Economic Development Advisory Board Regular Meeting

Agenda

September 13, 2022 @ 8:15 am

Winter Park City Hall Commission Chambers

welcome

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please note

Times are projected and subject to change.

agenda		time
1.	**Call to Order**	
2.	**Consent Agenda**	
	a. Approval of minutes from May 10, 2022	1 minute
	b. Approval of minutes from July 12, 2022	1 minute
3.	**Public Comments (for items not on the agenda): Three minutes allowed for each speaker**	
4.	**Action Items**	
	a. Election of New Chair and Vice Chair	5 minutes
5.	**Non-Action Items**	
	a. MJB Consultants Update	20 minutes
	b. Utility Deferment/Incentive Program - W/WW Utility Director David Zusi	20 minutes
6.	**Staff Updates**	
	a. Project updates	5 minutes
	b. ED Commercial Performance Report	5 minutes
7.	**Board Comments**	
8.	**Upcoming Agenda Items**	
9.	**Adjournment**	

Economic Development Advisory Board

agenda item

item type Consent Agenda	meeting date September 13, 2022
prepared by Kyle Dudgeon	approved by
board approval	
strategic objective N/A	

subject
Approval of minutes from May 10, 2022

motion / recommendation
Approval as presented

background
Request to approve the May 10th meeting minutes as requested

alternatives / other considerations
N/A

fiscal impact
N/A

ATTACHMENTS:
051022 EDABoard Meeting Minutes ADA.pdf

Economic Development Advisory Board Minutes

May 10, 2022 at 8:15 am

Present

Board Members: Bill Segal, Betsy Gardner Eckbert, Sarah Grafton, and Elijah Noel
Staff members Peter Moore, Kyle Dudgeon, Jesica Lovelace

Absent

Drew Madsen, Ginny Enstad, and Tracey Liffey

(1) Call to order

Staff called meeting to order at 8:23 am.

A. Membership update

Welcome Elijah Noel.

(2) Consent agenda

A. Approval of Minutes – March 8, 2022

Motion to approve minutes made by Betsy Gardner Eckbert, seconded by Sarah Grafton. Motion Passes 4-0.

(3) Public comments

None.

(4) Action items

None.

(5) Non-action items

None.

(6) Staff updates

A. Continued discussion on marketing and branding efforts

CRA Assistant Division Director, Kyle Dudgeon, introduced the discussion on place branding. Mr. Dudgeon explained this is in response to a Commission request to review the concept of brand and how it may be useful to the city. He continued stating a third party consulting team would be needed. One such firm, IDEAS Orlando, was introduced to provide a brief presentation going over their proposal for its branding strategy. Mr. Dudgeon introduced IDEAS consultants Mark Edson and Bob Allen. Mr. Edson and Mr. Allen's presentation provided a background of their company, which focused on brand development and activation, experience design, training and enculturation, and content production. In using their services, IDEAS ensured the board measurable change in six components/performance metrics:

- Quality of life
- Community investment
- Deeper partnerships
- Brand ambassadors
- Premium visitation
- Economic vitality

In all, Mr. Edson and Mr. Allen's presentation touched on several components providing context for the aforementioned performance metrics, the company's methodology for designing a unique brand strategy for the city, a timeline for execution (approximately 90 days to complete the bulk of the work, followed by a 12-month activation plan), and overall goals.

The board inquired if the City would be expected to carry forward with maintaining this brand strategy after the 12-month activation period has ended. Mr. Edson and Mr. Allen responded stating that upon identifying an overarching goal for creating a portable brand, the intention would be to utilize that brand as a vessel for continuously reaching that goal.

The board also asked how would it be possible to consolidate different brand ideas into one singular brand and then continue to move that forward and who within the city would be responsible for coordinating that. Mr. Dudgeon replied stating that staff would need to consider resource availability and determine who in-house would be able to manage the appropriate portion of that.

Discussion ensued regarding Winter Park's place brand especially as it related to the importance of keeping it moving, the efforts necessary to maintain a brand identity internally, how place branding can help Winter Park develop an identity, and the importance of identifying brand ambassadors.

B. Employment analysis report

CRA Assistant Division Director, Kyle Dudgeon, introduced the item by providing a brief background on report. Ultimately, Mr. Dudgeon asks the board to use this report to consider developing policy recommendations. Primary discussion points include:

- LQ: Location Quotient, which refers to whether there is a particular niche in the current market. Essentially, anything over 1.20 is considered a niche, whereas anything lower than 0.8 is considered a weakness.
- Leakage/Surplus. Currently, Park Avenue accounts for 1.68% of consumer spending.

Currently, the data shows that Winter Park's job growth is increasing over and above the city's population. Overall the analysis report showed strength and niches across several industries. He asked whether the board should consider propping up their weaker industries, or growing strengths. The board commented on growing strengths.

C. ED commercial performance report

According to the reports, the data shows that the City of Winter Park boasts incredible health as it relates to retail/office space and rental rates. Staff will continue to provide this monthly report.

(7) Board comments

Mr. Dudgeon provided an update on the Economic Development subcommittee, which comprises of two members from the Economic Development Advisory Board and two members from the City Commission formed to discuss economic development and its specific role in the city.

Essentially, it is the intent of the subcommittee is to identify economic development in terms of vision, guiding principles, return on metrics, and program policy with the goal of creating action and implementation. Previous subcommittee meetings have focused primarily on clarifying the city's vision, guiding principles, and defining/conceptualizing economic development. Future meetings will likely discuss metrics.

Ultimately, the board also hopes that the subcommittee will also yield guidance on how the the commission can utilize the boards more effectively.

The city will be removing the curbside parking spots, which has resulted in minimal criticism from merchants.

The board asked if the farmer's market will be moved back to its building. Mr. Dudgeon responded stating that staff is still having discussions on that.

(8) Upcoming agenda items

Mr. Dudgeon will be sending out notices about new board member orientation.

(9) Adjournment

There being no further business to discuss, the meeting adjourned at 9:32 am.

Economic Development Advisory Board

agenda item

item type Consent Agenda	meeting date September 13, 2022
prepared by Kyle Dudgeon	approved by
board approval	
strategic objective	

subject
Approval of minutes from July 12, 2022

motion / recommendation
Approve as presented

background
Request to approve the July 12 meeting minutes as presented

alternatives / other considerations
N/A

fiscal impact
N/A

ATTACHMENTS:
071222 EDABoard Meeting Minutes ADA.pdf

Economic Development Advisory Board Meeting Minutes

July 12, 2022 at 2:30 pm

Present

Board Members: Bill Segal, Drew Madsen (virtual), Ginny Enstad, Betsy Gardner Eckbert

Staff Members: Kyle Dudgeon, Jesica Lovelace

Absent

Sarah Grafton, Tracey Liffey, Elijah Noel

(1) Call to order

Staff called the meeting to order at 8:22 am.

(2) Consent Agenda

a. Approval of minutes from May 10, 2022

There being no quorum in attendance, approval of minutes tabled until next meeting date.

(3) Public Comments (for items not on the agenda):

None.

(4) Action Items

a. Election of New Chair and Vice Chair

There being no quorum, action items tabled until next regular meeting date.

(5) Non-Action Items

a. Presentation - MJB Consultants

CRA Assistant Division Director, Kyle Dudgeon, introduced the item. Staff is seeking to identify the City of Winter Park's appropriate retail mix and determine if Winter Park is best leveraging its space. To accommodate this inquiry, staff is collaborating with Michael Berne of MJB Consultants.

Mr. Berne went on to introduce his firm and their most recent projects. Primarily, MJB Consultants work in Class A areas, commonly known as suburban downtowns. Presently MJB Consulting is executing its initial contracted portion or "Phase 1" of its Winter Park assessment, and involves determining whether Winter Park is fully leveraging its retail potential given market and real estate variables.

During his presentation, Mr. Berne discussed current industry trends and market findings to include the following:

- There is a ceiling to how much consumers are willing to purchase online. Since the pandemic, research has shown that e-commerce is only slightly ahead of where it was expected to be, despite the pandemic. However, in person shopping, not including any online shopping, is performing well above 90% suggesting experience plays a vital role in purchasing patterns.
- Fundamental human psychology illustrates that consumers prefer to shop in person and enjoy the social aspect of shopping in person.
- Retailers cannot make money without stores. Logistics cost more for e-commerce. Shoppers typically return 9% of items purchased in store whereas online shoppers return approximately 30-40% of purchased goods.
- The current market is experiencing a "changing of the guard as opposed to a retail apocalypse." There is a shift from legacy brands to up-and-coming brands. E-commerce exposed vulnerabilities in certain retailers, such as not expanding into digital markets.
- Downtown suburbs performed positively because, in general, they double down on what makes them unique. The winning Downtown formula is all about specialty and it well-positioned for longevity as it is difficult to replicate online.

Furthermore, Mr. Berne's presentation went on to cover initial findings pertaining to Winter Park's economic vitality:

- Winter Park should consider two markets: consumers buying goods and tenants leasing space. Subsequently, what ultimately determines retail mix is tenants leasing spaces. Research shows that retailers are drawn to existing co-tenancy, especially with comparison goods, even if they are near their competitors. Principally, a more diversified selection is a more resilient one.
- Winter Park should harness its spillover (retailers that cannot access Park Avenue and have to venture over to side streets or other areas in Winter Park) to prevent these retailers from venturing beyond city limits into other municipalities.

Although Winter Park is not contracted for additional phases, at this time, later phases will focus on implementation planning, role recommendations, programming policy development, incentive building, and stakeholder outreach.

Discussion ensued regarding optimizing Winter Park's tenant mix beyond retail sales to include office space and health care. In addition, concerns were raised among board members as it pertained to leveraging other Winter Park districts in addition to Park Avenue. Mr. Berne responded stating that other Winter Park districts are not competitive but complementary. Moreover, shifting toward a fresh retail environment comes from incorporating smaller boutiques and brands that are more experimental than others.

Mayor Phil Anderson, 1621 Wanderlay Lane, mentioned two other initiatives in the works to include a connectivity review of the area between Park Avenue, Orlando Avenue, and Morse Boulevard primarily as it relates to bicycle lanes, trolleys, and other public transit options. The second initiative is regarding an annexation review of south of the Fairbanks Avenue corridor.

Owen Beitsch, 1629 N Park Avenue, cited the city's charm and cache adding to the value of Winter Park. However, stated that it is important to note that fiscally Park Avenue is only a fraction of the city's real estate value. Essentially, the real value of Park Avenue is the halo effect that it casts out to surrounding residential property and only very indirectly benefits the city as a whole.

b. Roundtable Discussion & Project Status

CRA Assistant Division Director, Kyle Dudgeon, introduced the item. He provided a brief update on the status of the project and suggested that any board members who had ideas for topics or speakers should contact him.

(6) Staff Updates

a. ED Commercial Performance Report

CRA Assistant Division Director, Kyle Dudgeon, provided brief updates concerning staff items and projects.

- The Commercial Performance Report is a monthly report developed to furnish concise updates regarding local development projects within the city.
- In the past six months, Park Avenue has seen 1.1 million patrons in foot traffic.
- Parking sensors were installed last week. The intention of the parking sensor study is to learn more about frequency and duration of parking.

Mayor Phil Anderson, 1621 Wanderlay Lane, added that the 1% sales tax initiative will likely be available on the ballot in November, which means that, if approved, SunRail will be operating Saturday and Sunday.

(7) Board Comments

None.

(8) Upcoming Agenda Items

None.

(9) Adjournment

There being no further business to discuss, the meeting adjourned at 9:32am.

Economic Development Advisory Board

agenda item

item type Action Items	meeting date September 13, 2022
prepared by Kyle Dudgeon	approved by
board approval	
strategic objective N/A	

subject

Election of New Chair and Vice Chair

motion / recommendation

Motion is at the pleasure of the board

background

Staff is requesting approval of a board chair and vice- chair consistent with Ordinance 3245-22. As required annually per the ordinance, each board shall elect a chair and vice-chair from its membership on an annual basis. Election of the chair and vice-chair will take place at the second meeting following the Commission's annual board appointments. Vacancies in the position of chair or vice-chair should be filled at the subsequent regular meeting of the board following the occurrence of the vacancy.

Below is the current board roster.

- **Sara Grafton**
  1st Term
  Jun 23, 2021 to Apr 30, 2023
  Appointing Authority
  City Commission
  Category
  Non-resident city business owner
  Dais Seat
  Commission Seat 1

- **Drew Madsen**
  1st Term
  Jun 22, 2020 to Apr 30, 2023
  Appointing Authority
  City Commission
  Dais Seat
  Commission Seat 2

- **Bill Segal**
  1st Term
  Apr 28, 2021 to Apr 30, 2024
  Appointing Authority
  City Commission
  Dais Seat
  Mayor

- **Betsy Gardner Eckbert**
  2nd Term
  Apr 28, 2021 to Apr 30, 2024
  Appointing Authority
  City Commission
  Category
  Chamber of Commerce President
  Dais Seat
  Mayor

- **Ginny Enstad**
  1st Term
  Apr 28, 2021 to Apr 30, 2024
  Appointing Authority
  City Commission
  Dais Seat
  Mayor

- **Elijah J Noel**
  1st Term
  Apr 27, 2022 to Apr 27, 2025
  Appointing Authority
  City Commission
  Dais Seat
  Commission Seat 3

- **Tracy Liffey**
  2nd Term
  Apr 27, 2022 to Apr 30, 2025
  Appointing Authority
  City Commission
  Category
  Non-resident city business owner
  Dais Seat
  Commission Seat 4

alternatives / other considerations

N/A

fiscal impact

N/A

Economic Development Advisory Board

agenda item

item type Non-Action Items	meeting date September 13, 2022
prepared by Kyle Dudgeon	approved by
board approval	
strategic objective Focus Area 1: Advise on Industry Trends	

subject
MJB Consultants Update

motion / recommendation
Direction to provide final phase I findings and deal points for phase II is requested.

background
As part of its Strategies and Action Plan, EDAB commissioned a pair of studies to determine the city's strengths and weaknesses in the market. The first was a location quotient study intended to provide, at a macro level, where the city's businesses were strong and where they were behind in the region. Overall, the report identified surplus and leakage in several categories under the North American Industry Classification System (NAICS). It additionally provided clarity on a number of economic strengths including health services, retail, restaurant, education, and financial and professional services. The second study was proposed to aid the city in identifying a 'right-mix' of these strengths and weaknesses to understand at a merchant level community need, synergies, and spending habits.

MJB Consultants has been reviewing city documents and reports to understand, at this nuanced level, whether Winter Park's mix is fully leveraging its synergistic potential and, if not, what market and real restate-related factors might be responsible. In July, MJB presented initial discussion points to the board for reference, clarity on missing pieces, and direction. Unofficially a "60% check-in", MJB is sharing with the board additional findings before generating a final phase I report over the next 30-60 days. Pending board direction, staff is also suggesting a final phase I report include Phase II (implementation) deal points for consideration.

alternatives / other considerations
N/A

fiscal impact

Pricing for phase II to be provided at a future meeting

ATTACHMENTS:
MJB Consulting Proposal.pdf

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Economic Development/CRA
City of Winter Park
401 South Park Avenue
Winter Park, FL 32789

Cc: Peter Moore
Budget & Management Division Director
City of Winter Park

Owen Beitsch
Senior Director, Community Solutions Group
GAI Consultants Inc.

Laura Smith
Senior Analyst, Community Solutions Group
GAI Consultants Inc.

Dear Kyle:

We at MJB Consulting (MJB) are really excited to submit the following proposal to undertake a Retail Benchmarking Analysis on behalf of the City of Winter Park.

Our work would be undertaken as a sub-consultant to GAI Consultants Inc., subject to the terms and conditions of its Existing Conditions contract (RFP-3-2018) with the City of Winter Park that expires on February 11th, 2023.

Who We Are

Founded in 2002, **MJB Consulting** (MJB) is an award-winning retail planning and real estate consultancy based in New York City and the San Francisco Bay Area. We are retained by a wide variety of public, quasi-public/non-profit and private sector clients across the U.S., Canada and the U.K. to undertake market analyses, develop retail visions, devise tenanting strategies, guide land-use/zoning policy and spearhead implementation efforts.

Our Founder and Principal, **Michael Berne,** is one of North America's leading retail thinkers and futurists. He has delivered keynote addresses at numerous industry conferences, lectured at Penn and UC Berkeley as well as appeared in high-profile publications such as the *Washington Post*, *Planning,* the *Financial Times*, *TheStreet* and *Bloomberg BusinessWeek*.

In addition to his widely-read "Retail Contrarian" blog, Michael has written articles for *Urban Land, Shopping Center Business* and Dow Jones & Co.'s *MarketWatch*. He has contributed to two recent books, *Suburban Remix: Crafting the Next Generation of Urban Places* (edited by David Dixon and Jason Beske; Island Press, 2018) and *Main Street's Comeback* (written by Mary Means; Hammondwood Press, 2020).

MJB brings a particular strength in Downtown and "Main Street" retail. Michael has spoken at every conference of the International Downtown Association (IDA) since 2004 and has served on IDA's Board of Directors, including a stint as Vice Chair of its Executive Committee. He is a founding board member of the *American Downtown Revitalization Review.*

MJB has worked in numerous affluent communities within larger metropolitan areas across North America, with past and current engagements in Greenwich (CT), Stamford (CT), South Norwalk (CT), Westfield (NJ), Plymouth (MA), Phoenixville (PA), Decatur (Atlanta), Boulder (CO), Cherry Creek North (Denver), San Rafael (CA), Walnut Creek (CA) and Carlsbad (CA), among others.

MJB has also long been active across Florida, with past and current engagements in Bonita Springs, Palm Beach, Downtown Tampa (in the early stages of Water Street Tampa), Gainesville and Downtown Jacksonville (as a sub-consultant to GAI Inc.). In addition, Michael has spoken at various statewide and regional events, including, most recently, the 2019 IDA Southeast Urban Forum in West Palm Beach.

Finally, MJB offers particular strength in two types of niche markets that seem relevant to Winter Park. In addition to the work that the firm has done in high-end business districts across North America like Downtown Greenwich and Denver's Cherry Creek

North, Michael is a member of the Luxury Institute's Global Luxury Experts Network (GLEN).

Also, in addition to projects in many of the nation's largest university towns (e.g. Gainesville, Tempe, Boulder, Berkeley, Lincoln, Cambridge, New Haven and others), MJB has undertaken numerous assignments in Downtowns and districts located in proximity to small college campuses, including, for instance, Santa Clara, CA (Santa Clara University), Erie, PA (Gannon University), Dogtown/Des Moines, IA (Drake University) and Decatur, GA (Agnes Scott College).

How We Approach Our Work

Put simply, MJB is a different sort of firm.

One, we are retail specialists, not general economists. Retail is our passion and obsession: we bring to it a depth of knowledge and level of nuance that simply cannot be found elsewhere.

Two, we work with a wide range of clients, including municipalities, non-profits as well as private developers and landlords, as a result of which we are intimately familiar with the imperatives, perspectives and predispositions of each.

Three, we work in a wide range of study areas, including urban, suburban and rural Downtowns, neighborhood "Main Street" districts, strip commercial corridors as well as large regional shopping centers, so we are very knowledgeable about the complexities and challenges of each.

Four, we blend a broader perspective from having worked across North America and beyond with an excitement about and sensitivity towards the particularities and idiosyncrasies of the local context.

We also offer an analytical approach that, we feel, is quite distinctive, utilizing both quantitative *and* qualitative methodologies. Indeed, we believe that the findings to be generated from number-crunching only serve as a starting point for the far deeper and more nuanced exploration needed to discern a district's or center's true latent potential and to unearth market niches and tenanting opportunities that more conventional approaches and local observers might have missed.

* Consumer demand is not just about income levels and home values: lifestyles, sensibilities and aspirations (also known as "psychographics") also play a critical role in fashioning desires and preferences, especially in Downtown settings. We have long felt that the schemes developed by major data-mining outfits (e.g. ESRI, Claritas) do not provide sufficient nuance for this purpose, and so we have developed, refined and will be applying our own proprietary typology.

* Our field work typically involves what we call “total immersion”, meaning that from the moment we step foot in the study area, we strive (to the extent possible) to live as a local would – spending time in the “Third Places”, talking with patrons, reading the community newspapers, eating in the restaurants, staying the weekend, etc., as we have long felt that this level of engagement is critical to understanding the unique dynamics, rhythms and yes, the psychographics, of a place and its people.

* Consumer demand is also a moving target, and we strive to understand not only what it is at the moment, but also, what it *will become* in the years ahead – a mindset that has never been more important now, (hopefully) at the tail end of a pandemic. Consider that by the time many of our recommendations are put into place, today’s realities will likely be but a faint memory.

* Consumer demand is just half of the equation: the other, arguably more important “market” to analyze is the one in which tenants rent (or buy) space from landlords. For this reason, we focus heavily on the perspectives, imperatives, whims and capacities of these two private-sector actors, as we have found, even with our work for municipal clients, that successful implementation ultimately depends on whether and to what extent they are in -- or can be brought into -- alignment.

* In deciding where to spend money or open stores, consumers and prospective tenants also consider the alternatives. No location, then, exists in a vacuum; it must be understood within a broader retail ecology, within which it necessarily vies for attention with other districts, centers and, of course, e-commerce. And analyzing how it “matches up” with such rivals is key to positioning its retail mix within the competitive marketplace.

* Urban districts are never just about a snapshot in time. Rather, they are organic and ever evolving, both in reality as well as perception. As a result, their trajectories and prevailing narratives have an outsized impact on how both consumers and tenants view them. Revitalization and repositioning efforts can leverage the role that specific brands and local bellwethers can play in signaling to these two discrete marketplaces.

Contrary to popular assumption, it does us little good as consultants to write studies that then set on shelves. As a result, we try to be that rare firm that prioritizes both analysis *and* implementation, with the latter informing how we devise our retail strategies and design our scope(s)-of-work. For example:

* We work backwards from practical realities rather than forward from wish lists, and we do not pull punches. We assume that you will have hired us for our impartial take and expert opinion, a responsibility that we handle with the appropriate level of tact but which we also take very seriously, even if and when it means some uncomfortable conversations.

* We try to avoid overly dry reports or “data dumps”, striving to offer work product that entertains, interprets and educates, that serves as both a primer for what all of the data actually means as well as a step-by-step guide for what you can *do* with it.

* We feel that a retail strategy, no matter how well-conceived or visionary, means very little and will not accomplish much unless its development is immediately followed by the hard work of securing meaningful “buy-in” from not just from public and non-profit stakeholders but also, perhaps more importantly, from landlords, developers, brokers and existing merchants.

* We like to play a role in actual implementation, which could include the development and “road-showing” of city- or district-wide leasing collateral (see caption below); the identification and vetting of tenant leads in support of property owners and leasing professionals; the training and hand-holding of an in-house retail “prospector” to continue in this role; and various other forms of support.

* That said, we do not necessarily believe that every municipality should be involved in each of these activities. Rather, its appropriate role with respect to retail depends on a range of variables, including the capacities, resources, track record and credibility of the various stakeholders as well as the political dynamics between them, all of which we carefully assess as part of our process.

We are proud to have achieved real results – new investment, new retailers, enlightened landlords, informed brokers, improved perceptions and renewed momentum – in some very challenging settings across North America.

<u>What We Would Do</u>

For the purposes of this proposal, we have segmented our scope-of-work into an initial “Phase I” as well as a series of later phases and possible add-on’s that are to some degree contingent on the Phase I findings.

The Phase I would evaluate Winter Park’s various streets and sub-districts both within a market context – as based on a rigorous analysis of consumer demand, existing offerings, tenant interest, occupancy costs and other such variables – as well as broader trends in the retail industry and benchmarking vis-a-vis national analogs.

The goal of this Phase I is to understand at a more nuanced level whether Winter Park’s retail mix is fully leveraging its synergistic potential and, if not, what market and real estate-related factors might be responsible.

Note that we are proposing a *citywide* study area. While Park Avenue is undeniably at the very top of Winter Park’s retail hierarchy and will most likely receive the lion’s share of our focus, it nonetheless exists as part of a broader ecology, along with other sub-districts – like U.S. 17/U.S. 92, Orange Avenue, Fairbanks Avenue and others -- that can represent competition of a sort but also, perhaps more importantly, offer a safety valve for development and rent pressures generated by constrained inventory in the most preferred locations.

Specific Phase I tasks would include the following:

- Review of past studies and plans as well as extensive background research of local secondary-source material (e.g. mainline newspapers, business publications, popular blogs and social media, etc.)
- Client-led walking/driving tour of the study area(s), followed by a debriefing during which the Client will share relevant context, details on current projects and initiatives, etc.
- Self-guided walking/driving tours, with observations about relevant variables such as visibility, accessibility, parking, circulation patterns, demand generators, existing businesses, aesthetics/cosmetics, pedestrian experience, etc.
- Client-assisted collection of relevant data points on traffic and pedestrian counts, transit ridership, etc. as well as non-residential demand (e.g. from office space, medical centers, event venues, business travel, etc.)
- Survey and assessment of nearby competing shopping centers and business districts that vie with the study area(s) for both customers and prospective tenants, including sites and areas where new rivals could materialize in the near future
- Up to eight (8) Client-coordinated[1] meetings with property owners, developers and/or leasing professionals who have been, are or will soon be active in the study area(s)
- Review of recent economic, real estate and market updates from local brokerages and other experts, including collection of relevant data points on asking rents, NNN costs, vacancy rates, etc.
- Two (2) client-coordinated focus groups with study area merchants
- Review and interpretation of demographic, psychographic, spending-power, sales-leakage and sales-tax revenue data*, drawing on conventional sources as well as MJB's proprietary methodologies***
- Reference to appropriate analogs, drawing on MJB's knowledge base of similar districts / centers across North America

* We understand that we might need to sign NDA / confidentiality agreement in order to examine sales-tax revenue data

** These are utilized in cases where we have come to distrust the conventional sources. For example, we have also regularly found fault with the sales-leakage calculations that the major data-mining outfits produce, so we have developed a more nuanced approach that relies instead on actual sales-tax revenue data. Also, we have long felt that their lifestyle-segmentation schemes lack the requisite nuance and prove not all that useful for retail purposes, so we have created our own typology of psychographic submarkets.

The end product will take the form of an executive-summary memo.

In addition to close collaboration with project managers, we will make a total of four (4) presentations -- two (2) to both the Economic Development Advisory Board and two (2) to the City Council. For each of these audiences, the first one (in the early stages of Phase I) will be to introduce MJB Consulting, outline our scope, set expectations, provide some initial "Retail 101" education and answer questions, and the second (at the close of Phase I), to present findings, again with a "Retail 101" contextualization.

The fee for Phase I, incorporating our discount for public / non-profit sector clients, is $29,500, not including travel expenses associated with two visits (see next paragraph). This amount does *not* account for any time and fee associated with GAI Inc.'s anticipated role in providing local knowledge and context as well as administrative and research support.

Travel expenses – based on estimates of $500 for airfare / transfers ($500), $175 per nightly hotel stay, $100 per daily car rental and $75 per-diem – would be billed as incurred, up to $3,000 for a roughly week-long visit for field work and "total immersion", and up to $1,500 for the one/two-night stay for final presentation(s) to both the Economic

[1] For the purposes of this proposal, "Client-coordinated" only means that the Client will take the lead on logistics and practicalities, e.g. initial outreach to invitees, securing of space (if necessary), etc.

Development Advisory Board and the City Council. Both the final presentations -- and the field work, if necessary -- can also be done remotely, at the discretion of either the City or the consultant, as based on COVID-19 restrictions or concerns.

Note that the goal of Phase I is to understand retail potential strictly from the market and real estate perspective – *independent of and prior to* assessing it from the standpoint of practical implementation. Phase II would delve into the matter of whether and to what extent existing political dynamics, public policies, land-use controls, incentive programs and stakeholder capabilities are sufficient to the task of realizing such potential.

So, while savvy developers, landlords, brokers and existing merchants should be able to find a great deal of value in the Phase I findings, the usefulness of what it concludes – inasmuch as policymakers, planners, economic development officials, place-management entities and business associations are concerned – will ultimately depend on an expansion of the effort into later phases.

A Phase II, for instance, would focus on the roles that different public and non-profit entities are *currently* playing with respect to retail, including in-depth consideration of the mandates, programs, capacities, resources and biases of each as well as the political dynamics between them. It would also evaluate the existing zoning, incentive programs and pandemic-era innovations from a retail perspective.

The deliverable of Phase II would be an <u>implementation plan</u> that provides guidance on the roles that these entities *should* be playing, including detail on specific initiatives, commitments, actions and behaviors. It would also summarize what would be expected of private sector actors, most notably property owners, in exchange for possible "carrots" on various fronts.

Phase III would, in turn, focus on the <u>stakeholder outreach</u> needed to build consensus around and ultimately secure buy-in to this implementation plan. It would likely involve a combination of Client-coordinated group presentations and one-on-one meetings as well as an advanced version(s) of the "Retail 101" educational workshop for a wider audience.

Note that this round of outreach would have a fundamentally different purpose from the meetings envisioned in Phase I. The latter are designed to gather information and solicit input; the former, to present the findings that emerged from that process and, most importantly, to secure meaningful buy-in (and address any resistance) to what the Phase II implementation plan calls on the respective stakeholder to do.

Additional phases beyond that would delve into practical implementation. Their precise nature would depend on the roles proposed and accepted as part of Phases II and III, possibly including, for instance:

- Creation and refinement of an "information clearinghouse" function
- Citywide and/or district-specific retail leasing collateral and associated "road show"

- Provision of technical assistance for existing merchants
- Development and selling of new retail incentive programs (in concert with GAI Inc.)
- Introduction of various models for district-specific “place management” entities
- Identification and vetting of new tenant leads on behalf of landlords and brokers
- Intensive training of an in-house retail “prospector”

More detail on scope(s) and fee(s) for each of these additional phases can be provided upon request.

Conclusion

Please do not hesitant to contact me with any additional questions. I am most easily reached by e-mail (mikeberne@consultmjb.com) or mobile (917-816-8367).

Sincerely,

Michael J. Berne
President, MJB Consulting

Economic Development Advisory Board

agenda item

item type Non-Action Items	meeting date September 13, 2022
prepared by Kyle Dudgeon	approved by
board approval	
strategic objective Focus Area 3: Enable Retention and Recruitment Opportunities	

subject
Utility Deferment/Incentive Program - W/WW Utility Director David Zusi

motion / recommendation
N/A

background
Staff is providing an overview of a utility deferment/incentive program originally started in 2013, since has sunset, and is being considered for renewal.

alternatives / other considerations
N/A

fiscal impact

Economic Development Advisory Board

agenda item

item type Staff Updates	meeting date September 13, 2022
prepared by Kyle Dudgeon	approved by
board approval	
strategic objective EDAB 2021 Strategies and Action Plan (as applicable)	

subject
Project updates

motion / recommendation
N/A

background
Staff to provide an update on initiatives related to the board and board plan.

alternatives / other considerations

fiscal impact

Economic Development Advisory Board

agenda item

item type Staff Updates	meeting date September 13, 2022
prepared by Kyle Dudgeon	approved by
board approval	
strategic objective	

subject
ED Commercial Performance Report

motion / recommendation
N/A

background
Monthly reports as requested

alternatives / other considerations
N/A

fiscal impact
N/A

ATTACHMENTS:
ED Commercial Performance Report August 2022.pdf

ATTACHMENTS:
Park Avenue Ped Counter August 2022.pdf

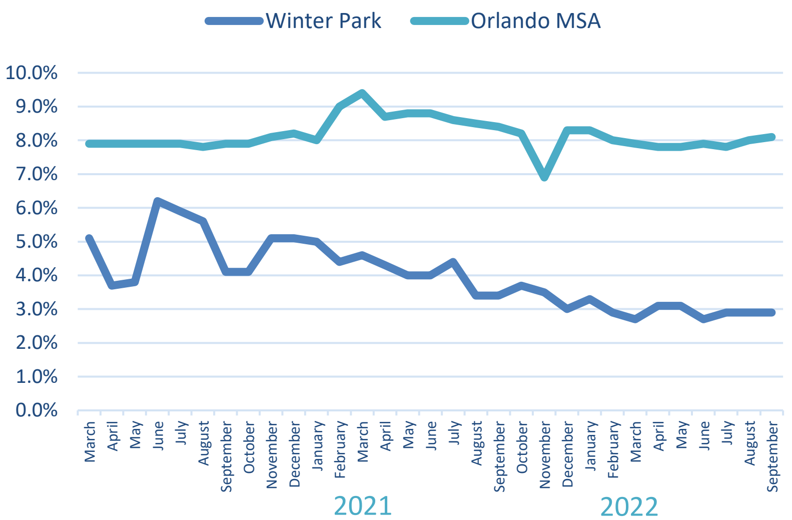
ATTACHMENTS:
ED Development Report June 2022.pdf

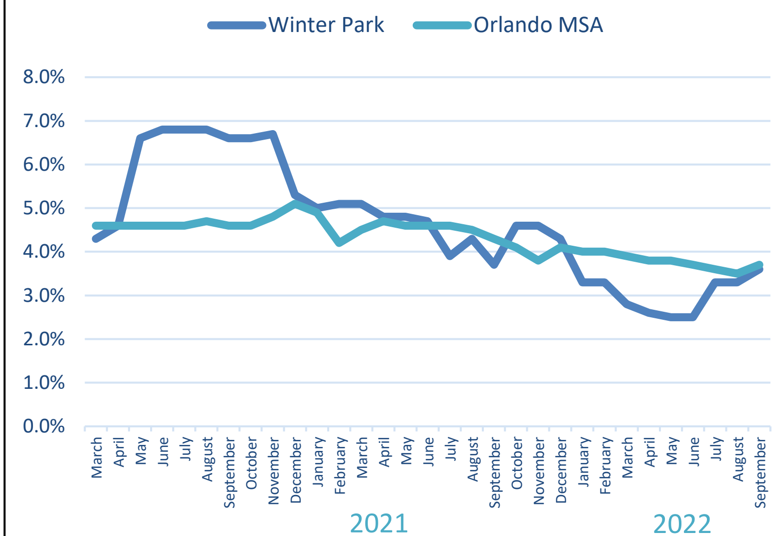
Commercial Performance Report 9/22

Full list of quarterly reports including annually recorded metrics are available at www.cityofwinterpark.org/pm

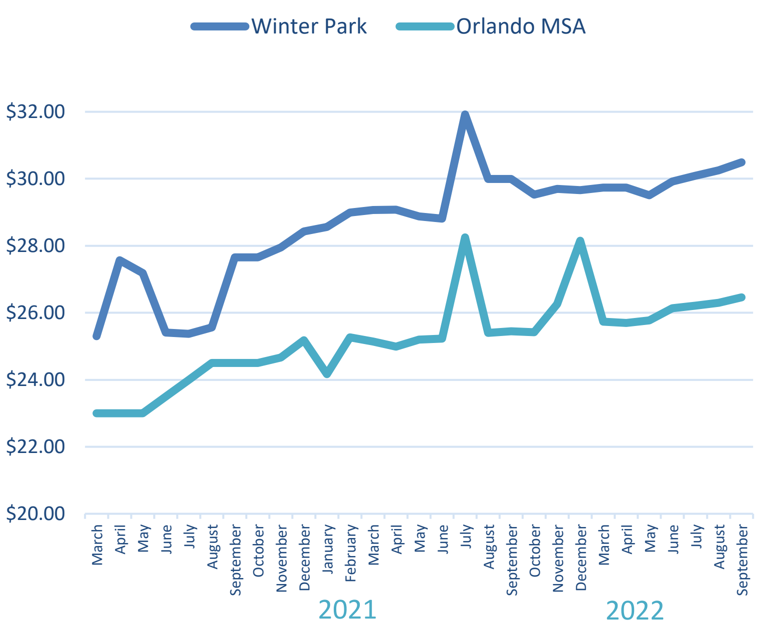
Sources: ESRI, CoStar, BLS

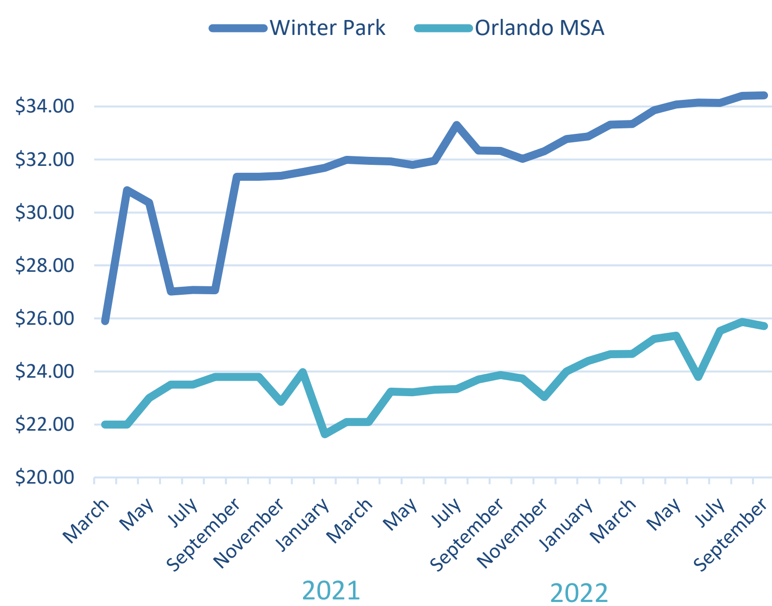
OFFICE Vacancy RETAIL





Rental Rate





City of Winter Park

Kyle Dudgeon
09/01/2022

Key Figures

August 1, 2022 → August 31, 2022

Total

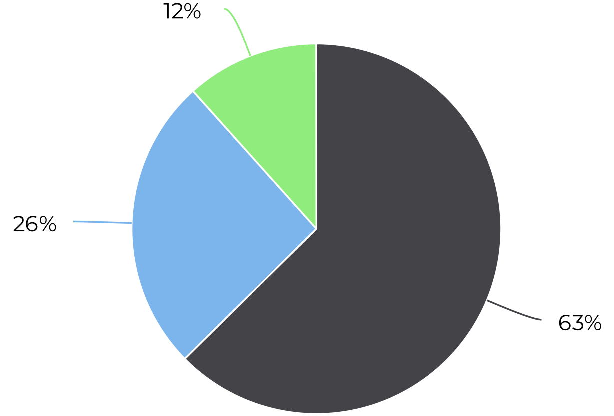
147,000

Peak Day

Saturday
Aug 20, 2022

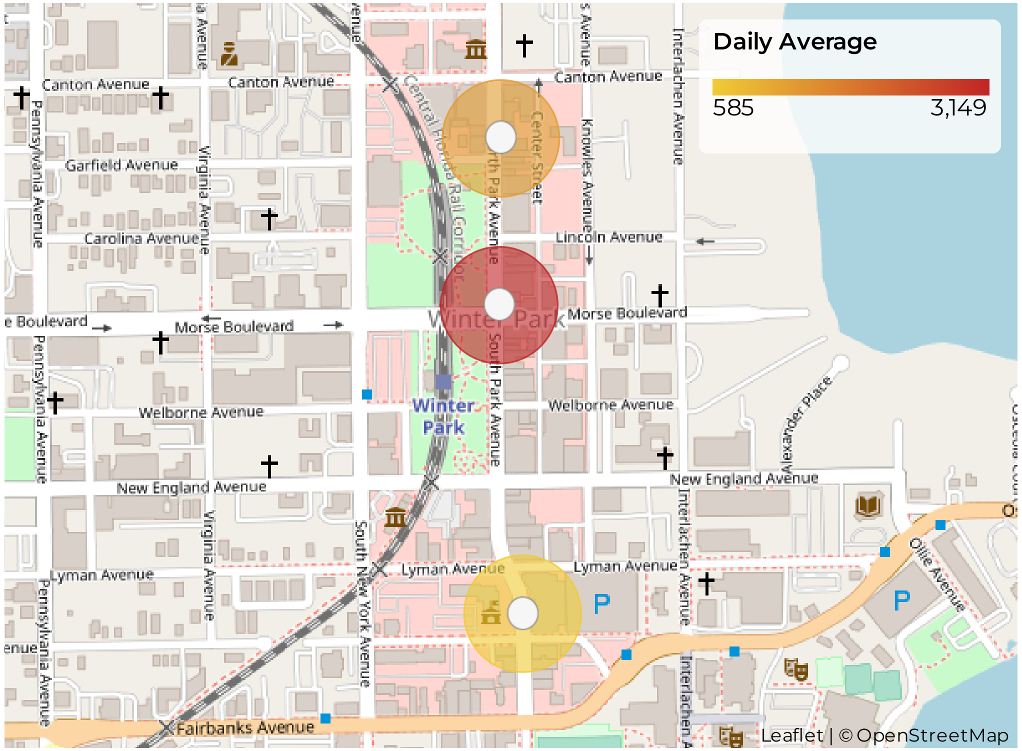
9,437

Distribution



- Park and Morse
- Park - Canton
- South Park Ave

Key Figures Map

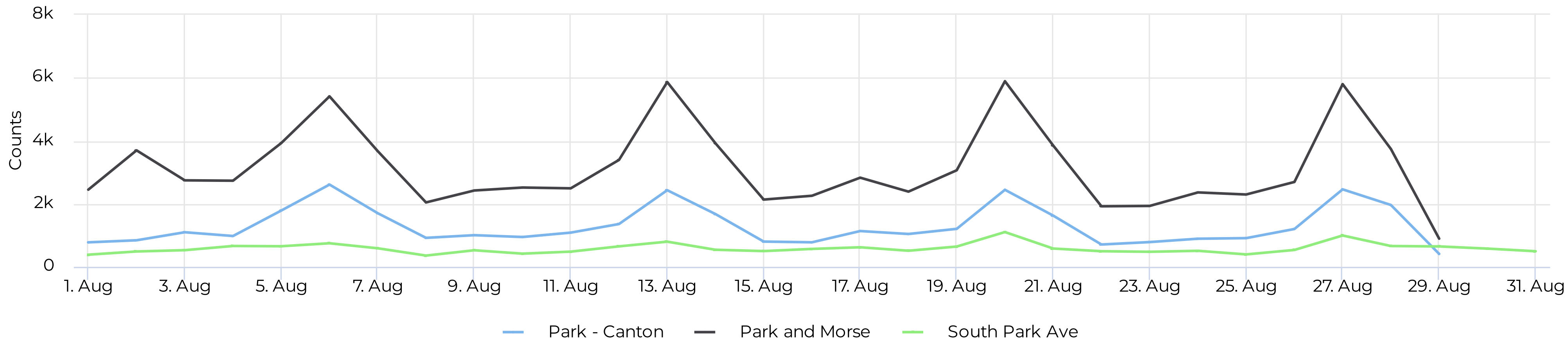


Compared to 08/02/2021 → 09/01/2021

Key Figures

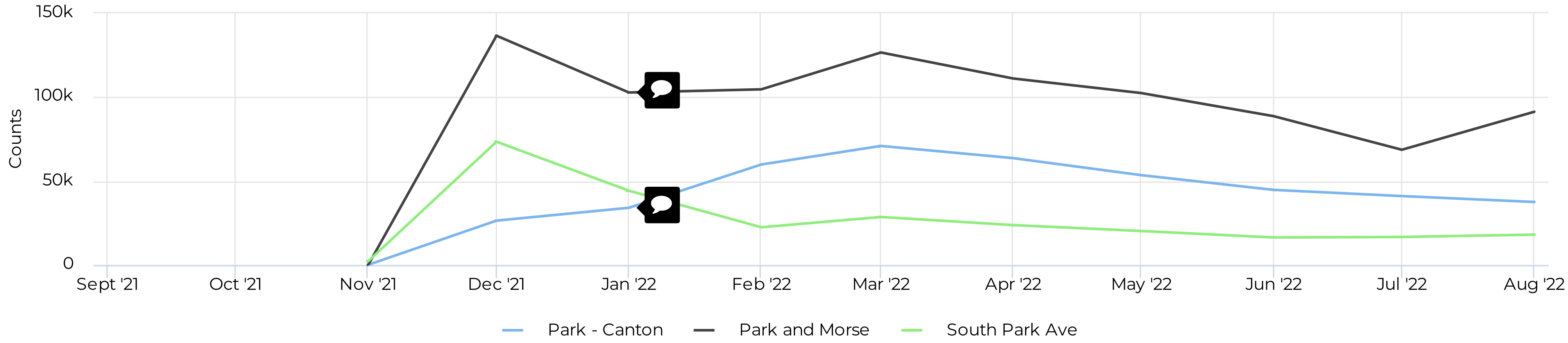
August 1, 2022 → August 31, 2022

Daily traffic



Monthly traffic

09/01/2021 → 08/31/2022

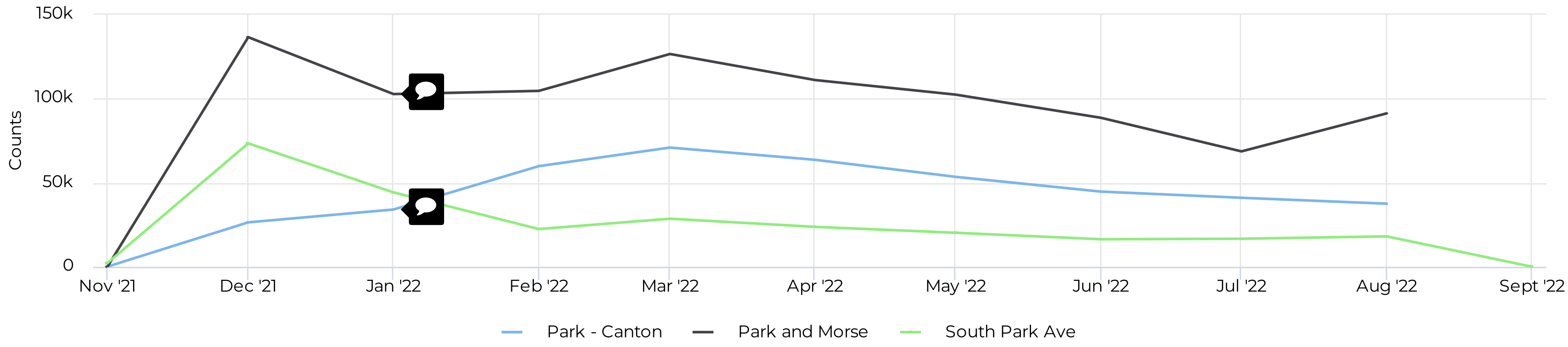


Key Figures

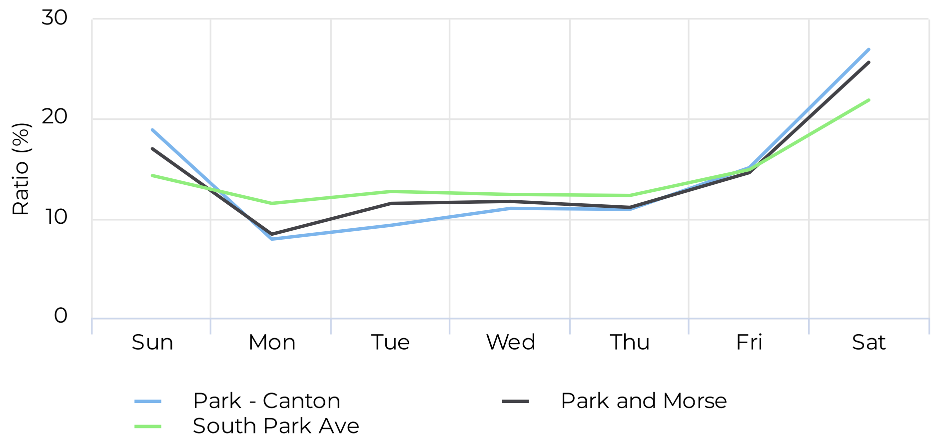
August 1, 2022 → August 31, 2022

Monthly traffic

Whole Period

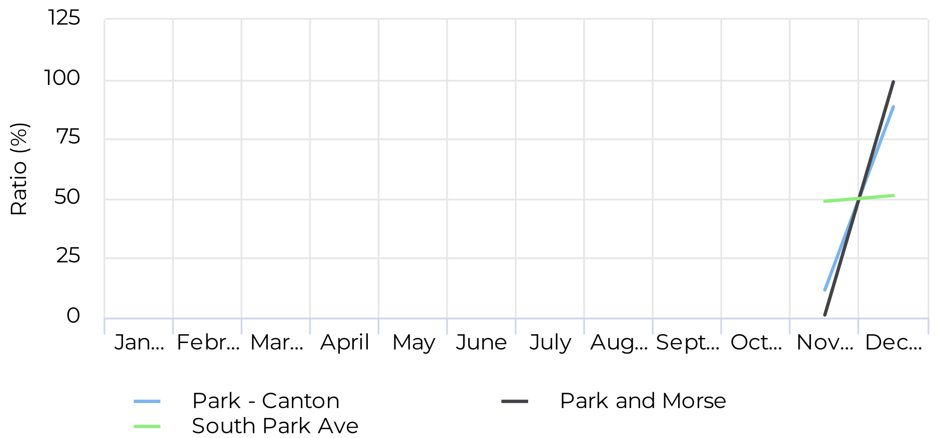


Daily Profile



Monthly Profile

01/01/2021 → 12/31/2021

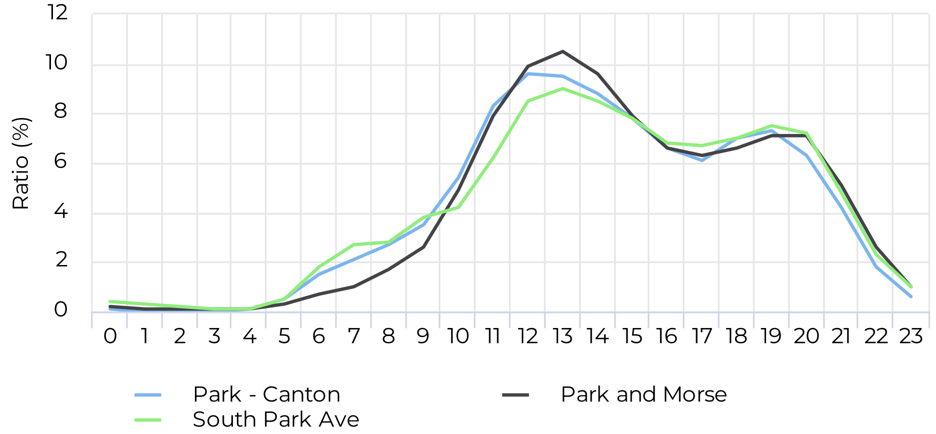


Key Figures

August 1, 2022 → August 31, 2022

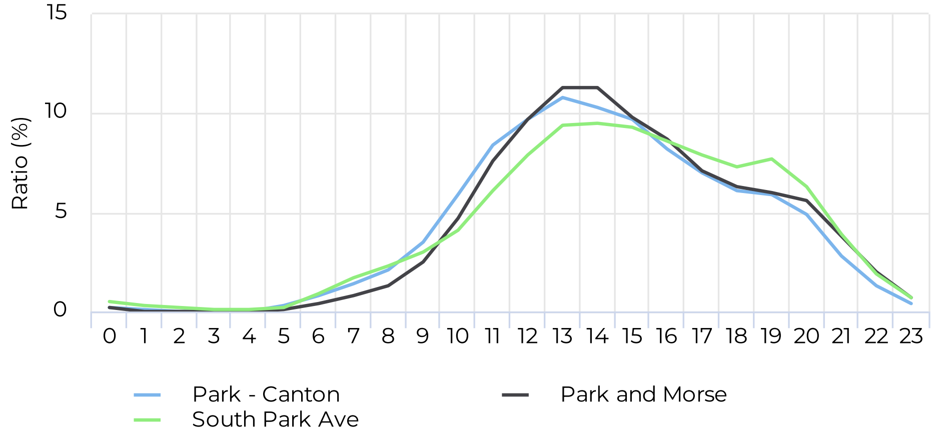
Hourly Profile - Weekdays

01/01/2022 → 08/31/2022



Hourly Profile - Weekend

01/01/2022 → 08/31/2022



August 1, 2022 → August 31, 2022

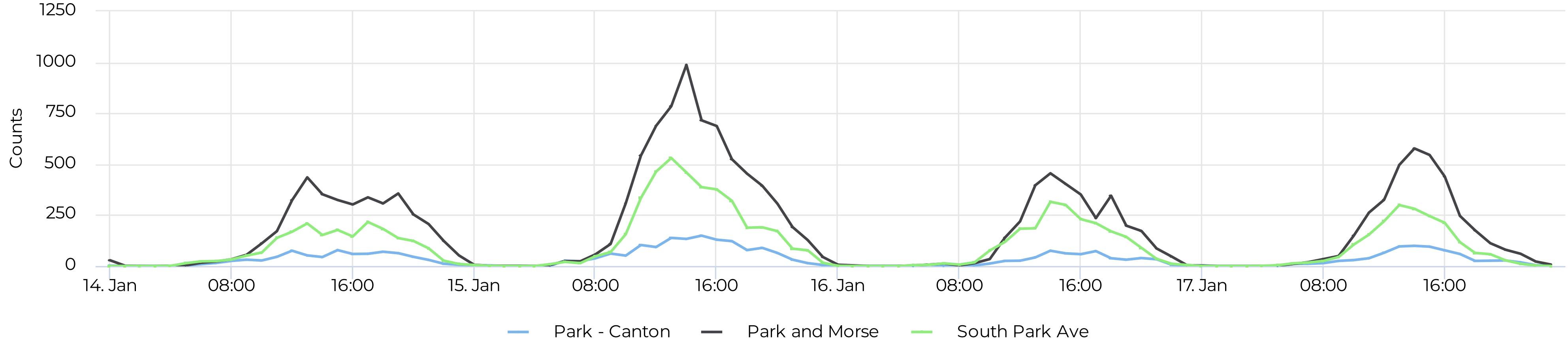
Key Figures Summary

Site	Daily Average ▼		Peak Day		Peak Count	
Park and Morse	3,149		Sat Aug 20, 2022		5,890	
Park - Canton	1,295		Sat Aug 6, 2022		2,610	
South Park Ave	585		Sat Aug 20, 2022		1,103	

Compared to 08/02/2021 → 09/01/2021

Hourly Report

01/14/2022 → 01/17/2022



ECONOMIC DEVELOPMENT

DEVELOPMENT UPDATE

2022 COMMERICAL DEVELOPMENT UPDATES

Ferguson Plumbing
1133 W Morse Boulevard
Use: Demolish one-story building to develop 16,000-sqft storefront.
Status: Approved by Planning and Zoning Board June 7, 2022.

Paradise Grills
Use: Demolish dry cleaner to build 6,000-sqft outdoor furniture store.
Status: Approved by Planning and Zoning Board June 7, 2022.

Self-Storage Building
1231 Lee Road
Use: Develop 95,000-sqft storage facility, which includes 4,000-square feet of rental space.
Status: Approved by Planning and Zoning Board. Does not need City Commission approval.

Office Space
1501 Louisiana Ave
Use: Demolish existing office building to build six individual 2,000-square feet offices.
Status: Approved by City Commission.

Mayflower Expansion
1620 Mayflower Ct
Use: Building a 84,842-sqft Health Center and five residential buildings with 50 units each.
Status: The health center has completed building inspections. Progress on the residential buildings is still underway.

McLaren Dealership
I111 S. Orlando Ave
Use: Demolish former Orchid Supply Hardware building to develop a 2.4 acre luxury car dealership, which will include 22,000-square feet of green space.
Status: Approved by City Commission and is going through permitting.

Ruth's Chris
480 N Orlando Ave
Use: Demolish old Pier 1 Imports to develop Ruth's Chris restaurant.
Status: Still in planning phase.

REPORT HIGHLIGHTS

TOTAL PROJECTS
8

APPROXIMATE SQUARE FOOTAGE

303,986