

Darryl Shaw

Yes. I was just going to add that in, that Tampa was not on the radar from an institutional investor perspective. Tampa is now absolutely on the radar from an institutional investor perspective. And as a consequence, I'm taking calls weekly from developers from Chicago, from New York, from DC, from other areas who are looking to relocate here or to transact here.

Spencer Levy

I remember when the Tampa Bay Rays stadium was built. I know they're redeveloping the stadium now. There could be some changes there, but it speaks to the city that now you've got a hockey team. The Rays have had success. Tom Brady won a Super Bowl here, for people hadn't noticed. So, the whole city is moving in the right way, not just from a business perspective, but from an entertainment perspective. What do you think, Mike?

Mike Diblasi

Yeah, absolutely. It wasn't that long ago that we got the nickname Champa Bay. So, you know, as much as, sometimes sports – some argue – don't make a monumental impact in community. I would argue otherwise. We won a Stanley Cup, we were in the World Series, and we won the Super Bowl all in the matter of, like, 12 months.

Darryl Shaw

And in August, we are starting the Tampa Bay Sun, which will be a Division 1 women's professional soccer team. The stadium is under construction, a riverfront stadium and a very short walk from Mike's office here in the urban core.

Spencer Levy

It's funny because I travel every day to cities all over. There's a neighborhood in Salt Lake City, it's called the Silicon Slope. They always come up with these fancy names. You know what the anchor of that is? It's their soccer stadium. It used to be the case that the entertainment district was separate from the office district, which was separate from the housing district. That's not the case in Silicon Slope in Salt Lake City. That's not the case here. I think the modern – to restate it – I think that the definition of the CBD has now evolved. It's not this segregated – this is where you go to the office, this is where you go to retail, this is where everything is. What do you think?

Darryl Shaw

It's the placemaking environment that allows people to come and live and work and play all in the same area or within multiple interconnected neighborhoods. You spoke before about the office in the office under construction in Tampa. It's really occurring in one of four or in four places. It's Ybor City. It's Midtown. It is the heights around Armature Works and its Water Street, all of which are placemaking environments in the urban core or urban core adjacent, where people can come, they can go out for lunch, walk for lunch, they can go out for happy hour afterwards. And they have the opportunity to live near where they walk.

Spencer Levy

I completely agree with the observation, but it also represents one of the challenges because you use the term urban core adjacent. Because I think that one of the challenges of the urban core is it's hard to develop in an urban core, certainly hard to develop new in an urban core. It's easier, on relative basis, to develop in a greenfield area, and that sometimes makes the urban core a less desirable place to me. But, Mike, do you have a point of view on how we can use these new urban core adjacent developments that somehow revitalize the urban core itself?

Mike Diblasi

Yeah. No. Great point. And so we just moved our office six months ago out of a traditional 42-story tower in the CBD to the Heights, which is just a couple of miles down the road here, as a vibrant mixed use development district. We're pushing on the boundaries of what the downtown market is, and obviously being in the business we're in, it was a brave move at the time, but, it's been great for our employee base. And to Darryl's point, we have everything we need right there and as it continues to build out and develop, and these neighborhoods get connected, really, it's going to transform the city.

Spencer Levy

So, I think the one thing – I'm not saying it's not here, but every city needs more of it – is better infrastructure. And Infrastructure – I always start off with the airport. If you don't got a good airport, you got nothing. And I say that to be, you know, very direct about certain cities I've been to. It's like this a great city, but I couldn't get here. So let's talk about infrastructure now. What do you think about the current infrastructure? What could be improved?

Darryl Shaw

We have the number one mid-size airport in the country and consistently ranked number one or number two. It's here, right in the center of Tampa, very quick to get anywhere. So

that's a huge plus and a huge win for Tampa. We have the trolley that goes through, from the CBD, through to Ybor City and they're looking to expand that up to where Mike's office is over in the Heights. So, that's a huge win. We have conversations going on with Brightline to extend the high speed rail from Orlando to Tampa. So, it already goes from Miami, Lauderdale, West Palm, Orlando, which opened up last year. We're looking and trying to get that extended to Tampa. That would be a huge win and the terminus would be here in Ybor. That being said, as Tampa continues to grow and as the infrastructure accommodates or needs to accommodate more and more vehicles, we will need added transit infrastructure, as part of an all of the above strategy. And I would say that will be one of our Achilles heels if we don't address that sooner rather than later, because the longer you wait, the harder it is, the more expensive it is to retrofit it in.

Spencer Levy

So, Mike, talk to us for just a moment about the commercial side of Tampa's port. How important that is to the market? But to Darryl's point about, you have to look at the market as a 360 economic environment, not just a place to live, work and play, but also some of these things that are behind the scenes. The port.

Mike Diblasi

Yeah, absolutely. So I mean by, by size, Tampa is Florida's largest port. We just don't do as much container traffic as some of the other ports across the state. But we do a lot of importing, exporting. We do a lot of fertilizer and other things. So, obviously the port is extremely important from a business perspective. And then from the cruise lines, we're adding more and more ships and more and more cruise opportunities. It's a vital part of our city, that we need to continue to find ways to engage with it and make sure that we're being good citizens, responsible citizens.

Darryl Shaw

It's a really good question, Spencer. We've got a rezoning coming up next Thursday evening in front of the city council for another 5 million square feet. It's adjacent to Gas Worx. It's in the north end of the Ybor channel. And your channel is where you have the convergence of this booming residential population with the desire to be located on the water or by the water in the urban core and the maritime community, which brings in essential goods, to support the community and to support the region. And both the population and therefore the demand for the goods have both been increasing. So the maritime community and the port has been growing, and the demand for space in the urban core has been growing. And so those two are converging on the Ybor channel. And, so been spending a lot of time with the maritime community trying to be thoughtful and understand how to continue to facilitate what they're doing, and at the same time, bring more residents to people here on the water in the urban core, and at the same time manage that through a rapidly increasing growth in the cruise industry, which also comes into Ybor channel.

Spencer Levy

Property casualty insurance is something I never really talked about before, but I've heard some of my clients say that they're seeing their property and casualty insurance rates go up, anywhere from 30% per year to over 100% per year. What are you seeing, Darryl, and how are you dealing with it?

Darryl Shaw

We are seeing that, and the way that we're dealing with it right now is similar to how you might deal with eating something that you don't really want to eat. You take a bite, you

hold your nose, you swallow, and you hope it goes down – and I think we're doing the same thing. We're hoping those rates are going to go down, in Tampa and around Florida, and they will. The legislature has made a number of changes in 2022 and 2023 that are going to take a few years to materialize, but we will see those go down over the next few years.

Spencer Levy

So, let's add a layer to that conversation. We are all aware of the cost changes, but a lot of it has to do with risks related to being a coastal community, storms, that sort of thing. So, talk to us for just a moment, Mike. Big picture about sustainability and resilience in the Tampa market, how it's evolved over the last decade.

Mike Diblasi

Obviously, we sit on a peninsula here on the west coast of Florida and there's obviously a lot of storms. We've continued to address it and do what you can. But at the end of the day, these storms pick their path and we've got a hold tight. I don't know if Darryl has any thoughts on specific things that we've done to bolster ourselves.

Darryl Shaw

Well, the good news is that there's a lot of new construction, and the new construction are built to the Cat 5 hurricane standards, and so we're going to be generally in good shape. We have fortunately never taken a direct hit in Tampa, not that we couldn't, but we've never taken the direct hit in Tampa. So, while it might be on people's minds, I don't see that holding back construction and development at all.

Spencer Levy

Let's talk about the future of Tampa. You're not yet primary. Maybe you never want to be primary. Maybe Austin doesn't want to be primary. Maybe Nashville doesn't. Maybe Seattle didn't want it either, but they got there. And the importance of getting there, whatever there means, is the more institutional capital you have in the market, the better it is for everybody. It may be more expensive for the local developers, but it's better for everybody because more things get built, more dynamic economy, more jobs. So, it probably took Austin, TX 25 years to get there. Probably took Seattle similar period of time. You don't think you're going to be Tier 1, though? Maybe you don't want to be? Is that a fair way to put it?

Mike Diblasi

I think we want to be as big as we can be without losing our sense of our community. That is extremely important, because if you go back to the history of Ybor City here, right, community, that's spread out throughout our community of Tampa Bay. You know, I live by a simple philosophy, you're either growing or you're dying. So we want to continue to grow. We want to grow responsibly, but we're not trying to necessarily be showing up on the same list as New York City or San Francisco or, or any of those major metropolitan areas. We want to keep our identity.

Spencer Levy

So, Mike, any final thoughts?

Mike Diblasi

Yeah. Darryl, are you hiring? No. I'm kidding. No. Listen, we, we obviously – Darryl's a humble developer here, which sometimes is an oxymoron – but, no, you know, it takes visionaries and people like Darryl that want to make these dreams become reality,

especially in a community like ours. And so we're just very thankful and appreciative of the time and attention he's put in. I don't think he knows this, but my father-in-law grew up in Ybor City, so he's Cuban, Italian, Spanish. The first book I had to read when I started dating my wife was The History of Ybor City. So I have some perspective, not as much as Darryl's, but we appreciate what he's doing. We're really excited to see it unfold and the impact it's making in our greater community.

Spencer Levy

Well, that's wonderful and a complete non sequitur, since I'm a huge fan of Cuban coffee and Cuban food, I understand you have a nuance to your Cuban sandwich here. What is that, Mike?

Mike Diblasi

Yeah, you gotta have salami in it, right? That's the Italian influence in there. So, if you've got time, we'll get you one on the way out.

Spencer Levy

You know what? My flights' not till 3pm. We're getting one today. So, on behalf of the Weekly Take, what a terrific conversation today with Darryl Shaw, CEO of Casa Ybor. Darryl, great job. Thank you.

Darryl Shaw

Thank you very much, Spencer.

Spencer Levy

And thank you also for the coffee, by the way. And then my colleague and friend, Mike Diblasi, Senior Managing Director, Leader of our North Florida practice. Mike, great job. Thank you.

Mike Diblasi

Yep. Thank you, Spencer.

Spencer Levy

For more on Tampa, please visit our website cbre.com/theweeklytake. Next week we'll continue to ask the big real estate questions with another case study of a smaller secondary market. We'll visit Nashville, Tennessee, with a market leader who's successfully navigating growth of an office portfolio, which might strike some of you as bucking conventional wisdom. We'll find out. Looking forward to your joining us for that conversation and more. Meanwhile, we hope you will share this episode and also subscribe, rate and review us wherever you listen. Thanks for joining us. I'm Spencer Levy. Be smart. Be safe. Be well.