

ANALYSIS OF THE IMPACTS OF A RENOVATED

# WALESBILT HOTEL

FEBRUARY 2026





February 23, 2026

James Slaton, ICMA-CM  
City Manager  
City of Lake Wales  
201 Central Ave W  
Lake Wales, Florida 33853

Dear Mr. Slaton:

At your direction, we have completed an analysis of the likely local economic impact of the redevelopment of the Walesbilt Hotel located at 5 Park Ave W, in downtown Lake Wales. The analysis was based on the rehabilitation cost estimates and the operating pro formas provided to the City by the prospective developer, Restoration St. Louis. The firm has extensive experience in both historic rehabilitation projects and in hotel development and management. Additional information upon which this analysis was based is listed below.

The pages that follow represent the independent analysis of PlaceEconomics and none of the conclusions were influenced by either Restoration St. Louis or the City of Lake Wales. The caveats and disclaimers regarding this document are found later in this report.

The preparation of this report included the acquisition and application of economic impact multipliers based on a data set purchased from IMPLAN. IMPLAN is the leading US firm in providing the type of econometric model used in analyses such as this. Assessment data for properties in downtown Lake Wales was obtained from the Polk County Assessors Office. Tourism data was provided by Visit Central Florida. Additional information regarding property sales prices, and rental rates was provided to PlaceEconomics by Ronni Wood, Assistant CRA Director for the City of Lake Wales. Additional background information was provided by you and by Ms. Wood. This assignment also entailed a site visit, a tour of downtown Lake Wales and outlying areas likely to affect the success of a renovated Walesbilt Hotel, and a tour of the hotel itself. The pages that follow represent PlaceEconomics' estimates of the local economic impact of the Walesbilt Hotel redevelopment. Please do not hesitate to contact us if you have additional questions.

Respectfully submitted,

Donovan Rypkema, Principal  
PlaceEconomics

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## KEY FINDINGS

The key findings of this report are these:

- Once occupancy has stabilized (2031) the Walesbilt Hotel will host more than 19,500 visitors per year
- For every \$100 a visitor spends on lodging at the Walesbilt, they will spend another:
  - \$84.10 on Food, Beverage, and Groceries
  - \$66.21 on Retail purchases
  - \$79.50 on Entertainment and Other
  - \$25.82 on Transportation
- On average, each year between 2028 and 2042 Walesbilt Guests will generate:
  - 24.4 Direct jobs plus 7.4 Indirect and Induced jobs from lodging expenditures
  - 28.5 Direct jobs plus 6.6 Indirect and Induced jobs from food/beverage/grocery expenditures
  - 15.1 Direct jobs plus 3.4 Indirect and Induced jobs from retail expenditures
  - 47.2 Direct jobs plus 16.0 Indirect and Induced jobs from amusement, entertainment, and other expenditures
  - 28.3 Direct jobs plus 9.5 Indirect and Induced jobs from transportation
- During the construction phase (2026 – 2027) the rehabilitation of the Walesbilt Hotel will generate 176.7 Direct jobs, plus 96.8 Indirect and Induced jobs
- Direct jobs during the construction phase will generate \$13,559,000 in labor income while the indirect and induced jobs will generate an additional \$5,505,000 in labor income
- Over the first 15 years of operation (2028 – 2042) expenditures by Walesbilt Hotel guests will generate taxes to local governments (city, school, county, other) totaling \$13,260,000 in Direct taxes, plus \$3,649,000 in Indirect and Induced taxes.
- By 2042, existing commercial buildings in downtown Lake Wales are estimated to be worth between \$6,054,000 and \$21,841,000 *more* if the Walesbilt Hotel is renovated and operated as proposed than they would be if no action is taken on the hotel.
- In the first year the Walesbilt Hotel is open (2028) the guests at the hotel are expected to spend:
 

○ Lodging	\$3,416,400
○ Food, Beverage, Groceries	\$2,873,269
○ Retail Purchases	\$2,261,935
○ Amusement, Entertainment and Other	\$2,349,269
○ Transportation	<u>\$1,248,868</u>
○ Total	\$12,149,742

# THE WALESBILT HOTEL:

## AN ANALYSIS OF ECONOMIC IMPACTS



### IMMEDIATE IMPACTS FROM CONSTRUCTION

(2026-2027)

**\$43 million**  
total investment  
would create:



**273.5**  
total jobs



**\$19 million**  
in labor income



**\$878,061**  
in local taxes

### LONG TERM IMPACTS FROM OPERATION

(2028-2042)



**19,500+**  
annual  
visitors

**\$12.1M+**  
in visitor  
expenditures  
in first year (2028)

Annual visitor expenditures will create:

**189.6**  
average  
annual jobs

**\$10,395,652**  
in average annual  
labor income

**\$1,121,642**  
average annual  
local taxes

**\$16.8**  
million  
in local  
taxes over  
15 years



**up to \$21.8M+**  
property value lift

projected in nearby  
commercial buildings by 2042.

## HOTEL DESCRIPTION

The Walesbilt Hotel is a ten-story, 74,000 square foot concrete and steel structure which opened in 1927. It was a celebration of the growth and aspiration in the Florida boom years. While several similar hotels were built in Florida in the 20's, the Walesbilt is one of the few that remain. The \$500,000 original construction cost was financed by local citizens in expression of their optimism for the future of Lake Wales. Because the investors needed hotel management expertise and agreement was reached with Griner Hotels, Inc. to operate the hotel as part of their chain.

The architect of the Walesbilt has been identified as Fred Bishop, a notable Virginia architect who collaborated with Roanoke contractor D.J. Phillips for the construction of the hotel. The architectural style has been described as both Beaux-Arts and Mediterranean Revival. Both styles often displayed ornate design in both the exterior and the interior. The original design included an arcade of first floor retail shops, a mezzanine, large dining room, smaller parlors and reading rooms, and a total of 104 guestrooms.



Although still standing nearly a hundred years later, the hotel has never reached the levels of success anticipated by those first investors. It has gone through varied uses and names, including the Hotel Royal Walesbilt, the Grand Hotel, and the Dixie Walesbilt. The property has been sold, transferred through foreclosure, conveyed by the city and, most recently, re-acquired by the City of Lake Wales and proffered for redevelopment.

Beyond the impressive design of both the exterior and interior, the most surprising characteristic of the Walesbilt is that the building layout is largely as built and appears to be in structurally good condition.

The Dixie Walesbilt Hotel was listed on the National Register of Historic Places in 1990 and is, therefore, eligible for Federal Rehabilitation Tax Credits if restored. It is also within the Lake Wales local historic district.

## PROPOSED DEVELOPMENT

In the Spring of 2025, the City of Lake Wales distributed a Request for Qualifications for the Redevelopment and Adaptive Reuse of the Walesbilt Hotel. Proposals were received in July, 2025 with subsequent vetting of and interviews with proposers. Of the final two firms under consideration, an agreement was made with Restoration St. Louis, Inc. The firm is experienced in both historic rehabilitation and in hotel operations.

The proposal is to renovate the hotel into 104 guest rooms, approximately 5,000 square feet of ground floor retail, dining areas, and other hotel amenity spaces. The total estimated budget is \$43,000,000, with approximately \$39,000,000 being Qualified Rehabilitation Expenditures (QREs) for purposes of the federal rehabilitation tax credit. It is the intention of the developers to secure the Marriott hotel chain to operate the Walesbilt as part of their Tribute Hotel Collection. The City was provided with detailed construction cost estimates and a ten-year operating proforma. Construction is estimated to be 22 months with the hotel open and operational in 2028.

## ESTIMATES BY PROPOSED DEVELOPERS

This analysis does not include judging the reliability of either the construction cost estimates of Restoration St. Louis, or the operating pro formas provided. However, based on general knowledge of historic rehabilitation costs and hotel operating standards these observations can be made:

1. The rehabilitation costs, on both a per square foot basis, and on a per room basis are in line with other historic rehabilitation projects of similar scale.
2. The operating pro formas seem to be on the conservative side, both in terms of standard room rates, occupancy rates, and time to stabilized income flow.
3. Both initial capitalization rate and assumed disposition capitalization rate are consistent with national patterns.
4. Loan to value ratio and debt coverage ratio are realistic in the current lending environment.
5. There is no indication in any of these presented numbers that would indicate the developers are being over-optimistic in their projections or are attempting to "over-hype" the transaction.

Again, this report is not an analysis of the feasibility of the proposed redevelopment of the Walesbilt hotel. It is, rather, an estimate of the economic impact of the redeveloped hotel if the developer's projections are accurate. But there is nothing in the sets of numbers that suggests they are not a good faith reliable, and even conservative, projection of likely outcomes.

# THE ANALYSIS

## MEASUREMENTS

To estimate the economic impact of the redevelopment of the Walesbilt Hotel, three separate metrics were calculated. The first is the number of jobs, labor income, and local taxes generated by the two-year construction phase reported on a direct, indirect and induced basis. The second measure is the direct, indirect, and induced impacts resulting from the expenditures of projected guests of the Walesbilt Hotel over the fifteen-year period, 2028 through 2042. Individual impacts were calculated for the five major categories of visitor expenditures: lodging, food and beverage, retail purchases, amusement and entertainment, and transportation. The final measurement is an estimate of the change in the property value increase curve if the hotel is redeveloped as proposed.

## METHODOLOGIES

For the impacts of the **rehabilitation process**, the proposed construction expenditures were entered as "Outputs" in the IMPLAN econometric data set. This allowed the calculation of Direct, Indirect, and Induced jobs, labor income and local taxes. Jobs and labor income are reported as a full-time equivalent job for one year. In the following section 176.7 Direct jobs are reported. Because the construction period will be over a nearly two-year period, that actually means around 88 full time equivalent jobs each year. To be clear a "full time equivalent" job could be one person working for an entire year, or two persons each working for six months.

"Local taxes" are revenues to levels of government below State government. That means county, city, school district, and other taxing jurisdictions. The geographic level of this analysis is Polk County, the lowest level where accurate estimates can be made.

For the fifteen-year impacts of the **expenditures of Walesbilt Hotel guests**, the base was Restoration St. Louis' estimate of hotel room receipts. Then the Polk County ratio of lodging expenditures to total expenditures of overnight visitors was used to estimate other expenditures by hotel guests. The other categories are: Food and Beverage and Groceries; Retail Purchases; Entertainment, Amusements and Other; and Transportation. It is highly likely that some of the Food and Beverage and Retail expenditures of Walesbilt Hotel guests will be within the hotel itself. But those have not been disaggregated from the projected overall expenditures. As with the rehabilitation process estimates, the hotel guest expenditure impacts are at the Polk County level, including but not limited to the City of Lake Wales. However, the more prepared local businesses are to meet the needs of hotel guests, the larger portion of the impacts will occur within Lake Wales.

The operating proformas provided to the City by Restoration St. Louis was for ten years beginning in 2028. For this analysis those estimates were extended for an additional five years to get a fifteen-year projected impacts.

The final set of impact estimates was the **likely change in value of properties** near the restored Walesbilt Hotel. For this analysis, downtown Lake Wales was divided into primary and secondary zones of impact. The primary zone was the blocks facing East Park Avenue and East Stuart Avenue between the Walesbilt Hotel and Scenic Highway. The secondary zone, indicated in purple on the map below, is the remainder of the Downtown Mixed Use zoning district.



For this measurement a value change curve was created for the years 2028 through 2042 based on the stabilized change in value from 2020 to 2025 based on the overall assessment data, the list of commercial building property sales from the Polk County Assessor from 2015 through 2025, and the sales prices per square foot based on property sales information in downtown Lake Wales provided by Ronni Wood. In other words, the pattern of the past ten years was projected to 2042. The two alternative scenarios were considered. The first assumed a one-time bump in values occurring once the Walesbilt Hotel was opened, with subsequent value increases at the same rate at the pattern established in the base value change curve. The second was the assumption that the rate of value change would be greater in the two zones than had been established for the base curve. In both cases it was assumed that the impact would be greater in Zone 1 than Zone 2.

The amounts of both the increased rate of value change, and one time value jump are rough estimates based on work PlaceEconomics has done in other cities.

## DIRECT, INDIRECT, AND INDUCED IMPACTS ILLUSTRATED

The infographic below defines what are Direct, Indirect, and Induced impacts for a historic rehabilitation project.

### THE ECONOMIC RIPPLE EFFECT: UNDERSTANDING THE IMPACT OF HISTORIC REHABILITATION

For every 10 jobs created onsite by rehabilitation, up to 5.5 additional jobs elsewhere in the economy.

#### **Direct Impacts: Onsite**

Employment and spending created to fulfill the immediate, on-site demands of the building rehabilitation.

#### **The Construction Crew**

Onsite workers including carpenters, masons, electricians, contractors working directly on the structure.

#### **Indirect Impacts: Supply Chain**

Employment and spending in industries that provide goods and services required for the rehabilitation.

#### **Suppliers and Consultants**

Workers at lumber yards, material manufacturers, or hardware stores supporting the project.

#### **Induced Impacts: Wider Economy**

Employment created by the personal spending of wages earned by both direct and indirect workers.

#### **Local Service Providers**

Barbers, restaurant servers, and grocery clerks supported by a construction workers paycheck.

## ADDITIONAL POTENTIAL IMPACTS THAT ARE NOT INCLUDED

There are likely to be additional impacts that are not included in the categories above. Among these additional, but uncalculated impacts include:

- Increased value of currently vacant commercial land in Zones 1 and 2. No attempt was made to estimate the potentially enhanced value of vacant land since the timing and nature of the development is not reliably predicted.
- The property taxes to local governments from increased property values is not included.
- Any distribution that the City receives from the agreement with the developer is not included and would be in addition to the impacts that have been identified. The reason that this important potential additional revenue is excluded is that negotiations are still underway and the form, amount, and timing of potential distributions to the City cannot be reliably estimated.
- The impacts of non-construction expenditures during the construction phase (estimated at approximately \$4 million) are not included in the rehabilitation impact estimates.

The impacts from any of the above could be substantial and would be in addition to the impacts estimated for this report.

## CAVEATS

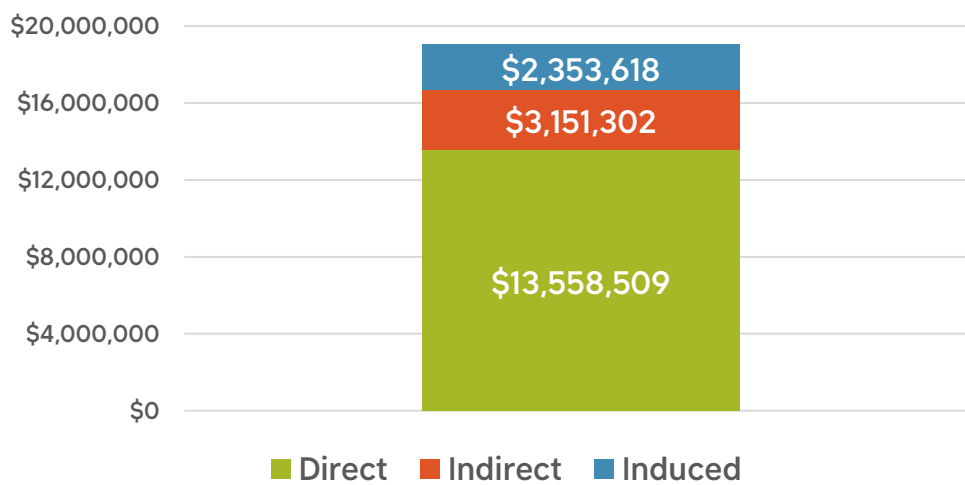
The estimates of potential economic impacts in this report represent the best estimate of PlaceEconomics, but no results can be guaranteed. The estimates were made independently and no effort on the part of the City of Lake Wales, the Community Revitalization Agency, or Restoration St. Louis, Inc. was made to influence the findings of this report.

The first two metrics – the impact of the rehabilitation process and the impacts of hotel guest expenditures – was based on the projections of Restoration St. Louis. However, those projections seemed to PlaceEconomics to be realistic, perhaps even conservative. But to the extent those projections prove to be in error the impact estimates based on them would be in error as well.

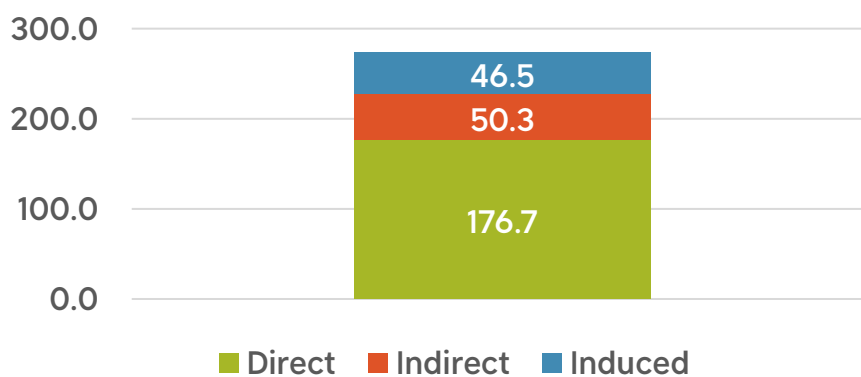
# IMPACT OF REHABILITATION

The graphs below show the Direct, Indirect, and Induced jobs, labor income, and local tax revenues generated by the ~ 2-year construction process rehabilitating the Walesbilt Hotel. These are full time equivalent jobs (FTEs) and are estimated to be 176.7 Direct Jobs and \$13,558,509 in Direct Labor Income. There is also an estimated \$878,061 in local government taxes generated, including more than \$126,000 in Direct taxes. The estimates were based on the Restoration St. Louis projections of construction costs.

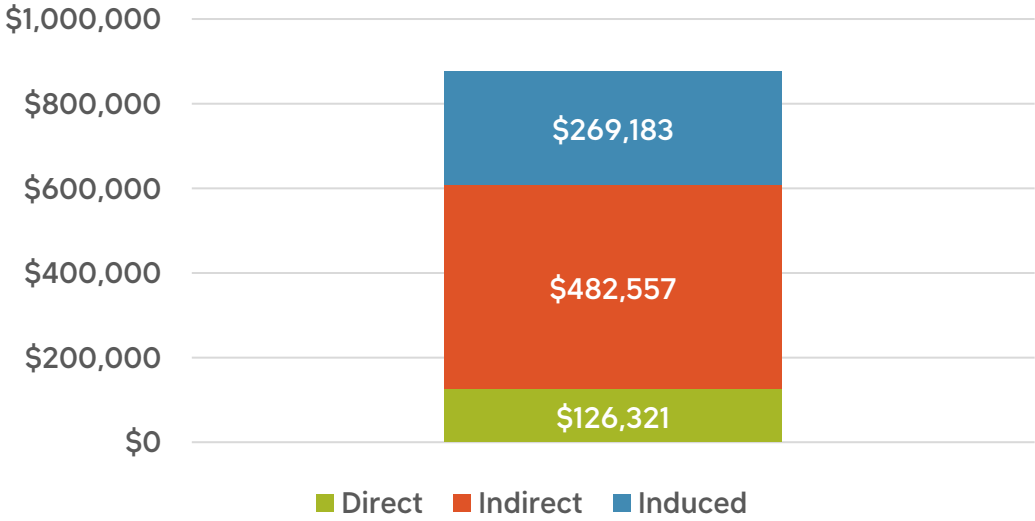
### Labor Income Generated through Rehabilitation of Walesbilt Hotel During Construction Phase (2026-2027)



### Local Jobs Generated through Rehabilitation of Walesbilt Hotel During Construction Phase (2026-2027)



Local Taxes Generated through Rehabilitation of  
Walesbilt Hotel During Construction Phase (2026-  
2027)



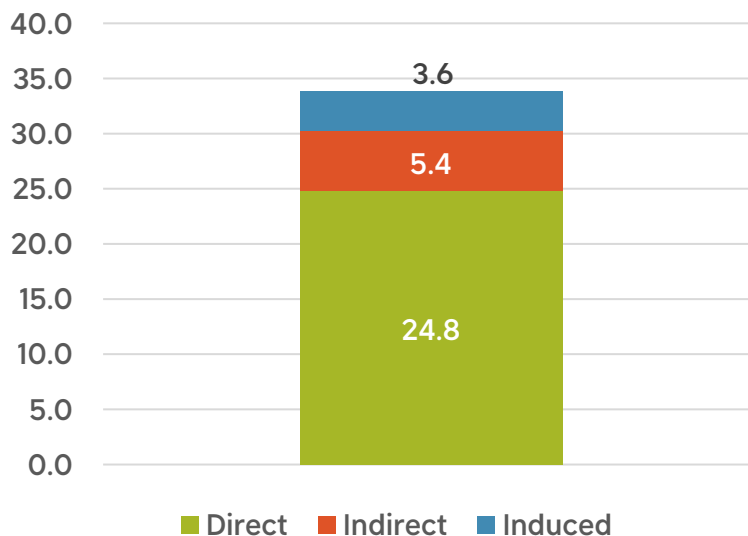
# IMPACT OF HOTEL VISITORS

In the following sections, estimates have been made for the impacts that the expenditures of guests at the Walesbilt Hotel would have in five areas: Lodging; Food, Beverage and Groceries; Retail Purchases; Amusement, Entertainment and Other; and Transportation. The amount of expenditures were calculated using the Restoration St. Louis projections of room revenues (i.e. Lodging) as the base and then the Polk County tourism patterns for estimating the other spending categories. In each category the numbers represent the average year over the fifteen-year period 2028 through 2042. The appendices at the end of this report show the numbers for each year. Shown in each spending category the Direct, Indirect, and Induced Jobs, Labor Income, and Local Taxes.

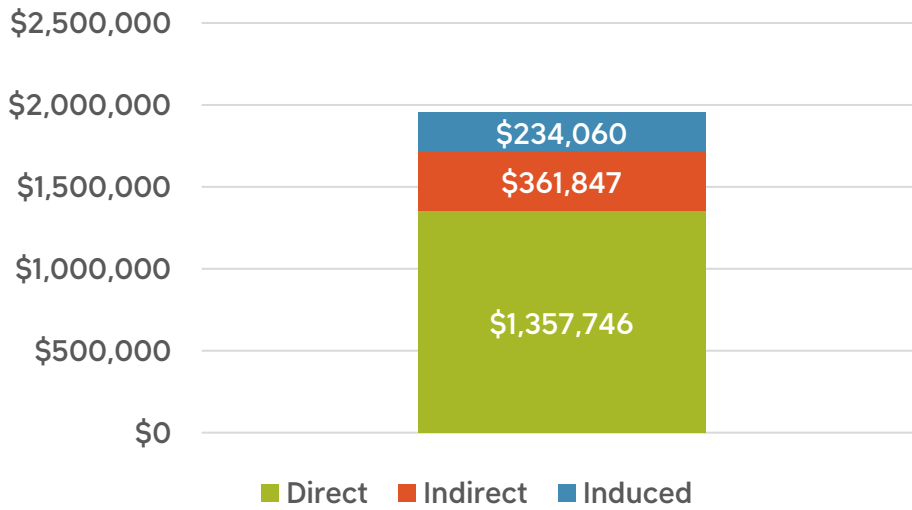
## LODGING

On average between 2028 and 2042, the Lodging expenditures of Walesbilt Hotel guests will generate almost 25 Direct jobs and an additional 9 Indirect and Induced jobs. The workers in Direct jobs will receive \$1,357,746 in Labor Income and Indirect and Induced jobs workers will receive an additional \$595,907. Over the course of the fifteen years Direct, Indirect, and Induced Workers will receive \$29,304,791 in Labor Income from the hotel guests Lodging expenditures. Local levels of government will receive on average \$466,006 in Direct, Indirect, and Induced taxes from the Lodging expenditures of Walesbilt Hotel guests. Over the fifteen year projection, local governments can expect to receive \$6,990,071 in Direct, Indirect, and Induced taxes from the expenditures of hotel guests.

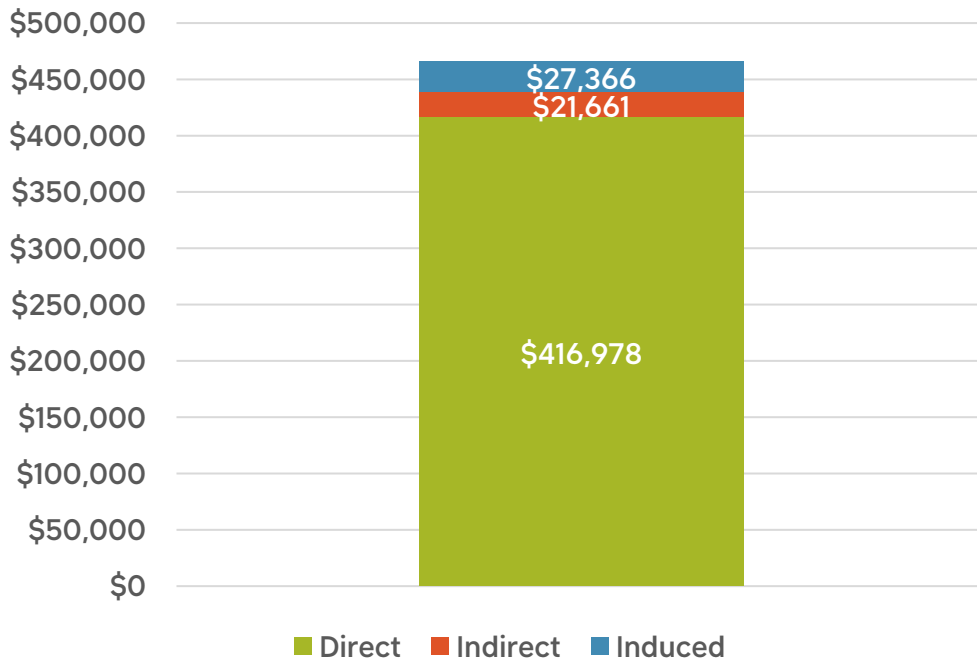
**Jobs from Hotel Guest Lodging Expenditures**  
Average Year 2028 - 2042



### Labor Income from Hotel Guest Lodging Expenditures Average Year 2028 - 2042



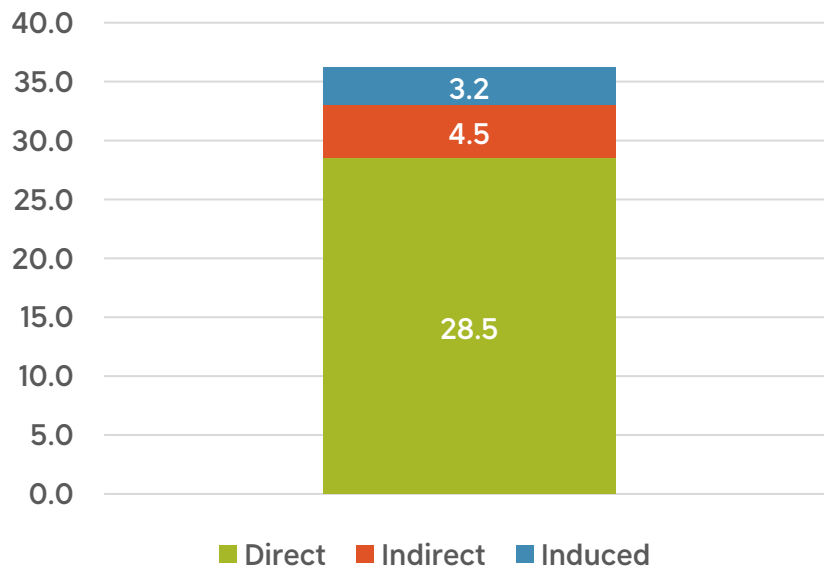
### Local Taxes from Hotel Guest Lodging Expenditures Average Year 2028 - 2042



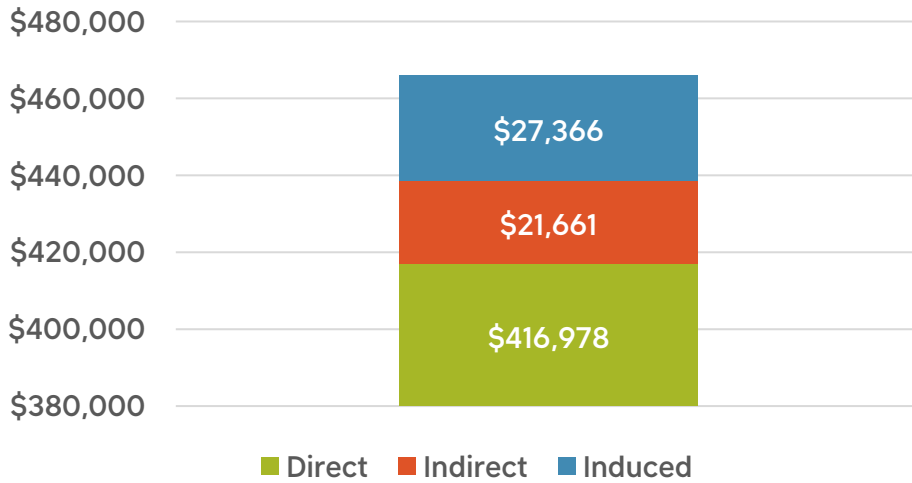
## FOOD, BEVERAGE, GROCERIES

On average between 2028 and 2042, the Food, Beverage, and Grocery expenditures of Walesbilt Hotel guests will generate 28.5 Direct jobs and an additional 7.7 Indirect and Induced jobs. The workers in Direct jobs will receive \$1,277,899 in Labor Income and Indirect and Induced jobs workers will receive an additional \$508.38. Over the course of the fifteen years Direct, Indirect, and Induced Workers will receive \$26,794,206 in Labor Income from the hotel guests Food, Beverage, and Grocery expenditures. Local levels of government will receive on average \$171,565 in Direct, Indirect, and Induced taxes from the Food, Beverage, and Grocery expenditures of Walesbilt Hotel guests. Over the fifteen-year projection, local governments can expect to receive \$2,573,477 in Direct, Indirect, and Induced taxes from the expenditures of hotel guests.

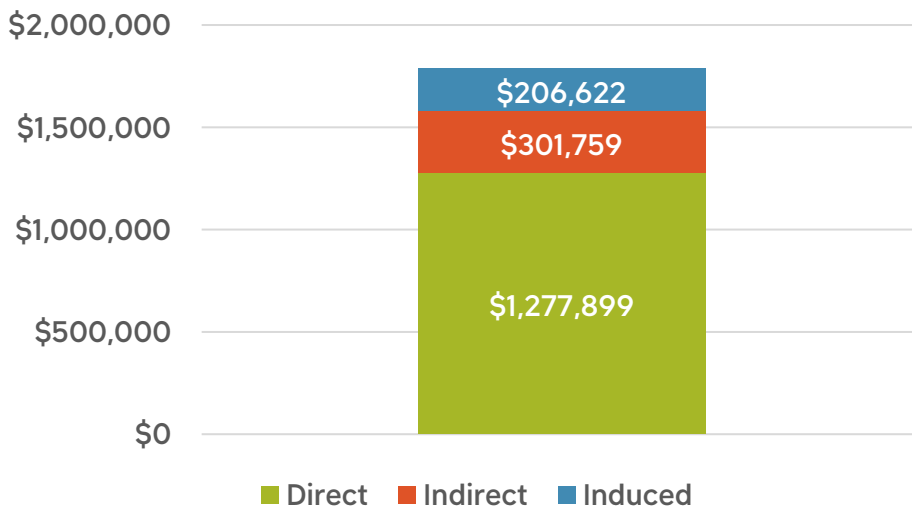
**Jobs from Hotel Guest Food, Beverage,  
and Grocery Expenditures  
Average Year 2028 - 2042**



Local Taxes from Hotel Guest Food, Beverage, and Grocery Expenditures  
Average Year 2028 - 2042



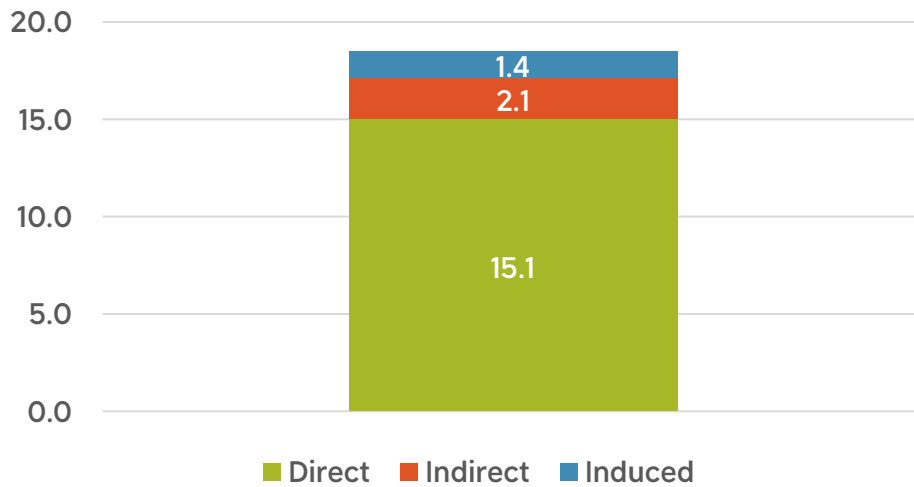
Labor Income from Hotel Guest Food, Beverage, and Grocery Expenditures  
Average Year 2028 - 2042



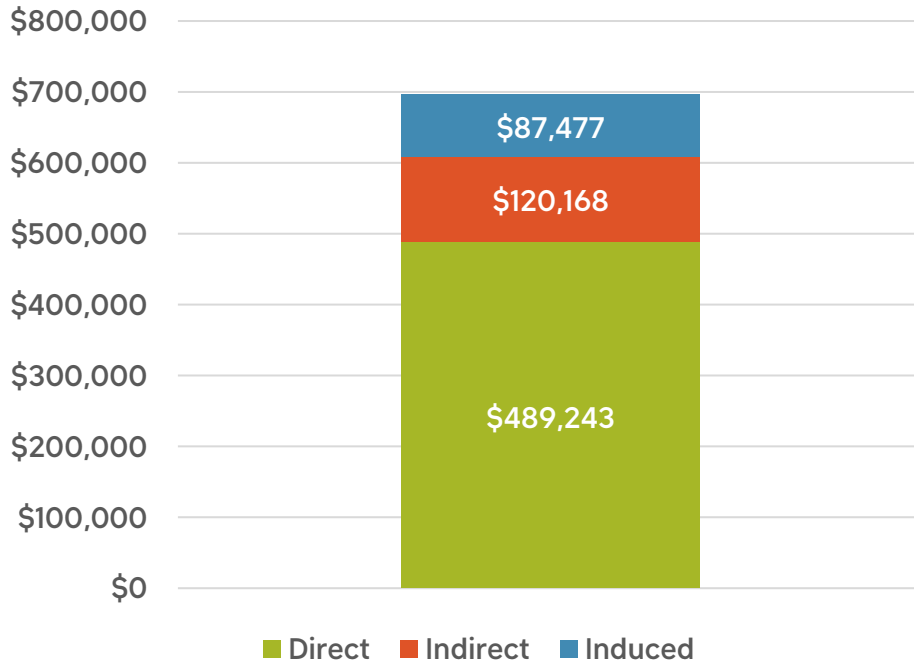
## RETAIL

On average between 2028 and 2042, the Retail expenditures of Walesbilt Hotel guests will generate 15.1 Direct jobs and an additional 3.5 Indirect and Induced jobs. The workers in Direct jobs will receive \$489,243 in Labor Income and Indirect and Induced jobs workers will receive an additional \$207.64. Over the course of the fifteen years Direct, Indirect, and Induced Workers will receive \$10,453,302 in Labor Income from the hotel guests Retail expenditures. Local levels of government will receive on average \$111,281 in Direct, Indirect, and Induced taxes from the Retail expenditures of Walesbilt Hotel guests. Over the fifteen-year projection, local governments can expect to receive \$1,669,219 in Direct, Indirect, and Induced taxes from the expenditures of hotel guests.

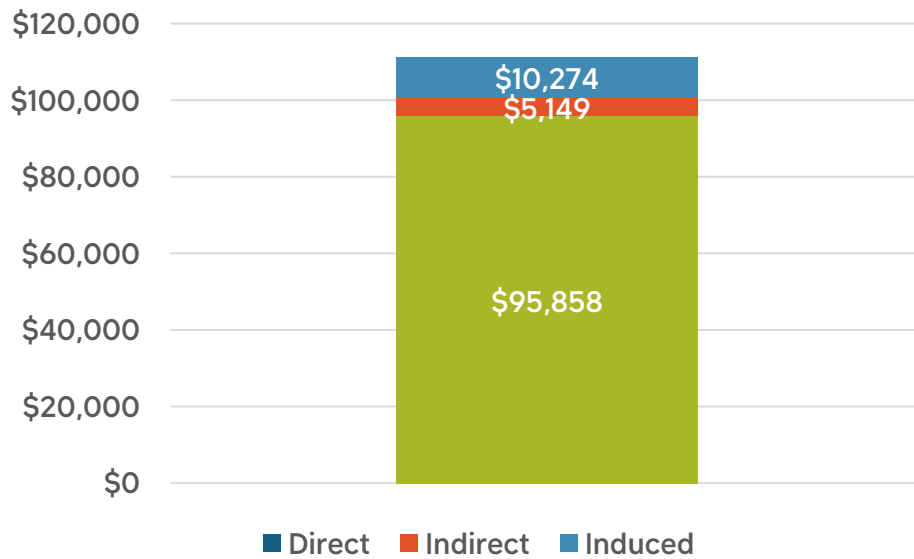
**Jobs from Hotel Guest Retail Expenditures**  
Average Year 2028 - 2042



Labor Income from Hotel Guest Retail Expenditures  
Average Year 2028 - 2042



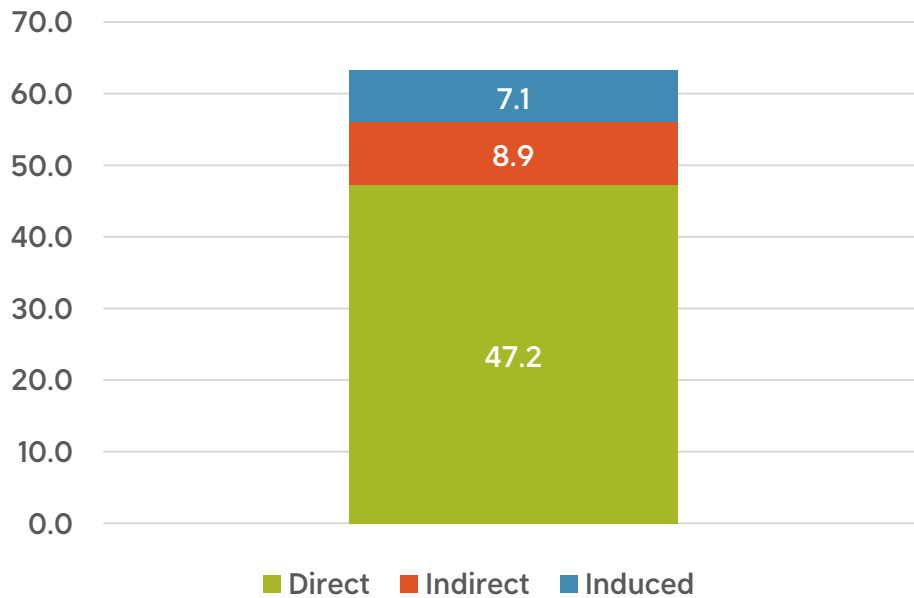
Local Taxes from Hotel Guest Retail Expenditures  
Average Year 2028 - 2042



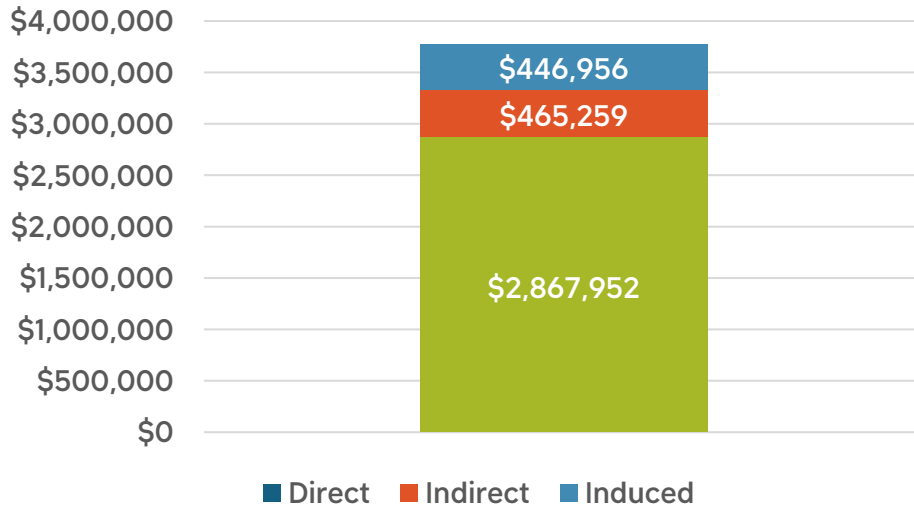
## AMUSEMENTS, ENTERTAINMENT, OTHER

On average between 2028 and 2042, the Amusements, Entertainment, and Other expenditures of Walesbilt Hotel guests will generate 47.2 Direct jobs and an additional 16 Indirect and Induced jobs. The workers in Direct jobs will receive \$2,867,952 in Labor Income and Indirect and Induced jobs workers will receive an additional \$914,215. Over the course of the fifteen years Direct, Indirect, and Induced Workers will receive \$56,702,497 in Labor Income from the hotel guests Amusements, Entertainment, and Other expenditures. Local levels of government will receive on average \$253,575 in Direct, Indirect, and Induced taxes from the Amusements, Entertainment, and Other expenditures of Walesbilt Hotel guests. Over the fifteen-year projection, local governments can expect to receive \$3,803,624 in Direct, Indirect, and Induced taxes from the expenditures of hotel guests.

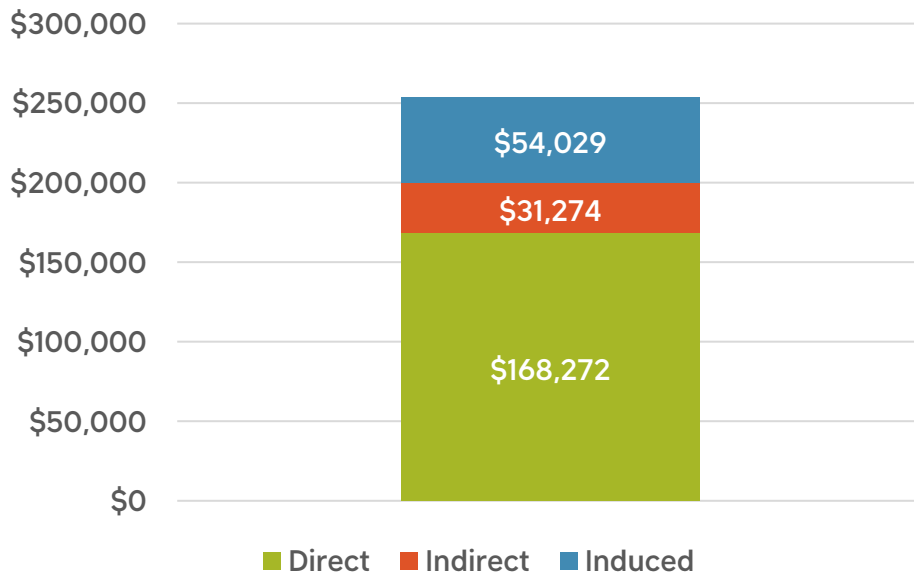
**Jobs from Hotel Guest Amusement,  
Entertainment, and Other Expenditures  
Average Year 2028 - 2042**



**Labor Income from Hotel Guest Amusement,  
Entertainment, and Other Expenditures  
Average Year 2028 - 2042**



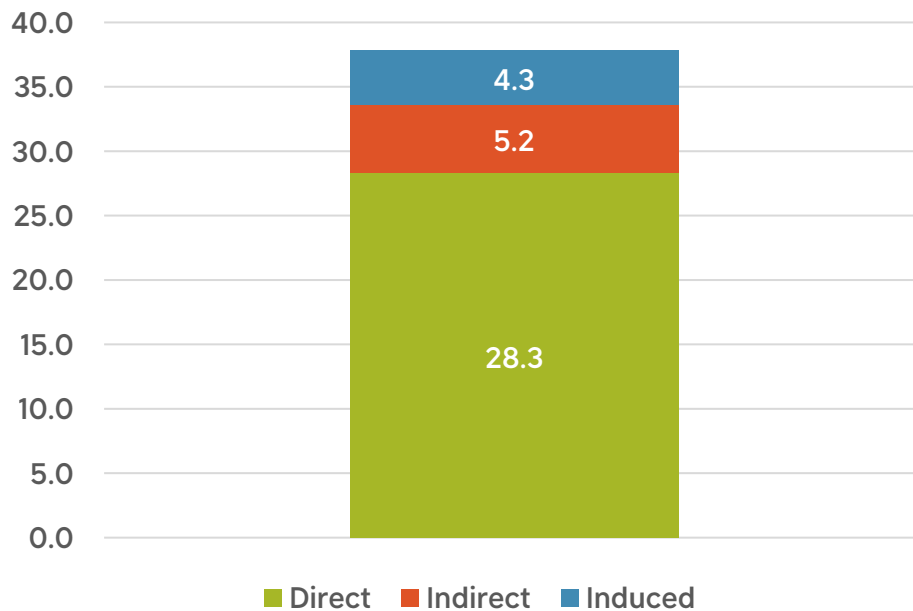
**Local Taxes from Hotel Guest Amusement,  
Entertainment, and Other Expenditures  
Average Year 2028 - 2042**



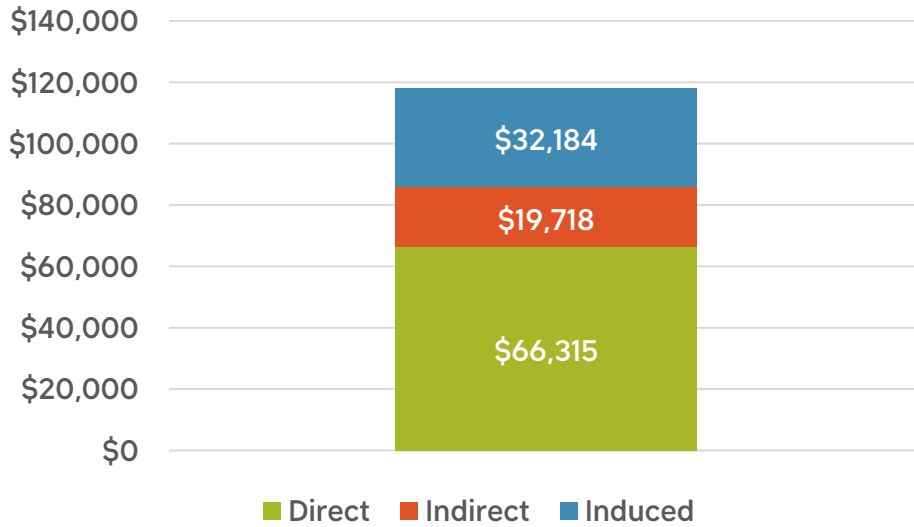
## TRANSPORTATION

On average between 2028 and 2042, the Transportation expenditures of Walesbilt Hotel guests will generate 28.3 Direct jobs and an additional 9.5 Indirect and Induced jobs. The workers in Direct jobs will receive \$1,585,482 in Labor Income and Indirect and Induced jobs workers will receive an additional \$601,504. Over the course of the fifteen years Direct, Indirect, and Induced Workers will receive \$32,804,791 in Labor Income from the hotel guests Transportation expenditures. Local levels of government will receive on average \$118,216 in Direct, Indirect, and Induced taxes from the Transportation expenditures of Walesbilt Hotel guests. Over the fifteen-year projection, local governments can expect to receive \$1,773,247 in Direct, Indirect, and Induced taxes from the expenditures of hotel guests.

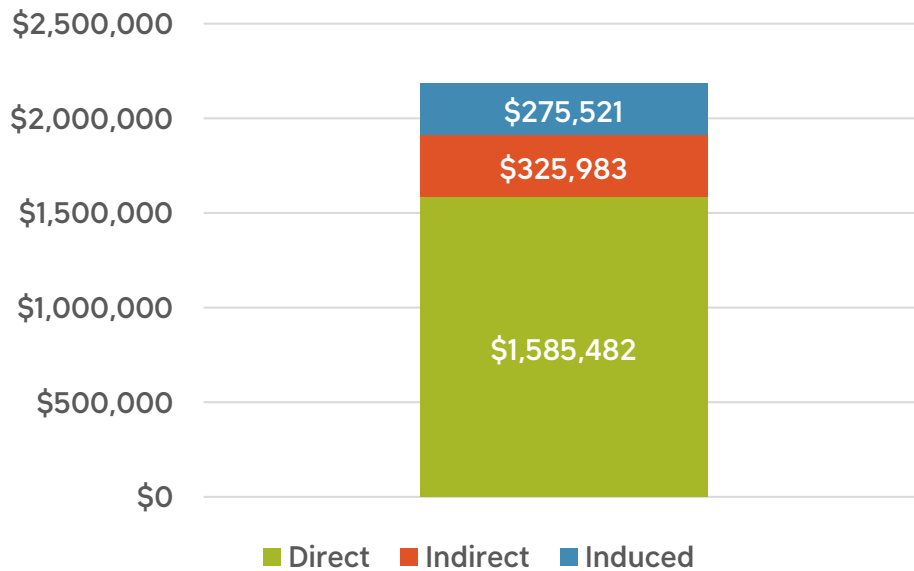
**Jobs from Hotel Guest Transportation Expenditures**  
Average Year 2028 - 2042



Local Taxes from Hotel Guest Transportation  
Expenditures  
Average Year 2028 - 2042



Labor Income from Hotel Guest Transportation  
Expenditures  
Average Year 2028 - 2042



## AGGREGATED IMPACT OF VISITORS

Over the first fifteen years of the operation of the renovated Walesbilt Hotel, here is the **average annual impact** of hotel guests. This includes expenditures on lodging; food, beverage, and groceries; retail purchases; amusement and entertainment; transportation; and other.

# AVERAGE ANNUAL ECONOMIC IMPACT OF WALESBITL HOTEL GUESTS (2028-2042)

### DIRECT ECONOMIC IMPACTS



**143.9**

**Direct Jobs Created**  
New employment opportunities generated directly by guest spending in the local area.



**\$7.57 M**

**in Annual Labor Income**  
Significant wages paid directly to workers within the local hospitality and service sectors



**\$877,349**

**in Direct Local Taxes**  
Revenue Generated for local governments through visitor expenditures and hotel operations.

### SECONDARY ECONOMIC RIPPLE EFFECTS



**45.7**

**Additional Jobs Created**  
employment supported by business-to-business spending and employee household consumption



**\$2,825,652**

**in Additional Labor Income**  
generated for workers elsewhere in the economy



**\$243,293**

**in Secondary Tax Revenue**  
combined local tax contributions from indirect and induced economic activities.

# IMPACT ON NEARBY PROPERTY VALUES

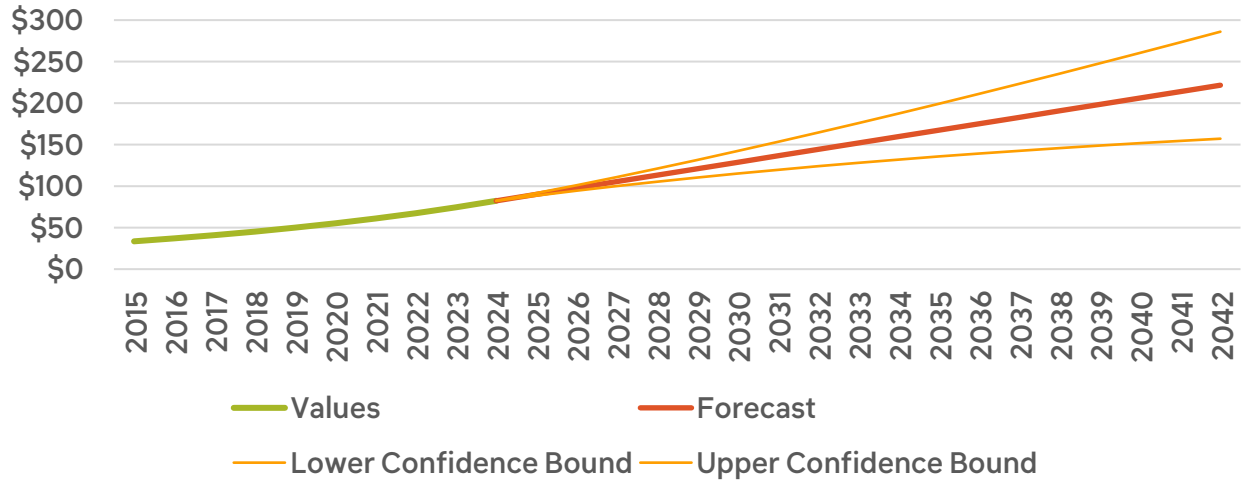
In other analysis conducted by PlaceEconomics a pattern of enhanced property values was noted in areas nearby restored historic buildings. It is considered likely that if the Walesbilt Hotel is rehabilitated as described in Restoration St. Louis' proposal, a similar pattern would emerge.

For purposes of this analysis two areas proximate to the hotel were identified and designated Zone 1 and Zone 2. The map below indicates those two zones with the area in red being Zone 1 and the blue area Zone 2. Only commercial buildings in the two zones were considered in this metric. Vacant residential or commercial land or residential structures were not included.

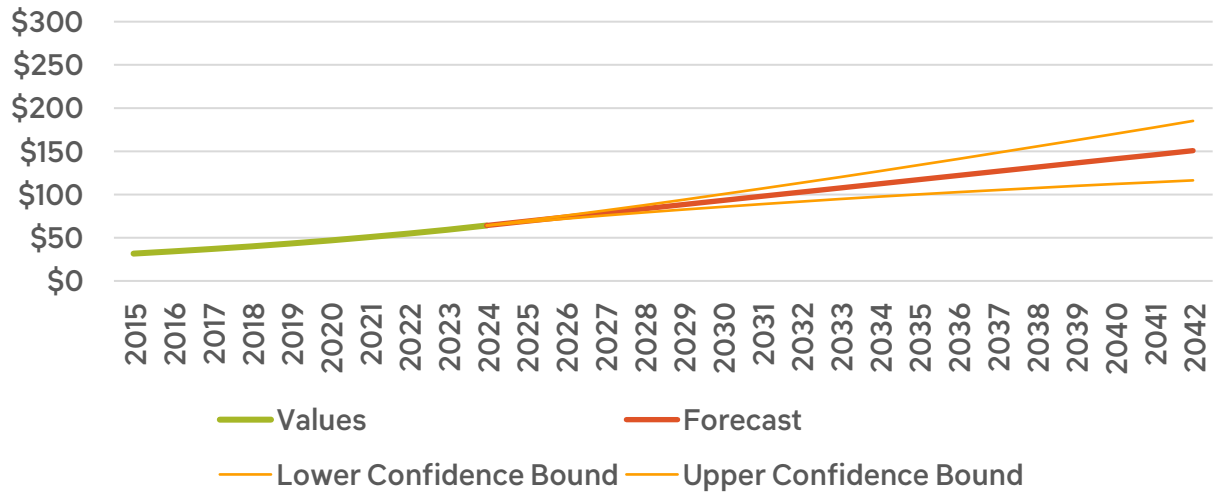


The graphs below represent the change in square foot value of the commercial buildings in both zones assuming the hotel is not restored. These lines represent the base for analysis. The growth curve of values from 2025 to 2042 is based on patterns established in the previous decade (see Methodology section for more detail.)

### Zone 1 Value of Commercial Buildings per square foot

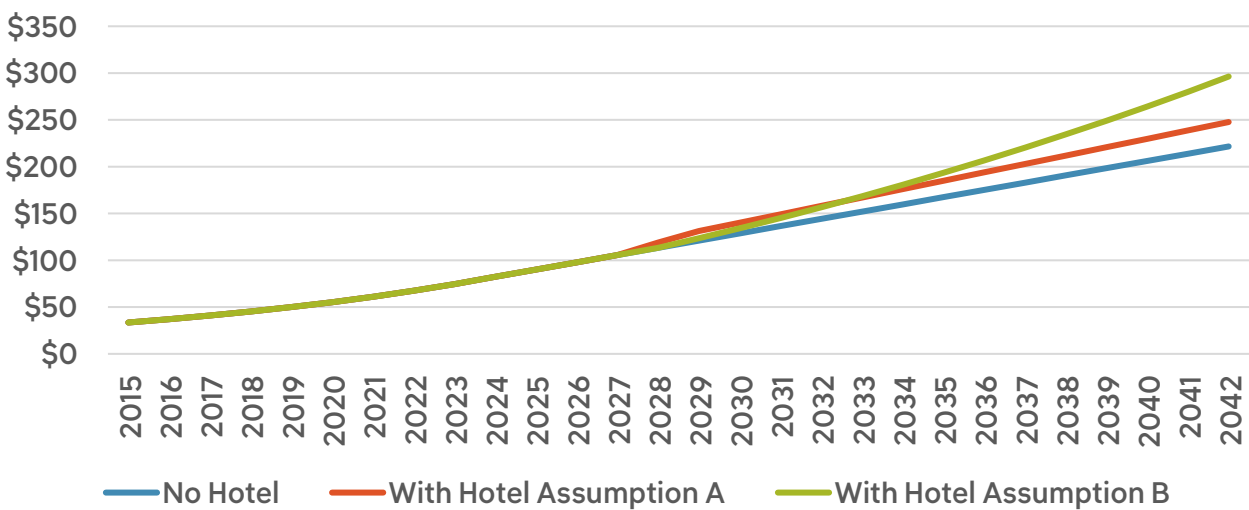


### Zone 2 Value of Commercial Buildings per square foot

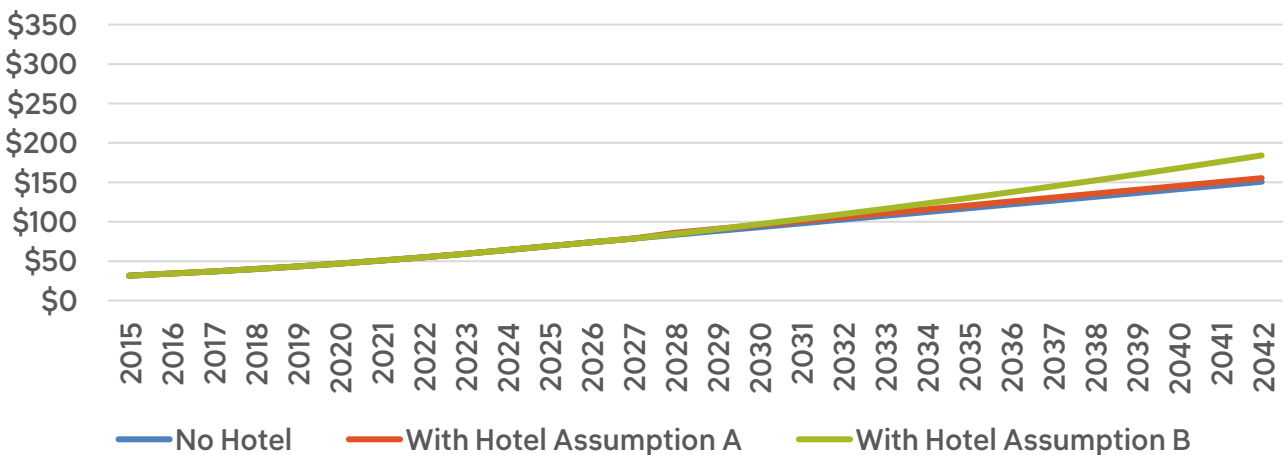


After having established the base value change curve, and analysis was conducted as to the likely shift in values after the opening of a restored Walesbilt Hotel in 2028. Those comparisons are found in the graphs below. Assumption A is that there is an immediate bump in property values upon the opening of the hotel and that rates of value growth in subsequent years are the same as if no hotel were rehabilitated. Assumption B is that there is no immediate bump in property values but that the rate of value increase is greater than had there been no hotel renovation. Earlier studies by PlaceEconomics and others have indicated that either of these scenarios might occur. These estimates are conservative, but at least provide an order of magnitude indication of the value enhancement of properties near the Walesbilt Hotel if it is restored and occupied.

### Value/s.f. Commercial Buildings Zone 1



### Value/s.f. Commercial Buildings Zone 2



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## RISK OF OVER ANTICIPATING THE MARKET

The increase in property values has positive effects, both on property owners, and on public entities who generate revenue through ad valorem property taxation. From an economic development perspective, however, there is one caution. It is a common pattern that when a major catalytic development occurs – the redevelopment of a major property, major public investments, a new business with significant employment, etc. – some property owners will over anticipate the market and raise their asking rents or asking sales prices far beyond what the market is willing to pay. This can have a negative impact on vacancies and can be a barrier to redevelopment investment. Property owners are certainly entitled to benefit from raising property values, but to assume value jumps greater than the reality can have a negative impact on economic development initiatives.



## CONCLUSIONS

The Walesbilt hotel is an important historic landmark for the City of Lake Wales. It also is a latent opportunity for significant positive economic impact on the community. If redeveloped as proposed the hotel would be a generator of jobs, labor income, and local taxes. It would impact the Lake Wales and Polk County economy during the rehabilitation phase and the subsequent operation phase. Additionally it is likely that the redevelopment would spur an increase in nearby property values.

It seems fitting that the current proposal, which calls for substantial capital contributions from the City, mirrors the original development approach in which local citizens invested their money in the hope that the hotel would become a major local asset. Those aspirations could be met anew with a restored Walesbilt Hotel.

There certainly is no guarantee of success. But the high quality of the building itself, its apparent structural soundness, the knowledge and experience of the proposed developers, and the realistic if even conservative estimates of construction costs and operating statements at least mean that the components of success are in place.

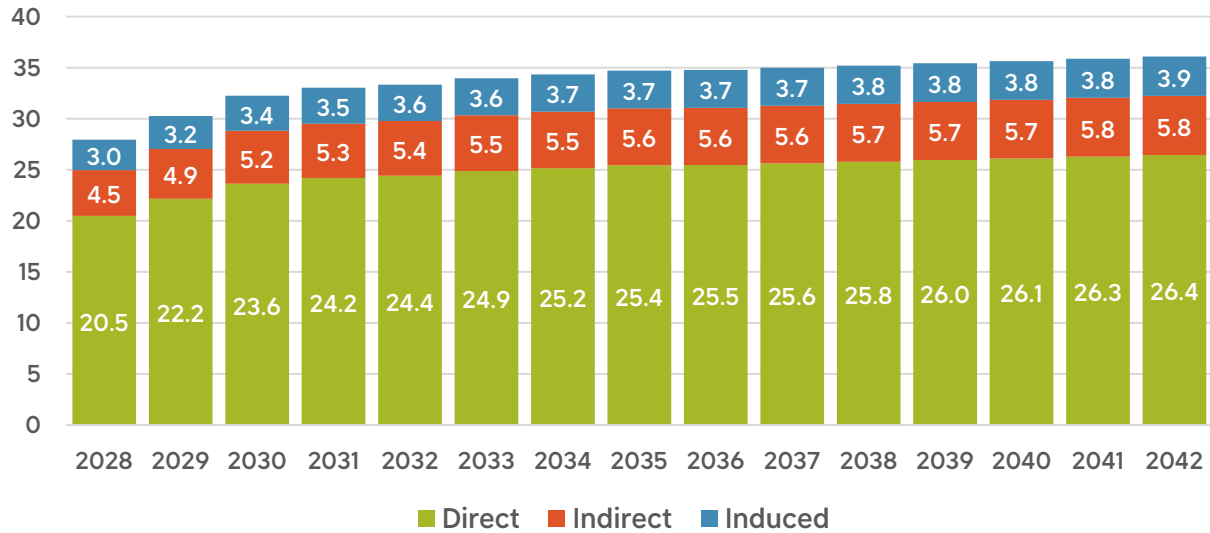
## PLACEECONOMICS

PlaceEconomics is a nationally recognized consulting firm specializing in the economic analysis of historic preservation. For more than three decades, the firm has shaped policy, informed investment decisions, and provided rigorous data-driven evidence of the economic, social, and cultural value of historic assets. Its methodologies are widely regarded as the industry standard for quantifying the economic impacts of preservation, adaptive reuse, heritage tourism, and community revitalization. The firm's work is frequently cited by federal agencies, state governments, philanthropic foundations, and national preservation organizations. Its reputation is anchored in methodological rigor, transparent assumptions, and the ability to translate complex economic data into actionable policy recommendations.

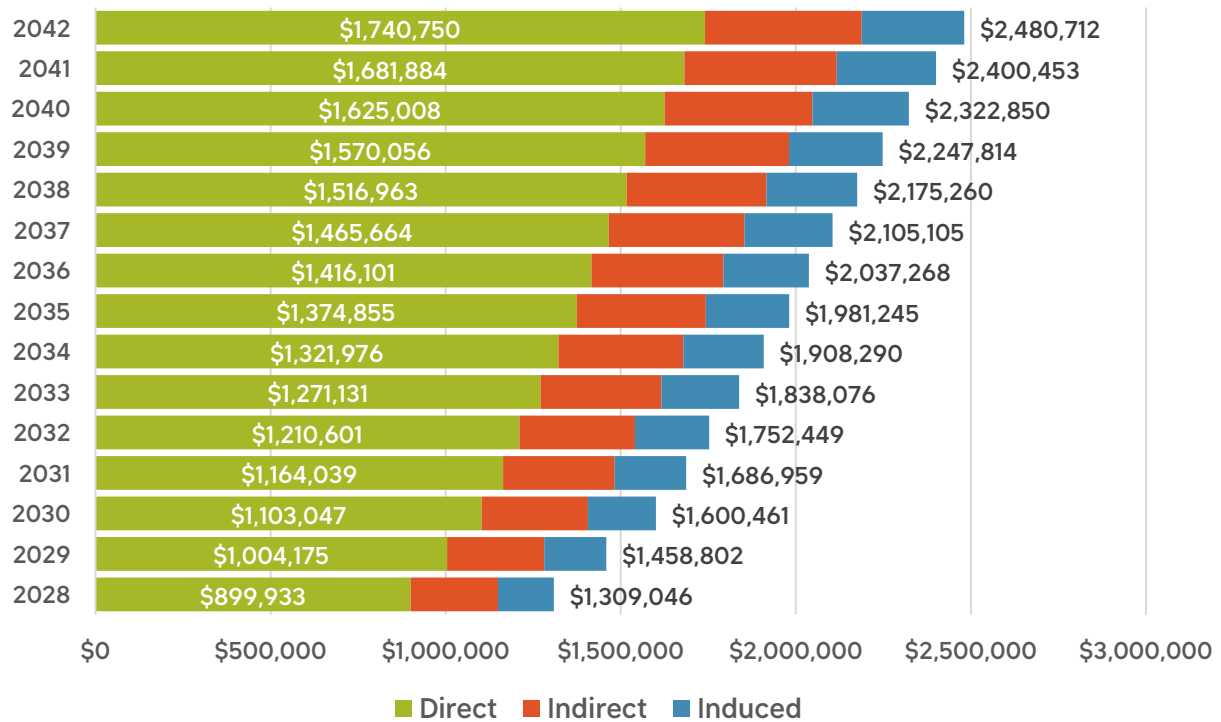
# APPENDICES

## APPENDIX A – DETAIL ON LODGING IMPACT

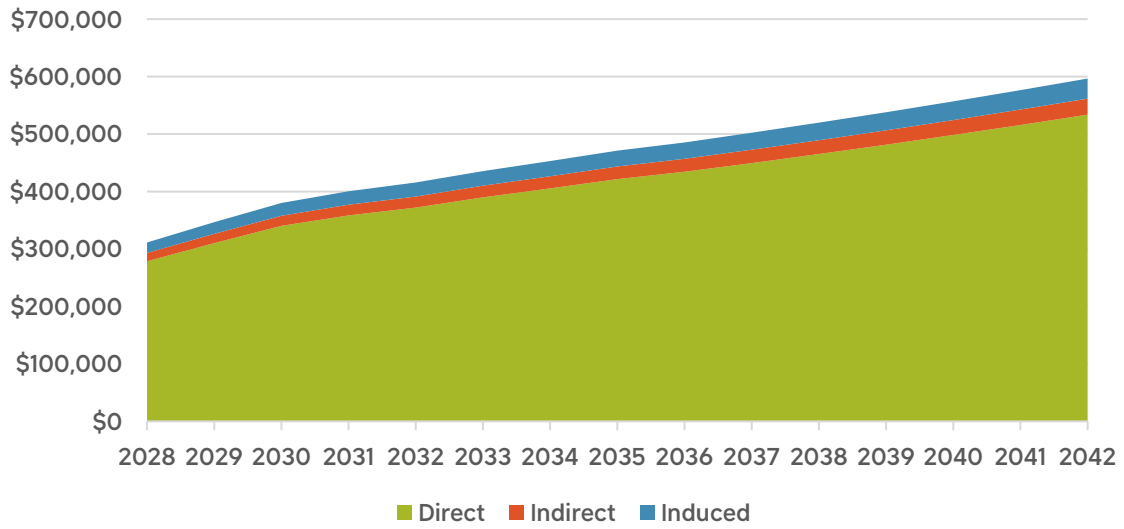
### Jobs from Walesbilt Hotel Lodging Expenditures



### Labor Income from Walesbilt Hotel Guests Lodging Expenditures

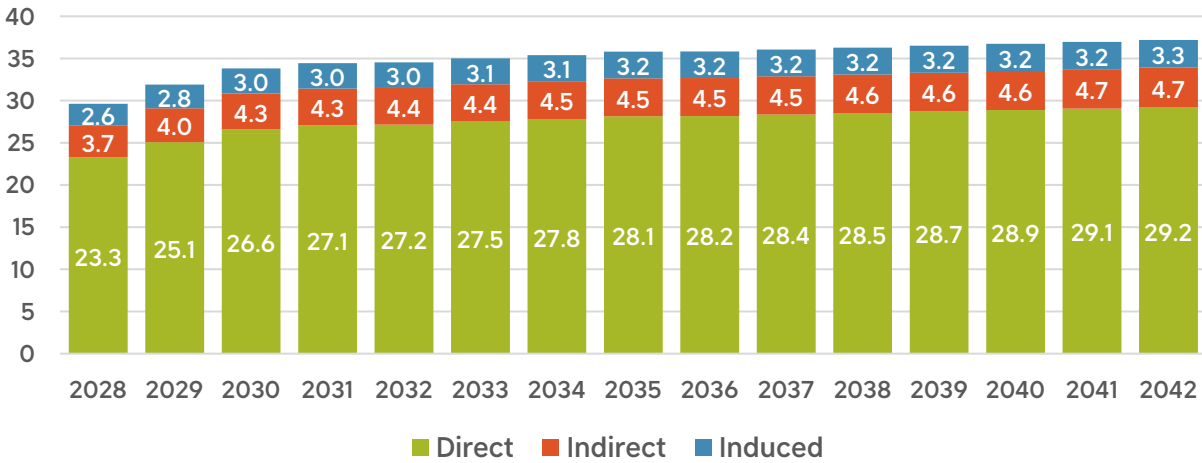


## Local Taxes from Walesbilt Hotel Guests Lodging Expenditures

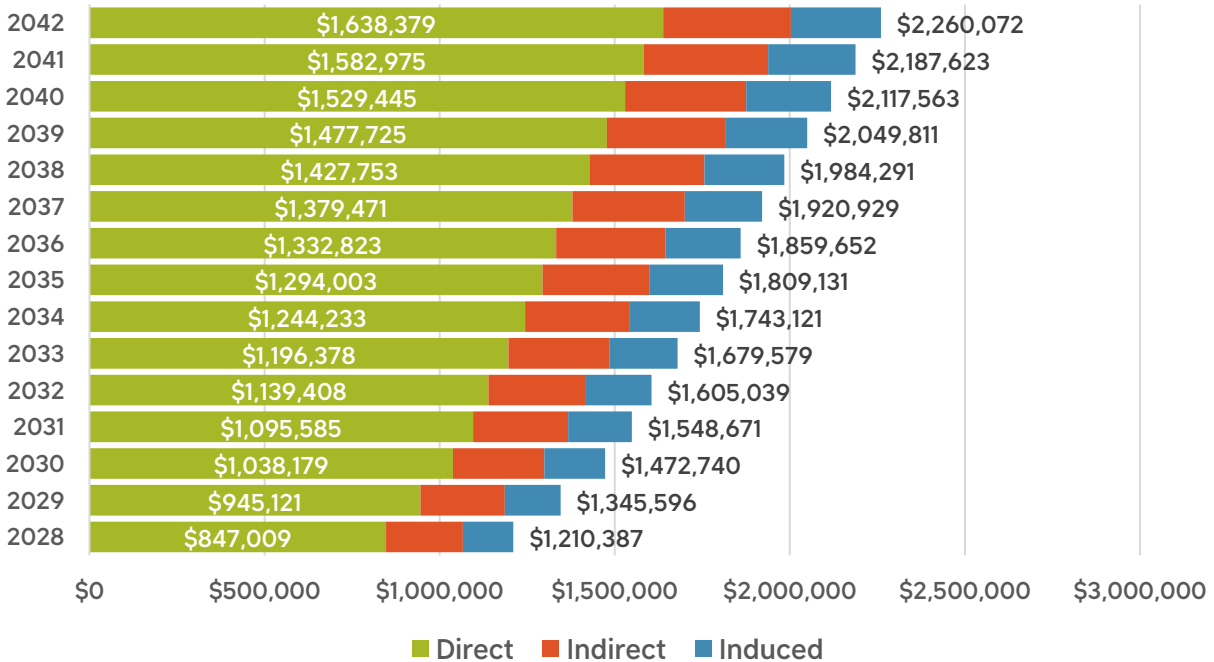


## APPENDIX B – DETAIL ON FOOD, BEVERAGE, AND GROCERY IMPACT

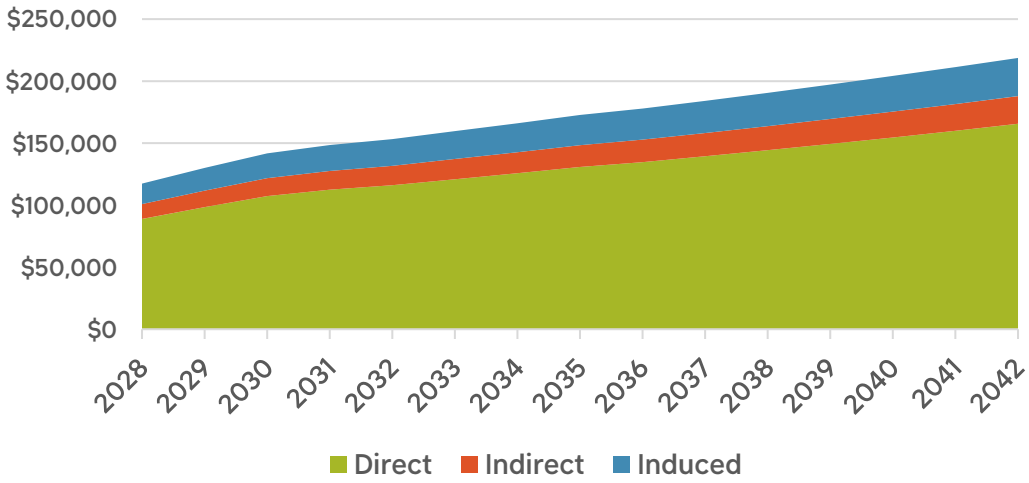
### Jobs from Walesbilt Hotel Guest Food, Beverage, and Grocery Expenditures



### Labor Income from Walesbilt Hotel Guest Food, Beverage, and Grocery Expenditures

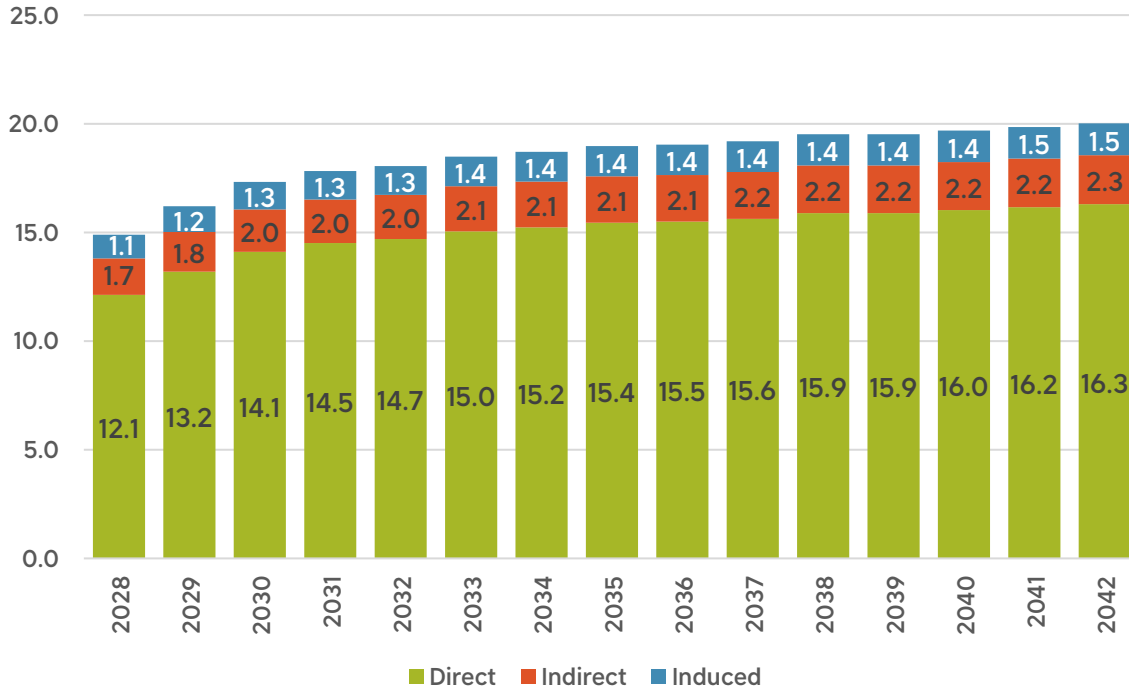


## Local Taxes from Walesbilt Hotel Guests Food, Beverage, and Grocery Expenditures

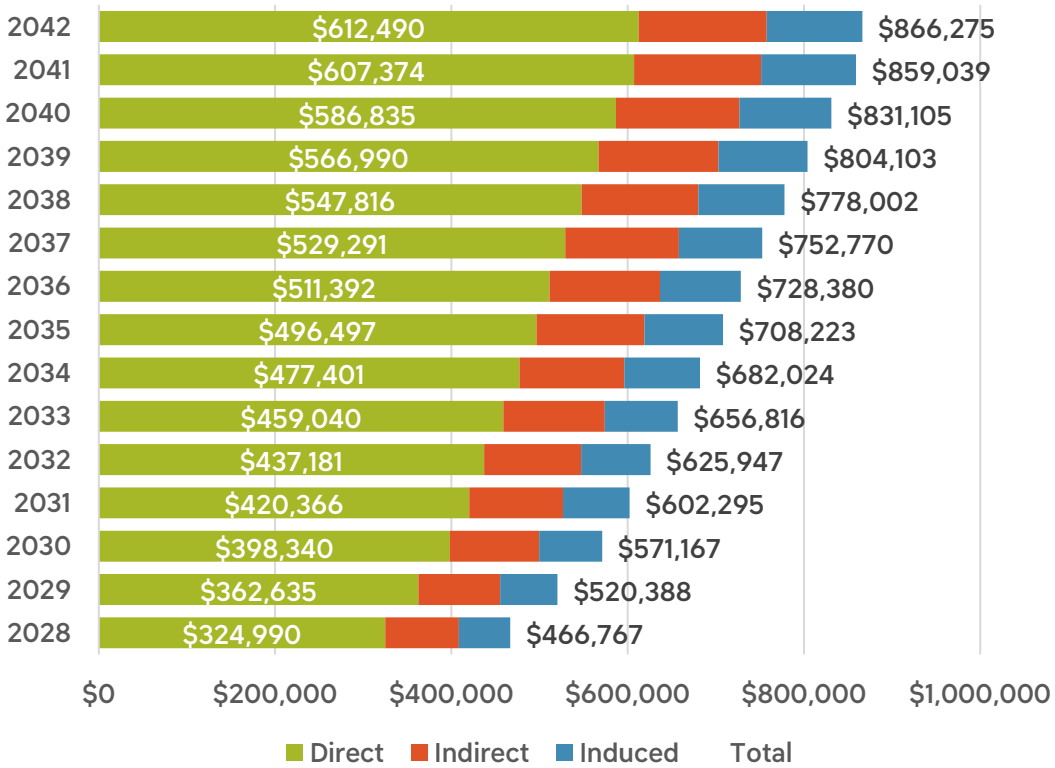


# APPENDIX C – DETAIL ON RETAIL IMPACT

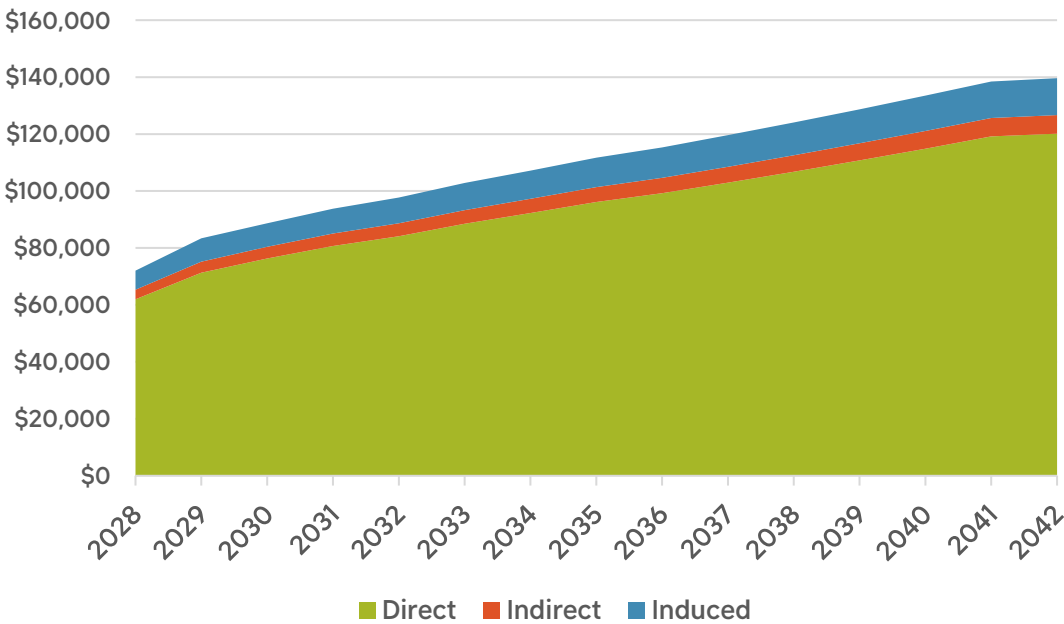
## Jobs from Walesbilt Hotel Guest Retail Expenditures



### Labor Income from Walesbilt Hotel Guests Retail Expenditures



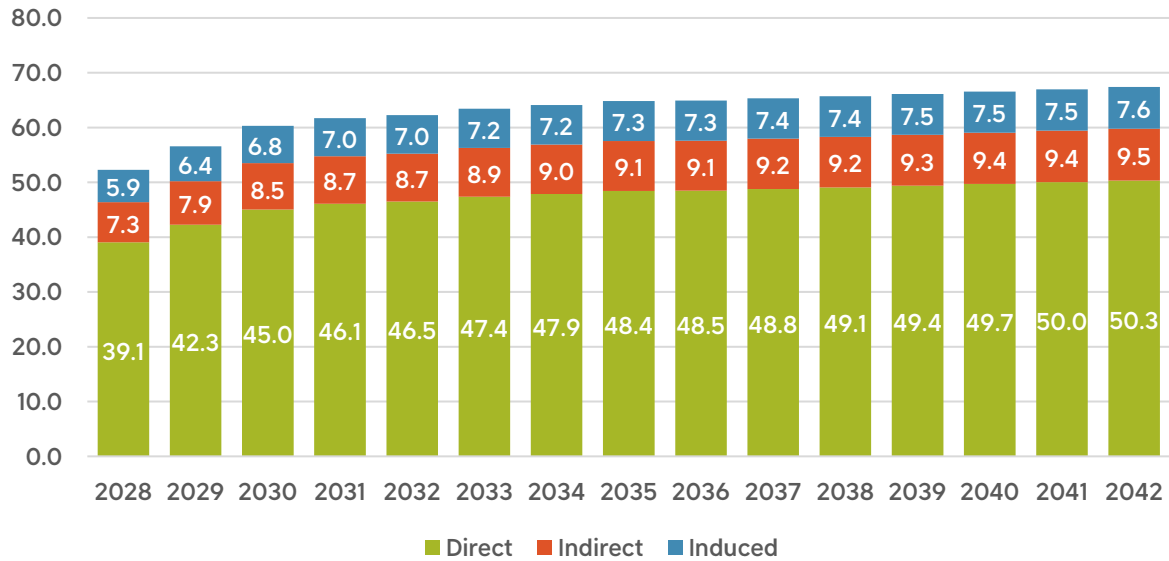
### Local Taxes from Hotel Guest Retail Expenditures



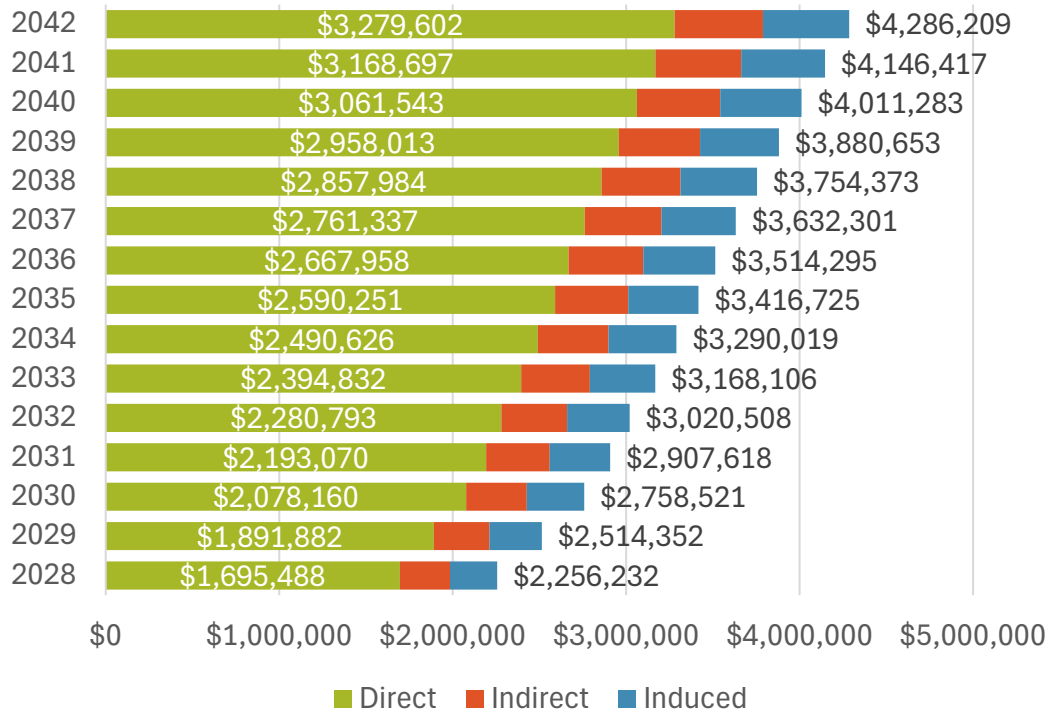


## APPENDIX D – DETAIL ON AMUSEMENTS, ENTERTAINMENT, AND OTHER IMPACT

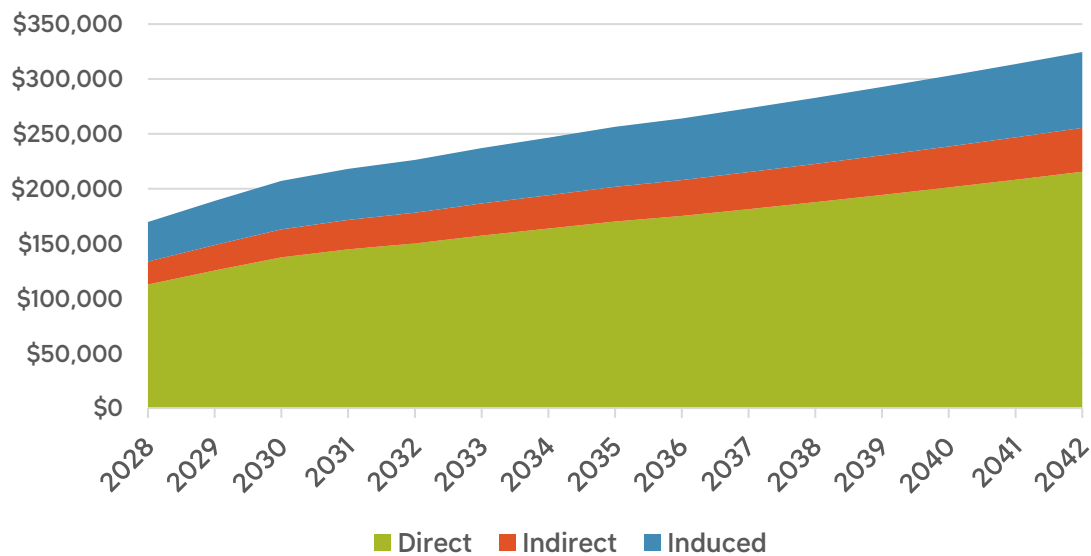
### Jobs from Hotel Guests Amusement, Entertainment, and Other Expenditures



### Labor Income from Hotel Guest Amusement, Entertainment, and Other Expenditures

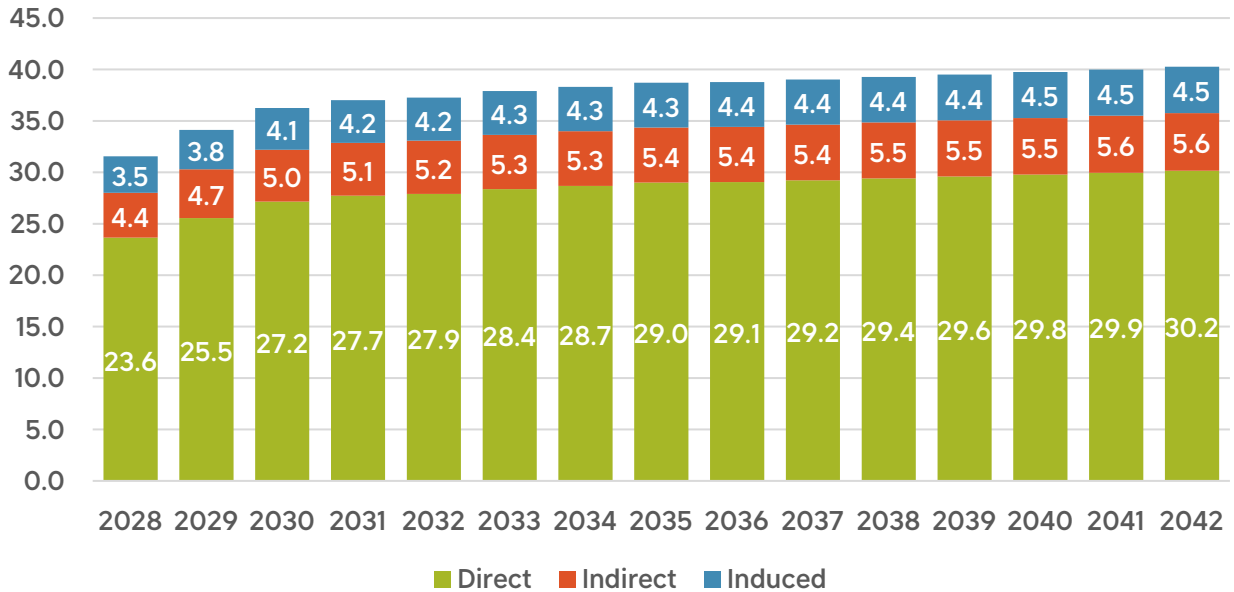


### Local Taxes from Hotel Guests Amusement, Entertainment, and Other Expenditures

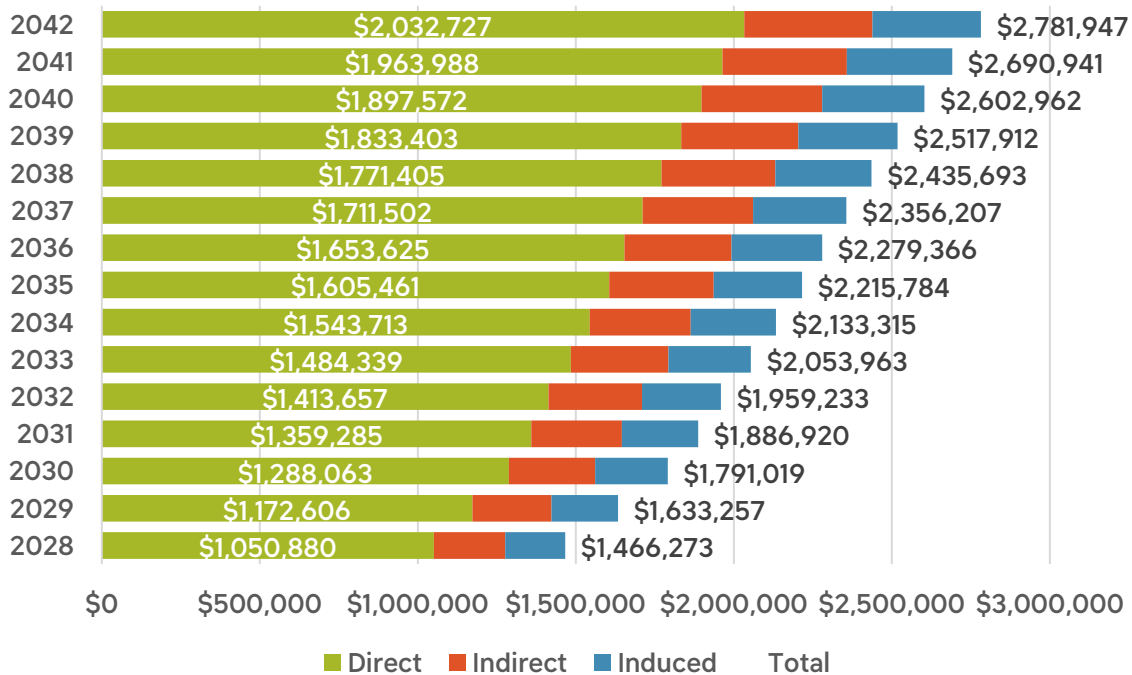


## APPENDIX E – DETAIL ON TRANSPORTATION IMPACT

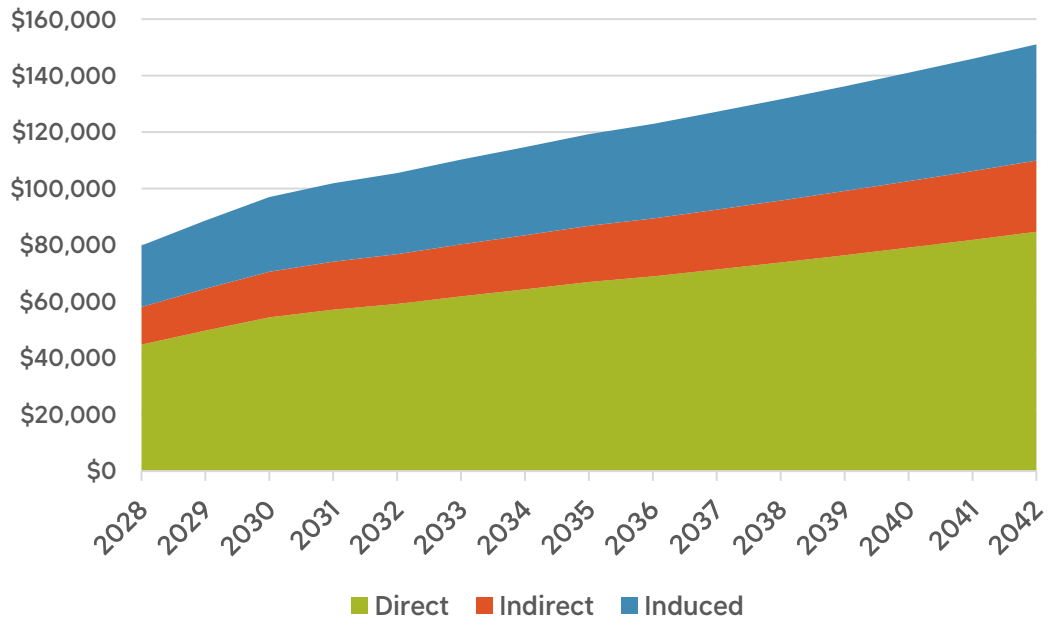
### Jobs from Hotel Guests Transportation Expenditures



### Labor Income from Hotel Guests Transportation Expenditures



## Local Taxes from Hoel Guests Transportaiton Expenditures



ANALYSIS OF THE IMPACTS OF A RENOVATED

# WALESBILT HOTEL

FEBRUARY 2026



PlaceEconomics