



Economic Development Advisory Board Subcommittee Meeting Minutes

April 11, 2023 at 8:15 a.m.

City Hall, Commission Chambers
401 S. Park Avenue | Winter Park, Florida

Present

Mayor Phil Anderson, Commissioner Sheila DeCiccio, Betsy Gardner Eckbert, and Drew Madsen.

Staff Present

Assistant Division Director of Economic Development/CRA Kyle Dudgeon; Economic Development/CRA Coordinator Anne Sallee; Budget & Management Division Director Peter Moore.

1) Call to Order

Mayor Phil Anderson called the meeting to order at 8:22 a.m.

2) Discussion Items

a. Continued discussion of EDAB subcommittee

Mayor Anderson made a few opening remarks and highlighted the tasks he had instructed staff to work on regarding tax growth rates in residential and commercial areas. A discussion was held about the seven guiding principles (outlined in the agenda packet) that are followed to execute initiatives, projects, and programs. Overall, the subcommittee acknowledges these principles as a step in the right direction, however, feels as though opportunities are present to be specific in terms of metrics and "defining success." Mayor Anderson addressed sustainability (seventh principle), and shared what steps are being taken to guide the city to a sustainable future, without changing the rate structure.

The discussion continued on sustainability as it relates to economic development, and examples were provided by Ms. Eckbert of the potential partnership, specific to having infrastructure that incentivizes people to incorporate sustainable elements into their daily lives. Commissioner DeCiccio advised for the Sustainability Report to be presented, and reviewed, by the Economic Development Board before it is adopted by the City Commission.

Mr. Dudgeon began the presentation by highlighting work to date, and the guidelines that were discussed in the past. He also explained how staff hopes to

see tangible results and create some implementations with very specific tools. Staff posed the fundamental question of what does the relationship between ad valorem and city expenses look like; e.g. are property taxes keeping up with costs? Terms such as ad valorem and Department of Revenue (DOR) codes were explained, which are used to categorize different property types for the purposes of assessing value.

Assumptions were highlighted, which included growth rates in expenditure (4-5%), cycles vs. immediate trend changes over a twenty-year history, DOR code adjustments, and data coverage of only about 90% of all commercial values (not included are vacancies, venues, and specialty sites). Commercial data sets for retail and office were presented along with employment clusters. A brief discussion followed about the differences in retail and office, and clarifications were made.

Various charts and graphs were presented comparing retail and office. A chart (from 2015) was presented of business longevity, by type, over 25- and 50-year markers. A graph of percentage of commercial taxable value and staff highlighted important patterns and behaviors within the data set. Building age graph was presented to aid in the understanding of where inventory exists today as compared to twenty years ago. A few other graphs were presented and based on the data, a question was posed as to why retail is moving at a different rate than office.

Staff has drawn the focus to DOR1105, retail multi-tenant parcel, to help answer the question above, explaining that the reason retail has grown over the past five years, is because sales are occurring in the DOR1105 section. Various maps were presented: Commercial Corridors map, and DOR Code Analysis Taxable Value/SQFT and staff clarified what each one meant.

Staff analyzed DOR types and changes occurring over time to determine growth rates in retail and office spaces. According to the data, retail valuation has increased in the last five years, and office valuation has stayed stagnant over the last five years. The floor opened for questions and staff made the necessary clarifications.

A list of takeaways from the presentation were highlighted, including the importance of valuation, average building age, comparative retail experience, etc. Mayor Anderson gave comment on the benefit of continuous retail flow. A discussion ensued and Ms. Eckbert spoke on how a marker should be set on how land use code reflects changes in retail. Mayor Anderson brought up the subject of the annexation and how it can offer growth in tax base. A further discussion ensued about the potential to revisit the land use code and change parking restrictions, because although people want to see mix-use in the city, parking restrictions do not

allow for it. Mr. Madsen commented and asked about property taxes and staff made the necessary explanations at length.

Commissioner DeCiccio left at 9:29 a.m.

A discussion ensued about the General Fund Revenue chart presented.

Betsy Gardner Eckbert left at 9:37 a.m.

Mayor Anderson commented on how this discussion and presentation can work as a framework for EDAB. Specifically, focusing on how the pieces of the business world, as discussed, help to keep the quality of life up and the city needs to be proactive in supporting existing retailers. Further discussion followed and the subcommittee and staff were in an agreement that residential cannot be neglected in the bigger picture.

3) Adjournment

The meeting adjourned at 9:45 a.m.

/s/ Tatia Ghviniashvili, Board Coordinator.