

**MINUTES OF MIDWAY TOWN COUNCIL SPECIAL MEETING HELD ON MARCH 7, 2018
AT 12:30 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 and welcomed everyone present.

Councilors present were: John Byrum, Jackie Edwards, Mike McAlpine and Keith Leonard Absent: Todd Nifong and Robin Moon. Interim Town Manager/Town Clerk Linda Hunt, Deputy Clerk Tammy Robertson, Wesley Vaughn and Jordan Williams with Retail Strategies were present.

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

No members of press were in attendance.

ECONOMIC DEVELOPMENT UPDATE – RETAIL STRATEGIES

In November 2017, The Town entered into a two year contract with Retail Strategies, a Professional Consulting Service Company from Birmingham, Alabama, for economic development opportunities for the Town.

Wesley Vaughn, Portfolio Director, and Jordan Williams, Retail Development Coordinator, for Retail Strategies presented an update on the progress being made for securing retail businesses for the Town. Mr. Vaughn stated that the first ninety days of the contract is considered the Discovery Phase in which Retail Strategies reaches out to a national network of retailers, brokers, developers and key industry contacts on behalf of the Town. Project specific materials and reports will be created for the Town on a case by case basis as needed. Mr. Vaughn said that the Discovery Phase is an ongoing process.

Mr. Vaughn stated that a retail site will only be chosen if it meets all of the retailer's criteria such as market and site criteria. Each retailer has its own formula for determining what market characteristics are needed for a profitable store. Mr. Vaughn stated that an experienced real estate team has been to Midway to view the market just as a retail site selector would. Retail Strategies takes the data and connects it with targeted businesses.

Retailers typically look at several things when determining if a particular market is suitable for their needs including: income, population density (drive time and radius) and traffic counts (volume of traffic passing through that location on a daily basis). Mr. Vaughn said that retailers typically will make decisions based on the two highest criteria.

Each retailer has a specific formula of market criteria they use to determine if they will have a profitable store. Understanding the Town's trade area is extremely important because it sets the parameters for measuring demographic criteria and spending potential sought by retailers.

A trade area is the geographic area from which a community attracts the majority of its customers. Retail Strategies defined the Town's primary trade area by the base of the consumers likely to shop and eat in the market at least once per month. The Town's primary trade area has been created by combining mobile tracking data with other factors such as: current retail mix in the community, traffic patterns, destination attractions, and proximity to competing markets.

Retail Strategies has determined that the amount spent by consumers in the trade area is \$442 million dollars (total market supply) with total market demand being \$457 million dollars. This leads to a total market leakage for Midway of \$15 million dollars. This means more people purchase items outside of the

defined Midway trade area than inside the defined trade area for their consumer goods. Finding the specific categories where they are leaving the market is the key.

Retail Strategies maintains a database of existing and potential retail properties in the market including: commercial listing services, client updates, news reports and in person tours. Mayor John Byrum suggested talking with Pat Hennigan with Glenwood Development for potential leads in filling the current outparcels that are available in the shopping center in the Town. Mayor Byrum also suggested promoting the new Interstate 285 (formally Highway 52) that runs from Lexington to Winston Salem.

Mr. Vaughn said that the efforts of Retail Strategies for the Town are centered around four categories: restaurants, home improvement, grocery and general merchandise, matching potential retailers with the sites available in the Town through property owners, brokers, banks, local government and underperforming businesses.

Mayor Pro Tem Mike McAlpine asked Mr. Vaughn if a list of franchises that might be interested in locating to Midway be compiled and provided to Council. Council would like to present that information to potential investors for possible consideration on operating a franchise in the Town.

For information only.

ADJOURNMENT

On motion by Mayor Pro Tem Mike McAlpine, seconded by Councilor Keith Leonard, Council voted unanimously to adjourn the meeting at 1:49 p.m.

John E. Byrum, Mayor

Tammy H. Robertson, Deputy Clerk