

Economic Development Plan Update

YEAR 2 UPDATE AND ANNUAL SUMMARY FY 2012



CITY OF WINTER PARK
ECONOMIC DEVELOPMENT DEPARTMENT
July 2012

Economic Development Plan

Year 2 Update and Annual Summary FY 2012

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Overview

Market Trends

The FY 2012 has continued to be a year of uncertainty for the economy. On the national level, economic indicators continue to be mixed but seem to indicate a long slow recovery with job creation being a major lag on the national economy. Uncertainty in Europe related to the sovereign debt crisis and fears of economic slowdowns in emerging markets and most notably China will continue weigh on investment and hiring decisions. While exposure to a protracted recession in Europe may not affect all sectors of the US market, tourism could certainly suffer and put Florida at a greater disadvantage than other states. As a state, Florida has been steadily recovering. Last year unemployment was over 10% but as of May 2012 has fallen 2% to 8.6% narrowing the gap with the national average of 8.2%.¹

Winter Park tends to lead the region in overall indicators with unemployment still significantly below the State average and vacancy rates for retail and office properties at the lowest level of any commercial district in the surrounding area. Loss in local job counts seems to have stabilized and indicates that Winter Park should start seeing growth again in subsequent years. Additionally the rapid decline in real estate values seems to have stabilized for most commercial properties, though residential is still showing some weakness. It is likely that capital that has sat on the sidelines may begin to be deployed in redevelopment projects. The office market still remains the weakest sector in the region while demand for apartment housing is strong.

Financially, FY 2013 should expect flat or slightly increasing revenues for local government as residential values slow their descent, commercial property stabilizes, and sales taxes improve. Over the next couple years, new construction and/or redevelopment of existing properties should further bolster the tax base; most notably planned projects in the Denning and 17/92 corridors. There may be a boost in foreign investment and asset purchases as investors look to hedge currency risk by acquiring dollar denominated assets in the United States to avoid uncertainty over their native currencies. Certainly a number of businesses on Park Ave have been started by foreign investors in the last two years. Overall the city should see slowly growing revenues and renewed interest in redevelopment over the next year. In times of economic uncertainty there is a flight to quality and Winter Park is benefiting from businesses relocating to the area and exceptionally strong demand for lease space in the downtown core and redevelopment opportunities along the 17/92 corridor.

Benchmark data for the City of Winter Park is included in Appendix A.

¹ Bureau of Labor Statistics

Executive Summary

- Economic recovery will continue to be slow with unemployment holding back growth. Statewide unemployment will lag behind the national average but over the last six months Florida has narrowed the gap with unemployment of 8.6% vs. 8.2% for the national average as of May 2012.²
- Winter Park is a leader in the local region out of 26 commercial districts, ranking 1st in retail and 3rd in office vacancy rates while still commanding a premium (though declining) rent per SF in retail (2nd) and office (3rd).³
- The city's Business Certificate database indicates that local new business creation may break a long term decline and grow modestly this year to just over 600 certificates.
- Job growth seems to be returning to Winter Park with a slight increase over last year to a total of 31,585 jobs within the city limits. However job totals remain 5,000 below 2006 highs.⁴
- The city's tax base composition remains unchanged with the tax burden being allocated 79% to residential and 19% to commercial properties. Shifting this ratio will be difficult and continued commercial redevelopment will make incremental changes but larger shifts will have to include the consideration of annexation.⁵
- The majority of Year 1 Action Steps are either complete or in process with estimated year-end spending on Plan initiatives expected at \$145,000.
- Total spending for the completion of the Plan has been revised to \$286,600 approximately 8% less than the originally contemplated \$312,610.
- Year 1 Accomplishments include:
 - o Completion of Year One Objectives
 - o ULI W. Fairbanks Ave. Technical Assistance Panel
 - o State Office Building Land Swap
 - o Workforce/Affordable Housing Analysis
 - o Total Commercial Real Estate Listing Inventory
 - o Economic Development Website

² Bureau of Labor Statistics

³ Costar Q1 2012 Office and Retail report

⁴ Neilson/Claritas Customized Reports

⁵ Orange County Property Appraiser Data

Programming Updates

Business Façade Matching Grant Program

Established in 2008 the program provides matching grants to eligible small businesses to make improvements to the exteriors of commercial properties. Successful programs leverage public funds with private investment to make meaningful visual change to commercial districts while assisting the growth and expansion of small businesses.

Since its inception, the program has assisted 48 businesses within the CRA and leveraged over \$7 million in private funding with \$490,000 in grant awards. For every \$1 awarded, the private sector has invested \$12. For FY 2012, three applications were approved totaling \$25,000 in grant awards and \$250,000 in private investment (leverage ratio of 1:10). Due to funding restraints within the CRA the program is recommended for suspension until revenues improve. The Business Façade Program, however, still remains as one of the city's most popular programs. Staff is analyzing offering this program along other identified corridors as part of targeted incentive packages.

Micro Loan Program with BankFIRST

Created in 2007 in partnership with BankFIRST, the program offers smaller loans to eligible small businesses in the CRA looking to start-up or expand operations. The program provides loans of prime + 1%, in amounts of \$5,000 - \$40,000 over 3-5 year terms. Created prior to the collapse of the lending market in 2008 and 2009 the program has had limited success however loans totaling \$120,000 have been made to small businesses within the CRA since its creation and the program is used as a model by other cities. Under the arrangement with BankFIRST the CRA provided \$25,000 as a loan loss reserve against a total lending pool of \$250,000.

Targeted Industry Enhancement Program (TIE)

Modeled after the State Qualified Target Industry (QTI) Program the TIE Program offers up to \$200,000 to eligible major employers looking to relocate high wage jobs to Winter Park from elsewhere in the state. Grants are based on the relocation of at least 50 full time jobs or equivalent and an average wage at least 115% of the County average wage. Eligible applicants must be a targeted industry as defined by the program and payouts are made over a five year period but could vary by contract.

In 2011 the international headquarters for Ruth's Hospitality Group Inc. (RUTH) relocation to Winter Park utilized the program and brought over 60 full-time jobs above 200% of the County average wage. RUTH receives approximately \$20,000 annually over 5 years as long as employment targets are maintained.

Banner Program

Generating almost \$13,000 in revenues for the fiscal year, the city's banner program has worked with Rollins College, the Morse Museum, the Polasek Museum, Bach Festival, the Health Foundation, Florida Hospital, and Enzian to promote an assortment of cultural, health, and entertainment events within the city.

Accomplishments

Economic Development Plan Year One Objectives

The Economic Development Advisory Board (EDAB) and City Commission adopted the 3 year Economic Development Plan for the City of Winter Park establishing five key objectives to strengthen the local economy, grow business, and capitalize on the city's strengths. The Plan's objectives and immediate year goals are outlined as part of this document and will be updated as part of the annual reporting process. The majority of the items listed under the first year are expected to be completed by the close of the fiscal year. A detailed status update of all items in the Plan is included under each Objective.

Urban Land Institute West Fairbanks Corridor Panel

In partnership with the Urban Land Institute (ULI) a Technical Assistance Panel (TAP) was convened in June of 2012 to provide guidance on a number of issues for W. Fairbanks Ave between I-4 and 17/92. This two day panel of four experts from around the country consulted with staff, property owners, residents, and businesses in the area and provided recommendations at a public presentation. At the end of July, ULI will provide a white paper summarizing their findings. The objectives covered by the panel included evaluating Market Demand, Catalysts for Change, Incentives, and Urban Design/Land Use Regulation. General recommendations included working closely with the business and property owners to determine vision, consider creating regional stormwater areas, complete the sewer improvements, do not implement form-based codes, and hold other beautification improvements until consensus can be reached.

State Office Building Land Swap

Completed in early 2012 the city approved swapping the municipally owned State Office Building property located at 941 W. Morse Blvd. for approximately 4.75 acres of property located on N. Orange Ave. This swap which included maintenance of a conservation easement and annual payments to the CRA will result in a 85,000 SF Class A office building housing the regional corporate headquarters of construction giant Brasfield & Gorrie and house approximately 300 jobs. Currently the developer has filed for demolition permits and construction is expected to start in September 2012. This project will add approximately \$10 million to the tax rolls and provide a renewed gateway presence to the historic W. Morse Blvd. corridor.

Workforce/Affordable Housing Analysis

This comprehensive look at workforce and affordable housing opportunities in the region was completed by staff and provides recommendations on policy and analyzes the current availability, type, and accessibility of housing options in and around the city. Access to housing within a reasonable commute is essential for the health of cities and this report clearly analyzes those issues.

Total Commercial Property Database Partnership

As part of the first year goal of creating an online database of available real estate in Winter Park, the Economic Development Department has partnered with Total Commercial to provide city specific site listings of properties and businesses for sale or lease. This site, nested in a link off the department homepage, provides prospective buyers a one-stop location for discovering Winter Park investment opportunities.

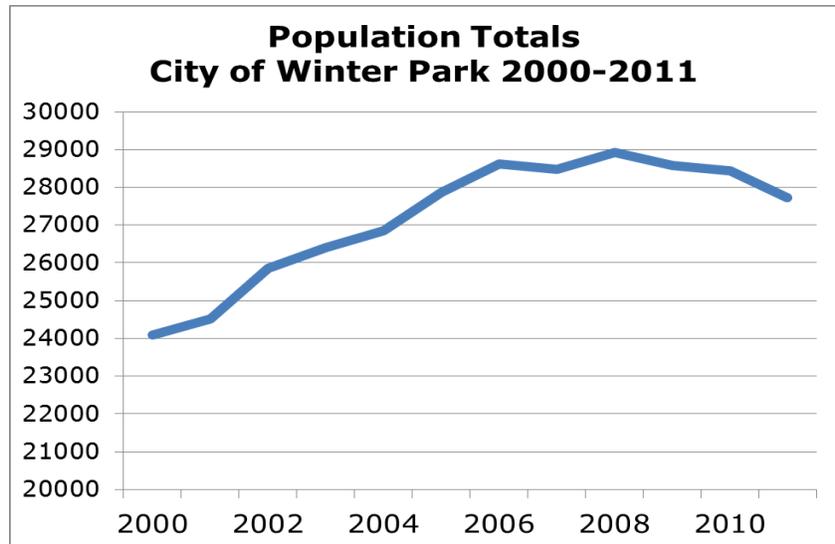
Economic Development Website

Rebuilt from the ground up and modeled after successful formats used by economic development agencies around the country, the new format for the website offers visitors and the business community a simple, clear, and comprehensive look at all aspects of Economic Development in the city. Individuals looking to invest or locate to the city will be able to quickly judge quality of life for its employees, discover business incentives and facts about the area, access all programs and projects easily, view the scope and duties of the department, and obtain demographic, reporting, and past project information. Launch of the new site is expected in September of 2012.

Metrics

Population

According to the Bureau of Economic and Business Research Winter Park's population for 2011 declined from 28,434 to 27,727 or a loss of over 700 people. Since the year 2000, Winter Park's population has grown 15.1% or an annualized rate of 1.29%. Though the recent decline in population is probably due to the recession and recovering real estate market, long term trends of population decline are troubling for a local economy as it reduces the consumer base for local businesses.



Business Creation



Using the city's business certificate database, 2012 may end up turning the tide in new business creation by breaking the downward slide in opened business certificates. When a business wants to open in the city they apply for a business certificate. While these certificates do not give an exact

count of the new brick and mortar stores opening in the city it does give an indication of the interest of doing business in the city. Below is a graph of the number of certificates opened each year going back to 2005 both annually, and through May 23rd which is the most recent data available as of the writing of this report. This graph shows that despite an uptick in 2010, the trend for certificates has been steadily decreasing. However the number of certificates issued in 2012 as of May 23rd are comparable or higher than the previous year indicating that this year

could reverse the trend and indicate a healthier business climate. Typically by the end of May, about 35% of the certificates for the year have been issued. Given this assumption, that would indicate that 2012 will result in just over 600 new issuances, a slight increase over the prior year.

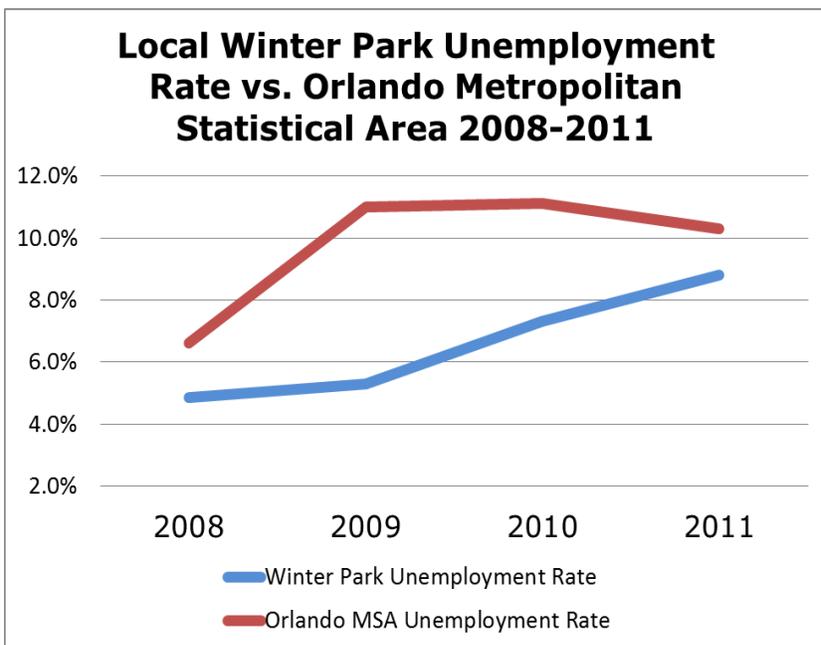
Jobs

Winter Park is often characterized as a bedroom community however the city is in fact an employment hub with the daytime population increasing by 50% as the influx of employees exceeds those that work elsewhere. According to data provider InfoUSA the city's total number of employees reversed the long downward trend and grew fractionally to a total of 31,585 a net gain of 237⁶. Overall employment vs. five years ago is still down just over 5,000 from a job total of 36,622 in 2006.

This last fiscal year the Economic Development Department worked with the Building Department to start collecting local business data regarding employment from business certificate holders. During certificate renewal, 76% of businesses provided an employment figure. Total employees given were 31,359 from 3,437 businesses. As employment data is only ever as comprehensive as those businesses that are willing to supply a number it could be extrapolated that Winter Park may employ closer to 41,000 individuals based on local data collection.

Unemployment

Local unemployment for Winter Park residents continues to rise however it remains below the Orlando MSA levels. Florida has higher unemployment than the nation as a whole however in the last few months the rate of unemployment has declined dramatically and should indicate that 2012 figures for Winter Park should drop as well. To the right is a comparative graph of Winter Park's unemployment rate against the Orlando MSA.



⁶ Note that InfoSource USA which compiles employee data is based on respondent answers and may not comprehensively represent the true total within a given area as some businesses may refuse to provide information.

Vacancy Rate & Price/SF

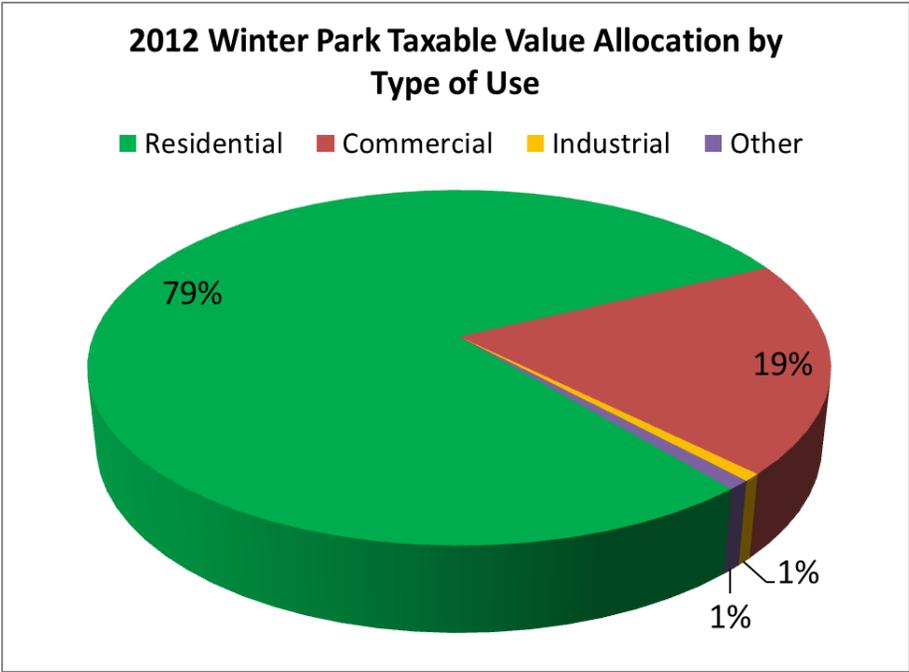
Prior to the recession Winter Park led the region in occupancy as well as commanding a premium in asking rates for rental space. When the recession hit, banking and the real estate and mortgage industry took the brunt and because Winter Park had such a high concentration of these types of businesses, the city lost its leading edge and slipped to an average ranking. Now with recovery underway, the city is again positioning itself as a leader in the area when it comes to occupancy rates as well as still claiming a premium for its space prices per square foot are still declining. The table below shows the 3-year history of vacancy and rent rates for retail and office and shows Winter Park's ranking compared against its 26 regional neighbors.

Retail and Office Vacancy Rates		Q1 2010	Q1 2011	Q1 2012
Retail Vacancy	Winter Park	7.6%	3.5%	2.3%
	Orlando Region	8.3%	7.5%	7.1%
	City's Occupancy Rank	11th	2nd	1st
Office Vacancy	Winter Park	12.6%	8.1%	7.3%
	Orlando Region	15.3%	14.3%	12.6%
	City's Occupancy Rank	7th	3rd	3rd

Retail and Office Price/SF		Q1 2010	Q1 2011	Q1 2012
Retail Price per Square Foot	Winter Park	23.32	21.27	20.78
	Orlando MSA	16.54	15.6	15.17
	City's Price Rank	4th	4th	2nd
Office Price per Square Foot	Winter Park	22.1	22.25	22.15
	Orlando MSA	19.72	18.98	18.57
	City's Price Rank	4th	3rd	3rd

Tax Base

FY 2012 saw little change to the tax base with total taxable values dropping 1.8% to \$3.87 billion. Primarily the burden of property taxes falls to Winter Park's residents with residential properties accounting for the majority the total at 79% followed by 19.4% for commercial, 0.7% for industrial, and 0.9% for other categories like tourist attractions, institutional, and governmental. Overall 15.4% of the city's assessed value is exempt due primarily to property owned by the city followed by local non-profit religious, healthcare, and educational uses. Looking at the taxable value that each use type brings based on the land area that they occupy in the city, commercial properties have the best overall return on a taxable value per square foot basis at \$27.53, followed by residential at \$23.16, industrial at \$7.66, and all others at \$0.66. Commercial redevelopment and recovery in the housing market will be crucial for future tax base growth. Beyond economic worries that have dragged the property market lower legislative risk still remains high with potential caps to growth in non-homestead property likely in this next voting cycle. Below is a graph of the taxable value breakdown by type of use.



Meaningfully shifting the balance of the tax base will be difficult to achieve only by redeveloping existing commercial properties as residential land is almost 5 times more prevalent than commercial and commercial properties already tend to be more densely developed offering little potential for upside. Even the upcoming redevelopment of the former State Office Building property, a \$10 million project valuation,

would only change the city's commercial taxable value from 19.4% to 19.6%. These redevelopments will continue to add incremental change however structurally altering Winter Park's tax base will not be possible without considering annexation.

Objective Status Update

Objective 1: Promote Redevelopment and Grow the Tax Base

The redevelopment, renovation and rehabilitation of city corridors are the primary role of the Economic Development Department. Revitalizing Winter Park with public and private projects leads to a stronger tax base, which in turn, provides more revenue to fund more projects in the city. Critical projects and studies will pave the way for redevelopment to occur and further expansion of the tax base, which are outlined under Objective One.

Strategy:	Develop Corridor Master Plans (e.g.: W. Fairbanks, 17-92, Lee, Denning, Aloma)
Action Steps:	Establish priority ranking for corridor study, development and implementation. Delineate study boundaries, analyze land use and zoning, look at marketplace needs analysis and identify issues and constraints
	Create an implementation plan and budget. The implementation plan may include redevelopment incentives, targeted business/anchor tenant development plans and streetscape options. Initiate plan amendment/code change as required
Community Investors:	Commission, EDAB, City Staff, & Consultant Services

Implementation Date: Year 1

Original Planned Cost: \$100,000

Estimated Spending in Year 1: \$100,000

Status: The original intent of the adopted 3-Year Economic Development Plan was to approach corridor analysis holistically and first look at how each corridor fits into the city-wide picture. As the plan was implemented, EDAB and the City Commission determined that focusing efforts on high priority corridors would yield more benefit and provide a richer more actionable result. Staff determined a preliminary priority ranking that includes:

- 1) West Fairbanks from I-4 to 17/92
- 2) Denning Dr.
- 3) 17/92 Corridor
- 4) Lee Rd from I-4 to 17/92
- 5) Aloma Ave to Balfour

Focusing on W. Fairbanks, the Economic Development Department partnered with the Urban Land Institute to constitute a technical assistance panel of national experts to provide direction

for the corridor. Major recommendations of the panel included building communication and consensus with the business and property owners, completing the sewer installation, abandoning Form Based Code, implementation of a regional stormwater/open space system, and pursuing improvements such as working toward a solution to underground electric. Currently staff is working at creating the communication networks and establishing a working relationship with stakeholders on the avenue. Work on Fairbanks will be expected to be an ongoing effort over the next year as consensus is reached and specific actionable ideas are implemented.

The further study of the other corridors will be addressed as ongoing items in the subsequent years of the plan. This stretches out the completion of the objective over the next two years but will provide a more focused and useful approach to addressing specific ideas and making improvements.

Strategy: Identify a Strategy to Address Annexation	
Action Steps:	Complete annexation studies for each of the priorities. These studies should include a revenue/expenditure comparison, expansion of services review, park land quotient implications
	Create an annexation schedule based on data provided through the studies
Community Investors: Commission, EDAB, City Staff, & Consultant Services	

Implementation Date: Year 2

Original Planned Cost: \$47,050

Estimated Spending in Year 1: None

Status: To be initiated for FY 2013, staff is working at defining potential annexation areas and issues and has completed a cursory review of past annexation studies. With the reduced funding proposed to complete the second year objectives this initiative may see cost reductions as aspects are done in-house.

Objective 2: Promote and Enhance Community Character and Livability

Winter Park is known for possessing a livable and highly desirable urban environment that is people-friendly, with integrated land uses. The city will continue to build off of this legacy by enhancing our partnerships with our entertainment, arts and culture partners, strengthening pedestrian, bicycle and transit connections and ensuring that workforce housing is available.

Strategy: Evaluate Entertainment, Arts and Culture, Recreation and Events from an economic development perspective	
Action Steps:	Participate with cultural leaders to create city-wide cultural arts features and create marketing materials that support these events
	Evaluate to determine economic impact and survey local businesses to determine results
Community Investors: Cultural organizations, City Staff, & Chamber of Commerce	

Implementation Date: Ongoing; Year 1

Original Planned Cost: \$5,000 for survey; TBD for creating city-wide marketing emails

Estimated Spending in Year 1: None, survey work completed in-house.

Status: The City of Winter Park participated in the bi-decade national study conducted by Americans for the Arts. Approximately 50% of the eligible non-profits in Winter Park participated in the study which showed that Winter Park has well over 1 million cultural/art tourists annually and one of the highest arts economic impact per capita figures in the country. The executive summary of the report is attached as Appendix B.

The Department has also completed an electronic survey form to be sent to all businesses in the area to evaluate the effect of special events upon local merchants.

Strategy: Strengthen Pedestrian, Bicycle and Transit Connections	
Action Steps:	Promote business and existing residential development patterns around Sunrail station while allowing for adequate pedestrian and transit activities
	Identify pedestrian/bicycle gaps and investigate transit circulator connecting business districts through the City's Bike/Pedestrian Advisory Board as well as Metro Plan Orlando
Community Investors: City Staff	

Implementation Date: Year 2; Ongoing

Original Planned Cost: Little to no cost

Estimated Spending in Year 1: None

Status: Staff coordinated with the Public Works Department to attend rail connectivity workshops which addressed connectivity to the new SunRail stops. The Department is currently working to review bicycle, pedi-cab, golf-cart, and shuttle codes that may assist with pedestrian connectivity once SunRail is completed. Staff is also working with major local employers to determine demand for SunRail by their employees and consider implementing marketing awareness and possibly public/private funded transportation solutions.

Strategy: Ensure that Workforce Housing is Available	
Action Steps:	Analyze workforce housing availability in areas close to downtown. Incorporate hospital, Rollins, Full Sail and Valencia
	Identify viable sites and research partnership opportunities on cost-effective properties with developers on a program
Community Investors: Regional affordable housing organizations, CRA, & City Staff	

Implementation Date: Year 1

Original Planned Cost: Little to no cost

Estimated Spending in Year 1: None

Status: From an employment and transit perspective the short-term availability of affordable housing within the region is sufficient. The recent real estate collapse has greatly reducing housing prices and more specifically, affordable condominium units. However the availability of affordable housing within the downtown and city limits is sparse making pedestrian friendly low-income housing options unlikely. Affordable rental availability is extremely tight especially for families with multifamily housing options for all wage types limited within the city. Staff anticipates that the region will become less affordable as time progresses and that this report should be updated periodically to track changes in the market. Overall the availability of affordable housing ownership is currently not a crisis though the desirability and location may be an issue. Rental options do need to be considered and addressed within the city as rental rates are at a highpoint.

Objective 3: Engage in Economic Gardening

With streets lined with small shops, Winter Park is known for creating an environment that attracts entrepreneurship and small businesses. Objective three focuses on creating the right business climate that gives local businesses an edge in the market place.

Strategy: Market Brand Image and Establish Advertising Program	
Action Steps:	Develop marketing program geared to residents and retail customers. This program will promote the City's image and desires in the regional marketplace
Community Investors: City Staff, EDAB, & Consultant Services	

Implementation Date: Year 2

Original Planned Cost: \$42,730

Estimated Spending in Year 1: None

Status: Planned for launch in FY 2013 this item may have limited scope due to proposed budget constraints that reduce funding availability. Staff will attempt to work with regional players, businesses, and stakeholders to leverage funding to accomplish as much as possible.

Strategy: Create a Business Climate that Gives Local Businesses an Edge	
Action Steps:	Initiate a Buy Local Program
	Create a quarterly Business Recognition Program
	Create a quarterly Business Ambassador Program with Elected Officials
Community Investors: City Staff, EDAB, Chamber of Commerce, EDC, Commission, & Consultant Services	

Implementation Date: Year 1; Ongoing

Original Planned Cost: \$2,000

Estimated Spending in Year 1: \$6,000

Status: The city initially launched a buy local database and mobile phone application with SaveMyCity. This one year agreement by the city called for no funding but assistance with business development and marketing awareness. In January of 2012 the owners of SaveMyCity dissolved their effort due to cost overruns and technical difficulties with creating the software. The city is currently in conversations with ShopsQA a nationally launched shop local software

company that also currently handles the city's GovQA citizen question application. ShopsQA will allow every Winter Park business to be listed in a database that allows them the functionality to customize their own micro-sites with messaging, information, deals, and promotions. With half of all small businesses without a website "friendly URLs" will allow local businesses to utilize the ShopsQA platform as their main site. ShopsQA also links with all social media functions, allows ability to promote events, and can also show local affiliations like Chamber membership, merchant association membership, etc. The service is free to all local businesses and the city will enter into an annual \$5,000 use agreement for the software. Currently nine cities in FL utilize the system including Mt. Dora and Ocoee with Apopka currently considering a launch. A mobile application that ties the system together will be part of the service in August 2012.

The city's old Business Recognition Program has been reconstituted and launched in tandem with an ambassador program that recognizes exceptional businesses in the community. Ruth's Chris Hospitality Group will be the first recipient of the award.

Strategy: Create a business climate that grows entrepreneurship and businesses	
Action Steps:	Create a customer service environment that favors business through expedited permitting. This may include the use of electronic permitting for projects over a specific size and a Business Assistance Liaison to ensure service-oriented communications within the City
	Create database with inventory availability and property owner contact information for prospective new and relocating businesses
	Develop and host Business Start-up / Business Information Seminars
	Continue Micro Loan Program for small businesses developing within Winter Park
	Continue Facade Matching Grant Program within the CRA and find funding options to expand city-wide
	Create a Business Welcome Package
	Work with regional educational leaders and venture capital companies to create a business incubator
Community Investors: City Staff & Chamber of Commerce	

Implementation Date: Year 1; Ongoing

Original Planned Cost: Varies depending upon activity. \$22,860 assigned to specific items

Estimated Spending in Year 1: \$10,000

Status: The Economic Development Department has long been involved in assisting prospective businesses with establishing in the city and navigating the approval process. Currently the Department is focusing on working with the Building, IT, and Finance departments

to launch online permitting and business certificate renewal. Currently 3,500 businesses receive and mail back a certificate to renew their license. The city has the functionality to provide online services through an existing software package however discussions with other cities that have utilized this product have not been positive and staff has convened a committee to consider other software options. The difficult options that will have to be evaluated will be to launch with an inferior product that is compatible with the systems that our entire city uses or go through the expensive and difficult process of buying new system software and retraining all employees.

Property Owner and Inventory Database: Staff has created a local area realtor database that provides the Department with the option of posting solicitations for lease space or purchase to those that control the inventory. Prospective tenants looking to locate to the area provide general details about desired locations and a mass email is sent to everyone on the list. Additionally the Department has partnered with Total Commercial to post Winter Park specific real estate related listings on the website. Prospective investors looking for available opportunities in Winter Park will be able to access sites through this portal. Total Commercial's service is free for the city's use but bills real estate agents for listing with the site. Currently staff is working with EDAB to consider subsidizing listings to provide a more comprehensive database. A local database of property owners and realtors has been completed. Funding for this initiative will vary from \$0 - \$4,000 depending up the level of negotiated assistance.

Business Information Seminars: Staff initially worked to create a series of panel discussions related to entrepreneurship in Winter Park. As this initiative was pursued it became apparent that this is a crowded market with many other business groups and organizations routinely holding similar sessions. As not to compete for the panelists, pay the costs associated with creating the event, and competing for attendees, the Department has shifted focus to the hosting of existing groups looking for a local venue. Staff is currently reaching out to local tech, entrepreneur, and meet-up groups to consider allowing us to sponsor their meeting location.

Business Welcome Package: Created to welcome newly established businesses to the city and to be provided to prospective businesses as a recruitment device, the city's welcome packet provides local city, important contacts, data, and entertainment information. Completed in July of 2012 the packet will be distributed to all new businesses that locate to the city. Approximately 600 will be distributed in 2012. Estimated annual cost for printing in-house is \$3,000.

Business Incubator: Currently the department is meeting with UCF, Rollins, and Full Sail to discuss the possibility of collaborating on a business promotion initiative such as an incubator or accelerator/co-work space.

Objective 4: Target and Grow Business Clusters

The development of competitive industry clusters is one of the key generators of regional wealth. These symbiotic businesses become dependent on each other and the local resources and support infrastructure that exists in a community. Winter Park has some strong industry clusters that with a little work could become the linchpin for economic vitality.

Strategy: Create Growth Map for Targeted Business Clusters	
Action Steps:	Establish network groups for each business cluster. These groups would establish strategies and priorities for individual clusters that would be implemented through the plan
	Compile a database for each business cluster and email notification list and create communication network
	Prepare an annual report outlining priorities and strategies for each business cluster
Community Investors: City Staff, EDAB, Chamber of Commerce, EDC Partners, & Consultant	

Implementation Date: Year 2

Original Planned Cost: \$22,870

Estimated Spending in Year 1: None

Status: Implementation will begin in FY 2013.

Strategy: Leverage ED programs to grow targeted business clusters	
Action Steps:	Partner with Enterprise Florida and Metro Orlando EDC in leveraging State Economic Development Programs
	Fund policies through the Targeted Industry Enhancement (TIE) program
	Develop targeted plan to provide incentives through impact fee programs, tax abatement, anchor programs, home rule districts or permitting fee waivers
	Review all City regulatory codes for constraints and evaluate potential changes that ensure quality yet encourage growth
Community Investors: City Staff, EDAB, EDC Partners, & Consultant Services	

Implementation Date: Year 1; Year 2; Ongoing

Original Planned Cost: \$30,000 review of city codes; other items TBD as they are implemented

Estimated Spending in Year 1: \$30,000

Status: The Department actively participates in training and meetings of Enterprise Florida and is a member of the Metro Orlando EDC. In tandem with the work on W. Fairbanks, staff is developing incentive program concepts for discussion with local stakeholders including regional stormwater programs, impact deferment, and special district designations. The Department has also received quotes to provide a technical review of the city's Comprehensive Plan.

Strategy:	Advance higher education/economic development partnerships to grow business clusters
Action Steps:	Establish relationships with Metro Orlando EDC, UCF, Rollins, Full Sail, Valencia
	Work with Education Partners to align curriculum and programs based on targeted business clusters and workforce needs
Community Investors:	City Staff, EDAB, & EDC Partners

Implementation Date: Year 3; Ongoing

Original Planned Cost: \$15,600

Estimated Spending in Year 1: None

Status: This initiative will not launch until FY 2014.

Objective 5: Achieve Strategic Partnerships

By creating strategic partnerships and aligning with other economic development partners, economic synergy can be created that will allow for new results in the economic development arena. This objective identifies new working networks, partnerships, collaborative initiatives and communication methods. This strategy possesses the most power in attaining high impact results.

Strategy: Establish a Quarterly Economic Development Roundtable Program	
Action Steps:	Meet and identify ways to collaborate to strengthen economy with ED Partners
	Build a communication network among all the economic development partners
Community Investors: City Staff, EDAB, EDC & Chamber of Commerce	

Implementation Date: Ongoing

Original Planned Cost: \$1,500

Estimated Spending in Year 1: None

Status: Staff has met with Orange County and is working to launch a county-wide quarterly round-table of local Economic Development officials. This will help to coordinate regional efforts and grow communication. Routinely this Department works with other Economic Development professionals to give leads on prospective tenants that cannot be accommodated by the city.

Strategy: Implement Business Improvement Districts (eg: Park, W. Fairbanks, New England, Aloma)	
Action Steps:	Identify areas that could benefit from a BID throughout the City
	Provide education and information for affected property owners
	Provide support for BID election and implementation including coordination with City Departments
Community Investors: City Staff, EDAB, & ED Partners	

Implementation Date: Year 1; Year 2; Year 3

Original Planned Cost: \$3,000

Estimated Spending in Year 1: None

Status: Year one of the Plan called for identification of areas throughout the city that could benefit from a Business Improvement District (BID). In its role as liaison to the Park Avenue Area Task Force (PAATF) the Economic Development Department worked to promote the BID concept among area merchants and property owners along Park Ave. Numerous meetings were held with merchants, property owners, city officials and staff to develop the marketing plan and vision for the BID. The Park Avenue Area Merchants Association has taken it upon themselves to advance the recommendations of the marketing plan provided by the city and to continue to build a grassroots effort for the concept of a unified group of owners and businesses.

The Economic Development Department has also approached both W. Fairbanks and the Hannibal Square area as potentially benefiting from a BID. Staff will use the opportunity of building communication and consensus with the W. Fairbanks stakeholders to further gauge interest in concepts like a BID.

Strategy: Establish performance metrics and work with ED Partners to attain and monitor	
Action Steps:	Work with ED Partners to create performance metrics based on Economic Development strategy
	Create an annual report using performance metrics
Community Investors: City Staff, EDAB, & ED Partners	

Implementation Date: Ongoing

Original Planned Cost: \$2,500

Estimated Spending in Year 1: <\$1,000

Status: The Department has been benchmarking local economic indicators and continually works with data providers to deliver customized information to prospective businesses. Staff is building the ongoing costs of data purchases into the operational budget for the Department.

Budget Forecast

The original plan called for approximately \$312,000 in funding for three years. With expected cuts to the planned budget for Year 2 and including revisions to ongoing costs the revised total 3-year estimate is approximately \$286,600. This includes both fixed ongoing programmatic costs and project specific items contemplated in the plan. Additionally this figure, like the original budget, does not include additional funding to be requested as needed, such as Business Façade, TIE program, marketing of cultural activities, and creation and funding of incentive programs.

ED Plan	Original Budget	Revised Estimate
Year 1	154,500.00	145,000.00
Year 2	133,010.00	100,000.00
Year 3	25,100.00	41,600.00
Total	312,610.00	286,600.00

Year 2 of the Plan calls for major initiatives involving developing industry clusters, creating annexation studies, and marketing. Due to fiscal constraints funding available for Year 2 totals \$100,000 however staff believes that budget goals can be met by reducing the scope of marketing efforts and completing some of the annexation and industry cluster analysis in-house. Below is a breakdown of the anticipated budget:

Programmatic Items in the Plan	<u>123,510</u>
Annexation Related	47,050
Marketing Related	42,730
Industry Networking	22,870
Other	<u>10,860</u>
Annual Ongoing Items in the Plan	<u>26,000</u>
Hosting, Regional Meetings, Networking Events	6,500
Business Recognition Program	1,500
Business Welcome Packet Printing	3,000
Real Estate Database	2,000
ShopQA Buy Local Program	5,000
Operational Expenditures	<u>8,000</u>
Funding Available for Year 2	<u>100,000</u>
Required Reduction	(49,510)

Over three years the revised total cost of the Economic Development Plan is currently 8.3% less than originally proposed.

Economic Development Master Plan 3 Year Workmap

The adopted Plan outlines objectives and action steps to be accomplished over three years. As part of the annual reporting process the Economic Development Department will provide an updated action plan and associated budget for completion of the plan. This workmap represents the work of staff, EDAB, and consultant cost estimates which are used to estimate budgetary needs on an annual basis. This should be considered a working document, subject to change as issues arise and action steps are further refined.

The workmap is divided into “Implementation Year” and shows the chronological approach that staff intends to take to accomplish each Objective. Years 1, 2, 3, or “Ongoing” represent the year in which an Action Step is tentatively planned to commence and in some cases many steps may become “Ongoing” items once initial research is completed and Action Steps are implemented. In addition there are a number of “Ongoing” items that should be considered reoccurring activities or events and budgeted funding is represented annually where applicable.

The “Status” category will represent an annually updated field to indicate which steps have been completed and which items are underway. Note that some items include multiple years over which they may be implemented, these will be assumed to be started in the earlier time period for budgeting purposes but may be adjusted as the Plan is executed.

Economic Development Plan - Year 1

Objective	Strategy	Action Steps	Status	Est. Cost	Est. Yr End Actual	Notes	
Objective #1: Promote Redevelopment and Grow the Tax Base	Develop Corridor Master Plans (e.g.: W. Fairbanks, 17-92, Lee, Denning,, Aloma)	Establish priority ranking for corridor study, development and implementation.	In Progress	\$ 100,000	\$ 100,000	Ranking Completed: 1) Fairbanks 2) Denning 3) US17-92 4) Lee Road 5) Aloma	
		Delineate study boundaries, analyze land use and zoning, look at marketplace needs analysis and identify issues and constraints	In Progress		None	Completed for W. Fairbanks will be addressed as other corridors are reviewed	
	Develop Corridor Master Plans (e.g.: W. Fairbanks, 17-92, Lee, Denning,, Aloma)	Create an implementation plan and budget. The implementation plan may include redevelopment incentives, targeted business/anchor tenant development plans and streetscape options.	In Progress	Cost as part of corridor study or requested as needed	None	None	Will be part of ongoing work for W. Fairbanks.
		Initiate plan amendment/code change as required	Not Done	None	None	None	
	Implement Business Improvement Districts (e.g.: Park, W. Fairbanks, New England,, Aloma)	Identify areas that could benefit from a BID throughout the City	Completed	None	None	None	Completed: Park Ave, W. Fairbanks, New England
Objective #2: Promote and Enhance Community Character & Livability	Evaluate Entertainment, Arts and Culture, Recreation and Events from an economic development perspective	Evaluate to determine economic impact and survey local businesses to determine results	Completed	\$ 5,000	None	Economic Impact Study completed. Survey work performed in-house.	
		Analyze workforce housing availability in areas close to downtown. Incorporate hospital, Rollins, Full Sail and Valencia	Completed	Little to no cost	None. Completed in-house.	Report completed.	
	Ensure that workforce housing is available	Identify viable sites and research partnership opportunities on cost-effective properties with developers on a program	In Progress	Little to no cost	None	None	Utilizing findings from the study to pursue housing opportunities.
		Initiate a Buy Local Program	Completed	Little to no cost	\$ 5,000	\$ 5,000	Initial SaveMyCity launch failed. Will launch new program with ShopsoQA.
	Objective #3: Engage in Economic Gardening	Establish programs that nurture and cultivate existing and new businesses	Create a customer service environment that favors business through expedited permitting. This may include the use of electronic permitting for projects over a specific size and a Business Assistance Liaison to ensure service-oriented communications within the City	In Progress	Little to no cost	None	Working with IT, Building, and Finance Departments to implement online permitting and business certificate renewal.
Create database with inventory availability and property owner contact information for prospective new and relocating businesses			Completed	\$ 4,000	\$ 2,000	\$ 2,000	Partnered with Total Commercial to provide Winter Park specific opportunities. Property owner and realtor database completed.
Create a Business Welcome Package		Completed	\$ 5,000	\$ 3,000	\$ 3,000	Packet completed in-house, ongoing funds will be required for printing and distribution.	
Objective #4: Target and Grow Business Clusters	Leverage ED programs to grow targeted business clusters	Create a quarterly Business Recognition Program	Completed	\$ 1,000	\$ 1,000	Program redrafted and launched in July 2012.	
		Review all City regulatory codes for constraints and evaluate potential changes that ensure quality yet encourage growth	In Progress	\$ 30,000	\$ 30,000	\$ 30,000	Bids received for scope of work.
Objective #5: Achieve Strategic Partnerships	Establish performance metrics and work with ED Partners to attain and monitor	Work with ED Partners to create performance metrics based on Economic Development strategy	Completed	Little to no cost	None	Metrics included in Annual Report	

Economic Development Plan - Year 2

Objective	Strategy	Action Steps	Implementation Year	Status	Est. Cost	Notes
Objective #1: Promote Redevelopment and Grow the Tax Base	Develop Corridor Master Plans (e.g.: W. Fairbanks, 17-92, Lee, Denning, Aloma)	Establish priority ranking for corridor study, development and implementation.	1 - 3	In Progress	Covered with previous year's funds	Implementation for Year 2: - Denning - US17-92
		Delineate study boundaries, analyze land use and zoning, look at marketplace needs analysis and identify issues and constraints		In Progress		Fairbanks underway, Denning and 17-92 to follow in Year 2.
	Create an implementation plan and budget. The implementation plan may include redevelopment incentives, targeted business/anchor tenant development plans and streetscape options.	In Progress		Underway for W. Fairbanks. Will be implemented as each corridor study is completed.		
	Initiate plan amendment/code change as required	Not Done		None		
Objective #2: Promote and Enhance Community Character & Livability	Identify a strategy to address annexations	Complete annexation studies for each of the priorities. These studies would include a revenue/expenditure comparison, expansion of services review, park land quotient implications	2	In Progress	\$ 47,050	Much of this work may be done in-house due to budget constraints.
		Create an annexation schedule based on data provided through the studies	2	Not Done		
Objective #3: Engage in Economic Gardening	Strengthen pedestrian, bicycle and transit connections	Promote business and existing residential development patterns around SunRail station while allowing for adequate pedestrian and transit activities	2 - 3	In Progress	Little to no cost	Investigating code additions or revisions to allow for bike, pedi-cab, golf cart, and/or shuttle services.
		Develop marketing program geared to residents and retail customers. This program will promote the City's image and desires in the regional marketplace	2	Not Done	\$ 42,730	Scope of this effort may be reduced by funding availability.
	Create a business climate that grows entrepreneurship and businesses	Work with regional educational leaders and venture capital companies to create a Business Incubator	2 - 3	In Progress	\$ 7,860	Discussions initiated with Rollins, UCF, and Full Sail.
Objective #4: Target and Grow Business Clusters	Create growth map for targeted business clusters	Establish network groups for each business cluster. These groups would establish strategies and priorities for individual clusters that would be implemented through the plan	2	Not Done		Scope of this effort may be reduced by funding availability.
		Compile a database for each business cluster and email notification list and create communication network	2	Not Done	\$ 22,870	
		Prepare an annual report outlining priorities and strategies for each business cluster	2	Not Done		
Objective #5: Achieve Strategic Partnerships	Leverage ED programs to grow targeted business clusters	Develop targeted plan to provide incentives through impact fee programs, tax abatement, anchor programs, home rule districts or permitting fee waivers	2	In Progress	TBD	Depends upon approval of programs and structure.
		Provide education and information for affected property owners	2	Not Done	\$ 3,000	

Economic Development Plan - Year 3

Objective	Strategy	Action Steps	Implementation Year	Status	Est. Cost	Notes
Objective # 1: Promote Redevelopment and Grow the Tax Base	Develop Corridor Master Plans (e.g.: W. Fairbanks, 17-92, Lee, Denning, New York, Aloma)	Establish priority ranking for corridor study, development and implementation.	1 - 3	In Progress	Covered with previous year's funds	Implementation for Year 3: - Lee Rd. - Aloma Ave.
		Delineate study boundaries, analyze land use and zoning, look at marketplace needs analysis and identify issues and constraints		Not Done		
	Create an implementation plan and budget. The implementation plan may include redevelopment incentives, targeted business/anchor tenant development plans and streetscape options.	Not Done		None	Will be completed as part of corridor studies.	
	Initiate plan amendment/code change as required	Not Done				
Objective #4: Target and Grow Business Clusters	Advance higher education/economic development partnerships to grow business clusters	Work with Education Partners to align curriculum and programs based on targeted business clusters and workforce needs	3	Not Done	\$ 15,600	
Objective # 5: Achieve Strategic Partnerships	Implement Business Improvement Districts (e.g.: Park, W. Fairbanks, New England, Aloma)	Provide support for BID election and implementation including coordination with City Departments	3	Not Done	Little to no cost	

Economic Development Plan - Ongoing

Objective	Strategy	Action Steps	Status	Est. Cost	Notes
Objective #2: Promote and Enhance Community Character & Livability	<i>Evaluate Entertainment, Arts and Culture, Recreation and Events from an economic development perspective</i>	Participate with cultural leaders to create city-wide cultural arts features and create marketing materials that support these events	Not Done	TBD	Need to meet with Morse, Polasek, Heritage, & Cornell to talk about marketing opportunities.
		Identify pedestrian/bicycle gaps and investigate transit circulator connecting business districts through the City's Bike/Ped Committee as well as MetroPlan Orlando	Completed	Little to no cost	Public Works coordinated with MetroPlan on transit issues.
	<i>Create a business climate that gives local businesses an edge</i>	Create a quarterly Business Ambassador Program with Elected Officials	Completed	\$ 1,500	Will become part of the Business Recognition Program.
		Create a quarterly Business Recognition Program	Completed	\$ 1,500	2012 Businesses: July- Ruth's Chris
Objective #3: Engage in Economic Gardening	<i>Create a business climate that grows entrepreneurship and businesses</i>	Collaborate with stakeholders to hold networking events	In Progress	\$ 2,500	Reaching out to Central FL networking partners to host events.
		Develop and host Business Start-up / Business Information Seminars	In Progress	\$ 2,500	
	<i>Establish programs that nurture and cultivate existing and new businesses</i>	Continue Micro Loan Program for small businesses developing within Winter Park	Completed	Little to no cost	In CRA Only, though contemplated for other districts.
		Continue Facade Matching Grant Program within the CRA and find funding options to expand city-wide	Completed	TBD	In CRA Only, though contemplated for other districts.
Objective #4: Target and Grow Business Clusters	<i>Leverage ED programs to grow targeted business clusters</i>	Partner with Enterprise Florida and Metro Orlando EDC in leveraging State Economic Development Programs	In Progress	Little to no cost	Regularly attend Enterprise Florida events and maintain membership in EDC.
		Establish and fund policies through the Targeted Industry Enhancement (TIE) program	Completed	TBD	Minimum of \$20,000 annually if used.
	<i>Advance higher education/economic development partnerships to grow business clusters</i>	Establish working relationships with Metro Orlando EDC, UCF, Rollins, Full Sail, Valencia	In Progress	Little to no cost	In process of meeting with Full Sail, Rollins, and UCF to talk about incubators and other initiatives.
		Meet and identify ways to collaborate to strengthen economy with ED Partners	In Progress	\$ 1,500	Working with Orange County to establish Economic Development Professionals Roundtable.
Objective #5: Achieve Strategic Partnerships	<i>Establish performance metrics and work with ED Partners to attain and monitor</i>	Build a communication network among all the economic development partners	In Progress	Little to no cost	
		Create an annual report using performance metrics	Completed	\$ 4,000	Includes annual data purchases and research reports for benchmarking.

Appendix

Appendix A- Benchmark Demographic, Income, Housing, Industry, and Tax Base Data

Appendix B- Arts and Economic Prosperity Study IV Excerpts