Economic Development Advisory Board Regular Meeting

Agenda

March 14, 2023 @ 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. Approve the minutes of regular meeting February 14, 2023	1 minute
3. Public Comments (for items not on the agenda): Three minutes allowed for each speaker	
4. Action Items	
5. Non-Action Items	
a. MJB Phase II discussion	50 minutes
6. Staff Updates	
a. EDAB Commercial Performance Report	5 minutes
b. Development Report March 2023	5 minutes
7. Board Comments	
8. Upcoming Agenda Items	
9. Adjournment	

Economic Development Advisory Board

agenda item

item type Consent Agenda	meeting date March 14, 2023
prepared by Tatia Ghviniashvili	approved by
board approval	
strategic objective	

subject

Approve the minutes of regular meeting February 14, 2023

motion / recommendation

background

alternatives / other considerations

fiscal impact

ATTACHMENTS:

Draft Minutes.pdf

Economic Development Advisory Board Meeting Minutes

February 14, 2023 at 8:15 a.m.

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

Present

Sarah Grafton, Drew Madsen, Elijah J. Noel, Ginny Enstad, and Kevin Mcclanahan; Virtually; Betsy Gardner Eckbert; Board Coordinator Tatia Ghviniashvili.

Absent

Tracy Liffey.

Staff Present

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

1) Call to Order

The meeting was called to order at 8:18 a.m.

2) Consent Agenda

a. Approve minutes of regular meeting September 13, 2022

Motion made by Drew Madsen to approve the minutes as presented; seconded by Ginny Enstad. Motion carried unanimously with a 5-0 vote.

b. Approve minutes of regular meeting January 10, 2023

Motion made by Drew Madsen to approve the minutes as presented; seconded by Ginny Enstad. Motion carried unanimously with a 5-0 vote.

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

There were no public comments.

4) Action Items

a. Eco-counter Phase II

Due to the success of pedestrian counters on Park Avenue in monitoring foot traffic and economic vitality of the downtown, staff is looking to expand the program with the addition of new counters and is seeking guidance from the board on which locations would be suitable for the expansion. A map was presented highlighting the existing pedestrian counters on Park Avenue, along with three additional counters as suggested by staff.

The floor opened for discussion and questions. The board gave positive feedback for the suggested placement of the counters, but noted that placing a counter at the heart of Hannibal Square- as opposed to a connecting street to Park Avenue- would be of more benefit. Staff will gather feedback from merchants in Hannibal Square regarding preferred location for the counter.

Motion made by Drew Madsen to approve three additional pedestrian counters in recommended locations, pending merchant feedback; seconded by Betsy Gardner Eckbert. Motion carried unanimously with a 5-0 vote.

5) Non-Action Items

a. MJB White Paper - Retail 'right-mix' Phase I

Staff presented general assessments and key takeaways from the MJB Consulting Phase I Executive Summary Memo (found in the agenda packet). MJB Consulting conducted fourteen one-on-one interviews with stakeholders such as local businesses, landowners, tenants, and realtors as ways to gather information and data about the various corridors of the city.

Staff also noted an important distinction between comparative and convenience retail - the former of which creates an experiential and authentic shopping experience in Winter Park, driving value to the corridors. Staff briefly went over sales per square foot and how they translate into lease rates.

Michael Berne, MJB Consulting, reiterated the points above, and emphasized the importance of cultivating the retail demand of the city such that synergies are maintained, as well as the importance in retaining critical mass in comparative shopping. The balance between retail and restaurant, as seen on Park Avenue, helps to increase dwell time and keep individuals engaged longer.

The board asked questions pertaining to comparative shopping, and a discussion followed, specifically how elements of comparative shopping are more prominent on Park Avenue as opposed to other corridors in the city, such as the Aloma corridor. A brief discussion ensued.

Lastly, staff pointed toward infrastructure investment as a key piece of vitality, emphasizing the importance of investment in benefiting the individual corridors. Park Avenue and Hannibal Square seeming to have significantly benefited from infrastructure investment.

The floor opened for discussion, and staff asked for board feedback. An at-length discussion ensued with the board emphasizing the importance of taking a detailed look at the scope of entitlement potential of the corridors. The board also made a request for Mr. Berne to include a set of best practices as seen through the work done by MJB Consulting across the country, and make specific suggestions to broaden the exposure of Winter Park. Staff answered questions and the upcoming steps for Phase II were highlighted.

Mayor Phil Anderson spoke briefly on the topic, and expressed his satisfaction with the work being done and highlighted some of the work needing to be accomplished such as finding fitting incentives for the Orange County overlay, and continuing conversations with other stakeholders.

6) Staff Updates

a. ED Commercial Performance Report

A brief update was provided on the parking sensor project and initiative. Staff has been working with a third-party group on identifying an appropriate technology to accurately understand unmarked spaces on Park Avenue in terms of duration, utilization, frequency, etc. A pilot was conducted, however, due to unforeseen circumstances, the party responsible has ended the program until further notice.

Staff noted that until a new partnership with a capable organization has been located, the project will remain on hold.

7) Board Comments

Mr. Noel inquired about the means to contact merchants in Hannibal Square regarding the pedestrian counter location. Staff will reach out to the necessary contacts, and welcome suggested contacts from the board.

8) Upcoming Agenda Items

9) Adjournment

The meeting adjourned at 9:24 a.m.

Minutes approved by the board on ________________.

/s/ Tatia Ghviniashvili, Board Coordinator

Economic Development Advisory Board

agenda item

item type Non-Action Items	meeting date March 14, 2023
prepared by Kyle Dudgeon	approved by
board approval	
strategic objective	

subject

MJB Phase II discussion

motion / recommendation

N/A

background

At it's February 14th meeting, EDAB began the transition from phase I to phase II with MJB consultants on retail right-mix approaches. The consultant and staff gave a brief overview on expectations and outcomes. In anticipation of the board's conversation on this item, a sample implementation memo is included for reference. The attached is for a separate third party organization and does not consistute or provide inference as an early recommendation or direction for this process. Instead, it is included to provide general framework to the types of conversation phase II yields. MJB will direct the discussion at the meeting regarding early thoughts and look to the board to provide insight.

alternatives / other considerations

fiscal impact

ATTACHMENTS:
EXAMPLE_DTWestfieldPhaseIIImplementationMemoDraftSentLL.pdf

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Berkeley, California 94705

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Memorandum

To: Economic Vitality Committee
Downtown Westfield Corporation

From: Michael J. Berne, President, MJB Consulting

Re: Implementation Plan for Retail Positioning and Tenanting Strategy
Downtown Westfield

Date: December 2021

The following memorandum offers an initial blueprint for the implementation of the Phase I Retail Positioning and Tenanting Strategy in Downtown Westfield, outlining the specific roles and responsibilities for the major stakeholders.

In most Downtowns where the public/non-profit sector wants to become involved in retail recruitment, a BID or other UPMO ("urban place-management organization") takes the lead and acts as the "face" of such an effort, given its well-established role as a business association, the closer relationships that it typically enjoys with the property owners and the complicated political dynamics that it can more easily sidestep.

That said, the municipality remains active behind the scenes -- for example, aligning the land-use/zoning framework, initiating infrastructure improvements and, in the case of elected officials, channeling broader public perceptions.

The third and no doubt the most important leg of this stool are the property owners – current and future -- which ultimately retain the final say on how (or whether) the retail mix evolves, in which direction and at what pace.

Finally, existing merchants must be part of the process as well -- though deference to their concerns should only go so far, as some can be surprisingly myopic if not downright self-interested about district-wide initiatives.

The following details the steps that would need to be taken, with the responsibility for each indicated in parenthesis at the end:

Tenant Attraction

- Concerted and ongoing effort to secure and retain "buy-in" from property owners, leasing professionals, existing merchants and other key stakeholders to both the Phase I retail positioning / tenanting strategy and the Phase II implementation plan (DWC, with the Town providing support where appropriate)

- Provision of relevant information on available spaces and sites such that the DWC is fully aware of such specifics when sourcing and pursuing prospects (property owners and leasing professionals)

- Refinements to DWC's posted database of available spaces, as well as the collection of additional specifics for recruitment purposes (DWC, with the Town providing support where appropriate)

- Development and production of district-wide retail leasing collateral and associated web presence, which tells the story of and frames the opportunity in Downtown Westfield (MJB and DWC, in coordination with Street-Works and with input from leasing professionals)

- Initial "road-show" of leasing collateral and pitching of Downtown Westfield, including meetings with major brokerages, columns in business publications as well as presentations/booths at regional industry events (MJB and DWC, with the Town/Mayor providing support where appropriate)

- Identification, filtering and pursuit of possible leads from MJB's proprietary database and canvassing efforts, with interested ones relayed simultaneously to all of the

Downtown landlords/brokers with spaces that meet their site criteria -- *no* involvement with actual negotiation and deal making (MJB)

- Identification, filtering and pursuit of possible leads from existing networks of DWC members, with interested ones relayed simultaneously to all of the Downtown landlords/brokers with spaces that meet their site criteria – *no* involvement with actual negotiation and deal making (DWC members)

- Hiring and training of an in-house retail prospector, e.g. how to identify and vet prospects, how to build a case in their "language", how to respond to their likely concerns, etc. (DWC and MJB)

- Initial outreach to and cultivation of working relationships with Downtown landlords and brokers (DWC prospector)

- Ongoing maintenance of available-spaces database (DWC prospector)

- Ongoing marketing of Downtown Westfield as a retail location within the regional leasing and tenant communities (DWC prospector)

- Ongoing canvassing and filtering of prospects, including visits to analogous districts in other communities across the state and region (DWC prospector)

- Direct outreach to targeted prospects (or their tenant-rep brokers), including an initial "pitch" to sell the opportunity, prompt response to information requests, rejoinders to stated concerns, hosting and coordination of site visits, etc. (DWC prospector, with the Town providing support where appropriate)

- Intermediary between interested prospects and landlords/brokers with spaces that meet site criteria – *no* involvement with actual negotiation and deal making (DWC prospector)

- Liaison to the Town and community as a "concierge" on behalf of prospective tenants, helping to facilitate approvals, expedite permits and overcome other obstacles and challenges (DWC prospector)

- Advocacy on behalf of the Retail Positioning and Tenanting Strategy both within the Town and beyond, also including essential *non-retail* projects and initiatives (DWC prospector)

- Restructuring of approval and permitting processes so as to provide expedited service to applicants which align with the strategy, including additional staff capacity if necessary (Town)

- Creation and authorization of a revolving loan fund that can provide modest levels of support for initial build-out and start-up costs to comparison goods retailers (Town)

- Provision of "testimonials" promoting Downtown Westfield as a retail location and business climate, for use in the leasing collateral and prospecting efforts, as well as willingness to participate in site visits/tours (existing merchants and Town officials)

- "In good faith" willingness to consider interested leads forwarded by the DWC, in exchange for DWC's (and the Town's) promise *not* to exert any undue pressure on behalf of any prospect, or play any role in actual negotiations and deal making (property owners and leasing professionals)

While we realize that the specific focus of our contract with DWC is retail recruitment, we have, at the risk of overstepping, also included below a number of additional action items that, we feel, are directly or tangentially relevant to that charge:

<u>Zoning / Regulatory</u>

- Create a new tiered structure for utilization of ground-floor space in the Downtown core, so as to encourage uses that generate foot traffic and enhance the pedestrian experience *as well as* preserve premier space for the tenants with the greatest need for high visibility and critical mass (Town):

"A" Zone (Broad St, from Mountain Ave to Prospect St; Central Ave, from Broad St to Quimby St; Elm St, from Broad St to Quimby St; Quimby St): prohibits traditional or service-retail offices, studios for "instruction of the arts" (e.g. dance or martial-arts studios), child care or government uses; permitted as a conditional use if the frontage is utilized for retail purposes and welcomes walk-in traffic

> * The goal with this zone is to promote the concentration of comparison retailers (e.g. clothing, footwear, fashion accessories, home décor, etc.) along the most coveted stretches of the Downtown core -- where, aggregated together, they could generate higher sales due to synergy and cross-traffic – and discourage other uses with comparatively less need for such prime locations; permitted uses would include showrooms where the majority of sales are originated and/or distributed off-site; uses otherwise prohibited, like fitness studios or co-working spaces, would be eligible for a conditional use permit if they utilize the fronts of their spaces for a legitimate retail purpose, like the sale of athleisure or caffeinated beverages

"B" Zone (Broad St, from Prospect St to North Ave; Central Ave, from Quimby St to North Ave; Elm St, from Walnut St to Broad St and from Quimby St to North Ave): prohibits uses that do not welcome walk-in or subscription-based traffic

> * This somewhat less restrictive zone will permit uses as long as they sell goods or services, either on-site or as showroom, to walk-in or subscriber traffic. It would allow, for instance, tax preparers,

real estate offices and fitness studios yet still prohibit appointment-based medical or dental offices.

"C" Zone (North Avenue and South Avenue): remains *as is*

- Clarify and make more explicit an openness to the rapidly-evolving ways in which tenants might value and want to make use of ground-floor space (other than as a sales floor), including but not limited to micro-fulfillment, wholesale distribution, small-scale production, etc., provided that such activities are accessory to the retail function and meet applicable performance standards (Town)

- Clarify and make more explicit an openness to the ever-widening array of entertainment concepts that are looking to occupy ground-floor space, provided that such activities meet applicable performance standards (Town)

- Prohibit the provision of internalized amenities within new residential or office buildings that could otherwise take a publicly-accessible retail form, including but not limited to fitness centers, pet spas and cafeterias (Town)

<u>Other</u>

- Collaborate with Street-Works so as to ensure alignment and compatibility with its redevelopment plans, both in terms of pedestrian connectivity and retail mix (DWC and Town)

> * Ideally, Street-Works would focus on larger-floorplate anchors and other non-retail demand generators that cannot be accommodated within the traditional core. Its track record and public comments strongly suggest a willingness to act in good faith, though the Town should be willing to use its leverage (e.g. development agreements, tax incentives, entitlement process), if necessary, to preempt direct competition and potential cannibalization.

- Work with the Street-Works/Biederman Redevelopment Ventures on the feasibility of making aspects of the pandemic-era "Open Quimby" arrangement permanent, with the goal towards creating a true central gathering place for Downtown Westfield (DWC and Town)

- Update the 2019 Parking Study to include post-pandemic utilization levels of existing parking resources throughout the day, week and year, then use such data to refine market-based pricing and resolve arguments about the adequacy of the current supply (Town)

- Develop additional datasets that cannot be easily or cost-effectively gathered by landlords, investors, brokers and tenants – like, for instance, footfall levels across the

Downtown footprint, on contract with a pedestrian-counting firm that can benchmark Westfield against other such districts (DWC)

- Retain a cutting-edge creative agency to devise and promulgate a consumer-facing brand identity that clearly and meaningfully differentiates Downtown Westfield in the marketplace while also employing "persona-based marketing" to target specific niche opportunities identified in the positioning strategy (DWC)

- Require landlords with long-term vacancies (say, six months or more) to occupy their empty spaces with pop-up uses *or* work with DWC to activate their window displays with installations of public art, invitations for feedback on desired businesses or some other form of engagement (Town and DWC)

One last word, on the general subject of expectations management.

The decision to launch such a retail recruitment effort is often motivated by the expectation among stakeholders that it will singlehandedly – and in short order – catapult a given business district from its current condition to an exalted state of full occupancy, rising rents and values, growing momentum and investment as well as other positive metrics.

It will be critical from the outset, however, to replace such thinking with more realistic aspirations. Firstly, countless variables lie well beyond the control of entities like the DWC. Even, for instance, if a promising lead is generated, an actual deal must still be struck. That is, the prospect must identify an acceptable space and agree to terms with its owner.

Secondly, the goal is not just to find *any* tenant, but rather, one that will *elevate* the current retail mix. In this respect, DWC will be fighting an uphill battle against a risk-averse industry's dependence on what has worked in the past ("comps") as well as an incentive structure that predisposes both landlords and brokers to gravitate to the lowest-hanging fruit.

Thirdly, the focus will be on vacant storefronts that the free market has *not* succeeded in filling. *With anything*. In other words, DWC, as a non-profit entity, will be striving for results that exceed what even seasoned retail brokers, with their extensive networks and deal-making prowess, have been unable to produce, in some cases over the course of years.

These qualifications must be communicated both early and often, in order to correct assumptions and misapprehensions about how easy and straightforward recruitment should be, and avoid the sense of disillusionment and loss of confidence that could otherwise result. They should also inform the kinds of metrics that ought to be used in evaluating the success of the effort.

Indeed, with all of the variables involved, retail attraction should *not* be judged on the basis of how many deals are consummated and new businesses opened. A fairer measure is the number of credible leads generated, which best represents what the recruiter can actually control and affect, and underscores the fact that while he/she can help to initiate the process, the landlord is the one ultimately responsible for landing (or not landing) the tenant.

Furthermore, this standard must be applied to a longer time horizon. Taking a retail mix to that next level does not necessarily happen overnight, but rather, often requires an iterative and sustained campaign of convincing prospects of a new narrative, responding to their inevitable concerns, waiting for an opening in their development pipeline(s), etc. – especially when the target is a smaller chain-let with limited bandwidth. Indeed, even eliciting an initial response can sometimes require a great deal of patience.

Retail recruitment, in other words, must be viewed as a “marathon, not a sprint”. It is an industry that prioritizes networking and deal making, where the approach must be one of cultivating and nurturing a set of ongoing relationships over a period of time that will (hopefully) bear fruit at some point in the future. And while the return might be difficult to quantify, particularly in the near term, those with experience in the field know that this is how it is done.

In fact, the greater impact might even be in the form of a broader perceptual shift within the leasing community, with the most coveted tenants (and their tenant-rep brokers) once again viewing Downtown Westfield as a must-have location trending in the zeitgeist’s direction, and eventually sensing enough of an opportunity to take the initiative on their own, in the absence of any prompting or prodding. This, more than any specific numbers, is the ultimate goal.

Economic Development Advisory Board

agenda item

item type Staff Updates	meeting date March 14, 2023
prepared by Kyle Dudgeon	approved by
board approval	
strategic objective	

subject
EDAB Commercial Performance Report

motion / recommendation
N/A

background
Monthly reports as requested

alternatives / other considerations

fiscal impact

ATTACHMENTS:
EDAB Commercial Performance Report.pdf

Commercial Performance Report 3/23

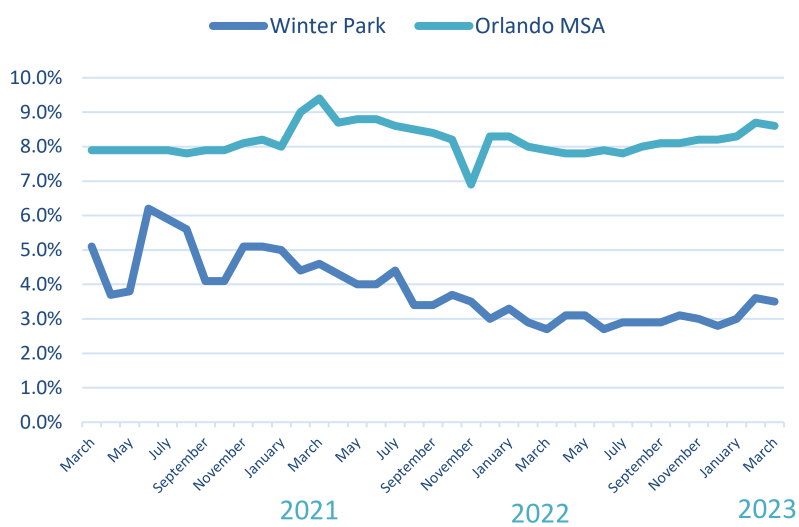
Full list of quarterly reports including annually recorded metrics are available at
www.cityofwinterpark.org/pm

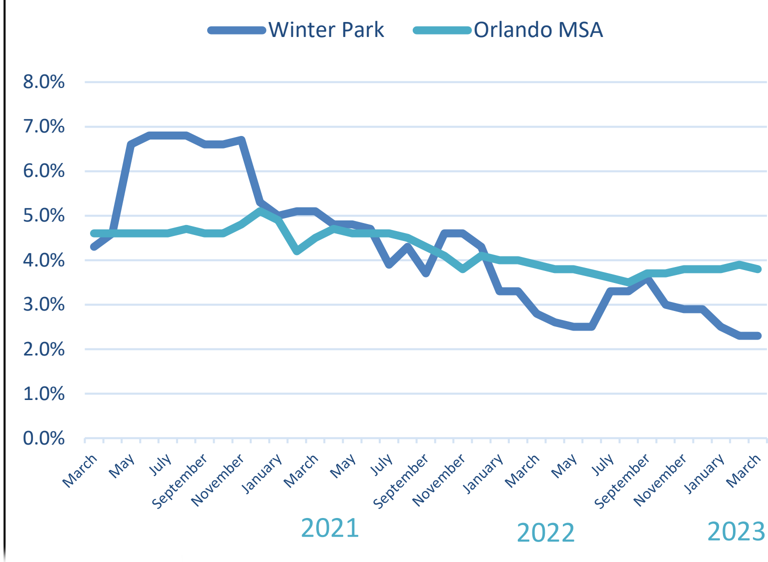
Sources: ESRI, CoStar, BLS

OFFICE

Vacancy

RETAIL





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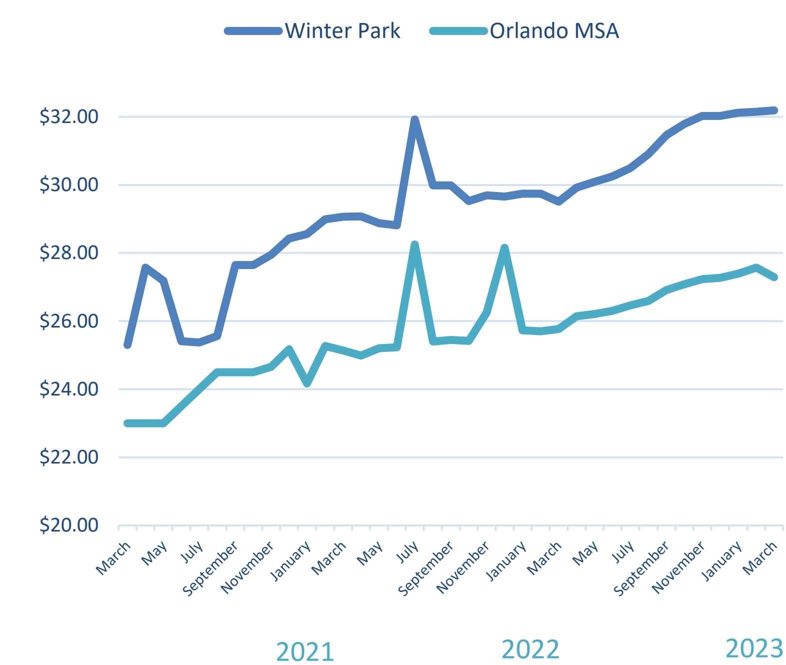

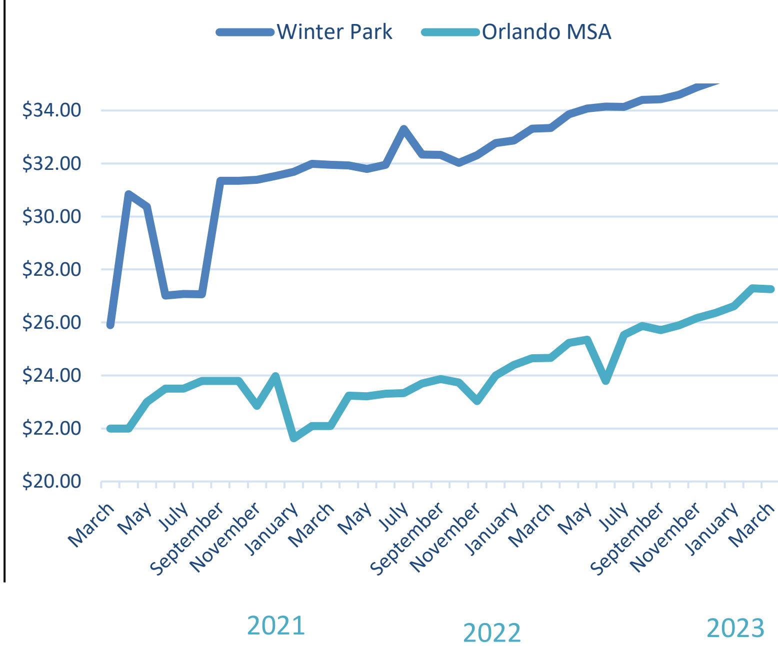

Economic Development Advisory Board

agenda item

item type Staff Updates	meeting date March 14, 2023
prepared by Kyle Dudgeon	approved by
board approval	
strategic objective	

subject
Development Report March 2023

motion / recommendation
N/A

background
Biannual development report prepared by staff

alternatives / other considerations

fiscal impact

ATTACHMENTS:
Spring 2023 Economic Development Report.rev.pdf

ECONOMIC DEVELOPMENT
COMMERCIAL DEVELOPMENT UPDATES

Highlights

9 Total Projects

Approximately 798,842 Square Feet

- **Winter Park Village**

510 Orlando Ave
Work on the revival of the Winter Park Village lifestyle center is well underway. The retail and office spaces are 100% leased out and the project is proceeding as quickly as current supply of the necessary materials permits. Some exciting new restaurants and stores are expected as well as more green space, sculptures, artwork, and streetscapes. Ruth's Chris is completed and has re-opened. Bar Italia expects to open in the near future, and Chayote is targeting June/July for their opening.
Status: Due to supply issues, there is no estimated date for completion at present.

- **Rollins College**

200 E New England Avenue
Redevelopment of the Lawrence Center property with a new location for the Rollins College of Art Museum and Crummer Business School.
Status: Final Conditional Use Application is in progress.

- **R B Equities**

730 Minnesota Ave
Residential development with 4 two-story townhouses.
Status: Applied for Conditional Use

- **Hill/Gray Project**

900/950 N Orlando Avenue
One story branch bank of 3,000 square feet and one-story office building of 11,000 square feet
Status: Approved by City Commission. Applied for Conditional Use

- **McLaren Dealership**

1111 S Orlando Avenue
Work is underway to develop a 2.4 acre luxury car dealership, in the footprint of the former Orchid Supply Hardware building. The building interior has been demo'd and contractors have begun the mechanical, electrical and plumbing work. The site which will include 22,000 square feet of green space, is anticipated to open for business at the end of 2023.
Status: Approved by the City Commission.

- **Mayflower Expansion**

1620 Mayflower Court
Building a 84,842 square foot Health Center, a 12,000 square foot Clubhouse, and five residential buildings with 50 units total.
Status: Approved by City Commission. The Health Center has completed building inspections. Progress on the clubhouse and residential buildings is underway.

ECONOMIC DEVELOPMENT

COMMERCIAL DEVELOPMENT UPDATES

Highlights

9 Total Projects

Approximately 798,842 Square Feet

- **Self-Storage Building**

1561 Lee Road
Developing a 95,000 sf storage facility, which includes 4,000 square feet of office space
Status: Approved by Planning and Zoning Board. Does not require City Commission approval.

- **Paradise Grills**

220 N Orlando Avenue
Demolish existing building to build a 5,300 square foot outdoor furniture store.
Status: Approved by City Commission.

- **Ferguson Plumbing**

1133 W Morse Boulevard
Demolish existing one-story building to develop 16,000 square foot storefront.
Status: Approved by City Commission.