CITY OF WINTER PARK

EMPLOYMENT ANALYSIS

APRIL 2022

Prepared by GAI Consultants, Inc.
Prepared for City of Winter Park, Florida

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GAI's Community Solutions Group (CSG) is a cross-functional team of professionals that helps create sustainable, livable places. We plan and design public spaces, sculpt landscapes and parks, reimagine streets and roads, and provide the regulatory and economic insight necessary to bring projects to life.

ACKNOWLEDGMENTS

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SUMMARY OF **MAJOR FINDINGS**

GAI Consultant's Community Solutions Group ("CSG") was retained by the Economic Development division within the City of Winter Park ("Client") to conduct a discrete economic analysis associated with the City of Winter Park in Orange County, Florida. Specifically, the analysis provides certain benchmark data, centering on broad employment clusters of the City of Winter Park overall compared with other nearby communities. The analysis also compares certain categories of retail expenditures in the downtown area of Winter Park to the city as a whole, while identifying possible gaps and retail leakage.

This employment aspects of the analysis compares 2019 data to the benchmarking data previously prepared for the City of Winter Park. That prior analysis utilized 2009 and 2016 data. Although 2020 data is available, we believe 2019 data yields a more useful set of information for comparisons, as it eliminates any skewed impacts stemming from the COVID-19 global pandemic.

The major findings of the analysis are as follows:

- The City of Winter Park has experienced a growth in population and employment of 7% and 2.4%, respectively, over the last ten years.
- The City of Winter Park has output (total jobs) more than sufficient to meet the local demand (labor force participation), and therefore the rest of their jobs are effectively exported, creating net wealth for the community.
- Given the large concentration of jobs captured internally, there is at least an impression that a portion of the City of Winter Park's wealth is related to the presence of certain higher wage activity occurring locally.
- The City of Winter Park has a higher concentration of sector employment than the national economy within seven target clusters: Education & Knowledge Creation; Real Estate & Development; Arts, Culture, & Entertainment; Health Care Services; Financial & Professional Services; Retail Trade; and Creative Services.
- Consumers in Winter Park's downtown are spending $7.7 million on retail goods, approximately 1.68% of the total retail spending within the City of Winter Park.
- Winter Park's downtown and the city as a whole are generating a surplus (sales) of nearly $109.1 million and $304.3 million per year, respectively, in excess of what the resident population would otherwise be expected to support suggesting that additional sales and receipts are effectively from population outside the market area.

SECTION ONE: **CLUSTER ANALYSIS**

ANALYSIS OVERVIEW

Using a standard Location Quotient ("LQ") technique, GAI tabulated the major employment clusters present in the City of Winter Park as a means of showing the community's talent resources and best competitive labor assets, as well as benchmarking the employment clusters within the City of Winter Park to comparable jurisdictions. The usual interpretation of such data is that superior concentrations are the basis on which to position a community for additional economic growth and/or to identify skills or resources in need of improvement should other industry groups be worthy of incubation, advancement, or growth. This section provides an update to the previous analysis using most current data provided by the U.S. Census Bureau County Business Patterns ("CBP") program.

Specifically, the tasks or data detailed in this section include:

- Compare annual employment trends in terms of total employment, growth rate, and wages within the City of Winter Park relative to those in other area cities.
- Compare the concentration and number of jobs in certain key categories within the City of Winter Park relative to those in other area cities (location quotient analysis).
- Identify the categories of employment with the greatest concentration and current level of employment.
- Comment on and quantify the information in terms of the City's potential for job growth and economic development.
- Compare and contrast concentration results from a base year (shift-share analysis).

GAI has made every effort to reflect employment establishments that physically exist in the city limits of Winter Park as well as other area cities. However, the level of employment detail required for this analysis may include areas that are only approximate to jurisdictional boundaries. While representations of concentrations within areas are approximate, calculations based on the source data are accurate and reasonably consider the conditions implied.

WHAT IS ECONOMIC DEVELOPMENT?

Economic Development is generally described as succeeding in three areas:

- Net gain of economic flows into the community – An economic impact base is derived from the production of goods and services in excess of local consumption needs. The presumption is that this excess production generates wealth.
- Focus of local government to improve our standard of living – Creation of jobs, higher wealth, and an overall better quality of life.
- Progress in an economy – The adoption of new technologies, transition from agriculture to industry-based economy, and general improvement in living standards.

The broader context of community impacts related to economic development include measures for employment opportunities, employment growth, the nature of jobs, educational opportunities, safety and welfare, and income and wealth, among others. There are many ways of measuring economic development efforts, but one common, consistent, and easily understood measure is simply related to the concentration and growth of jobs by type of industries or employment clusters, consistent with community goals.

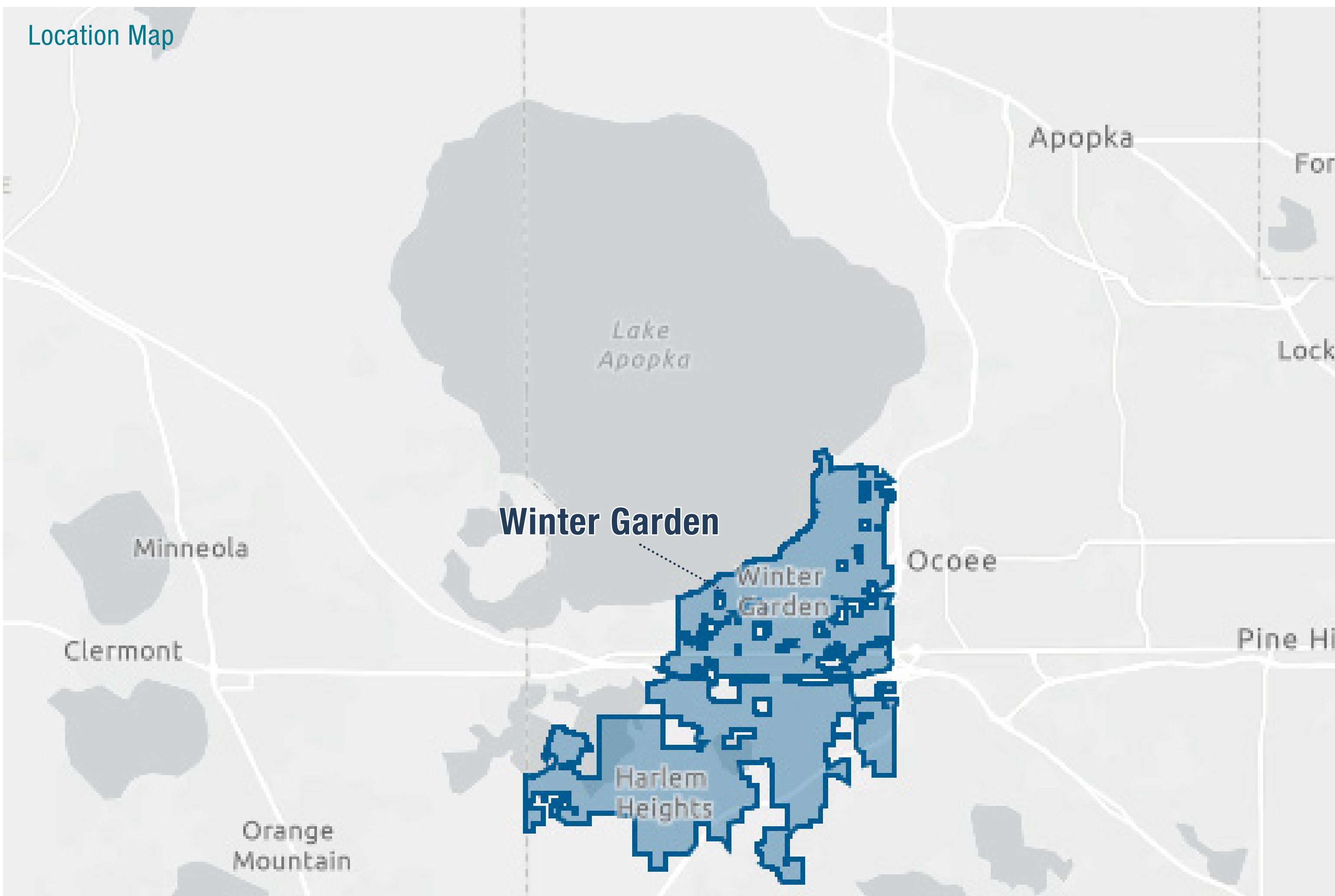
To be clear, the measures while themselves accurate and suggestive of an economic focus, *do not* address the efficiency and successful leveraging of these talents or strengths that come through programs, information exchanges, professional networks, allied research efforts, or strategically organized efforts between and among the strongest employers.

BENCHMARKING

In the context of economic analysis, making comparisons between and among groups or entities ("benchmarking") allows for specific inferences or potential conclusions to be drawn from individual metrics. Benchmarking does not require that groups or entities are identical in every aspect or on every dimension, but only one or two specific attributes.

In fact, the many potential differences among groups or entities that share something in common is a main contributor to the process of making inferences or drawing conclusions. The main challenge with selecting "comparable" locations for this type of economic analysis is a result of the many qualitative perceptions that make locations more or less alike.

There are more than 410 cities, towns, and villages in the State of Florida. The vast majority of these local jurisdictions represent smaller areas; only 2.2% or 9 cities in the state have a land area greater than 75



square miles. Whereas more than 71% or 292 cities, towns, and villages have land area of less than 10 square miles.

Based on the previous analysis, GAI identified comparable locations using quantitative metrics based on land area, population, density, and population growth, as illustrated in the table below. These locations include the cities of Maitland and Winter Garden both located in Orange County, as well as the City of Casselberry located in Seminole County.

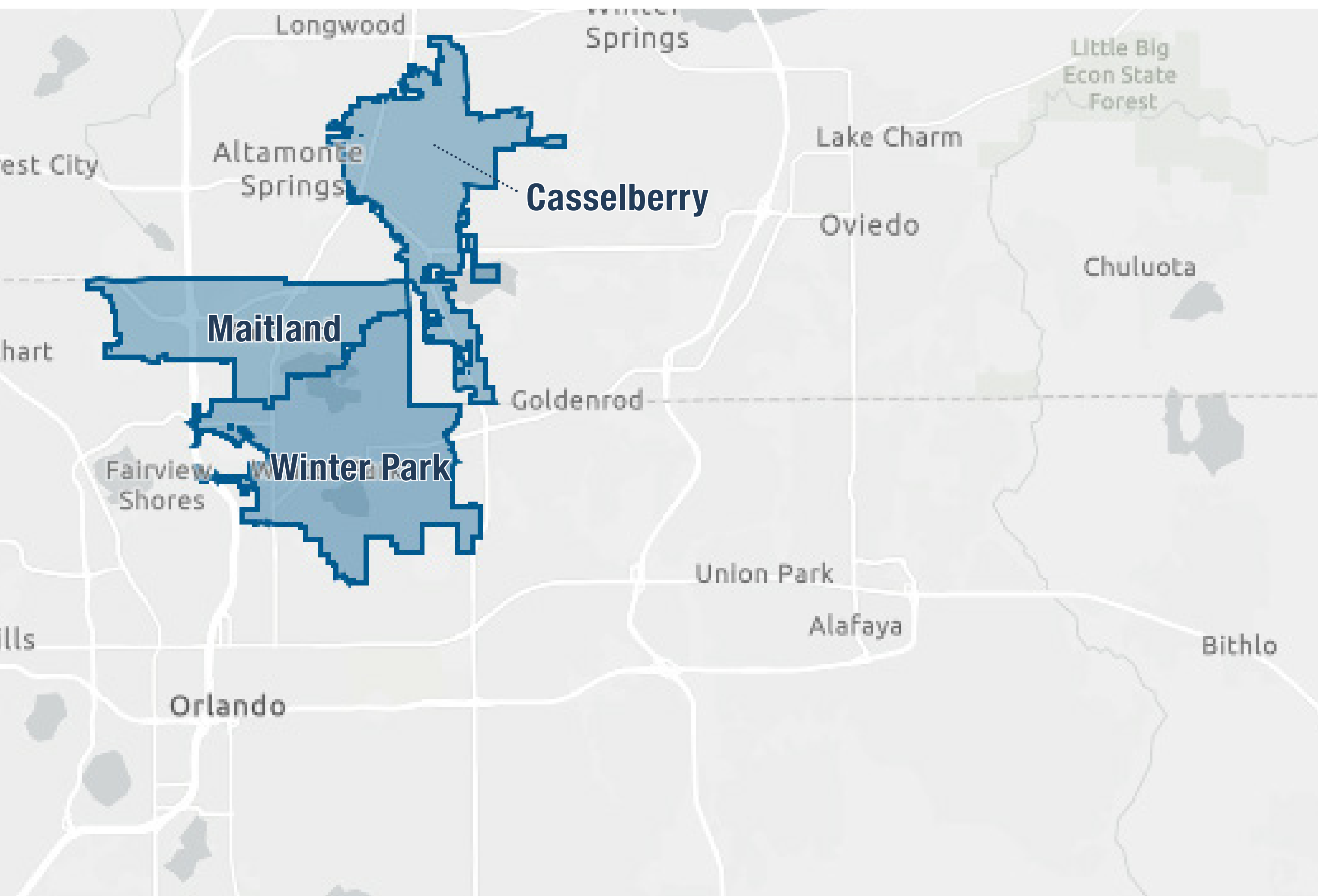
Winter Park has experienced the least amount of population growth over the last 10 years compared to the other benchmark cities. Whereas Winter Garden has captured five times the amount of population growth comparatively to that of Winter Park.

Benchmark Comparables

Municipality	2020 Pop.	Area (Sq. Mi.)	Gross Density	2010-20 Growth
Winter Park	29,795	10.2	2,921	7%
Maitland	19,543	7.5	2,606	24%
Winter Garden	46,964	17.9	2,624	36%
Casselberry	28,794	6.4	4,499	10%

Sources: U.S. Census Bureau; GAI Consultants.

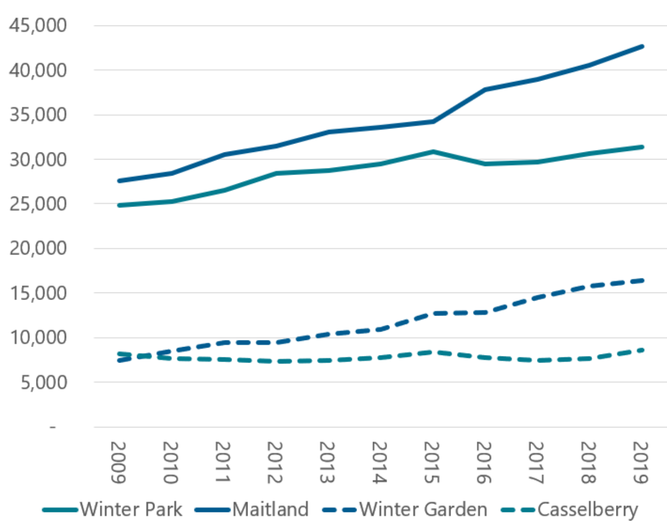
The map below illustrates the general location of these comparable jurisdictions to one another within the broader Central Florida region.



EMPLOYMENT MARKET

The most current employment by sector data provided by the U.S. Census Bureau County Business Patterns ("CBP") program for the City of Winter Park, and the benchmark comparable jurisdictions is year-end 2019. Over the last ten years, 2009 to 2019, employment within the City of Winter Park has grown at a compound annual growth rate ("CAGR") of 2.4%, adding over 6,500 jobs to the total employment within the City. During this same time frame, employment within Maitland, Winter Garden, and Casselberry have also seen positive growth at CAGRs of 4.5%, 8.2%, and 0.5%, respectively, as illustrated in the figure below.

Annual Employment Trends 2009-2019



Sources: U.S. Census Bureau; GAI Consultants.

The concept of a basic industry (jobs supported by activity in excess of local demand), is that it induces a positive flow of activity into a local economy. Whether that economic activity creates wealth that remains in the local area is a more complicated issue. However, the excess of employment above local demand is a strong indicator of more opportunity for employment and higher levels of wealth tied to the resources residing in the defined area. Metrics used to analyze excess employment above local demand include jobs per 100 population and export-import employment.

If jobs per 100 population is greater than 100 this indicates that there are more employment opportunities than local population within an area. In this analysis, the City of Maitland and the City of Winter Park are the only jurisdictions with jobs per capita greater than 100, as indicated in the table below. To establish some important perspective, there are only 40.1 jobs per 100 population in the United States.

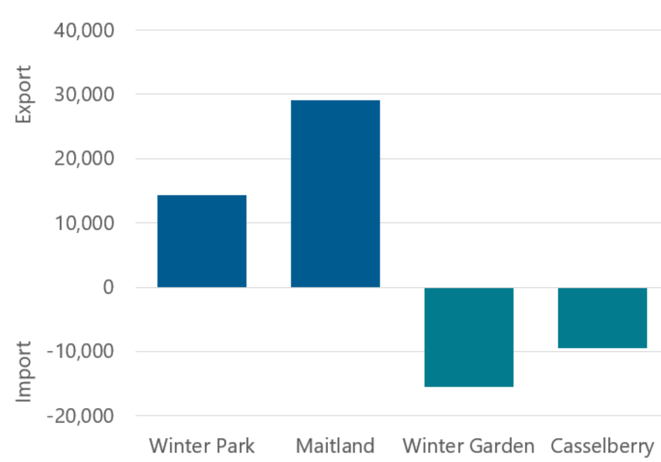
Jobs per 100 Population

Municipality	Population (000s)	Employ. (000s)	Jobs per 100 Pop.
United States	331,449	132,989	40.1
Winter Park	29.8	31.4	143.2
Maitland	19.5	42.7	160.4
Winter Garden	47.0	16.4	34.8
Casselberry	28.8	8.6	30.0

Sources: U.S. Census Bureau; GAI Consultants.

In addition, export-import employment represents the total amount of jobs relative to the labor force population in a local area. The City of Maitland and the City of Winter Park both have output (total jobs) more than sufficient to meet the local demand (labor force participation), therefore the rest of their jobs are effectively exported, as illustrated in the figure below.

Export–Import Employment



Sources: U.S. Census Bureau; GAI Consultants.

LIVE-WORK-PLAY

The concept of *Live-Work-Play* has grown in popularity in the field of planning, as numerous strands of planning literature increasingly highlight the potential benefits of creating places to live, work, and play, in close proximity. But it is important to understand that creating places that maximize these benefits does not necessarily require complete balance, particularly with the interrelationship of living and working.

The table below illustrates the number and concentration of workers, 16 years and over, who are employed within their place of residence. For the purposes of this analysis, the place of residence represents the specified jurisdiction with comparison to the United States.

Based on data from the previous report, the percentage of workers who live and work within the City of Winter Park, Maitland, and Winter Garden decreased from 2009 to 2019. These decreases indicate that employees who live within the city limits are seeking employment outside which may be attributed to the location of an employee's specific industry, higher wages located in other jurisdictions, or a variety of other factors. Given the benchmarking dates, the influence of COVID is *not* likely to be one of those factors. Comparatively, the percentage of workers who live and work within their place of residence increased within the City of Casselberry and remained unchanged in the United States as a whole.

Work in Place of Residence

Municipality	2009	2019	% Change
United States	43%	43%	–
Winter Park	34%	29%	(16%)
Maitland	21%	18%	(16%)
Winter Garden	20%	16%	(20%)
Casselberry	13%	16%	20%

Sources: U.S. Census Bureau; GAI Consultants.

WAGES COMPARISON

Over the last ten years, 2009 to 2019, workers within the City of Winter Park earning more than $3,333 per month has increased significantly at a CAGR of 25%, as illustrated in the table below.

Winter Park Jobs by Earnings

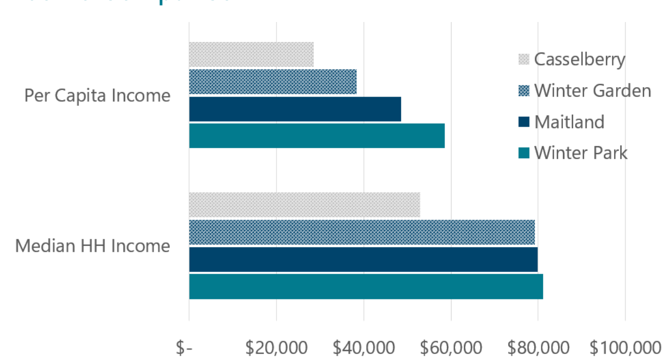
	mploy. Share, 2009	Employ. Share, 2019	% Change
$1,250 per month or less	25.7%	24.0%	(6.7%)
$1,251 to $3,333 per month	41.6%	35.2%	(15.5%)
More than $3,333 per month	32.7%	40.9%	25.0%

Sources: U.S. Census Bureau; GAI Consultants. Note: Represents total share of employment for that given year.

As of year-end 2020, the per capita income within the City of Winter Park was $58,645 with a median household income of $81,065; both significantly greater than that observed at the national level with a per capita income of $35,106 and a median household income of $64,730. Comparatively, the income levels within the City of Winter Park are also greater than that of the incomes observed within the benchmark jurisdictions, as illustrated in the figure below.

Given the large concentration of jobs captured internally, there is at least an impression that a portion of this community's wealth is related to the presence of certain higher wage activity occurring locally.

Income Comparison



Sources: U.S. Census Bureau; GAI Consultants.

EMPLOYMENT CLUSTERS

One form of economic development analysis suggests that economic activities in an area can be divided into two very discrete and impactful categories: *basic* and *non-basic*. *Basic* industries are those exporting goods and services beyond a local region or market and bringing wealth from outside. These industries may also be referred to as traded clusters. *Non-basic* industries, or local clusters, sell products and services primarily to support needs within the local market.

To understand these concepts very broadly, it is instructive to think of Disney's attendance. The service (a tourist attraction offered locally) encourages a steady flow of outsiders who bring in wealth. In effect, the service or goods provided locally are exported based on the level of financial exchange. Some local people visit Disney's attractions, but the majority of the inflows are from outside the area. Disney is likely this region's largest export producer or basic industry.

For a number of reasons, export-import flows are usually not tracked at sub-national levels. Consequently, it is not practical to study industry output and trade flows to and from a local area. As an alternative, the concepts of *basic* and *non-basic* output are operationalized using employment data, and location quotients ("LQ").

A LQ is an analytical statistic that measures how concentrated a particular industry, cluster, occupation, or demographic is within an area. For this analysis, the LQ formula shows whether a local area is employing enough workers in each sector compared with that of a balanced national economy.

- **When the LQ = 1.0,** this indicates that the sector employment is equally specialized in both the national and regional economy. Therefore, supply is equal to local demand.
- **If LQ < 1.0,** the output is not sufficient to meet the local demand and imports are needed. In other terms, the regional economy has a smaller concentration of sector employment than the national economy.
- **If LQ > 1.0,** the output is more than sufficient to meet the local demand and excess is exported. In other terms, the regional economy has a higher concentration of sector employment than the national economy.

WINTER PARK TARGET CLUSTERS

Industry clusters are local concentrations of related industries. Clusters reflect a network of economic relationships that can create a desired competitive advantage. This advantage then becomes an enticement for similar industries and suppliers to either develop or relocate locally.

In most cases, target clusters are generally industry clusters with an LQ greater than 1.0, indicating a higher concentration of sector employment compared to that of the national economy. These suggest a supply of talent or resources on which to build. The activities and resources largely exist to be leveraged and enhanced. Based on the previous analysis, we compared seven measurable target clusters within the City of Winter Park. These target clusters include, but are not limited to, the following:

- *Education & Knowledge Creation:* Establishments which provide instruction and training in a wide variety of subjects, provided through specialized establishments, such as schools, colleges, universities, and training centers.
- *Real Estate & Development:* Establishments primarily engaged in renting, leasing, and establishments providing related services; as well as establishments primarily engaged in the construction of residential and commercial buildings.
- *Arts, Entertainment, & Food Services:* Establishments that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests.
- *Health Care Services:* Establishments providing health care and social assistance for individuals. The sector includes both health care and social assistance programs.
- *Financial & Professional Services:* Establishments primarily engaged in financial transactions, as well as establishments that specialize in performing professional, scientific, and technical activities for others. These activities typically require a high degree of expertise and training.
- *Retail Trade:* Establishments engaged in retailing merchandise and rendering services incidental to the sale of merchandise.
- *Creative Services:* Establishments engaged in writing, designing, producing, and distributing information, creative work, and cultural products.

The table below illustrates the current and historical LQ for these target clusters within the City of Winter Park as it relates to the national economy, as well as the total employment within each industry cluster as of year-end 2019.

Target Clusters in the City of Winter Park

	2009 LQ	2016 LQ	2019 LQ	Total Employ. (2019)[1]
Education & Knowledge Creation	2.89	2.86	2.09	1,262
	4.39	2.70	1.53	2,472
Arts, Culture, & Entertainment	1.82	1.94	2.78	3,183
Health Care Services	1.39	1.93	1.43	5,221
Financial & Professional Services	2.24	2.68	1.71	5,127
Retail Trade	2.15	1.90	1.21	3,384
Creative Services[2]	9.27	11.09	3.08	1,043

Sources: U.S. Census Bureau; GAI Consultants. Notes: (1) Represents total employment by target cluster within the City of Winter Park as of year-end 2019. (2) The significant change in LQ for Creative Services can be attributed to a reclassification of industry related services under a new NAICS code.

The following tables illustrate the specialized (LQ>1.0) industries within each target cluster relative to total employment size, national and local share of total employment, and the industry's LQ as of year-end 2019.

Education and Knowledge Creation (Employment > 50)

NAICS	Specialized Industry	National Share[1]	Local Share[2]	Total Employ.[3]	2019 LQ[3]
61151	Technical and Trade Schools	0.08%	0.41%	126.9	5.18
61171	Educational Support Services	0.08%	0.38%	119.5	4.82
61169	All Other Schools and Instructions	0.14%	0.29%	91.1	2.03
61162	Sports and Recreation Instruction	0.11%	0.18%	55.2	1.62
61111	Elementary and Secondary Schools	0.82%	1.05%	328.4	1.27
61131	Colleges, Universities, & Professional Schools[4]	1.43%	1.39%	434.6	0.97

Sources: U.S. Census Bureau; GAI Consultants. Notes: (1) Represents the industry level jobs to total employment at the National (U.S.) level. (2) Represents the industry level jobs to total employment at the local level. (3) Represents total employment and LQ within the City of Winter Park as of year-end 2019. (4) This industry is just under the equally specialized threshold at the local and national level.

Real Estate and Development (Employment > 50)

NAICS	Specialized Industry	National Share[1]	Local Share[2]	Total Employ.[3]	2019 LQ[3]
53121	Offices of Real Estate Agents and Brokers	0.26%	0.97%	305.1	3.71
54133	Engineering Services	0.87%	1.76%	552.2	2.08
23622	Commercial and Institutional Building Construction	0.47%	0.61%	189.9	1.29
23731	Highway, Street, and Bridge Construction	0.23%	0.28%	87.5	1.22
23816	Roofing Contractors	0.15%	0.17%	53.0	1.17
23831	Drywall and Insulation Contractors	0.20%	0.23%	73.1	1.15
23811	Poured Concrete Foundation and Structure	0.18%	0.20%	66.3	1.08
23611	Residential Building Contractors[4]	0.57%	0.53%	165.1	0.93

Sources: U.S. Census Bureau; GAI Consultants. Notes: (1) Represents the industry level jobs to total employment at the National (U.S.) level. (2) Represents the industry level jobs to total employment at the local level. (3) Represents total employment and LQ within the City of Winter Park as of year-end 2019. (4) This industry is just under the equally specialized threshold at the local and national level.

Arts, Entertainment, and Food Services (Employment > 25)

NAICS	Specialized Industry	National Share[1]	Local Share[2]	Total Employ.[3]	2019 LQ[3]
71311	Amusements and Theme Parks	0.13%	1.63%	510.2	12.54
41131	Promoters of Performing Arts, Sports, and Similar Events with Facilities	0.12%	0.14%	43.60	1.16
72231	Food Service Contractors	0.50%	0.54%	168.7	1.07
72251	Restaurants and Other Eating Places[4]	8.35%	7.62%	2,389.4	0.91

Sources: U.S. Census Bureau; GAI Consultants. Notes: (1) Represents the industry level jobs to total employment at the National (U.S.) level. (2) Represents the industry level jobs to total employment at the local level. (3) Represents total employment and LQ within the City of Winter Park as of year-end 2019. (4) This industry is just under the equally specialized threshold at the local and national level.

Health Care Services (Employment > 80)

NAICS	Specialized Industry	National Share[1]	Local Share[2]	Total Employ.[3]	2019 LQ[3]
62231	Specialty Hospitals	0.18%	0.90%	282.3	4.97
62111	Offices of Physicians	1.92%	2.82%	884.6	1.47
62211	General Medical and Surgical Hospitals	4.20%	6.02%	1,886.0	1.43
62151	Medical and Diagnostic Laboratories	0.22%	0.27%	84.1	1.25
62121	Offices of Dentists	0.73%	0.75%	235.2	1.02

Sources: U.S. Census Bureau; GAI Consultants. Notes: (1) Represents the industry level jobs to total employment at the National (U.S.) level. (2) Represents the industry level jobs to total employment at the local level. (3) Represents total employment and LQ within the City of Winter Park as of year-end 2019.

Financial and Professional Services (Employment > 200)

NAICS	Specialized Industry	National Share[1]	Local Share[2]	Total Employ.[3]	2019 LQ[3]
52313	Securities Brokerage	0.18%	0.58%	181.3	3.13
54111	Offices of Lawyers	0.80%	2.15%	673.6	2.69
56161	Investigation, Guard, and Armored Car Services	0.65%	1.50%	469.4	2.29
54161	Management Consulting Services	0.86%	1.89%	593.6	2.20
52429	Other Insurance Related Activities	0.33%	0.64%	202.1	1.96
54121	Accounting, Tax Preparation, Bookkeeping, and Payroll Services	0.87%	1.11%	348.1	1.27

Sources: U.S. Census Bureau; GAI Consultants. Notes: (1) Represents the industry level jobs to total employment at the National (U.S.) level. (2) Represents the industry level jobs to total employment at the local level. (3) Represents total employment and LQ within the City of Winter Park as of year-end 2019.

Retail Trade (Employment > 75)

NAICS	Specialized Industry	National Share[1]	Local Share[2]	Total Employ.[3]	2019 LQ[3]
45322	Gift, Novelty, and Souvenir Stores	0.11%	0.40%	126.3	3.72
44821	Shoe Stores	0.17%	0.43%	134.6	2.57
44814	Family Clothing Stores	0.55%	1.15%	362.1	2.10
44812	Women’s Clothing Stores	0.23%	0.29%	89.4	1.25
44314	Electronics and Appliance Stores	0.22%	0.26%	81.7	1.18
45411	Electronic Shopping and Mail-Order Houses	0.42%	0.48%	150.0	1.13

Sources: U.S. Census Bureau; GAI Consultants. Notes: (1) Represents the industry level jobs to total employment at the National (U.S.) level. (2) Represents the industry level jobs to total employment at the local level. (3) Represents total employment and LQ within the City of Winter Park as of year-end 2019.

Creative Services (Employment > 45)

NAICS	Specialized Industry	National Share[1]	Local Share[2]	Total Employ.[3]	2019 LQ[3]
54181	Advertising Agencies	0.14%	0.81%	252.7	5.83
54192	Photogenic Services	0.05%	0.25%	79.8	5.62
54131	Architectural Services	0.13%	0.42%	130.6	3.09
51513	Television Broadcasting	0.09%	0.16%	48.7	1.68
51121	Software Publishers	0.52%	0.57%	179.9	1.11

Sources: U.S. Census Bureau; GAI Consultants. Notes: (1) Represents the industry level jobs to total employment at the National (U.S.) level. (2) Represents the industry level jobs to total employment at the local level. (3) Represents total employment and LQ within the City of Winter Park as of year-end 2019.

MAJOR EMPLOYMENT SECTORS AND CONCENTRATIONS

The following tables illustrate the major employment sectors and top concentrations within the City of Winter Park, as well as the benchmark communities. Without regard to target clusters, major employment sectors indicate the industries which have the greatest share of total employment, and top concentration are industries that have the highest concentration of employment relative to the national level.

Winter Park

Top Employment Sectors

NAICS	Specialized Industry	Share of Total Employment (%)	2019 LQ
72251	Restaurants and Other Eating Places	7.62%	0.91
62211	General Medical and Surgical Hospitals	6.02%	1.43
72111	Hotels (except Casino Hotels) and Motels	5.64%	4.55
54151	Computer Systems Designs and Relative Services	3.87%	2.68
62111	Offices of Physicians	2.82%	1.47
55111	Management of Companies and Enterprises	2.57%	0.97
56132	Temporary Help Services	2.49%	0.94
54111	Offices of Lawyers	2.15%	2.69

Sources: U.S. Census Bureau; GAI Consultants.

Top Concentrations

NAICS	Specialized Industry	Share of Total Employment (%)	2019 LQ
56152	Tour Operators	0.77%	31.02
56192	Convention and Trade Show Organizers	0.93%	12.76
71311	Amusements and Theme Parks	1.63%	12.54
52313	Commodity Contracts Dealing	0.07%	10.83
56159	Other Travel Arrangement and Reservation Services	0.44%	6.45
56151	Travel Agencies	0.46%	5.97
54181	Advertising Agencies	0.81%	5.83
52413	Reinsurance Carriers	0.06%	5.71
54192	Photographic Services	0.25%	5.62
61151	Technical and Trade Schools	0.41%	5.18

Sources: U.S. Census Bureau; GAI Consultants.

Maitland

Top Employment Sectors

NAICS	Specialized Industry	Share of Total Employment (%)	2019 LQ
62211	General Medical and Surgical Hospitals	6.47%	1.54
52211	Commercial Banking	3.25%	2.81
54151	Computer Systems Design and Related Services	3.19%	2.20
62111	Offices of Physicians	3.03%	1.58
51731	Wired and Wireless Telecommunications	2.81%	3.71
52429	Other Insurance Related Activities	2.80%	8.53
52312	Securities Brokerage	2.51%	13.60
55111	Management of Companies and Enterprises	2.43%	0.92

Sources: U.S. Census Bureau; GAI Consultants.

Top Concentrations

NAICS	Specialized Industry	Share of Total Employment (%)	2019 LQ
52313	Commodity Contracts Dealing	0.29%	47.04
56152	Tour Operators	0.62%	24.98
52413	Reinsurance Carriers	0.27%	24.80
52312	Securities Brokerage	2.51%	13.60
71311	Amusement and Theme Parks	1.57%	12.07
56192	Convention and Trade Show Organizers	0.75%	10.27
52429	Other Insurance Related Activities	2.80%	8.53
52314	Commodity Contracts Brokerage	0.05%	7.59
52239	Other Activities Related to Credit Intermediation	0.47%	6.63
52229	Other Non-Depository Credit Intermediation	2.15%	6.45
51512	Television Broadcasting	0.57%	6.15

Sources: U.S. Census Bureau; GAI Consultants.

Winter Garden

Top Employment Sectors

NAICS	Specialized Industry	Share of Total Employment (%)	2019 LQ
72251	Restaurants and Other Eating Places	7.29%	0.87
72111	Hotels (except Casino Hotels) and Motels	5.39%	4.35
44511	Supermarkets and Other Grocery Stores	2.72%	1.37
56132	Temporary Help Services	2.60%	0.99
62211	General Medical and Surgical Hospitals	2.47%	0.59
11511	Support Activities for Crop Production	2.39%	44.85
23822	Plumbing, Heating, and Air-Conditioning Contractors	2.25%	2.72
45231	General Merchandise Stores (Warehouse Clubs)	2.24%	1.29
44814	Family Clothing Stores	2.19%	3.99
23622	Commercial and Institutional Building Construction	2.09%	4.45

Sources: U.S. Census Bureau; GAI Consultants.

Top Concentrations

NAICS	Specialized Industry	Share of Total Employment (%)	2019 LQ
11511	Support Activities for Crop Production	2.39%	44.85
11521	Support Activities for Animal Production	0.57%	35.42
56162	Tour Operators	0.81%	32.46
56192	Convention and Trade Show Organizers	0.97%	13.35
45322	Gift, Novelty, and Souvenir Stores	0.76%	7.05
56159	Other Travel Arrangement and Reservation Services	0.46%	6.74
33331	Commercial and Service Industry Machinery Manufacturing	0.37%	6.50
71311	Amusement and Theme Parks	0.84%	6.45
56151	Travel Agencies	0.48%	6.24

Sources: U.S. Census Bureau; GAI Consultants.

Casselberry

Top Employment Sectors

NAICS	Specialized Industry	Share of Total Employment (%)	2019 LQ
72251	Restaurants and Other Eating Places	8.86%	1.06
44511	Supermarkets and Other Grocery Stores	4.44%	2.23
62211	General Medical and Surgical Hospitals	3.30%	0.79
56142	Telephone Call Centers	3.11%	9.31
45231	General Merchandise Stores (Warehouse Clubs)	3.10%	1.79
62111	Offices of Physicians	2.56%	1.33
61111	Elementary and Secondary Schools	2.19%	2.66
56132	Temporary Help Services	2.16%	0.82
54151	Computer Systems Design and Related Services	2.09%	1.45

Sources: U.S. Census Bureau; GAI Consultants.

Top Concentrations

NAICS	Specialized Industry	Share of Total Employment (%)	2019 LQ
56159	Other Travel Arrangement and Reservation Services	0.90%	13.14
56142	Telephone Call Centers	3.11%	9.31
45439	Other Direct Selling Establishments	0.65%	8.07
61121	Junior Colleges	0.27%	6.00
61143	Professional and Management Development Training	0.23%	5.59
56179	Other Services to Buildings and Dwellings	0.31%	5.45
54149	Other Specialized Design Services	0.04%	5.35
44613	Optical Goods Stores	0.29%	4.67
45421	Vending Machine Operators	0.14%	4.28

Sources: U.S. Census Bureau; GAI Consultants.

SHIFT-SHARE ANALYSIS

A shift-share analysis identifies the sources of regional economic changes. Generally used in regional science, political economy, and urban studies, a shift-share analysis helps determine what portions of regional economic growth or decline can be attributed to factors at the national, regional, and economic industry level.

A shift-share analysis examines the changes over time of an economic variable within industries of a regional economy, and divides that change into various components. Economic variables can include migration, demographics, firm formations and growth, and the most commonly used variable, employment. Within this analysis, changes are calculated for each industry at the regional level. Each regional change is decomposed into the following three components.

1. **National Growth** effect is the portion of the change attributed to the total growth of the national economy. National Growth equals the theoretical change in the regional variable assuming it has increased by the same percentage as the national economy.
2. **Industry Mix** effect is the portion of change attributed to the performance of the specific economic industry. Industry Mix equals the theoretical change in the regional variable assuming it has increased by the same percentage as the industry nationwide, minus the national growth effect.
3. **Local Share** effect is the portion of change attributed to regional influences, and is the component of primary concern to regional analysts. Local Share equals the actual change in the regional variable, minus the national growth and industry mix effects.

The following table illustrates the summary of the local shift-share from 2009 to 2019 within the City of Winter Park for each of the target clusters previously referenced, as well as a combined *all other* industries category for year-end 2019.

Target Clusters in the City of Winter Park

Target Cluster	Total Employ. (2019)[1]	Local Share Change[2]
Education & Knowledge Creation[3]	1,262	(115)
Real Estate & Development	2,059	473
Arts, Culture, & Entertainment	3,126	(82)
Health Care Services	5,717	2,251
Financial & Professional Services	9,004	2,121
Retail Trade	3,393	1,377
Information & Creative Services	1,328	100
All Other	5,462	313
Total	**31,351**	**6,438**

Sources: U.S. Census Bureau; GAI Consultants. Notes: (1) Represents total employment by target cluster within the City of Winter Park as of year-end 2019. (2) Represents the local share change from 2009 to 2019. (3) The local share change is negative due, in part, to the closing of Academy of Professional Careers in 2009 and Fortis College in 2016. Totals may not add due to rounding.

The tables on the following page show the City of Winter Park's specialized industries which had the highest net local share gain (greater than 200), as well as the industries which had the largest net local share loss (greater than -100) over the last ten years, 2009 to 2019.

Net Local Share Gain (Local Share > 200)

NAICS	Specialized Industry	2019 LQ	National Growth	Industry Mix	Local Share
72111	Hotels (except Casino Hotels) and Motels	4.6	7.0	318.3	1,406.0
62211	General Medical and Surgical Hospitals	1.4	163.8	(19.4)	890.2
45231	General Merchandise Stores (Warehouse Clubs)	0.7	–	–	370.5
54151	Computer Systems Design and Related Services	2.7	65.8	448.2	357.6
56161	Investigation, Guard, and Armored Car Services	2.3	4.3	128.3	314.4
62231	Specialty Hospitals	5.0	–	(14.1)	296.4
62311	Nursing Care Facilities (Skilled Nursing Facilities)	0.9	10.2	(8.2)	272.9
56142	Telephone Call Centers	3.0	9.6	(1.1)	257.0
44814	Family Clothing Stores	2.1	7.2	65.9	251.4
51731	Wired and Wireless Telecommunications Carriers	1.0	–	–	240.9
62441	Child Day Care Services	1.5	15.4	39.8	227.3
56191	Convention and Trade Show Organizers	12.8	1.4	81.7	201.6

Sources: U.S. Census Bureau; GAI Consultants.

Net Local Share Loss (Local Share > -100)

NAICS	Specialized Industry	2019 LQ	National Growth	Industry Mix	Local Share
81311	Religious Organizations	1.0	238.5	(241.0)	(836.6)
61131	Colleges, Universities, and Professional Schools	1.0	168.5	(108.9)	(500.9)
23731	Highway, Street, and Bridge Construction	1.2	79.7	(72.3)	(333.8)
51112	Periodical Publishers	0.4	51.5	(54.9)	(256.2)
23821	Electrical Contractors and Other Wiring Installation	0.7	55.8	(25.5)	(174.1)
72251	Restaurants and Other Eating Places	0.9	360.4	328.2	(171.8)
81211	Hair, Nail, and Skin Care Services	0.4	33.7	(23.6)	(132.5)
52421	Insurance Agencies and Brokerages	0.9	51.4	(33.0)	(130.2)
53131	Real Estate Property Managers	0.8	42.7	(19.6)	(128.6)
55111	Management of Companies and Enterprises	1.0	142.5	46.4	(124.6)
54137	Surveying and Mapping Services	1.7	25.1	(24.3)	(110.4)
54131	Architectural Services	3.1	45.4	(46.1)	(104.5)
54141	Interior Design Services	3.7	25.6	(16.6)	(101.4)

Sources: U.S. Census Bureau; GAI Consultants.

SECTION TWO:
GAP ANALYSIS

ANALYSIS OVERVIEW

Section One profiles the industry groups, sectors, and concentration of employment which together comprise the main clusters in the City of Winter Park. Not surprisingly, retail and related activity is one of those clusters.

In *very few* cases would retail be considered a basic or exported product or service, certainly not one sufficient in scope to generate additional wealth and opportunity. Here, the community's various economic and performance indicators for this cluster and its business segments are demonstrably strong. Indeed, the unusual combination of restaurants and small shops along Park Avenue in a main street setting may elevate the entirety of the downtown into an export producer.

As a means of testing this specific premise, GAI compared and contrasted retail activity within the Park Avenue Business District ("Park Avenue") relative to the City of Winter Park as a whole. Specifically, GAI analyzed retail leakage activity along Park Avenue, and interpreted this data as a measure of actual sales activity, retail classifications providing potential opportunity, and supportable square footage for such opportunity. The most current data provided by the U.S. Census Bureau ESRI Business Analyst was utilized within this section.

While this effort and any information accompanying it should absolutely not be construed as market analysis that identifying explicit merchandise, users, brands, or formats. However, it does point to broad categories of activity that are over or under-supplied to the area. In the current case, very low vacancies in the context of excess production suggest (1) a strong export market and (2) opportunities for other businesses to leverage that success.

Specifically, the tasks detailed in this section include:

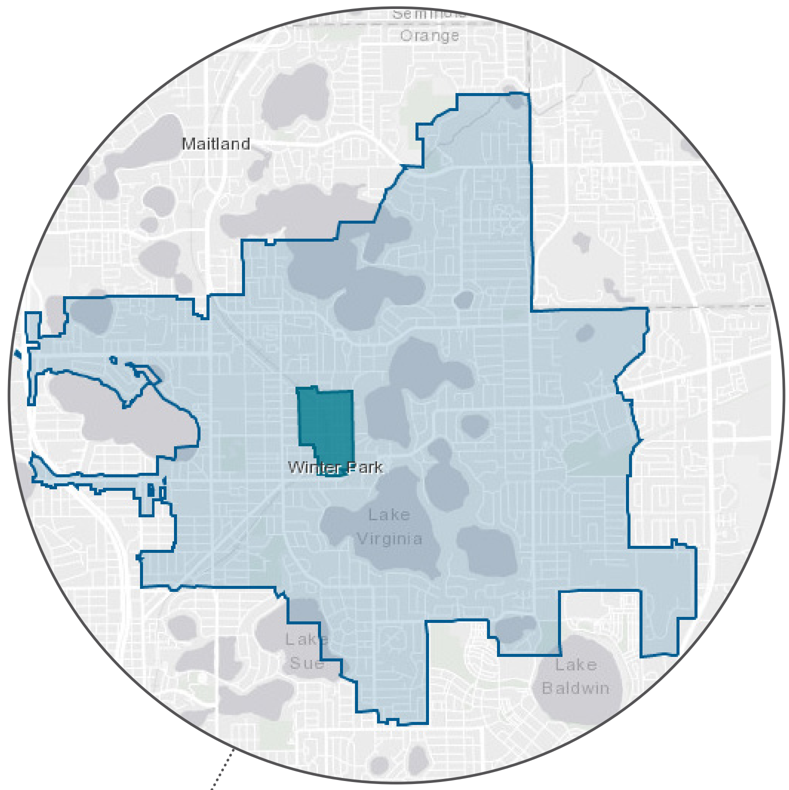
- Compare annual employment trends in terms of total employment, growth rate, and wages within the downtown area relative to the City of Winter Park.
- Provide a limited current snapshot of the retail market in terms of total inventory and occupancy, as well as consumer spending behaviors, within the downtown area relative to the City of Winter Park.
- Identify the Surplus/Leakage Factors and Retail Gaps between the retail trade and food services and drinking places categories within the downtown area and the City of Winter Park.
- Draw conclusions on the potential opportunities and supportable square footages of retail concentrations along Park Avenue.

Data in very small areas is subject to over and under reporting. GAI has made every effort to reflect establishments that physically exist along Park Avenue, as well as within the city limits of Winter Park. However, the data may be influenced by its proximity to actual jurisdictional boundaries. We believe the calculations within this report reasonably consider the conditions implied by the source data.

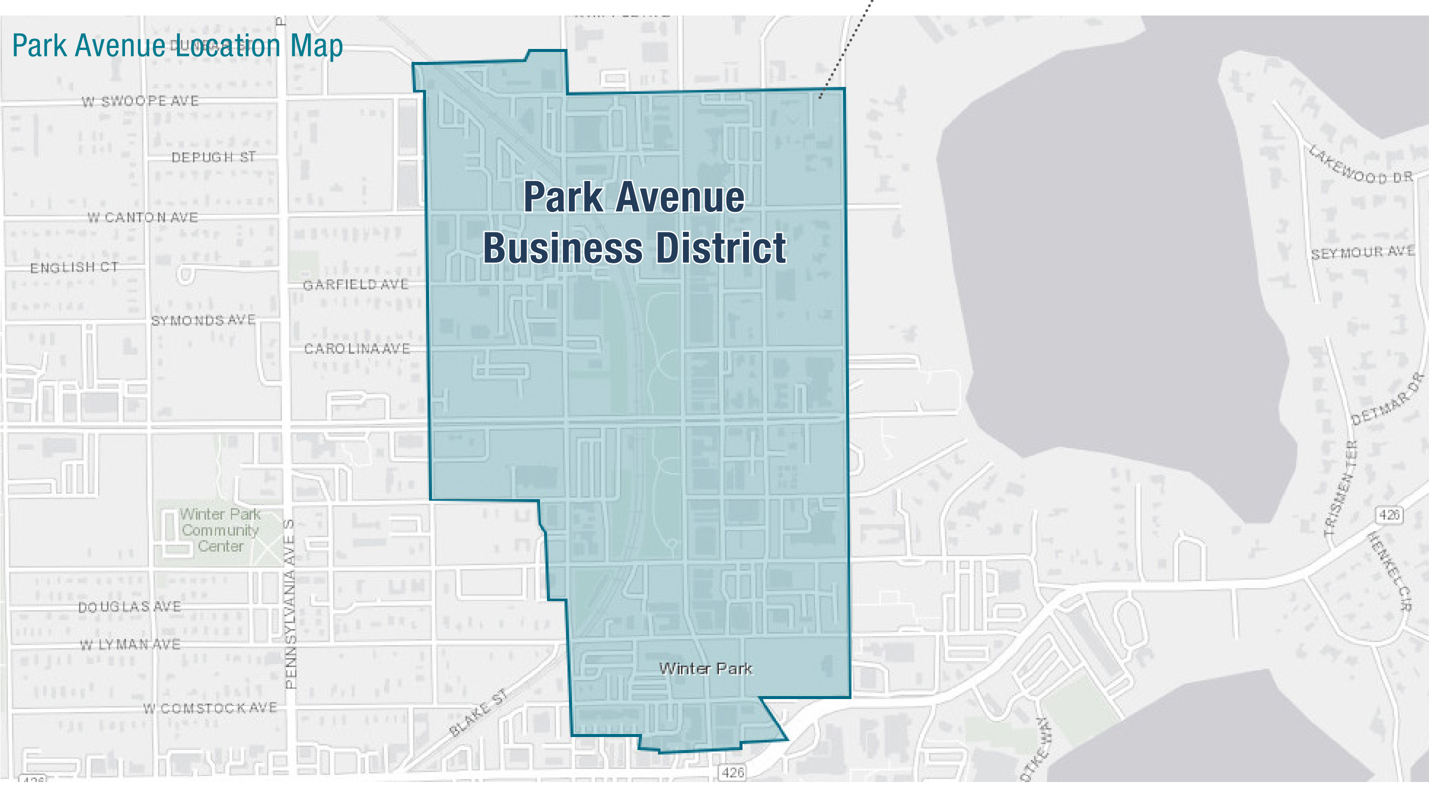
PARK AVENUE

The Park Avenue Business District is located in the heart of downtown Winter Park, Florida. Park Avenue is a shopping, dining, and cultural destination for many Winter Park residents, as well as tourists visiting the area. Park Avenue boasts more than 140 boutiques, sidewalk cafes, diverse dining choices, and museums, all in the shadow of oak-canopied Central Park. In addition, there are many year-round cultural offerings and special events, such as seasonal art shows, concerts, exotic car shows, fashion events and holiday festivities.

The adjacent map below illustrates the Park Avenue Business District in relation to the City of Winter Park as a whole. While the area includes more than just businesses along Park Avenue, the retail activity is largely concentrated on the Park Avenue corridor.



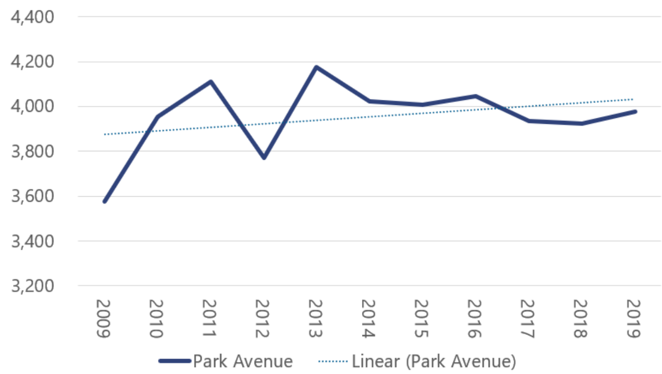
Park Avenue Location Map



EMPLOYMENT MARKET

The most current employment by sector data provided by the U.S. Census Bureau for Park Avenue and the City of Winter Park is year-end 2019. Park Avenue has over 630 businesses with 3,976 employees, comprising nearly 13% of the total employment within the City of Winter Park. Over the last ten years, 2009 to 2019, employment within Park Avenue has grown at a compound annual growth rate ("CAGR") of 1.1%, adding over 400 jobs to the total employment within the district, as illustrated in the figure below.

Annual Employment Trends 2009-2019



Sources: U.S. Census Bureau; GAI Consultants.

In addition, retail trade comprises the largest share of total employment within Park Avenue, closely followed by public administration, and finance and insurance. The following table illustrates total employment within Park Avenue by industry sector at the two-digit NAICS code, as well as the percent capture of total employment within the City of Winter Park.

It is important to note, due to the small geographical size of Park Avenue, the two-digit NAICS code provides the most accurate representation of industry data.

Park Avenue Industry Breakdown

NAICS Code/Industry Sector	Employment	
	Total[1]	Capture[2]
11 Agriculture, Forestry & Hunting	–	0.0%
21 Mining, Oil, & Gas Extraction	–	0.0%
22 Utilities	1	100.0%
23 Construction	90	6.8%
31-33 Manufacturing	33	11.4%
42 Wholesale Trade	19	3.8%
45 Retail Trade	796	23.5%
48 Transportation & Warehousing	1	0.9%
51 Information	147	21.2%
52 Finance and Insurance	499	33.5%
53 Real Estate & Leasing	222	26.6%
54 Professional & Technical Services	425	9.4%
55 Management of Companies	89	11.1%
56 Administration & Support	67	1.8%
61 Educational Services	76	6.0%
62 Health Care & Social Assistance	83	1.5%
71 Arts, Entertainment, & Recreation	50	7.4%
72 Accommodation & Food Services	569	12.7%
81 Other Services	136	16.1%
92 Public Administration	673	99.7%
Total	**3,976**	**12.7%**

Sources: U.S. Census Bureau; GAI Consultants. Notes: (1) Represents total employment within Park Avenue. (2) Represents percent capture of total employment within Park Avenue to the City of Winter Park.

RETAIL MARKET SNAPSHOT

Recent commercial leasing and development activity offer some perspective on this market. As of year-end 2021, CoStar reported Park Avenue had a total of nearly 397,000 square feet of retail inventory, comprising 7.4% of the total retail square footage within the City of Winter Park at over 5.34 million square-feet. Over the last 10 years, Park Avenue's retail inventory has remained unchanged, whereas inventory within the City of Winter Park has grown at a CAGR of 0.3%. During this same time frame, occupancy within Park Avenue has increased by 2.2%, from 92.2% in 2011 to 94.4% as of year-end 2021. Comparatively, the occupancy rates within the City of Winter Park, at 97.1% for year-end 2021, were 2.7% greater than that of Park Avenue.

RETAIL LEAKAGE

What individuals and households spend for retail, restaurants, or other food service provides additional perspective on this cluster.

Any parts of the population residing within Park Avenue that leave the neighborhood to purchase certain types of goods because they are not readily or abundantly available locally is commonly referred to as *Retail Leakage*. The 2021 average consumer spending behavior for Park Avenue and the City of Winter Park as a whole are illustrated in the table below. The largest consumer spending categories within Park Avenue and the City of Winter Park are housing, retail goods, transportation, and health care, as illustrated below. Only limited categories of this spending is likely to be captured within the Park Avenue area itself.

Average Consumer Spending

	Consumer Spending (000s)		
	Park Avenue	Winter Park	Cap-ture[1]
Alcoholic Beverages	$ 208	$ 12,708	1.64%
Apparel & Services	704	41,589	1.69%
Food Away from Home	1,209	71,130	1.70%
Food At Home	1,660	95,366	1.74%
Education	535	36,242	1.48%
Entertainment/ Recreation	1,055	62,893	1.68%
Health Care	2,139	121,169	1.77%
Housekeeping Supplies	396	22,691	1.75%
Household Operations	703	43,366	1.62%
Housing	8,409	502,225	1.67%
Personal Care Products	309	17,957	1.72%
Retail Goods	7,744	461,576	1.68%
Transportation	2,952	172,262	1.71%
Travel	799	51,105	1.56%
Total	**$28,822**	**$1,712,279**	**1.68%**

Sources: U.S. Census Bureau; GAI Consultants. Notes: (1) Represents percent capture of total consumer spending within Park Avenue to the City of Winter Park.

This analysis compares and contrasts *Retail Leakage* occurring within Park Avenue and the City of Winter Park, at each 3-digit NAICS industry code between 44-45 (Retail Trade), as well as the 772 NAICS industry code reflecting food services and drinking places. The Surplus/Leakage Factor presents a snapshot of retail opportunity and is a measure of the relationship between supply

and demand. Values closer to 100 reflect either total leakage or total surplus. Retail leakage refers to retail opportunity outside the trade area, whereas retail sales represent a market where customers are drawn in from outside the trade area.

To emphasize again, any accompanying information should not be construed as a market analysis. The objective of this analysis is to establish context for policy. To the extent opportunities may exist, this analysis is not adequate to address explicit merchandise, users, brands, or formats.

Overall, total retail trade and food services and drinking places have a positive surplus within Park Avenue and the City of Winter Park, indicating that there is a surplus of retail sales within both areas. Park Avenue has almost total surplus within Clothing/Accessories Stores, Food Services and Drinking Places, and Furniture/Home Furnishing Stores. Whereas the retail categories that experience the highest amounts of leakage within Park Avenue include Gasoline Stations, Motor Vehicle and Parts Dealers, and General Merchandise Stores, as illustrated in the table below.

In addition, the retail categories experiencing the greatest amount of leakage within the City of Winter Park, compatible with, or supported by, the smaller market area includes General Merchandise Stores, Nonstore Retailers, and Gasoline Stations.

Surplus/Leakage Factor

NAICS	Industry Sector	Park Avenue		Winter Park	
		Surplus	Leakage	Surplus	Leakage
441	Motor Vehicle & Parts Dealers	–	60.6	34.0	–
442	Furniture/Home Furnishing Stores	94.6	–	20.7	–
443	Electronic & Appliance Stores	47.9	–	20.2	–
444	Garden Equipment/Supply Stores	71.6	–	–	9.3
445	Food & Beverage Stores	82.1	–	36.6	–
446	Health & Personal Care Stores	87.3	–	22.6	–
447	Gasoline Stations	–	100.0	–	68.1
448	Clothing/Accessories Stores	97.3	–	42.3	–
451	Sports/Hobby/Book/Music Stores	86.2	–	46.3	–
452	General Merchandise Stores	–	13.6	–	92.3
453	Miscellaneous Store Retailers	84.4	–	5.0	–
454	Nonstore Retailers	31.5	–	–	68.2
722	Food Services & Drinking Places	94.0	–	40.4	–
	Total	**84.0**	**–**	**18.2**	**–**

Sources: U.S. Census Bureau; GAI Consultants.

Based upon analysis of spending patterns, existing inventory, and retail surplus/leakage within Park Avenue and the City of Winter Park as a whole, there appears to be little need for additional retail capacity within the market areas. As a result of population and employment growth over the last 10 years, developers will respond to the opportunities presented. However, there are important distinctions between *need* and *demand*.

Need is a relatively static concept, driven primarily by deficiency and insufficient supply. Viewed through such a lens, need is largely a planning and welfare matter often measured exclusively by gains or losses in population. Responses to need typically focus on community priorities without reference to the capacity of the market to provide alternatives through profit driven transactions. Needs are real and definable, but they cannot always be adequately addressed.

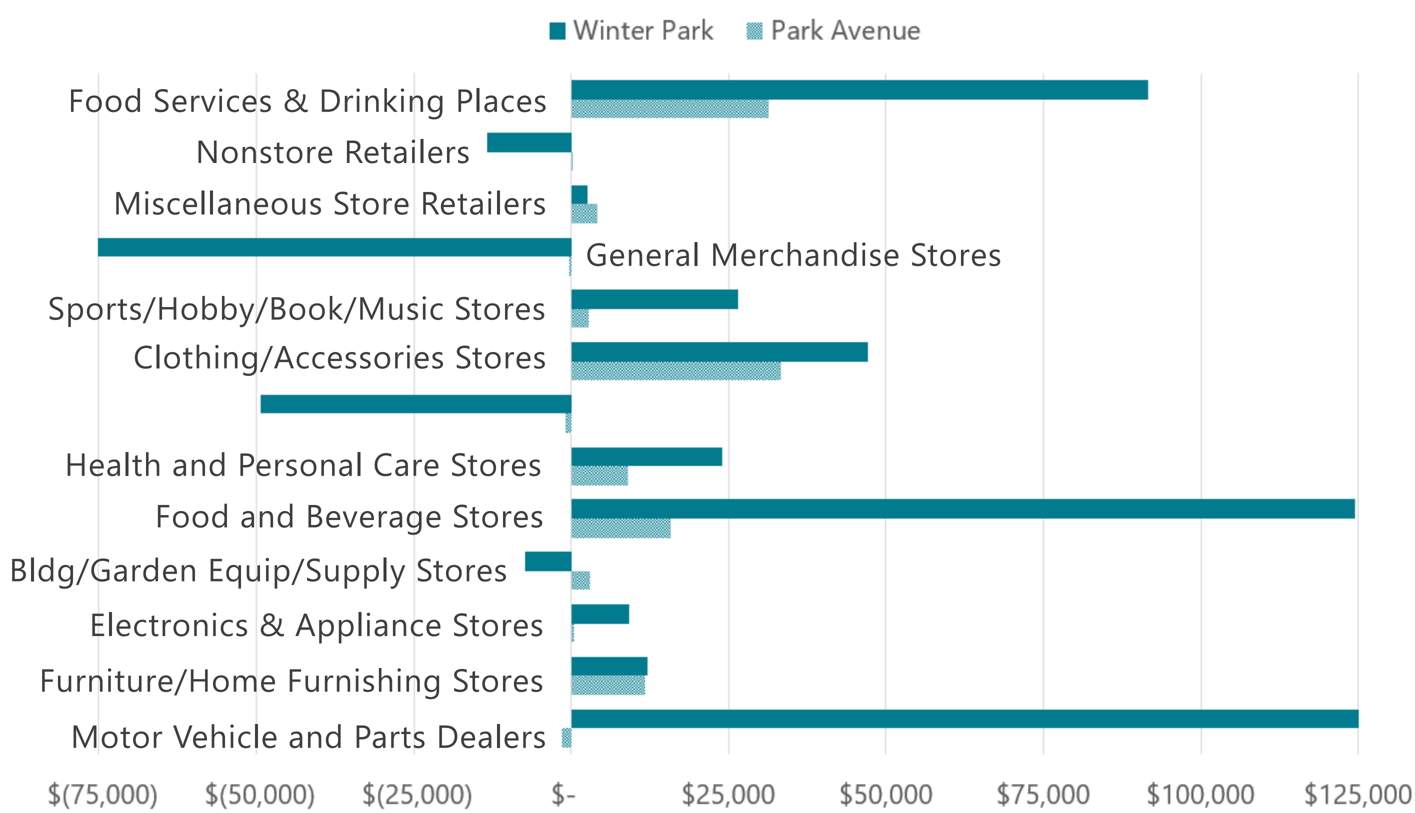
Demand, on the other hand, is a dynamic concept. It is very price and product driven, functionally the result of choices, age, lifestyle, preferences, and continued movement of the population. Even when need is limited, demand can be strong in a marketplace that has proven itself a reliable and systematic source for products and services.

In the present case, there are elements of both need and demand within Park Avenue. To that point in particular, residents drawn to Park Avenue must go elsewhere to meet shopping needs related to Motor Vehicle and Parts Dealers, Gasoline Stations, and General Merchandise Stores. Although these demands could be met by additional industry-specific retail capacity, Park Avenue is clearly not conducive, in terms of character, space and scale, for these types of retail stores.

The figure below illustrates the retail gap, the difference between retail potential (demand) and retail sales (supply), for all retail industries within Park Avenue and the City of Winter Park.

Altogether, the retail leakage analysis found that Park Avenue and the City of Winter Park are generating a surplus (sales) of nearly \$109.1 million and \$304.3 million per year, respectively, in excess of what the resident population would otherwise be expected to support suggesting that additional sales and receipts are effectively from population outside the market area. This is a significant concentration of economic activity, especially given the area's size and relatively nearby retailers in adjacent jurisdictions.

Surplus/Leakage Factor



Sources: U.S. Census Bureau; GAI Consultants.

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