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.