

LONGWOOD CITY COMMISSION
Longwood City Commission Chambers
175 West Warren Avenue
Longwood, Florida

WORK SESSION
MINUTES
January 10, 2022
5:00 P.M.

Present: Mayor Brian D. Sackett
Deputy Mayor Tony Boni
Commissioner Abby Shoemaker
Commissioner Matt McMillan
Commissioner Matt Morgan
Dan Langley, City Attorney
Clint Gioielli, Acting City Manager
Michelle Longo, City Clerk
Chris Kintner, Community Development Director

1. **CALL TO ORDER.** Mayor Sackett called the meeting to order at 5:00 p.m.

Deputy Mayor Boni moved to suspend the rules. Seconded by Commissioner Morgan and carried by a unanimous voice vote.

2. **PRESENTATION FROM THE GIBBS GROUP ABOUT THE RETAIL MARKET ANALYSIS.**

Mr. Gioielli introduced the Gibbs Planning Group and explained there were two tasks they were asked to complete. He said the purpose of the presentation would be to talk to the Commission, answer questions, and receive feedback on Task One. Task One is identifying the composition of the City's population, identifying the retail needs of the City, and what the community can support economically. He explained that once this task is completed the Gibbs Planning Group will provide staff and the Commission with the results of Task Two's analysis, which will be the identification of retailers that match the City's target demographics. He noted this analysis only addresses the impact of COVID-19 in a general way. He said the long-term impact, such as changes in shopping habits, is mainly unknown. He said while the analysis includes how much retail can be supported by the demographics, this does not include other important factors such as the strength of the economy, site availability, or

competition for retail expansion with other cities. He also notified the Commission that if there is time after the presentation he has asked Mr. Kintner to offer an update on his efforts on the future land use and zoning.

Mr. Bob Gibbs stated they were building on a previous study done for the City estimating the retail and restaurant demand five (5) years ago. At that time, they also did a residential analysis and a site-by-site study for around ten (10) possible redevelopment sites. He went on to discuss the impact COVID-19 has had on retail, including internet shopping and supply-chain complications. He listed the groups that have benefited during this time and why. They included small historic districts, small restaurants, shopping centers and strip malls, old industrial parks, and small themed restaurants. He went on to list those that have been negatively impacted by COVID-19 and the reasons why. They are the large expensive new urban-type town centers which would include high housing/apartments, hotels, and offices. He explained the difference between credit businesses and non-credit businesses and the shift in preferred businesses due to the ability to pay rents as expected. He notes due to COVID, stronger shopping center developers want to find local independent retailers that will pay rent on time and create an exciting new business. It is expected that 50,000 national retailers will be closed permanently in the next 2 (two) to 5 (five) years. He stated their analysis was to estimate what, if any, restaurant space would be supportable in Longwood; now and for the next 5 (five) years. He explained how they came to their conclusion by an extensive review of retailers within a 10 (ten) to 20 (twenty) mile radius from Longwood. They used extensive third-party data on demographics to conduct their analysis. He noted this data lets them forecast where people travel, what kind of cars they drive, where they search online, what their wealth is and their education. From their analysis, they estimated the City can grow by about 160,000 square feet of new retail space. This would be about fifty (50) to sixty (60) new stores by 2027. He said this would equate to around \$2 million in new spending. This would also equate to about \$51 million in the new restaurant and retail sales combined. Part of the analysis was to set trade areas where they estimate people will come from in various percentiles. About 535,000 people are living within a 20-minute drive time. Within a 30-minute drive time there are about 1,300,000 people. He mentioned the average household incomes within these areas and that this is attractive to new retailers. They believe fifty percent (50%) of the retail spending will come from the primary trade areas where about 105,000 people are living within this trade area.

Mr. Gibbs went on to further discuss specific trade areas. He said about seventy percent (70%) of the sales will come from those living or working

in the total trade area. This area included around 430,000 people. They also identified a walkable near neighborhood trade area and believe the people residing in this area will contribute about ten percent (10%) to fifteen percent (15%) of the overall spending.

Mr. Gibbs said as part of their analysis they did research almost every shopping center within a twenty (20) to twenty-five (25) mile radius of Longwood. They looked at their sales, businesses, ownership, expansion plans, to estimate what was affordable. He explained why there are currently greater distances between stores than before COVID-19 and how this helps Longwood. He explained that because of this need for greater distances between similar stores, Longwood would need to attract new businesses that are not already in these shopping centers. Because of this, they do not currently have a list of retailers that would likely come into Longwood but feel they should have this report back in about a month.

Discussion ensued and questions were asked about interest from out-of-state retailers and if what had been analyzed was the expansion from retailers excluding a five-year hold. It was noted there are professionals that find new sites and they are cross-referencing their research with the site selection criteria. Currently, things have been put on hold for five (5) years.

Mr. Andrew Littman, the company's Vice President of Market Research, took over the presentation. He discussed retail demand in Longwood and its relation to residential and apartment developments. He stated, based on analysis done on the primary trade area in 2020, retail spending was at \$670 million and sales were at \$365 million. He notes the difference between these numbers represents the spending leaving the trade area and he feels some of this revenue can be recaptured with the addition of the new residential areas.

Mr. Littman went on to discuss walkability and the preference for it among specific demographics. This leads to these areas having an increase in economic performance. He noted walkability can be measured by the walk score, which is from 1 to 100, 100 being the highest. Major retailers and real estate developers are looking for a walk score of at least eighty (80). Longwood's current walk score is seventy-two (72). He then restated the retail potential and analysis findings mentioned by Mr. Gibbs. They project the new establishments can realistically achieve sales of \$291 per square foot per year and that will grow to \$307 per square foot per year in the next five (5) years.

Mr. Littman said in terms of retailers, they found the demand for 100,000 square feet of additional retailer space, which equates to thirty-four (34) to forty (40) new retail stores. They also found a demand for 60,000 square feet of additional restaurant space, which equates to about sixteen (16) to twenty (20) new restaurants. He then broke down the demand for each category of retail space and the square foot size. These included apparel, beer, wine and liquor, small book store, department store merchandise, florists, furniture store, general merchandise, hardware store, small jewelry store, small lawn & garden store, gift shops, pharmacy, shoe store, specialty foods, small sporting goods store, bars, breweries and pubs, full-service restaurants, limited-service eating places, and bakery, coffee, ice cream shop. He went over retail study assumptions. He explained the presentation slide representing the study's findings. This included estimating the supportable square footage in 2022, sales per square foot by retail category, using those two numbers to get the estimated retail sales for 2021, and looking at how those will increase by 2026. He also said Exhibit A included the findings in 2015 compared to the findings for 2021 and 2026. This comparison makes apparent the demand was previously higher for new establishments. He expressed that without the increase in residential areas and development the need for these establishments would be lower. He discussed the spending sales and the retail gap, which is the difference between spending and sales or the number of dollars leaving the trade area. He stated it is important to note that while the retail sales increased, the retail gap decreased. He said this explained the reduced demand found in the new study. He recapped their projections for new restaurants and new retailers' demand, for a total of 165,000 square feet equating to fifty (50) to sixty (60) new businesses.

Discussion ensued and questions were asked regarding where the gap money mentioned was being spent, it was noted there has been an increase in Amazon and online purchasing. It was clarified that the data being used at the moment has been impacted by COVID-19 and will be updated in the next six (6) months. While it does show generally, spending has gone down, this is very dependent on the particular category. Further discussion was held on the categories and explained the demand categories could be better understood as areas of revenue with the potential for recapture. Also discussed was whether a new establishment would recover gap revenue or divide already existing spending within the City.

Commissioner Shoemaker asked what it would take to attract a major hotel.

Mr. Littman stated that information was beyond what was gathered in the study. Mr. Gibbs said while they do not have that information at the moment, they do have the data to provide that later on if there is a demand.

Discussion ensued about the benefits of a large hotel in Longwood.

Mr. Gioielli requested the presentation from the meeting be sent to staff. He then passed out the presentation to be given by Mr. Kintner.

Mr. Kintner gave a presentation on the updates regarding future land use and zoning change. He said following the direction at the October 18th meeting, staff propose an amendment to address the multifamily family development by separating “apartments” from the definition of “multi-family” and treating them differently from townhomes, making greater utilization of Planned Development and Density Bonuses, and allow single-use apartment projects only under two (2) specific scenarios.

Mayor Sacket asked if multi-family and apartments were currently treated differently.

Mr. Kintner explained that at this time multi-family includes both apartments and townhomes; townhomes being anything with three (3) or more units. Right now, the categories only include single-family, duplexes, and then everything else. They are proposing a new category be made.

Commissioner Shoemaker asked if a person purchased a property in hopes of leaving it to their family for apartments and we change that zoning, where are we as a city.

Mr. Kintner said he discussed this with the city attorney and there will still be pathways for people to get to apartments but will require going through the City Commission to do so. He mentions the city attorney is comfortable with the proposed direction and said that while it is always possible that someone could try to sue the city it is ultimately the authority of the city to regulate land use. He went on to further elaborate on the greater utilization of Planned Development and Density Bonuses. He said the changes would include high Commission oversight and approval of projects and that this would allow for greater code flexibility. These changes would also include changes in density to be apportioned by Commission. These changes would give the Commission a higher level of oversight. He explained the change in single-use apartment projects. As presented, the projects would only be allowed in the area immediately adjacent to the SunRail through planned

development and in other areas deemed appropriate by the Commission through a Map Amendment and then a planned development. This would equate to all current apartments being zoned in one (1) new category and all future projects would need to apply for a land-use change.

Deputy Mayor Boni asked if this meant when new projects were presented to Commission they would need to have an established plan that would not be a “bait and switch”.

Mr. Kintner explained the process by which new plan developments were presented and what would be provided to Commission. He then gave an example and how a density bonus could play into the situation as well.

Discussion ensued about whether a proposed plan could be changed after its presentation and approval from Commission, similar to the Weston Park development. Mr. Kintner noted the changes would increase the Commission's ability for negotiation to avoid situations like the one described.

Commissioner Boni asked if they had been “bamboozled” in the Whitehead property.

Mr. Kintner explained that this had not occurred because the developer had not made a promise and then pulled away from it. He said apartments were an allowable use for the Whitehead property from the start. He then spoke about the details of the development and how the city was not tricked.

Discussion ensued regarding the Whitehead property, its changes in plans, and that the new structure being presented would eliminate that issue.

Mr. Kintner continued to explain the proposed apartment's structure. He said single-use apartments would only be allowed on existing properties with apartments or high-density residential and then said future single-use apartments would only be allowed through a land-use change. Mixed-use apartments would have commercial requirements, only allowed on existing properties with apartments or high-density residential in areas adjacent to SunRail or the core industrial area. These would also only be allowed through a land-use change by the City Commission. He said the Commission may wish to consider the planned development process, to provide more oversight, or staff approval as a development incentive.

Discussion ensued about the benefits of having both options available to developers for time and predictability purposes.

Deputy Mayor Boni asked if the Land Development Board was part of the current process.

Mr. Kintner stated they are a step in some of the processes. Comprehensive plan amendments and land development code text amendments have this step. He said another consideration to make is the proposed change would add a significant new responsibility to the Commission regarding projects from staff and it is only presented as an option for Commission. Staff is content to continue with the responsibilities as previously handled.

Discussion continued about the proposed changes, their benefits, their limits, current structure, and what can be done per code. It was specified that the proposal will only be for apartments.

Mr. Gioielli stated he felt it was important to share with the public that they have started to share the pre-application meeting agendas with the Commission, so if they have feedback it can be shared then. They have also been sharing projects monthly. Once there is a formal process or application it will be separate from the pre-application process. This is to avoid wasting time on something the Commission has little interest in when they are considering constituent feedback and what they feel is best for the City.

Commissioner Morgan noted developers often approach Commissioners directly to pitch a project.

Deputy Mayor Boni asked if the monthly presented projects will include all projects officially beginning with the City.

Mr. Gioielli responded it would.

Mr. Kintner said the pre-development inquiry sessions are there to provide the ability for residents to ask about project ideas and details. He said once the pre-application is submitted it is a public record.

Mr. Gioielli urged all members of the Commission to contact him for a meeting if they have an issue with the monthly report.

Mayor Sackett thanked Ms. Longo for the list of new businesses in Longwood and thinks it should be publicly posted.

Deputy Mayor Boni also thanked Ms. Longo for the new business list.

Commissioner Shoemaker asked if the monthly reports shared with them are the same listed on the website under community development.

Mr. Kintner said the reports they are receiving are a step earlier in the process. He added that part of the proposed structure is to consolidate the zoning districts into a single land-use table. That will be the time, as a group, to hear about other land uses that they may have not thought of. He goes on to explain how development issues have been handled in the past and how they would like them to develop now. He added the economic development element is not required. This element would formalize and codify the City's existing attraction and retention processes, adopt new goals at the Commission's direction, and help give guidance for future economic development-related decisions. This could be an Economic Development Strategic Plan that gets updated by the Commission each year or every two years and that guides those processes. He went over the land use and zoning change schedule listing February 9th as the Land Planning Agency Public Hearing, March 7th as the first City Commission Public Hearing, and April 18th as the second City Commission Public Hearing. He stated that while state law does not require that individual landowners receive notice of land use or zoning changes, it is still important to get the word out about these changes and additional notifications are an option. He then said while he would like feedback, there is no time today and perhaps the discussion could continue at the next meeting. He urged the Commission to provide feedback as soon as possible to have the changes incorporated early in the process.

Mr. Gioielli asked the Commission if they agreed with separating apartments and townhomes.

It was the consensus of the Commission to separate apartments and townhomes.

Mr. Gioielli asked if there was an appetite for plan development for high-density apartments.

It was the consensus of the Commission to have plan development for high-density apartments.

Mr. Gioielli asked if there was interest in combining the manuals into one streamlined, removing any conflicts, and mix-use apartments, looking for a streamlined process that would meet the priorities of the Commission but have staff approval.

It was the consensus of the Commission to combine the manuals.

Mr. Gioielli asked the Commission to reach out to him if they had any questions or concerns.

3. **ADJOURN.** Mayor Sackett adjourned the meeting at 6:46 p.m.

Minutes approved by City Commission: 02-07-2022

Brian D. Sackett, Mayor

ATTEST:

Michelle Longo, CMC, FCRM
City Clerk

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