Pet-Friendly Townhomes in St. Petersburg
Premier, pet-friendly townhomes in St. Petersburg’s Historic Old Northeast

Eleven Fifty-Nine Consulting
For
Kelli Lawrence, Onyx+East CEO

Kenny Arnold, Zach Harris, Eli Shaw, Katherine Shishmanian, Brian Tretter, Eric Wiese

November 14, 2019
# Table of Contents

List of Figures
Executive Summary

**Vista at North Shore: Pet Friendly Townhomes in St. Petersburg**

Onyx+East Builds Modern Townhomes for Young Professionals
Young Professionals Value Their Pets and Prefer Urban Locations
What can Onyx + East provide to the St. Petersburg market to differentiate itself from other real estate providers?

**Vista at North Shore Offers Modern, Urban, Pet-Friendly Townhomes for Young Professionals**

Pets Are a Focal Point of the Homebuying Experience
Historic Old Northeast Continues O+E projects in the Tampa/St. Pete Area
Recent College Grads are the Right Demographic for Urban Townhomes
Timeline for the Development of *Vista at North Shore*
A Strategic Marketing Plan for Optimal Audience Engagement
Risks Related to Building in Historic Old Northeast

**Vista at North Shore: An Innovative Development for a Growing Market**

Appendix

Appendix A: Pre-SWOT Analysis
Appendix B: Post-SWOT Analysis
Appendix C: Differences in Values Between Generations
Appendix D: Preferred Location For Various Age Groups

Works Cited
Works Consulted
## List of Figures

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1</td>
<td>Onyx+East Proves Development Success in Indianapolis</td>
<td>1</td>
</tr>
<tr>
<td>Figure 2</td>
<td>Onyx+East Prices Townhomes for the Rising Upper Middle Class</td>
<td>2</td>
</tr>
<tr>
<td>Figure 3</td>
<td>Population Growth in the Tampa Bay Area</td>
<td>4</td>
</tr>
<tr>
<td>Figure 4</td>
<td>Popular Home Features for Pet Owners</td>
<td>6</td>
</tr>
<tr>
<td>Figure 5</td>
<td>North Shore Provides Ideal Amenities in an Urban Location</td>
<td>7</td>
</tr>
<tr>
<td>Figure 6</td>
<td>Young Millennials are Often First-Time Homebuyers</td>
<td>8</td>
</tr>
<tr>
<td>Figure 7</td>
<td>Florida Offers Affordable College</td>
<td>9</td>
</tr>
<tr>
<td>Figure 8</td>
<td>Efficient Implementation for Vista at North Shore</td>
<td>10</td>
</tr>
<tr>
<td>Figure 9</td>
<td>Estimated Cost of Implementation</td>
<td>10</td>
</tr>
<tr>
<td>Figure 10</td>
<td>Targeted Instagram Ad</td>
<td>11</td>
</tr>
<tr>
<td>Figure 11</td>
<td>Business Engagement on Instagram</td>
<td>12</td>
</tr>
<tr>
<td>Figure 12</td>
<td>Happy Pet Living at Vista at North Shore</td>
<td>13</td>
</tr>
</tbody>
</table>
Executive Summary

The following report is intended as a next step for Onyx+East to expand their influence in the Tampa Bay area by introducing a new townhome complex near downtown St. Petersburg. Our proposed strategy will introduce Onyx+East to a new demographic of young pet owners.

Onyx+East’s Past, Present, & Future

With Onyx+East’s previous success building modern townhomes in urban environments within Indianapolis and continued success with its developments in the Tampa area, the logical next step is to expand its influence within the Tampa/St. Petersburg market.

What can Onyx + East provide to the St. Petersburg market to differentiate itself from other real estate providers?

Onyx+East should develop modern, pet friendly townhomes in the Historic Old Northeast neighborhood of St. Petersburg with pet-friendly amenities and services.

The development of Vista at North Shore in the Historic Old Northeast neighborhood of St. Petersburg will introduce Onyx+East to an untapped market and put them at the forefront of developing pet-friendly townhomes in the area. Targeting a more specific demographic will allow for a sense of community for like-minded individuals with a passion for their pets. Roughly 67 percent of millennials see their pet as part of the family and will spend an average of $1,285 a year on their pets (Lintz). Catering to pet owners is a strategy that Onyx+East can use to differentiate itself from its competitors.

Vista at North Shore’s location offers the upscale and active lifestyle that typical Onyx+East customers prefer. With nearby amenities like the North Shore Dog Park and the Woof Gang Dog Bakery, durable flooring, screens, doors, and nearby pet waste stations this townhome project is designed for today’s modern pet owner. Vista at North Shore is Onyx+East’s opportunity to set its claim on an overlooked demographic in the St. Petersburg area.

Targeting young pet owners through strategic social media advertising will make this another successful development for Onyx+East as it makes its debut in Florida. Going through the proper steps of designing, building, and selling, this project will be completed within two years.
Onyx+East Builds Modern Townhomes for Young Professionals

Onyx+East is experiencing growth in the real estate development business by creating townhomes that allow newly graduated college students the opportunity to live an active lifestyle.

When promoting its properties, the location of the townhome and its amenities prove most important. Onyx+East primarily builds properties in urban locations. It currently offers four developments in downtown Indianapolis, all resulting in repeated success (Properties). The properties in Indianapolis show varying degrees of urbanicity and culture. Onyx+East also offers properties in Carmel, IN for residents who like to live a slower suburban lifestyle, but with easy access to Indianapolis. The urban environments Onyx+East utilizes reinforce the importance of lifestyle to Onyx+East and its residents.

Figure 1. Onyx+East Proves Development Success in Indianapolis

Source: “Properties"
Onyx+East prices its townhomes to appeal to young professionals looking to emerge into the upper middle class. Onyx+East housing ranges in starting price from $270,000 to $400,000 (Properties), well over the median home value in each city, so the townhomes appeal to those who can afford a premium experience (Figure 2). Because of this price point, Onyx+East’s target market is young people in professional positions who want a modern and stylish home in a well-developed and safe area.

Figure 2. **Onyx+East Prices Townhomes for the Rising Upper Middle Class**

Source: "Properties” and “Indianapolis”
Young Professionals Value Their Pets and Prefer Urban Locations

As a relatively new player entering the Florida market, Onyx+East faces new millennial home feature preferences, diverse neighborhoods with unique styles and environments, and recent college graduates looking for homes to live in before starting families.

Onyx+East positions itself in a market with changing preferences of millennial homebuyers, a demographic that greatly values their pets and home technology. Making up the largest percent of the population with pets, the group of residents aged 25-34 is steadily increasing in the St. Petersburg/Tampa area (Figure 3). Thus, it is important to account for their values in a lifestyle and home-buying experience. As a development tailored for pet owners, Onyx+East is catering towards a market where 67 percent of millennials see their pets as part of the family and will spend an average of $1,285 a year on their pets (Lintz). Many recent college graduates’ own pets that become part of the family and value having amenities and accessibility for their pets. Three quarters of all millennials own either a cat or a dog, and see their pets as the first step in forming a family and easing into parenthood (OVRS). Additionally, new homeowners are looking for more tech integration in their homes. Demand for features like security systems and wireless thermostats are increasing in new properties (Velt).

Recent college graduates also value living in urban neighborhoods with nearby amenities. Historic Old Northeast boasts many restaurants, bars, and even an outdoor music venue at Vinoy Park (Nightlife). This location offers amenities that recent college graduate homebuyers look for. These amenities include being within walking distance of Northshore Dog Park, downtown, and Tyrone Square Mall. The busy urban nightlife is just minutes away from Historic Old Northeast and the St. Petersburg Transit System provides bus service throughout the neighborhood.

Recent college graduates are a demographic of people that are seeking homes to live in before they start a family and have children. Of the over 2,000 homes in the Historic Old Northeast neighborhood, less than 870 of them house a family, and only about 310 of them host any children (Historic). The occupational breakdown of Historic Old Northeast also shows that over 90 percent of employed residents work in white collar jobs, implying a large percentage of college graduates in the area (Historic). Of this demographic, about 70 percent of people own pets (Lintz).
What can Onyx + East provide to the St. Petersburg market to differentiate itself from other real estate providers?

Onyx+East should develop modern, pet friendly townhomes in the Historic Old Northeast neighborhood of St. Petersburg with pet-friendly amenities and services.

**Vista at North Shore Offers Modern, Urban, Pet-Friendly Townhomes for Young Professionals**

Many people get pets since they are not ready to have children after they graduate from college and are living on their own. Therefore, developing a holistic, pet-focused, multifamily townhome concept will reach the target market of millennial college graduate pet-owners. **Vista at North Shore** is near parks and walking trails while also providing the location amenities important to recent college graduates. This neighborhood is already full of people matching the target demographic, so Onyx+East should seize this opportunity. Partnering with local veterinarians will allow residents to receive care for their pets at a discounted price. Hosting pet-friendly community gatherings, providing monthly subscription services for pet treats and toys, and implementing pet cameras and optional pet doors in each unit provides assurance of security and happiness for both residents and their pets.

This strategy should take two years for Onyx+East to implement and will involve research, development, construction, marketing, and sales. First, Onyx+East will find a suitable property in the affordable and pet-friendly area of Historic Old Northeast. Next, Onyx+East will design the
property with pet-friendly features in mind. When Onyx+East has finished the design, it will begin advertising the property on social media. After enough attention is drawn to the development, construction can begin. Once building has begun, selling the townhomes and continuing to advertise remains a priority. Marketing of Vista at North Shore will focus on recent college grads. Partnering with the local North Shore Dog Park and Woof Gang Bakery and Grooming will allow for more exposure to the target demographic. To succeed in this endeavor, relationships must be developed within the St. Petersburg area with advertising agencies, contractors, and management companies.

While leveraging past experiences and successes, we must look to mitigate the many risks included in this project. Some of the risks are the increased costs associated with location, allowing pets, weather, and aiming for a niche market. A significant portion of millennials are pet owners and make life decisions like buying a home based on their pet. Residents can live in the townhomes for many years. Addressing these barriers to profitability is necessary. St. Petersburg has a very good real estate market. If Onyx+East implements some technology into their properties, such as pet cameras and electronic security systems, through a local company Masada Security, it can attract even more customers from the target demographic.

**Pets Are a Focal Point of the Homebuying Experience**

For many young homebuyers, pets are an integral factor in homebuying decisions. That’s why Vista at North Shore is putting their customers first and their pets closely behind.

Developing townhomes specifically with pet owners in mind, who make up 80 percent of homebuyers, will cater to an ever-present market. (Thompson) The younger generations are especially keen on keeping their pets closely in mind when buying a home. Among 18- to 34-year-old homebuyers in 2018, 79 percent said they would have passed on their dream home if it didn’t accommodate their pets. (Thompson) So there’s no wonder why pets’ needs make up an important part of the home search process. In fact, 91 percent of 18- to 34-year-olds say their pets are important during the homebuying process as compared to 64 percent of buyers above the age of 65 (Thompson). With pets driving homebuying decisions, it is important that Onyx+East cater to pet owners at Vista at North Shore. Pet owners typically seek the best possible environment for their pets. Millennial pet owners value their pets heavily, as 67 percent of them view their pet as a member of their family (Lintz).
When asked to rate the home features most important for their pets, pet-owning homebuyers said:

![Figure 4. Popular Home Features for Pet Owners](image)

Source: Lee

Pet owners seek to make their pet as comfortable and as happy as possible. In order for Vista at North Shore to be pet friendly, certain pet amenities must be incorporated into the home. A survey taken in 2018 found that 15 percent of all home-buyers choose their desired neighborhood based on the availability of pet-friendly green spaces (Thompson). If you narrow the data to buyers under the age of 28, that number increases to 27 percent (Thompson). Having accommodating areas for pets is key for targeting the demographic and is necessary for the business model. Not only does there need to be open green space, but it needs to be designed for pets. The green space should be fenced in with well-kept grass and plants. There should be pet waste stations available and it should be outside of close range to any busy roads. Indoor amenities are equally as important as outdoor amenities. The two most important indoor amenities are a garage and sturdy flooring (Lee). Other indoor amenities to include are large utility sinks that can be used for washing pets in either the laundry room or the garage, secure doors, and screened windows. Easy access to pet specialists, such as veterinarians, pet sitters, or pet groomers is another important amenity. If Onyx+East wants to successfully appeal to a demographic of pet owners, including these amenities is crucial in order to separate itself from the competition.
For young pet owners, Historic Old Northeast poses the ideal neighborhood for Onyx+East to develop townhomes. The neighborhood is praised as being one of the safest areas to live in St. Petersburg; 84 percent of neighborhood residents say they would walk alone at night (Trulia). Millennials walk as transportation more than any other age demographic, 83 percent of millennials report that they enjoy walking (Dollinger). Keeping with this trend 85 percent reported that access to sidewalks were important (Dollinger). Historic Old Northeast’s location makes it within walking distance from high quality beaches, parks, and restaurants, all with sidewalk access.

While the median age of Historic Old Northeast residents is 46 (Point2Homes), the neighborhood provides plenty of nightlife with its restaurants and bars for young professionals to enjoy. A current Tampa resident said that if they were to live in St. Petersburg, Historic Old Northeast would be one of their first options (Shaw). Additionally, 92 percent of residents say it is within walking distance from restaurants (Trulia). Most importantly, 98 percent of residents from the survey say that Historic Old Northeast is pet-friendly (Trulia). It is also in close proximity
to Vinoy Park and Crescent Lake Park, which are very popular dog walking spots and places for residents to walk around and enjoy. If residents want to enjoy St. Pete's biggest attractions, the Salvatore Dali museum and many gourmet restaurants closer to downtown St. Pete are a mere 10-minute drive away (Google). Residents also have easy access to many nearby beaches and are much closer to these beaches than anywhere in Tampa. For example, it is 30 minutes shorter to drive to St. Pete Beach from the Historic Old Northeast Neighborhood compared to Tampa (Google). With its abundance of sidewalks and high-quality parks to walk to, Historic Old Northeast is the perfect neighborhood for Onyx+East to build in.

**Recent College Grads are the Right Demographic for Urban Homes**

![Figure 6](image.png)

**Figure 6. Young Millennials are Often First-Time Homebuyers**

Source: “Trends”

First-time homebuyers, often people aged 25-35, are most likely to be interested in purchasing townhomes (Figure 6). A survey reported that 39 percent of first-time homebuyers preferred a townhome model, compared to 25 percent of the population (Guo). Targeting this age demographic that is already more receptive to townhome living than any other age group gives *Vista at North Shore* the largest potential customer base possible.
Young people are also buying pets at the highest rate of any demographic; 73 percent of millennials currently own a pet (Olick). In fact, young homeowners are even more likely to own a pet, as 89 percent of millennials who bought a home in 2018 owned a pet (Olick).

Figure 7. **Florida Offers Affordable College**  
Source: Cooper

Florida is also one of the cheapest states to attend college in, attracting many young students from all over the nation to the Sunshine State (Cooper). Onyx+East should position *Vista at North Shore* to appeal to these recent college graduates looking to settle down in the St. Petersburg area.
Timeline for the Development of Vista at North Shore

The development of Vista at North Shore will begin with initial planning, including gathering necessary information regarding property zoning and waiting for approval. In those first six months, Onyx+East will survey the land to make sure it complies with EPA regulations. In the meantime, initial design of the townhomes will begin and Onyx+East will search for contractors in the St. Petersburg area, most likely the same ones used for Six Point Row. After those initial six to twelve months, the next step is to begin marketing the development and break ground on the project.

Once building has begun, reaching our target demographic and closing on several townhomes will ensure timely success. A year into the project, inspections will begin and continue to happen for another twelve months, meanwhile final touches will occur. These include landscaping, sidewalk installation (including pet waste stations), and final negotiations with the local pet bakery and vet clinic. This process will ensure efficient building, marketing, and selling of Vista at North Shore and should lead to future profits and satisfied residents.

<table>
<thead>
<tr>
<th>Months</th>
<th>6</th>
<th>12</th>
<th>18</th>
<th>24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning, Zoning &amp; Approval</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EPA Regulations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building &amp; Selling</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inspections</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landscaping</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sidewalks</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finishing Touches</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 8. Efficient Implementation for Vista at North Shore

Onyx+East should aim to price Vista at North Shore in the $320,000- $350,000 range. This allows Vista at North shore to remain consistent with the price point and luxury living experience Onyx+East provides at other properties, while adapting to the target demographic.

<table>
<thead>
<tr>
<th>Planning, Zoning, &amp; Approval</th>
<th>EPA Regulations</th>
<th>Contractors</th>
<th>Building &amp; Selling</th>
<th>Inspections</th>
<th>Landscaping</th>
<th>Sidewalks</th>
<th>Finishing Touches</th>
</tr>
</thead>
<tbody>
<tr>
<td>$50,000</td>
<td>$5,000</td>
<td>$100,000</td>
<td>$4,500,000</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$30,000</td>
<td>$50,000</td>
</tr>
</tbody>
</table>

Figure 9. Estimated Cost of Implementation

Source: Taz Investments
A Strategic Marketing Plan for Optimal Audience Engagement

Our target demographic of young professionals offers opportunities to market Vista at North Shore using social media platforms. Young people are far more likely to see an advertisement posted on social media than a member of an older generation. As of February 2019, 90 percent of US residents aged 18-29 are on at least one platform of social media (Demographics). It will be important to utilize both Instagram and Facebook as Instagram has higher brand engagement, while Facebook reaches a higher number of people aged 25-35 (Carter).

![Figure 10. Targeted Instagram Ad](image)

Using targeted Instagram and Facebook advertisements focusing on people aged 25-35 in the St. Petersburg area will be an effective way for Onyx-East to reach their target demographic. Both Instagram and Facebook advertisement prices vary based on a variety of factors including
demographic targeted and the area targeted. We can expect a CPM (cost per 1000 impressions) of $6.00 - $8.00 (Lambert). The average Instagram feed ad costs $6.09 CPM, while the average Facebook ad during the same time period averaged $7.77 CPM (Lambert).

![Instagram stats]

Figure 11. **Business Engagement on Instagram**  
Source: Sprout Social

**Risks Related to Building in Historic Old Northeast**

Building in the Tampa Bay area poses several risks that Onyx+East will need to address. St. Petersburg, Florida is an area that often experiences extreme weather including hurricanes and floods. We chose to build *Vista at North Shore* specifically in Historic Old Northeast because it is not an evacuation zone during harsh weather conditions. This allows for less expensive weather insurance for homeowners and less worry for potential homebuyers.

Additionally, as a pet-focused community, *Vista at North Shore* faces a higher risk of pet-related damages. We are investing in sturdy screens and doors to minimize the costs related to this issue. To maximize cleanliness, vinyl flooring will be installed in all living and common areas of each townhome to reduce long-term pet-related blemishes in the flooring.

Developing in a historic neighborhood poses potential zoning difficulties for a new multifamily building. Thorough research will be conducted to minimize hurdles that will slow the process for zoning approval and necessary steps will be taken to negotiate design in order to work with the city.

Real estate investments come with risk due to fluctuating markets. A new development in the area could result in potential profit loss. Onyx+East has a proven track record of successful developments, and *Vista at North Shore* will follow suit.
Vista at North Shore: An Innovative Development for a Growing Market

Optimizing the ideal location in North Shore with a strategic social media marketing plan will ultimately prove successful. Vista at North Shore incorporates the values of Onyx+East developments by building modern townhomes near an urban center for the twenty first century homebuyer. By incorporating pet-friendly amenities for young professionals, this development takes advantage of a market need, creating a haven for young pet owners and establishing Onyx+East in the forefront of pet-friendly communities in St. Petersburg.

Figure 11. Happy Pet Living at Vista at North Shore
### Appendix

#### Appendix A: Pre-SWOT Analysis

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Previous experience and success in townhome development in Indianapolis, Tampa, &amp; St. Pete</td>
<td>• Lower social media presence than its competitors</td>
</tr>
<tr>
<td>• Current townhomes located within walking distance of amenities</td>
<td>• Lack of social media activity</td>
</tr>
<tr>
<td>• Offers unique personalization options based on style quiz</td>
<td>• Lack of established clientele in the St. Petersburg area</td>
</tr>
<tr>
<td></td>
<td>• Townhomes are priced above market average in each area</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Untapped markets within St. Petersburg area</td>
<td>• Competitors in the St. Petersburg real estate market</td>
</tr>
<tr>
<td>• High density of recent college graduates pet owners aged 25-35</td>
<td>• Extreme Weather Conditions</td>
</tr>
<tr>
<td>• Expanding demand for high quality housing options</td>
<td>• Young people are buying houses less frequently than previous years</td>
</tr>
</tbody>
</table>
### Appendix B: Post-SWOT Analysis

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Strong presence in St. Petersburg</td>
<td>• Niche target demographic could limit potential clientele</td>
</tr>
<tr>
<td>• Diversified prospective buyer market</td>
<td>• Increasing Student Loans, more college debt for graduated students</td>
</tr>
<tr>
<td>• Forefront of pet friendly townhome developments in St. Pete</td>
<td>• Expensive location could be out of price range for recent college graduates</td>
</tr>
<tr>
<td>• Increased marketing activity on social media platforms</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• High density of recent college graduates pet owners aged 25-35</td>
<td>• Young people are buying houses less frequently than previous years</td>
</tr>
<tr>
<td>• Recent college graduates are more likely to own pets than other ages</td>
<td>• Competitors in the St. Petersburg real estate market</td>
</tr>
<tr>
<td>• Reaching new potential homeowners through targeted social media advertising</td>
<td></td>
</tr>
</tbody>
</table>
Appendix C: Differences in Values Between Generations

These key values are differentiating Millennials from other generations.

Millennials rank inward-focused values like happiness and discovery higher than collective-focused values that mark the Baby Boomers generation, such as family and practicality.

VALUES THAT ARE STRONGER FOR MILLENNIALS
- Happiness
- Passion
- Diversity
- Sharing
- Discovery

VALUES THAT ARE STRONGER FOR OLDER GENERATIONS
- Justice
- Integrity
- Family
- Practicality
- Duty

The persistent ranking of these values across the Millennial age spectrum signifies that this is not merely a stage that they will grow out of...
Appendix D: Preferred Location For Various Age Groups
Works Cited


“U.S. Census Bureau QuickFacts: St. Petersburg City, Florida.” *Census Bureau QuickFacts*. 
Works Consulted


“Castillo Housing.” Castillo Housing Group, 9 Sept. 2019.


“Home.” Six Point Row. Web. 6 Sep 2019


“Top 5 Nicest Neighborhoods St Pete, Florida.” The 727 Team, 727 Team Real Estate. 7 July 2019. Web. 10 Sep. 2019


