

**MINUTES OF MIDWAY TOWN COUNCIL SPECIAL MEETING HELD ON OCTOBER 15, 2018, AT 6:00 P.M. IN THE CONFERENCE ROOM AT MIDWAY TOWN HALL, 426 GUMTREE ROAD, MIDWAY, NORTH CAROLINA**

**CALL TO ORDER**

Mayor John Byrum called the meeting to order.

Councilors present were: Jackie Edwards, Mike McAlpine, Robin Moon, and Todd Nifong. Absent: Keith Leonard. Interim Town Manager/Town Clerk Linda Hunt, Deputy Clerk Tammy Robertson and Town Attorney Jim Lanik were present.

Each Councilor had been furnished an agenda prior to the meeting.

No members of press were in attendance.

**SPECIAL MEETING**

**DISCUSSION – CONTRACT WITH RETAIL STRATEGIES – ECONOMIC DEVELOPMENT**

At their regular meeting held on October 1, 2018, Council discussed the renewal of a contract with Retail Strategies, a marketing company from Alabama with expertise in community development. Under the proposed agreement, Retail Strategies would conduct a community retail-potential analysis, followed by active marketing to retailers, matching community resources with potential site tenants on a national scale. Deliverables to the Town would include a study analysis, a retail strategy, marketing guide and identification of a minimum of thirty retailers that match Midway's demographic profile.

After discussion, Council had questions about what had been accomplished by Retail Strategies in the first year of a potential three year contract for economic growth opportunities for the Town and called for a Special Meeting to discuss the opportunities with Retail Strategies.

Lacy Beasley, President of Retail Strategies said that the initial research had been completed and reiterated the importance of a three year contract stating that it generally takes eighteen to twenty four months to see results from initial efforts.

Ms. Beasley discussed the Discovery Phase Summary which was completed during the first ninety days of Retail Strategies partnership with the Town. In the Discovery Phase, Retail Strategies performed the following:

1. Analytical and Quantitative Research which includes:
  - A. Trade area identification:
    - 3, 5, 10 minute radius ring
    - 5, 10, 15 minute drive time
    - Custom Boundary Geographies – hand drawn trade area based on cellular tracking data, surrounding competitive areas, and real estate intuition
  - B. Demographic reports run and analyzed for each graphic area
  - C. Consumer attitude and behavior analysis
    - Tapestry segmentation
  - D. Mapping and aerial imagery:
    - Competitive market aerial
    - Thematic demographic mapping
    - Market retail competitor aerial

- E. Peer market comparison report
  - F. Retail gap analysis report
2. In-Market Real Estate Analysis:
- A. In-market real estate analysis completed in March 2018 by Retail Strategies real estate team
  - B. Completed assessment of existing real estate landscape
    - Identified new development, re-development and higher and better use opportunities
    - Completed analysis of tenant mixture of shopping centers and retail corridors
3. Property catalog and prospect list:
- A. Property catalog created of real estate opportunities
    - Fourteen properties were identified and cataloged as current and/or long term retail opportunities within the Town limits
    - Retail Strategies began outreach efforts to local brokers or property owners associated with identified properties
  - B. Retail recruitment prospect list created
    - Over sixty retail prospects were identified using peer analysis, gap analysis, retailer expansion plans and general industry intuition
4. Custom marketing materials:
- A. Midway's custom marketing guide completed and approved
5. Strategic Retail Recruitment Plan:
- A. The Town of Midway's Retail Recruitment Plan was completed and delivered to Mayor John Byrum and Council March 2018.
- Jordan Williams, Retail Development Manager for Retail Strategies discussed prospecting and the scope of work highlights from the research conducted by Retail Strategies for the Town in the last year. Those highlights include the following:
1. Outreach
- A. Local broker and property owner outreach
    - Following Retail Strategies in-market real estate analysis, their team began reaching out to local property owners and brokers who represent sites in the market. The purpose of these efforts has been to offer Retail Strategies assistance and help market their properties to their industry contacts. This is an ongoing process. However, the following list highlights some of the connections Retail Strategies has made to date:
      - Glenwood Development – Kris Niebergall and Patrick Hennigan (Midway Commons)
      - Marshall Land and Properties LLC – Midway Town Center
      - Stewart Realty – pad by Glenwood Development
      - Hubbard Commercial – Bruce Hubbard (2.86 acres parcel in front of Midway Town Center) listed with Coldwell Banker
    - Site specific demographic and research reports can be created upon request to aid in the marketing opportunities currently available.
2. Research and marketing materials

- A. Custom marketing materials updated for 2018 conference representation
  - B. Research, property catalog and retail prospect list updated for 2018
  - C. Retail industry trend reports posted to Basecamp
  - D. Given free access to webinars focusing on the latest with regards to retail and real estate
3. Overview of retail recruitment progress
- A. Identified over sixty national and regional retailers from eighteen categories that are both in expansion mode and looking for markets similar to Midway;

Ms. Beasley commented that Retail Strategies has made contact with about thirty of the sixty retailers. Many are franchise driven. Mr. Williams highlighted the retail recruitment activity and summarized the feedback that Retail Strategies has received from potential retailers that Retail Strategies has reached out to on behalf of the Town:

1. Current efforts
  - A. Regional Convenience Store – Retail Strategies has spoken with the corporate regional director for a regional convenience store and gas station chain who is expanding in North Carolina. Multiple sites have been sent for their review. Initial interest has been expressed for several North Carolina markets.
  - B. National Auto Parts Retailer – Continued conversations with an acquisition manager of a large national auto parts user. They are reviewing two opportunities within the market at this time.
  - C. Regional Quick Service Restaurant – A tenant representative of a regional quick service restaurant chain specified interest in Midway. Retail Strategies has followed up with sites that may be a good fit for the concept. A portfolio review has been scheduled with the representative at the upcoming ICSC conference in Atlanta. Their real estate team will be attending Retail Strategies event on October 23<sup>rd</sup>.
  - D. National Quick Service Restaurant – Conversations have taken place with a developer that works closely with a multi – unity franchise of a national quick service restaurant chain. They have toured Midway to look at potential sites. Retail Strategies will follow up with the developer in Atlanta to get feedback on the market.
  - E. Retail Strategies has contacted over thirty retailers and concepts to generate interest in Midway and will continue this outreach on behalf of the Town.

Ms. Beasley stated that the Town would be added to Retail Strategies distribution list on their website so that Council could receive monthly updates on industry trends, have access to webinars and other information that might be of interest to them.

Councilor Robin Moon asked if Retail Strategies had made contact with local brokers and landowners. Mr. Williams stated that he had reached out to them but would like to talk with them in person. He asked Council for assistance in doing this.

Ms. Beasley stated that the marketing guide that Retail Strategies had developed for the Town would be updated per Council's request to include specific target properties. This would be uploaded to Basecamp along with adding an annual report and an aerial guide of the Town. Retail Strategies will also update their website to include all local schools within the Town.

Mayor Pro Tem Mike McAlpine asked Ms. Beasley what would be the Town's viability in obtaining a grocery store as this is a major concern of the citizens of the Town. Ms. Beasley stated that a better option for the Town would be a regional grocery store. Neighboring Food Lions, Walmart and Lowes Foods would make it a challenge to acquire a larger chain.

Ms. Beasley said that Retail Strategies has represented Midway in the past at conferences in Charlotte, North Carolina and in Las Vegas, Nevada. On October 23, 2018, Retail Strategies will be representing Midway at a conference in Atlanta and will give a report to Council at the next regular Town Council Meeting on November 5, 2018.

**RECESS TO CLOSED SESSION**

On motion by Mayor Pro Tem Mike McAlpine, seconded by Councilor Jackie Edwards, Council voted unanimously to recess to closed session in accordance with N.C.G.S. 143-318.11(a)(6) to discuss matters pertaining to personnel.

**RECONVENE TO OPEN SESSION**

On motion by Councilor Todd Nifong, seconded by Councilor Jackie Edwards, Council voted unanimously to reconvene to open session.

**ADJOURNMENT**

On motion by Councilor Robin Moon, seconded by Mayor Pro Tem Mike McAlpine, Council voted unanimously to adjourn the meeting at 10:02 p.m.

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John E. Byrum, Mayor

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Tammy H. Robertson, Deputy Clerk