

Phil Rosen on Growth Fueled by Brightline - Should You Get On Board?

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Richard Branson's Virgin Group is now a minority owner of Brightline. If you thought the new regional train service was already heating up South Florida's business environment, just wait. Branson's demonstrated track record means Brightline's business model just went into hyperdrive for business owners, investors, and developers.

Hyperdrive is Branson's M.O, so buckle up.

The Virgin investment comes just as the company filed with the SEC to go public, opening the door for other savvy investors. But investing in Virgin Trains USA, as it will now be called, isn't the only opportunity in Fort Lauderdale. I recently lead a Bisnow panel on this very topic.

Leading developers in our market all agree Virgin Trains USA is fueling "explosive" growth, with projects such as Flagler Village and the 13th Street Progresso area. While these projects create new housing and businesses, there are also opportunities for investors, developers, and construction companies as well as business owners and entrepreneurs.

On my panel, Barron Real Estate President Charles Ladd said the "script is written" for the future of Flagler Village. But he added the investment community is now deciding on whether Las Olas will proceed in the same direction. He predicts the city's famed Las Olas Boulevard area is at the cusp of an even more prominent role. "I see Beverly Hills, I see Rodeo Drive," Ladd said.

Growth and opportunity are not limited to Fort Lauderdale. Virgin Trains USA is already having similar impact on Miami and West Palm and promises to bring the same opportunity to Orlando and Tampa — even more so if Walt Disney World is connected as a stop. The Virgin investment will also likely open the

door to other technologies that will have just as large of an impact, and bring even greater opportunity.

It's clear that new technology will be part of a future where easily 'walkable' cityscapes are married to the growing use of self-driving cars, said parking expert David Taxman with engineering firm Kimley-Horn. Taxman says future developments will feature less emphasis on parking because of decreased demand.

Our panelists also agreed Virgin Trains USA —while fueling explosive growth and providing incredible opportunities— will need some help from municipalities and allied industries. Infrastructure, transportation, and housing are top concerns. Of special urgency is connecting Virgin's trains to "last mile" transportation, such as light rail and trolley that would connect housing to the city's growing core. "We have to invest in finishing the Brightline because Brightline is a gift," said Hooper Construction founder Alan Hooper.

Making communities more pedestrian friendly, so those taking the train can easily and safely get to nearby destinations, will also require a new commitment to making streets attractive, including better lighting and a renewed focus on helping the city's homeless population, said Hooper.

While these public sector infrastructure issues are the main areas our panelists identified as potential trouble spots, it's also a reason why investors should have a strong government affairs component to their investment projects.

Richard Branson's bold investment is an invitation to get on board with the real estate transformation. Here at Becker, with established practice areas in real estate, construction, corporate law, public-private partnerships, and government affairs, we're uniquely positioned to see and understand the opportunities in any community where Virgin trains will be pulling into the station.

Just don't wait too long in getting your tickets.