Economic Recovery Task Force Report 3

Update 10/7/2020

Economic Impact Study

Betsy Gardner Eckbert provided a review of the Phase II analysis of the Economic Recovery Analysis commissioned by THRIVE Winter Park and prepared by Valerie Seidel, Balmoral Group.

The Task Force had previously identified four areas of interest. Below is a summary of the findings regarding these issues. The full PowerPoint is attached.

1. **Mask Wearing Campaign**
   - A significant campaign is already underway.
   - Study confirmed beyond safety, mask wearing has a positive economic impact.

2. **Open Container Outdoor Area**
   - Modeled Winter Park Village, Park Avenue, Hannibal Square and Orange Avenue between Denning Drive and US Highway 17-92.
   - Impact $1,500: $1. Potential improvement of $27M in revenues and 222 jobs

3. **Fee Waivers**
   - Modeled expansion of outdoor seating.
   - Potential improvement of $14M and 122 jobs

4. **Direct Financial Assistance**
   - Modeled $10K grants.
   - Net impact $0.7: $1

**Special Events**

Events Underway

- August 27: Curbside To-Go launched.
- September 10: Music and Movies in the Park launched and will continue through December.
- September 11: Monthly Sidewalk Sales launched and will continue the second weekend of every month through December.
- October 7: West Meadow Wednesdays began and are scheduled weekly through December.

Events Scheduled

- October 16 – 18: Fall Festival Weekend Road Closure
- October 25: Bach in The Meadow Orchestral Concert
- December 4: Winter in the Park (Tree Lighting)
- December 5: Holiday Parade (modified)
- December 13: Bach in the Meadow
Events Under Development

- November 13 – 15: Park Avenue & Hannibal Square Road Closures (Commission approval TBD)
- December 4 – 6: Park Avenue & Hannibal Square Road Closures (Commission approval TBD)
- December 11: Winter Park District Market
- December season: CRA Window Decorating Contest

Citywide Postcard

- Monthly event postcard to be mailed to all residents and businesses in October, November and December

Mask Up Winter Park Campaign

Street Banner Program

Installed in early October as part along the following corridors:

- Park Avenue
- Hannibal Square
- Orange Avenue

Winter Park Health Foundation

The city is working with the Winter Park Health Foundation to prepare a series of videos to be shared on social media by Task Force members to encourage mask wearing in Winter Park. Coming soon!

Community Resources

- Orlando Health Business Ready
  Resources to Help You Reopen Your Business Safely
- Orange County Government
  Safer Stronger Together Do Your Part
  We Got You Covered
  PPE for Community

Policy Recommendations

- The Economic Recovery Task Force established the following criteria for reviewing ideas/concepts:
  1. Safety
  2. Meaningful beneficial impact
     a. Financial
     b. Emotional wellbeing
     c. Broadly available
  3. Financially viable for partners

- Based on the results of the THRIVE study, the Economic Recovery Task Force is building a recommendation for weekend open container districts (modeled from a recent program implemented in Deland) for presentation to the City Commission on Wednesday, October 28.
- Additional policy issues under consideration:
  - Sewer capacity impact fee deferral (similar to adopted guidelines for Fairbanks)
  - Temporary parking waivers or use of pooled parking
  - Reduction in seats required for liquor license

**Task Force Information Available Online**

The Economic Recovery Task Force information including city summary reports, Chamber of Commerce presentations and resources can now be accessed online on the city’s [COVID webpage](https://www.cityofwinterpark.com/covid) under the [Business & Economic Recovery](https://www.cityofwinterpark.com/covid) tab.

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
<th>Sector</th>
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</thead>
<tbody>
<tr>
<td>Betsy Gardner Eckbert</td>
<td>Winter Park Chamber of Commerce</td>
<td>Chamber</td>
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<tr>
<td>Michelle Neuner</td>
<td>City of Winter Park</td>
<td>City</td>
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<tr>
<td>Sarah Grafton</td>
<td>Park Avenue District</td>
<td>Park Avenue District</td>
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<tr>
<td>Drew Madsen</td>
<td>City’s Economic Dev Advisory Board</td>
<td>Advisory Board</td>
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<tr>
<td>Michelle Strenth</td>
<td>Orlando Health</td>
<td>Healthcare</td>
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<tr>
<td>Mike Carolan</td>
<td>Winderweedle, Haines, Ward &amp; Woodman</td>
<td>Professional Services</td>
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<tr>
<td>Joanne McMahon</td>
<td>JM Hospitality</td>
<td>Restaurant</td>
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<tr>
<td>Tracy Klingler</td>
<td>Frank</td>
<td>Retail</td>
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<tr>
<td>Sam Stark</td>
<td>Rollins College</td>
<td>Education</td>
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<tr>
<td>Lief Erickson</td>
<td>ComReal Orlando</td>
<td>Real Estate</td>
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<tr>
<td>Jay Chaudhari</td>
<td>RVR Consulting Group</td>
<td>Financial Services</td>
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<tr>
<td>Betsy Gwinn</td>
<td>Bach Festival Society of Winter Park</td>
<td>Non-Profit</td>
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Top 10 Interesting Findings from the COVID economic recovery analysis

Valerie Seidel
September 25, 2020
Top 10 interesting findings

COVID Impacts
Brief review of COVID economic impact model

Future-proofing
Post-COVID vision

Alternative Scenarios
Summary of Alternative Scenarios, time frames and implications

Mitigation Strategies
Findings from modeling of various policy impacts
Refresher: Economic impact model

Study Area: Winter Park +
Model included 4 sectors, about 85% of WP output
Top 10 interesting findings

1. Winter Park’s pre-COVID GDP is about $7.6 billion*
   • Context: Orange County is about $155 billion

2. Finance is the largest sector at $1.8 billion
   • Finance sector generates about $2 in local spending for every $1 in direct spending
   • So fewer job losses have higher impact

* Study area, which slightly exceeds WP borders
3. Estimated COVID impacts approach 10% of GDP
   • $800 million; all sectors impacted
4. PPP benefits offset another $262 million in lost revenue

<table>
<thead>
<tr>
<th>Sector</th>
<th>Estimated Impact</th>
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<tr>
<td>Financial Activities &amp; Information</td>
<td>$326 Million</td>
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<tr>
<td>Education and Health Services</td>
<td>$209 Million</td>
</tr>
<tr>
<td>Retail, Food Services, Accommodation and</td>
<td>$191 Million</td>
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<tr>
<td>Entertainment</td>
<td></td>
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<tr>
<td>Professional/Business Services and Construction</td>
<td>$73 Million</td>
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5. Most business owners were optimistic in May. November & April time horizons were also evaluated to understand impacts of an extended COVID scenario.

Most businesses originally surveyed overestimated what the end of 2020 would look like.

Alternative Scenarios

Assumptions

Q3 and Q4 of 2020 look more like Q3 2020

2020-2021

Q3, Q4 of 2020 & Q1 of 2021 look like Q3 2020

New PPP Money Impacts

Some businesses close permanently

Q2

Q1

Q3 Q4
Alternative Future Scenarios

With November & April time horizons for acute COVID impacts, total operating businesses drop by about 80 and 280, respectively with impacted sectors changing.

In the short run, restaurants and retail most impacted
Lose an additional 6% of jobs

In the longer run, restaurants and retail still most impacted, followed by even split on other sectors
Lose an additional 7% of jobs
6. Winter Park has a Mitigation Plan

Exploring strategies for a robust recovery

**STEP A**
Aggressive mask-wearing campaigns to support additional patronage of local businesses in-person

**STEP B**
Direct Grants to local businesses

**STEP C**
Relaxed consumption rules in specified areas

**STEP D**
Impact of temporary fee waivers for restaurants etc.

**Mitigation Strategies**

- **01 Mask Campaign**
- **02 Direct Financial Help**
- **03 Entertainment District**
- **04 Fee Waivers**
7. Mask Wearing Marketing Campaign

Assumptions

Goldman Sachs: wearing masks can save about 5% in GDP

Businesses see a 5% increase in revenues

New PPP Money Impacts
# Mask Wearing Marketing Campaign Results

<table>
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<tr>
<th>Time Frame</th>
<th>Cost</th>
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<tbody>
<tr>
<td>October 2020 – December 2020</td>
<td>&lt; $50,000</td>
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- **Net Impact:** $340 : $1
- **Potential improvement:**
  - $17 million Revenues
  - 140 jobs
8. Direct Grants of $10,000

$5 Million
In grants of $10,000 to business

341
Applied for the grant through Orange County

500
More could receive $10,000 from Winter Park

Assumptions

Includes 5 Million in grants to business

Cash on Hand survey
Direct Grants of $10,000

Results

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Cost</th>
<th>Net Impact: $0.7 : $1</th>
<th>Potential improvement $3.8 million</th>
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<tbody>
<tr>
<td>October 2020 – Dec 2020</td>
<td>$5 Million</td>
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9. (Part 1) Entertainment Districts

**Open containers**
- **2 days** a week

**Considerations:**
- Logistics of confined areas
- Law enforcement
- Neighborhood impacts

**4 Potential Areas**
- Winter Park Village
- Park Avenue
- Hannibal Square
- Orange Ave. between 17/92 & Denning

**Assumptions**
- Colorado Study: businesses that designated these areas increased revenues by **60%**

**For 125 Restaurants & retail businesses**
- **60% Increased revenue**
- **2 days of the week**

**For**
- *2 officers, 2 locations, 2 nights weekly, $45 x 8 hours each, 13 weeks*
## Entertainment Districts

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Cost</th>
<th>Net Impact: &gt; $1,500 : 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2020 – December 2020</td>
<td>$17,280*</td>
<td>Potential improvement: $27 million Revenues 222 jobs</td>
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9. (Part 2) Fee Waivers

Restaurants report expanding seating outdoors brings revenues back to 75% - 100% of normal

Assumptions

Increases revenues back to 87.5% of normal for the 4th Quarter 2020

Flexibility in capacity rules

62 restaurants in 4 potential entertainment districts
# Fee Waivers

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<tr>
<th>Time Frame</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2020 – December 2020</td>
<td>$0*</td>
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### Net Impact

- Potential improvement: $14 million Revenues
- 112 jobs
### Mitigation Strategy Estimates

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 2020 – December 2020</td>
<td>$67,280</td>
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</table>

### Net Impact

- Potential improvement:
  - Restore $59 million Revenues
  - 470 jobs

"Control what you can control"
10. Future - Proofing Winter Park

**Resiliency**
Investments in the Future: sustainability in infrastructure, market incentives

**Human Capital**
Financial stability for the next generation; diverse opportunities; intergenerational thinking

**Rules & Regs**
Reconsider requirements and constraints on business vs. trade-offs for quality of life

**Fiscal Implications**
Support and space for entrepreneurs, industry; linking planning to fiscal sustainability

A window of opportunity
Future proofing the Winter Park economy

“In all affairs it's a healthy thing now and then to hang a question mark on the things you have long taken for granted.”

Bertrand Russell
British author, mathematician, & philosopher (1872 - 1970)

“We can draw lessons from the past, but we cannot live in it.”

Lyndon B. Johnson, 36th president of US (1908 - 1973)
Thank You!

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Questions?