



CITY OF PACIFICA ECONOMIC DEVELOPMENT COMMITTEE AGENDA

Tuesday, October 12, 2021, 6:00 PM

Virtual Meeting via Zoom Link: Join URL: <https://zoom.us/j/94123660482>

CORONAVIRUS DISEASE (COVID-19) NOTICE

THIS MEETING WILL BE CONDUCTED PURSUANT TO THE PROVISIONS OF GOVERNMENT CODE SECTION 54953 (AS AMENDED BY AB 361) WHICH AUTHORIZES TELECONFERENCED MEETINGS UNDER THE BROWN ACT DURING CERTAIN PROCLAIMED STATES OF EMERGENCY. THE GOVERNOR OF CALIFORNIA PROCLAIMED A STATE OF EMERGENCY RELATED TO COVID-19 ON MARCH 4, 2020. THIS TELECONFERENCED MEETING IS NECESSARY SO THAT THE CITY CAN CONDUCT ESSENTIAL BUSINESS AND IS PERMITTED UNDER GOVERNMENT CODE SECTION 54953 IN ORDER TO PROTECT PUBLIC HEALTH AND SAFETY OF ATTENDEES.

Consistent with Government Code Section 54953, this City Committee Meeting will be held via teleconference only and will not be physically open to the public. Committee Members and staff will teleconference into the meeting by audio and/or video. The meeting will be conducted via Zoom.

Below is information on how the public may observe and participate in the meeting.

How to Join the Meeting:

- Join using Zoom meeting link: <https://zoom.us/j/94123660482>
(By Phone, dial-in to: **1-669-900-6833** and enter **Webinar ID: 941 2366 0482**)
- Contact Chief Financial Sustainability Officer Yulia Carter by email at ycarter@pacificagov for meeting access questions.

To Participate in the Meeting by Providing Public Comment:

- (1) **PRIOR TO THE MEETING:** By email to ycarter@pacificagov. Comments submitted by email should adhere to the following:
 - Subject Line: "Public Comment – EDC Mtg 10/12/2021 [AGENDA ITEM NO. or "ORAL COMMUNICATIONS" for topics not on the agenda]"
 - Submitter's Full Name
 - Limit word count to 350 words
- (2) **DURING THE MEETING:** Live verbal public comments may be made by members of the public joining the meeting via Zoom. Zoom access information is provided above. Use the "raise hand" feature (for those joining by phone, press *9 to "raise hand") during the public comment period for the agenda item you wish to address. You will be recognized to speak by name provided or last 4 digits of phone number for dial-in attendees. Please clearly state your full name for the record at the start of your public comment.

Note: The format of this meeting may be altered or the meeting may be cancelled, if needed. You may check on the status of the meeting by visiting the City's website at www.cityofpacificagov for any updates.

CALL TO ORDER:

Roll Call:

- a. Members: Matthew Dougherty (Chair), Daisy Fong, Jim Heldberg, Archie Judan, Beth Lemke, Grace Sobieski, Sean Thompson
- b. City Council Liaisons: Sue Beckmeyer, Mike O'Neill
- c. Staff Liaison: Yulia Carter

ADMINISTRATIVE BUSINESS (5 minutes):

- a. Approval of Order of Agenda

COMMUNITY COMMUNICATIONS (5 minutes):

Oral Communications at opening:

This portion of the agenda is available to the public to address the Committee on any issue within the subject matter jurisdiction of the Committee that is not on the agenda.

PRESENTATIONS (15 minutes):

- a. Plastic Foodware Waste Issues: educational presentation by Daisy Fong
- b. Overview of the City's Revenue Base and Financial Operations by Yulia Carter

STAFF COMMUNICATIONS (5 minutes):

- a. Update on economic development-related items

COMMITTEE COMMUNICATIONS (60 minutes):

1. **Trash Issues at Shopping Centers:** overview of the ordinance
2. **Banner Policy and Sharp Park Sign Replacement**
3. **Committee/Commissions Input Regarding Future of Return to In-Person Meetings**
4. **Committee Workplan Actions and Updates:** Hear updates from workplan subcommittees and discuss next steps.
 - a. Subcommittee Update on Shop Local Campaign – *Eat Drink Shop* window cling publishing (continued from last meeting).

INFORMATIONAL ITEMS (5 minutes):

5. Post-COVID Retail Trends and Opportunities
6. Update from Chamber of Commerce – Archie Judan

POTENTIAL FUTURE AGENDA TOPICS (5 minutes)

7. The Committee will discuss and determine potential future agenda items

ORAL COMMUNICATION FROM THE COMMITTEE (5 Minutes)

8. Updates from Committee Members
9. Next Scheduled Meeting Date – November 9, 2021.

ADJOURNMENT

Notes:

*Please note that timeframes were provided at the request of the Committee Chair and are meant to provide guidance and not limitations.





Memorandum

TO: Economic Development Committee

FROM: Yulia Carter, Chief Financial Sustainability Officer

DATE: October 12, 2021

SUBJECT: Committees Input Regarding Future of Return to In-Person Meetings

RECOMMENDED ACTION:

Provide input regarding the future of return to in-person meetings

BACKGROUND / DISCUSSION

At their 9/27 meeting, the City Council provided direction for Council meetings to continue via Zoom through the end of 2021, due to continuing health and safety concerns regarding the Delta variant and the feasibility of effectively conducting long meetings while wearing a mask. Also, the City is not planning to require proof of vaccination, or proof of negative test, for public entry into an in-person meeting due to operational challenges this requirement would pose, and because the City Attorney's Office would need to conduct research to determine if such a requirement would be legal under the Brown Act and the California and US Constitutions.

In compliance with AB361, the Council will adopt a resolution making findings to allow continuance of teleconferenced meetings during a period of gubernatorial state of emergency. The Council will make findings every 30 days that reconsider the circumstances of the state of emergency and either (1) the emergency continues to impact the ability to safely meet in-person, or (2) State or local officials continue to impose or recommend social distancing. Council will consider such a resolution at their Oct 11, 2021 meeting.

The City Council wants each City commission/committee to be aware of their decision and have a chance to provide comments.

The following information is important for members to know for when they discuss this topic:

- The City Council felt that there could be risks of exposure to the virus if meetings returned in-person without confirmation of vaccination or testing; and
- Wearing masks would be difficult for long meetings; and
- More people have been able to attend virtual meetings; and
- When meetings return to in-person, only City Council and Planning Commission meetings will be able to test a phone-in option for public comment, since these are the only meetings that are streamed via PCT and occur in the Council Chambers where this technology is available.



Panel Discussion:

Post-COVID Retail Trends and Opportunities

Topics

- **COVID's Impact on Retail**
- **Post-COVID Retail Trends and Retail Outlook**
- **Proactive Retail Recruitment Strategies in a Post-Covid World**
- **Real Examples of Peer Cities Surviving & Thriving**

Moderator



Austin Farmer

Project Director
The Retail Coach



○ **20+ Years** of Experience

○ **650+ Client Communities**
in 40 States

○ **5 Million + SF of**
New Retail Recruited
In the last Five Years

Panelists



Chenin Dow

**Sr. Manager - Economic
Development & Real Estate**

City of Lancaster



Scott Agajanian

**Deputy Director of
Economic Development**

City of Murrieta

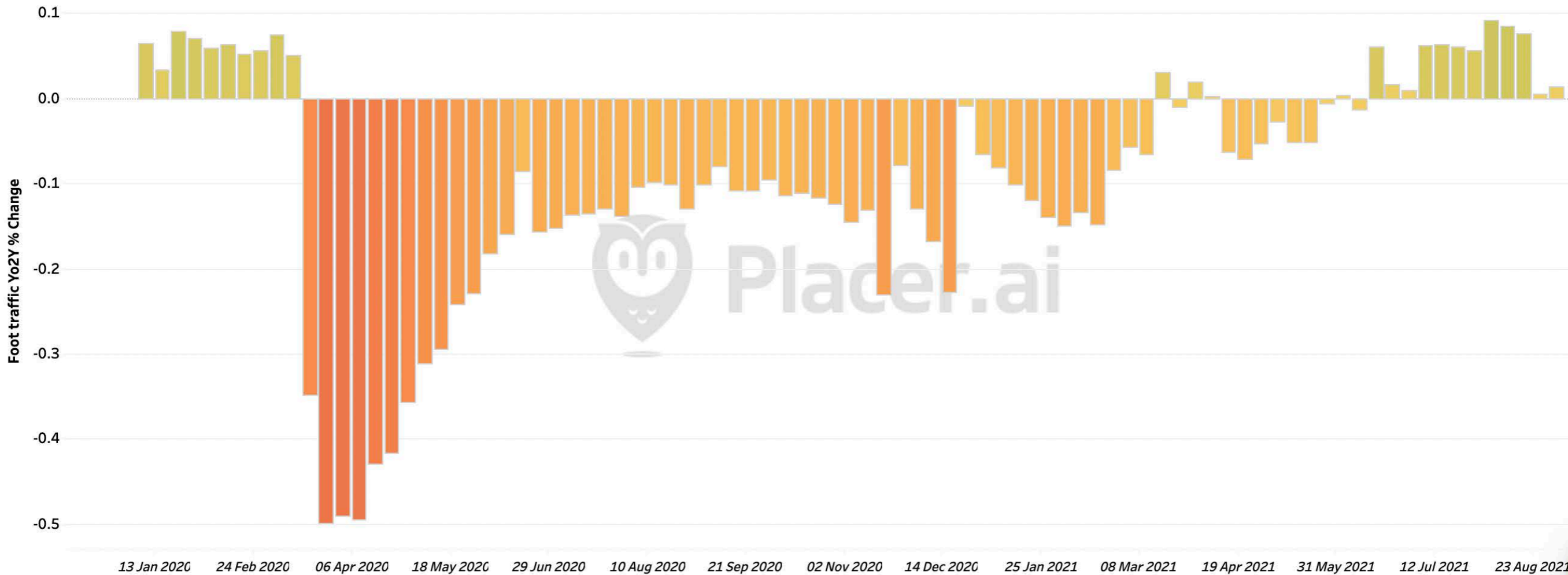


Kevin Ingram

City Manager

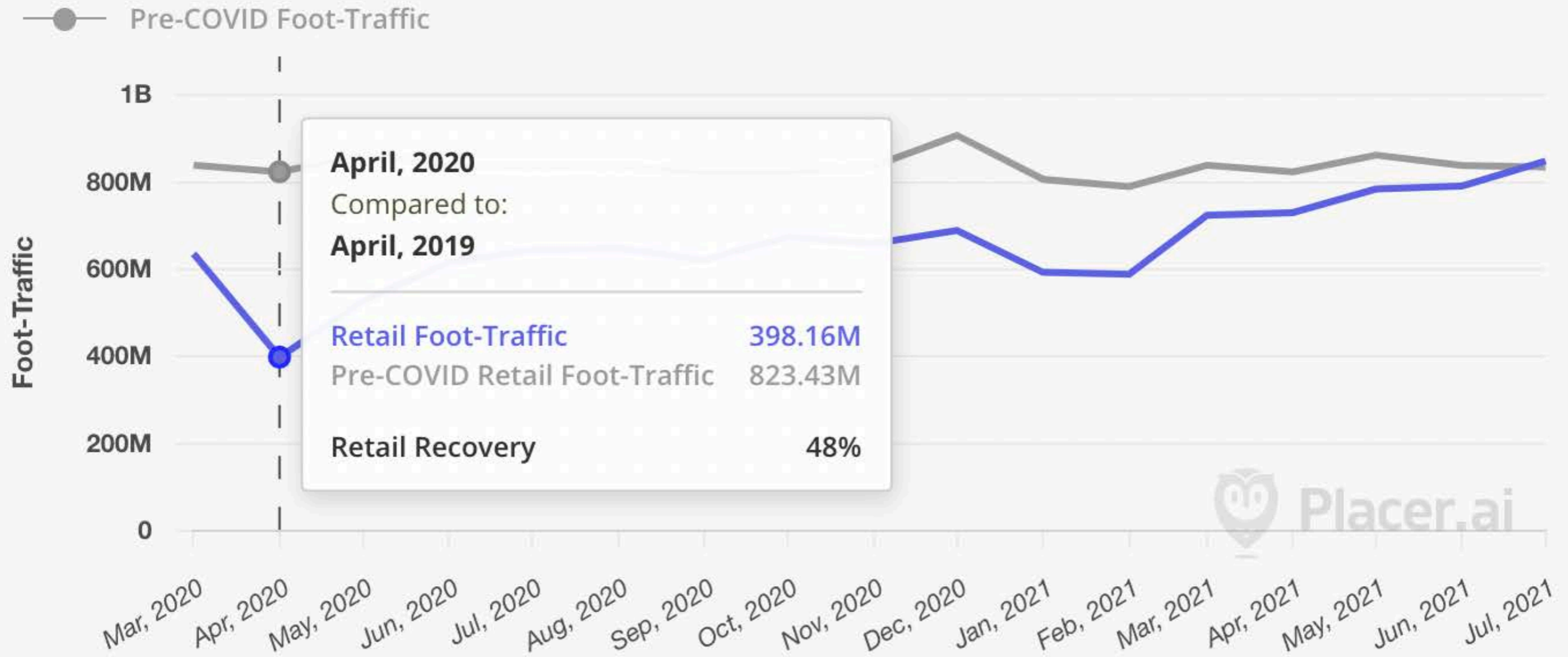
City of Lakeport

COVID's Impact on Retail in California



Retail Foot-Traffic dropped significantly from March 2020 to June 2021

COVID's Impact on Retail in California

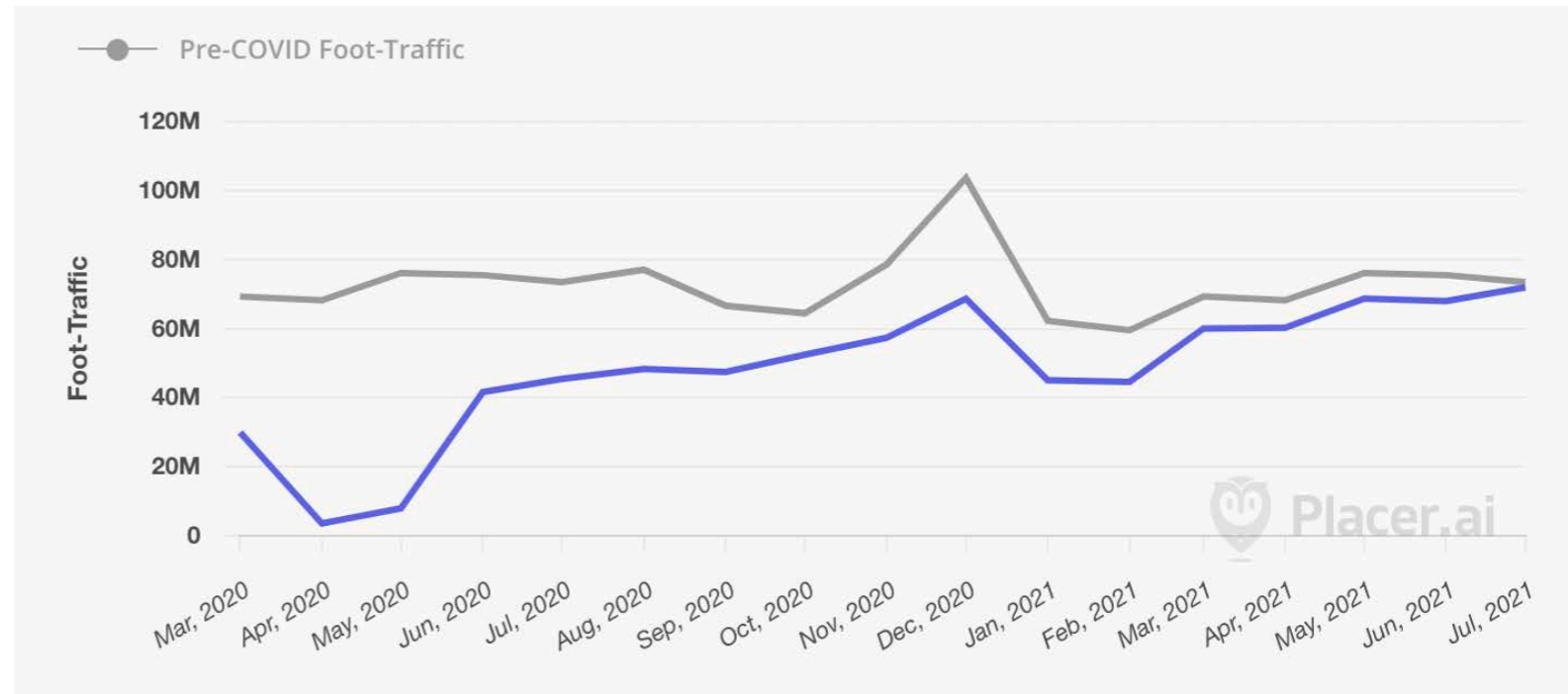


Foot-Traffic across all sectors dropped to **48%** of pre-pandemic levels in California

Retail sectors **hit the hardest:**

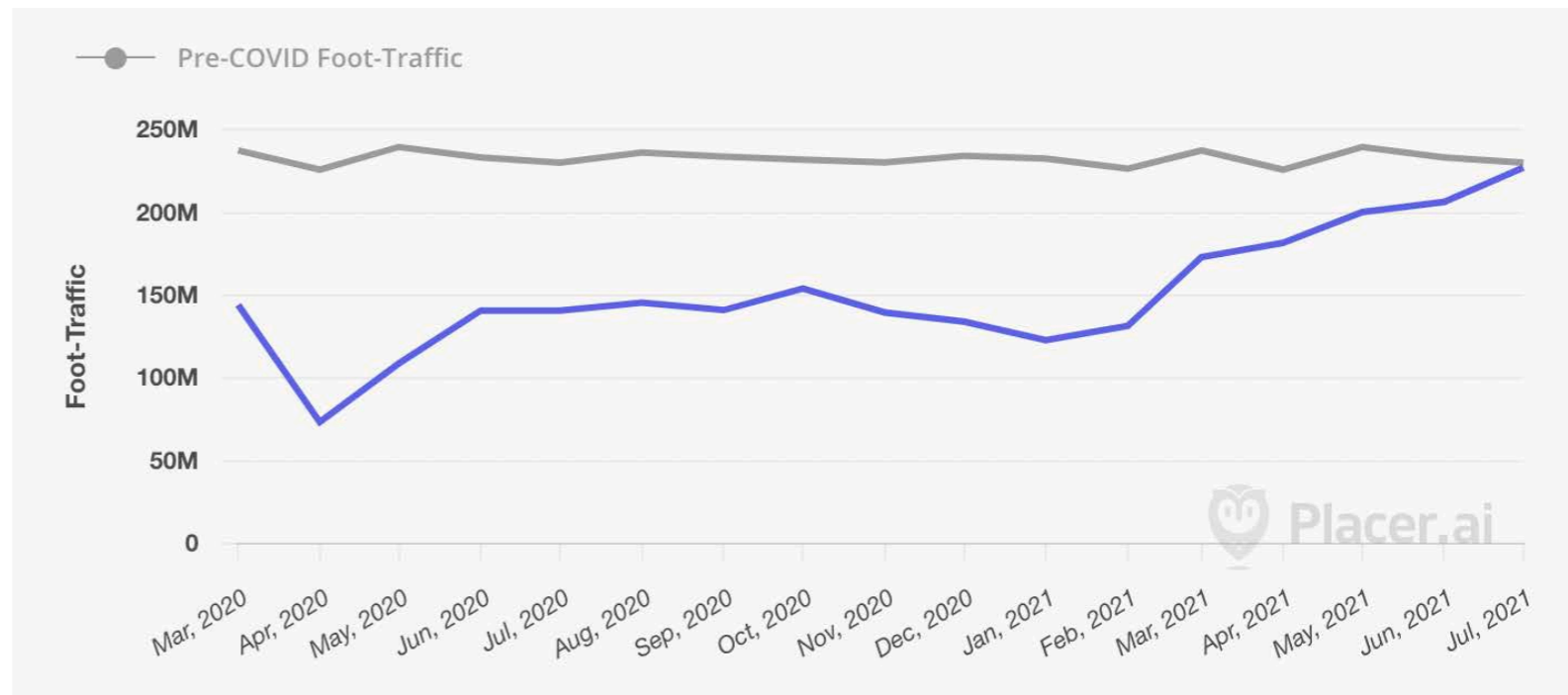
Apparel

Foot-Traffic dropped to **5%** of pre-pandemic levels at its worst



Dining

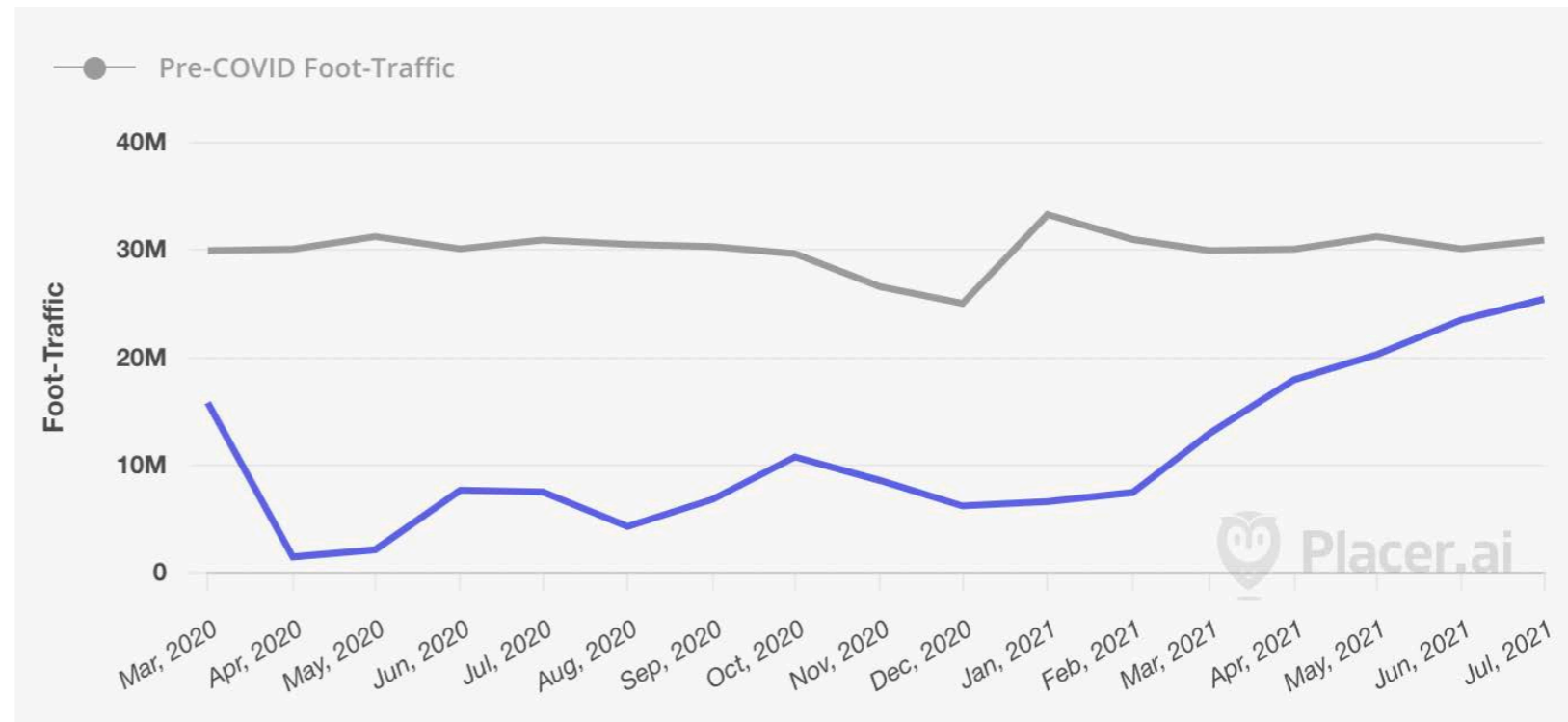
Foot-Traffic dropped to **32%** of pre-pandemic levels at its worst



Retail sectors **hit the hardest:**

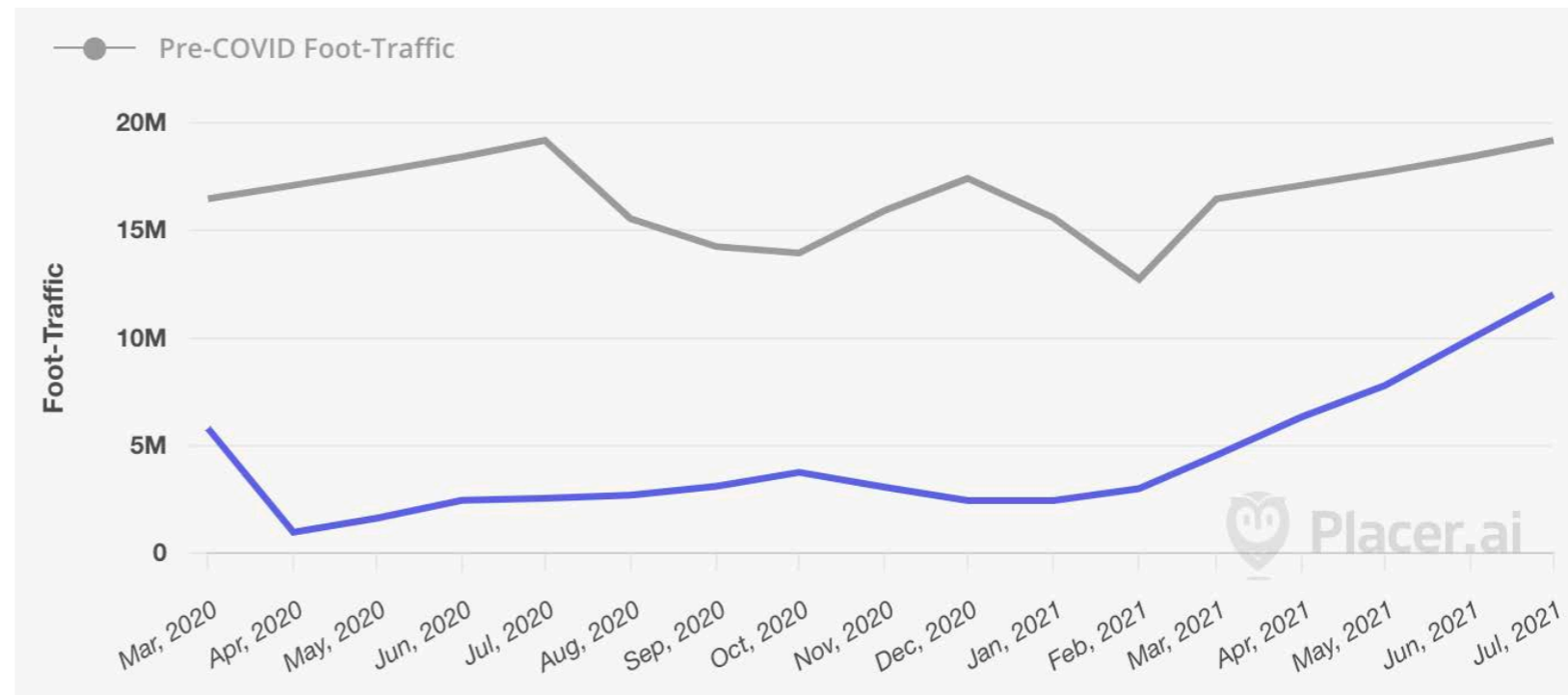
Fitness

Foot-Traffic dropped to **4%** of pre-pandemic levels at its worst



Liesure

Foot-Traffic dropped to **5%** of pre-pandemic levels at its worst



Retail sectors **hit the hardest:**

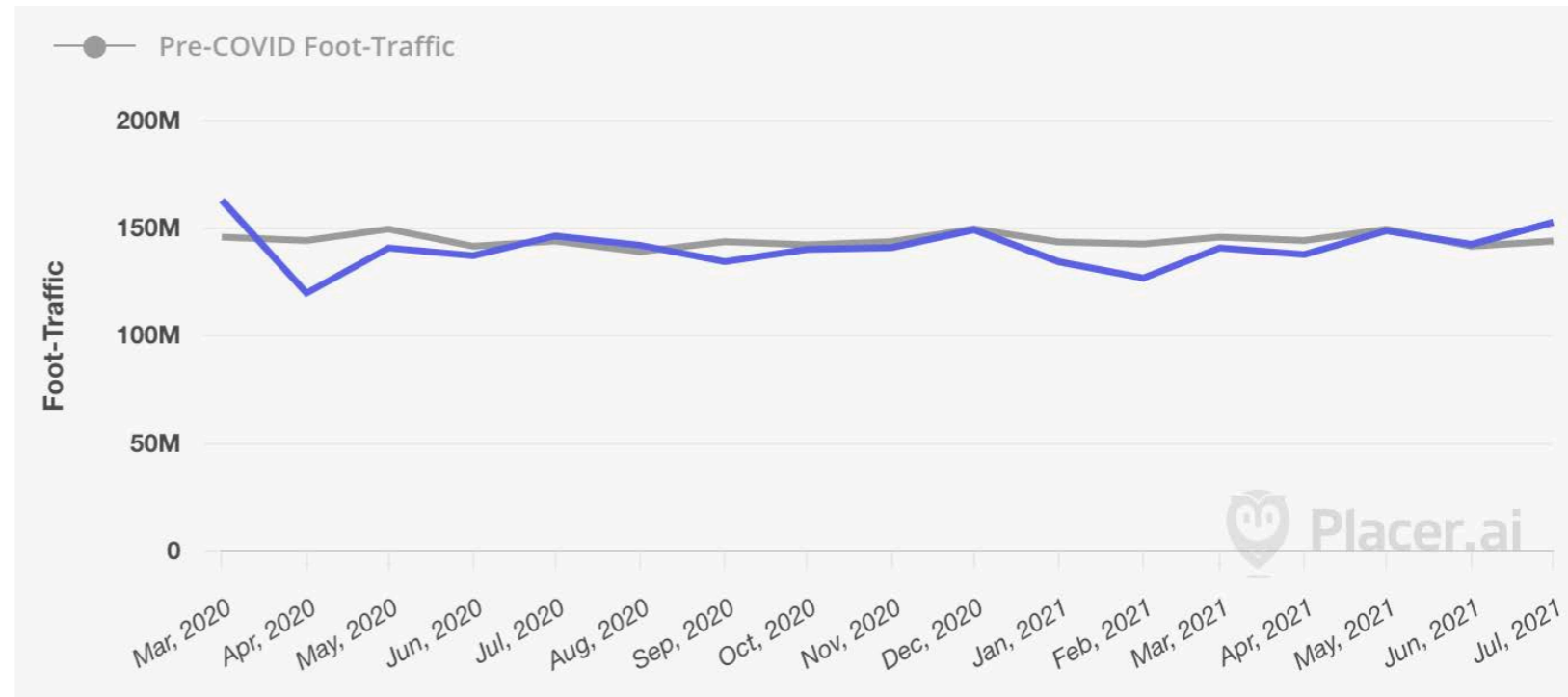
Small Businesses and Main Street!



Retail sectors that fared the best:

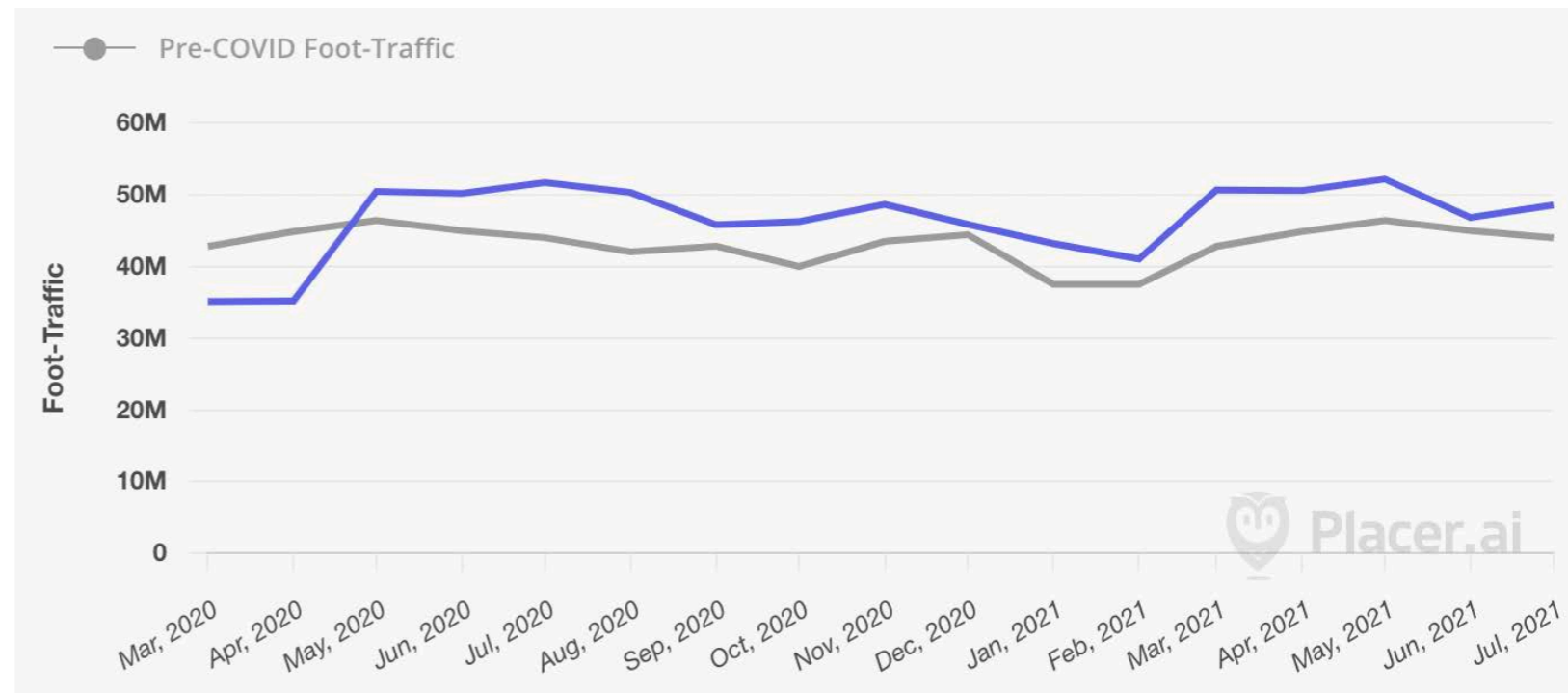
Grocery

Foot-Traffic dropped to **83%** of pre-pandemic levels at its worst



Home Improvement

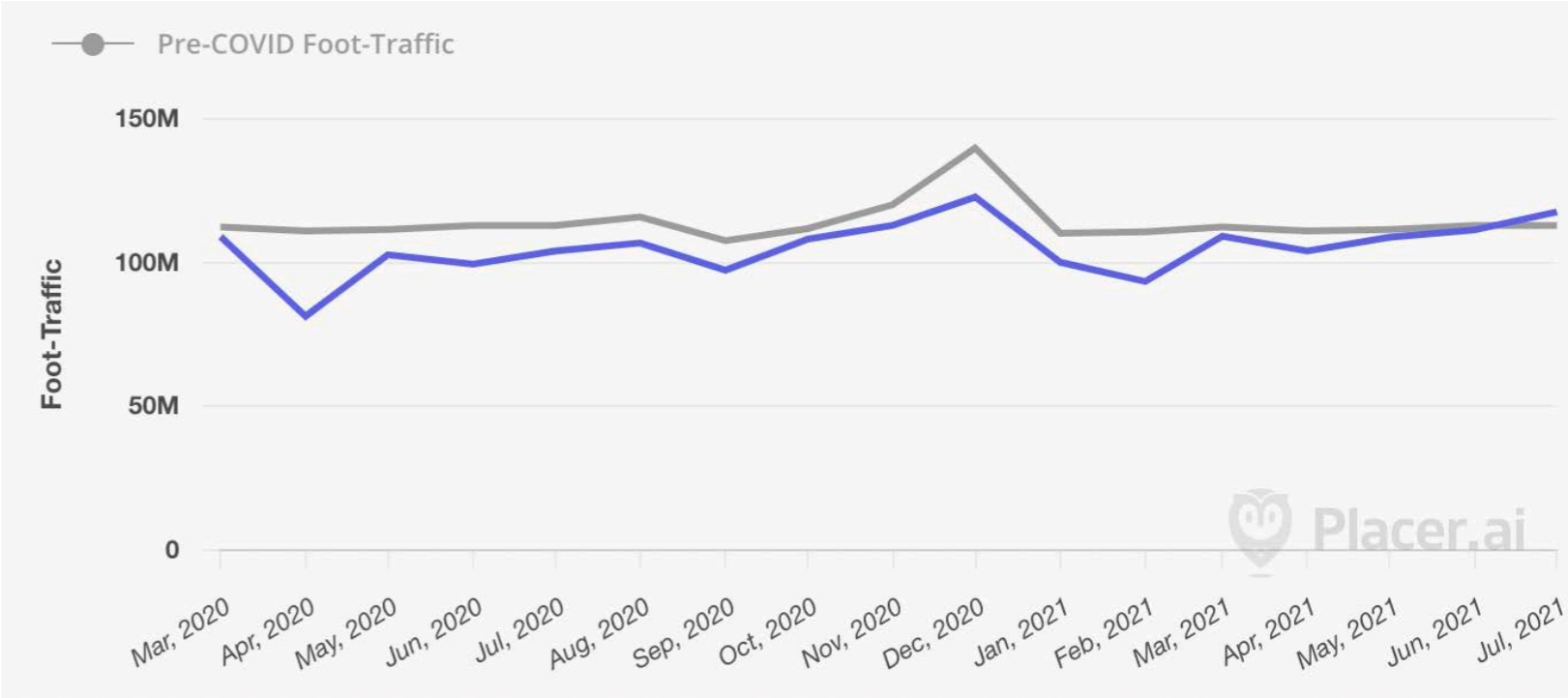
Foot-Traffic dropped to **78%** of pre-pandemic levels at its worst



Retail sectors that fared the best:

Super Stores

Foot-Traffic dropped to **73%** of pre-pandemic levels at its worst



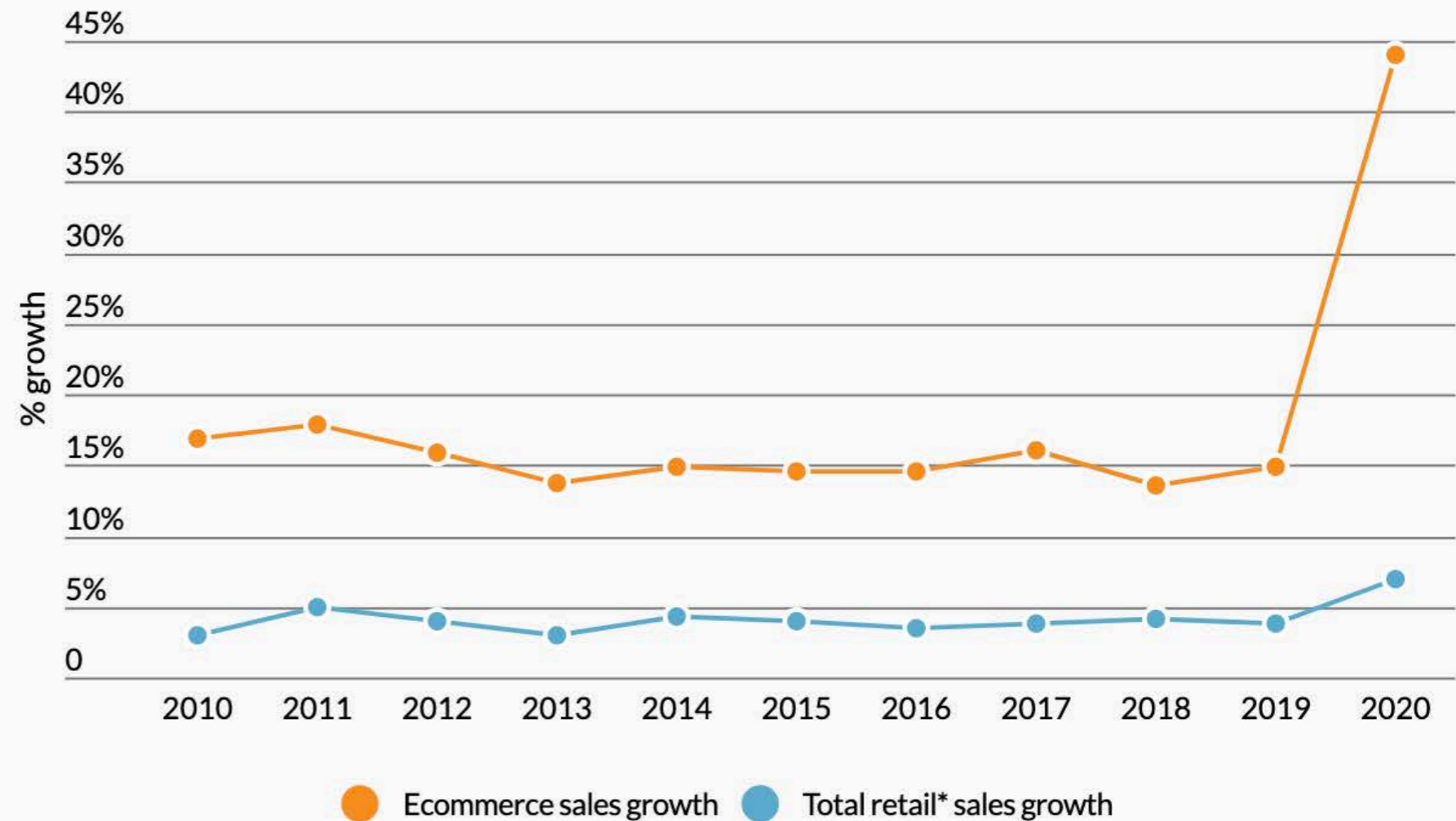
Retail sectors that fared the best:

e-Commerce

Online retail sales took a massive leap forward from 2019-2020

Comparing growth: US ecommerce vs. total retail* sales

Year-over-year growth, 2010-2020



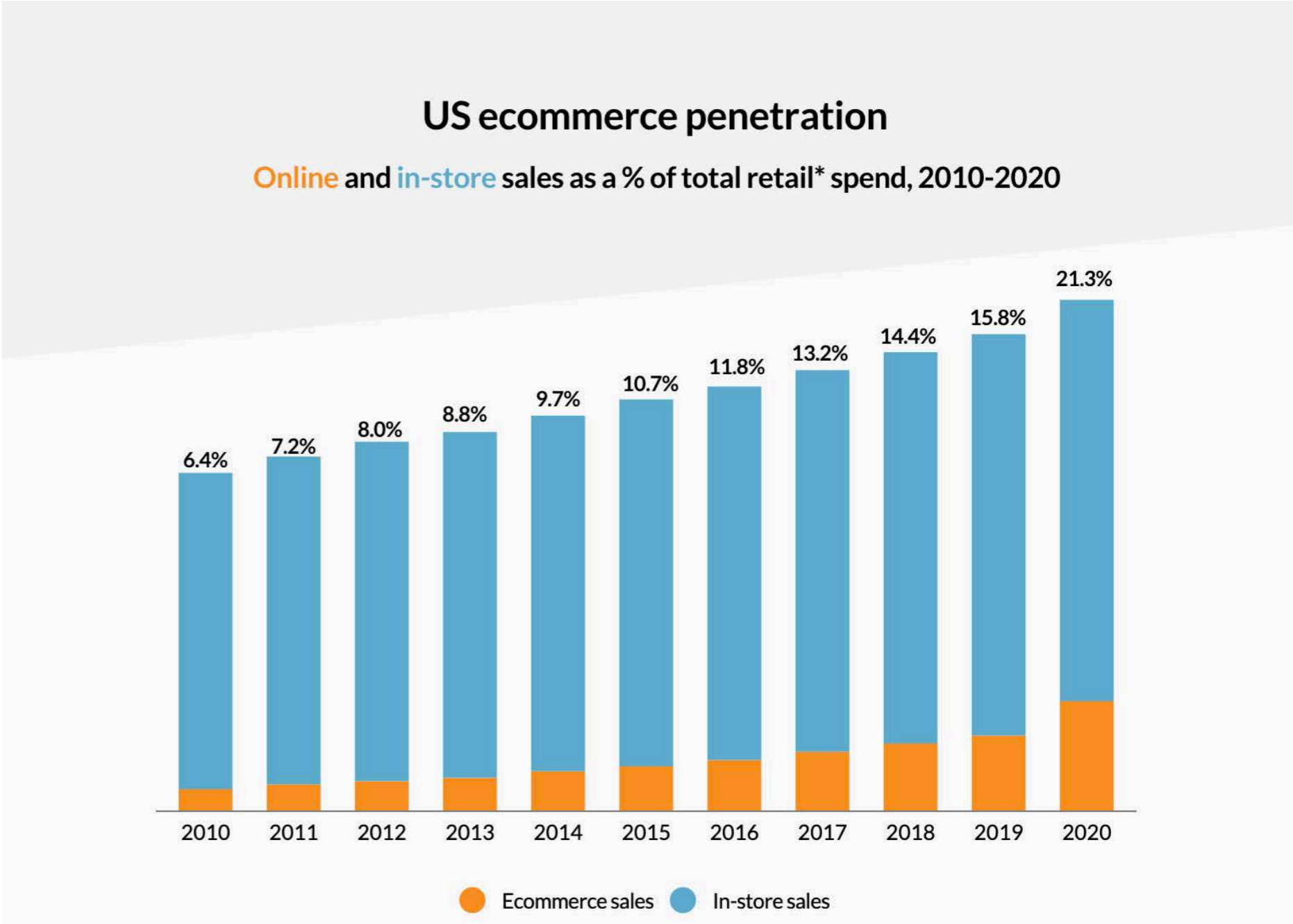
Source: Digital Commerce 360, U.S. Department of Commerce ; Updated January 2021

Total retail figures exclude sales of items not normally purchased online such as spending at restaurants, bars, automobile dealers, gas stations and fuel dealers

Retail sectors that fared the best:

e-Commerce

Online retail sales took a massive leap forward from 2019-2020



*Total retail figures exclude sales of items not normally purchased online such as spending at restaurants, bars, automobile dealers, gas stations and fuel dealers
Source: Digital Commerce 360 analysis of U.S. Department of Commerce data
Updated January 2021

Post-COVID Retail Trends

So what does that mean for retail moving forward?

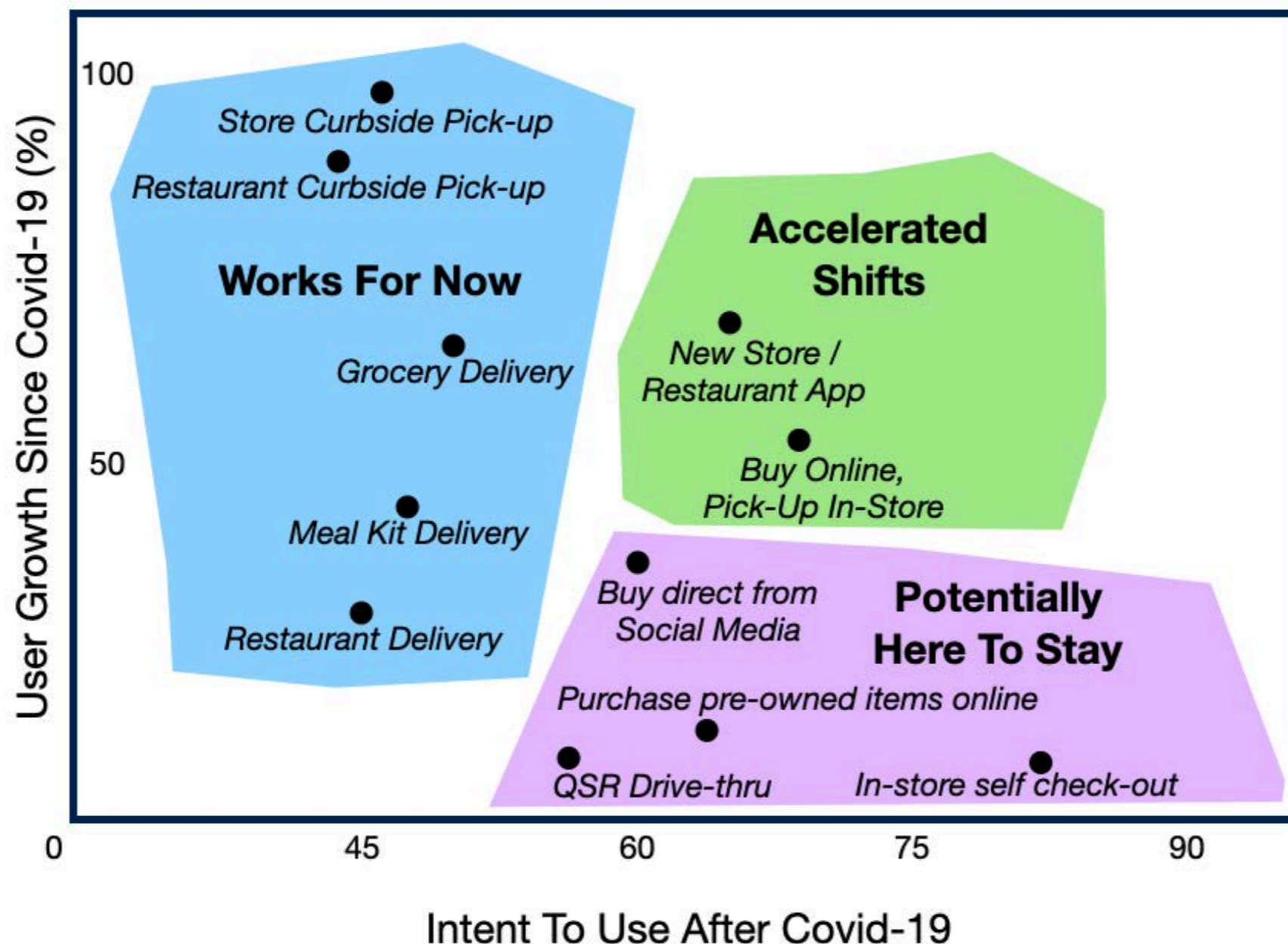
Reality:

COVID has impacted how retailers and restaurants will do business in the future



Post-COVID Retail

Retailers and Restaurants will continue to integrate technology into their businesses

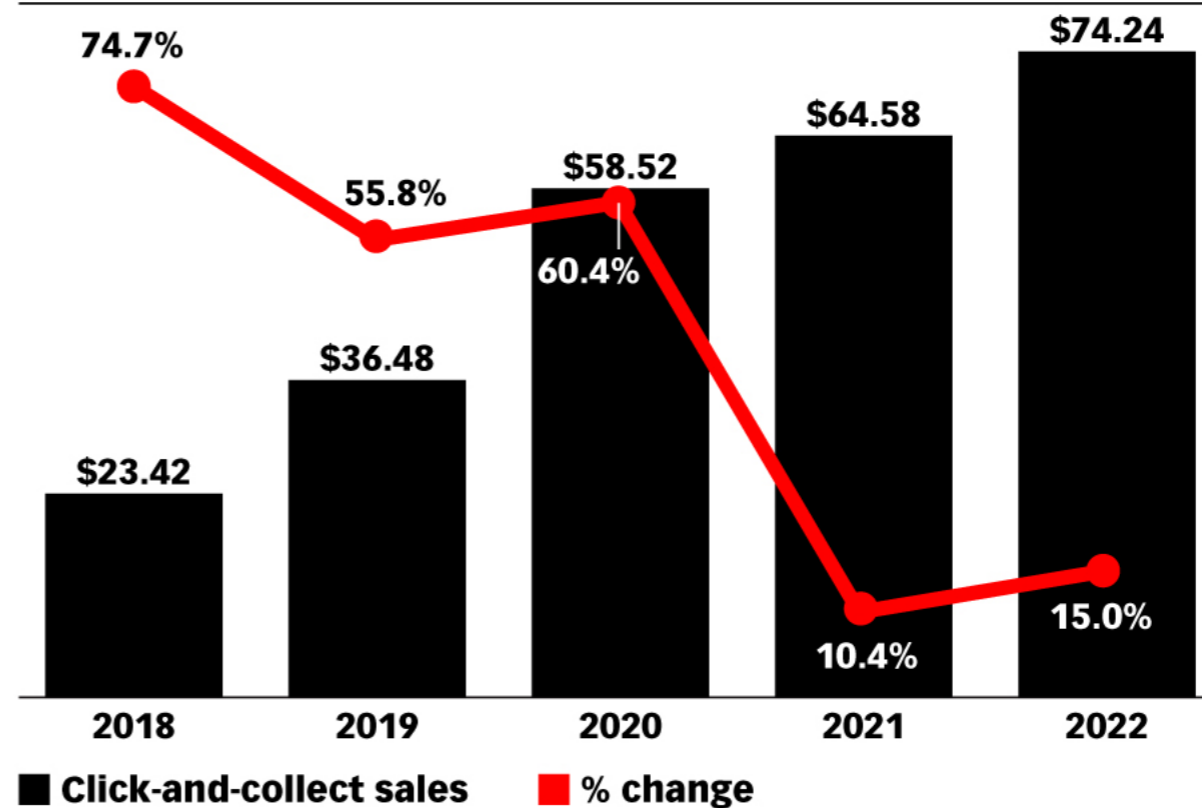


Post-COVID Retail

e-Commerce and online ordering will continue to shape the layout of brick & mortar stores



US Click-and-Collect Sales, 2018-2022
billions and % change



Note: includes products or services ordered using the internet (regardless of payment method) for pickup in a store or a locker in a retail or pickup hub location; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice good sales

Source: eMarketer, May 2020

Post-COVID Retail

So much so that stores will become fulfillment-first distribution centers



In Q4, 95% of online orders were fulfilled at the store level



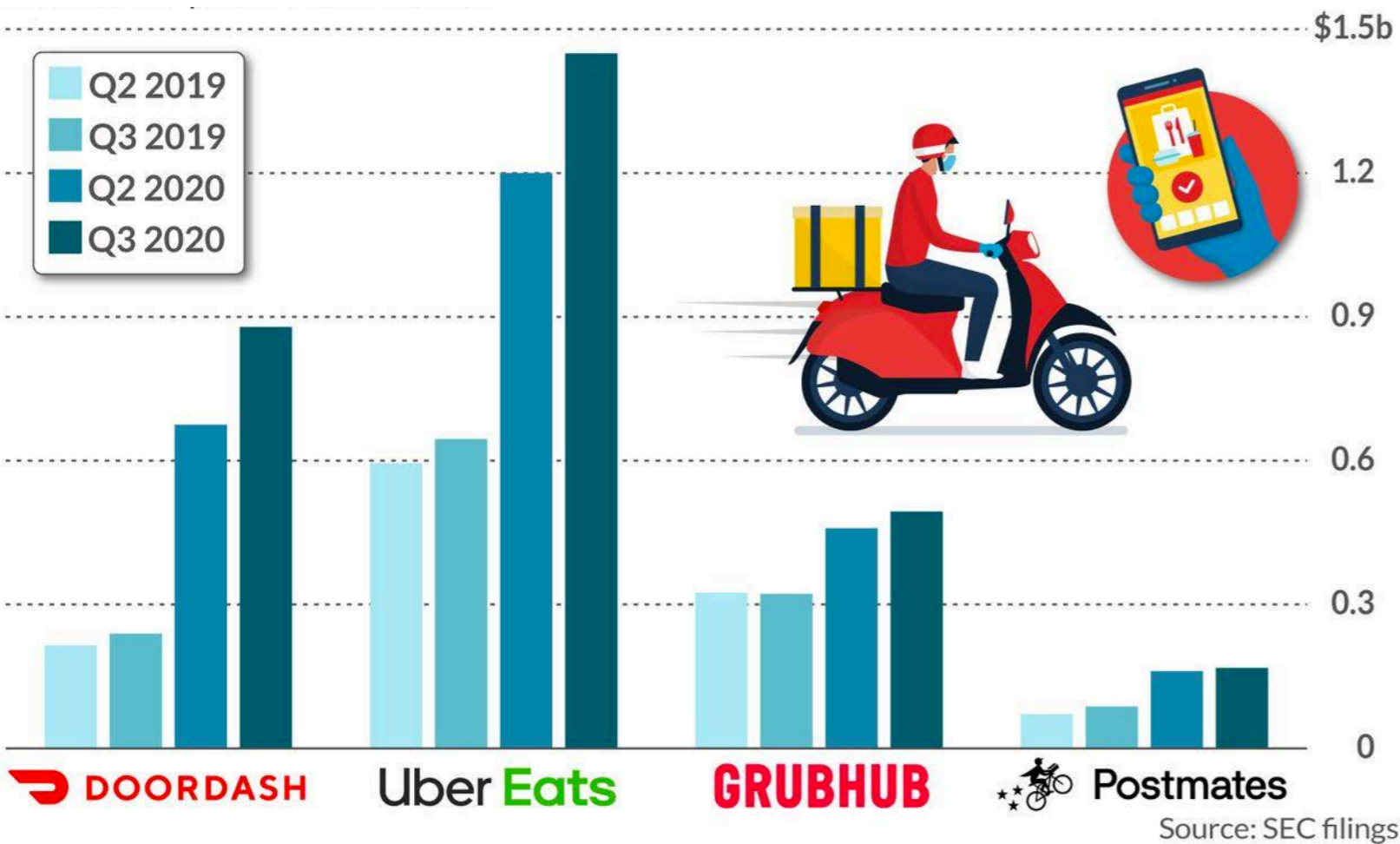
Fulfills 70% of orders from stores, cutting delivery time 10%



In 2020, the retailer fulfilled 60% of online orders from stores

Post-COVID Retail

Delivery services will further fuel the growth of new restaurant and fast-casual concepts



The pandemic resulted in food delivery app business double and helped revenues surge by over \$3 billion.

Delivery partners have helped fuel expansion in fast casual restaurant concepts, and provided additional revenues for traditional restaurants in survival mode over the past year

Post-COVID Retail

Direct-to-Consumer and online brands will continue to invest in a brick & mortar presence



Online going Offline



Many DTC brands such as Casper, UNTUCKit, Hari Mari, and Warby Parker have shifted to physical location expansions



Post-COVID Retail

There will be an influx of new concepts from established brands built around smaller footprints and future-proofing



New Concepts

Burger King: 60% smaller and focused on customer experience through multiple ordering and delivery means



New Concepts

Shake Shack: New “Shack Track” ordering and pickup system for online and in-person ordering



New Concepts

KFC: Smaller dining room with up to 5 drive-thru lanes



New Concepts

Taco Bell Defy: 4 drive-thru lanes. 3 strictly for mobile ordering and delivery service pick ups



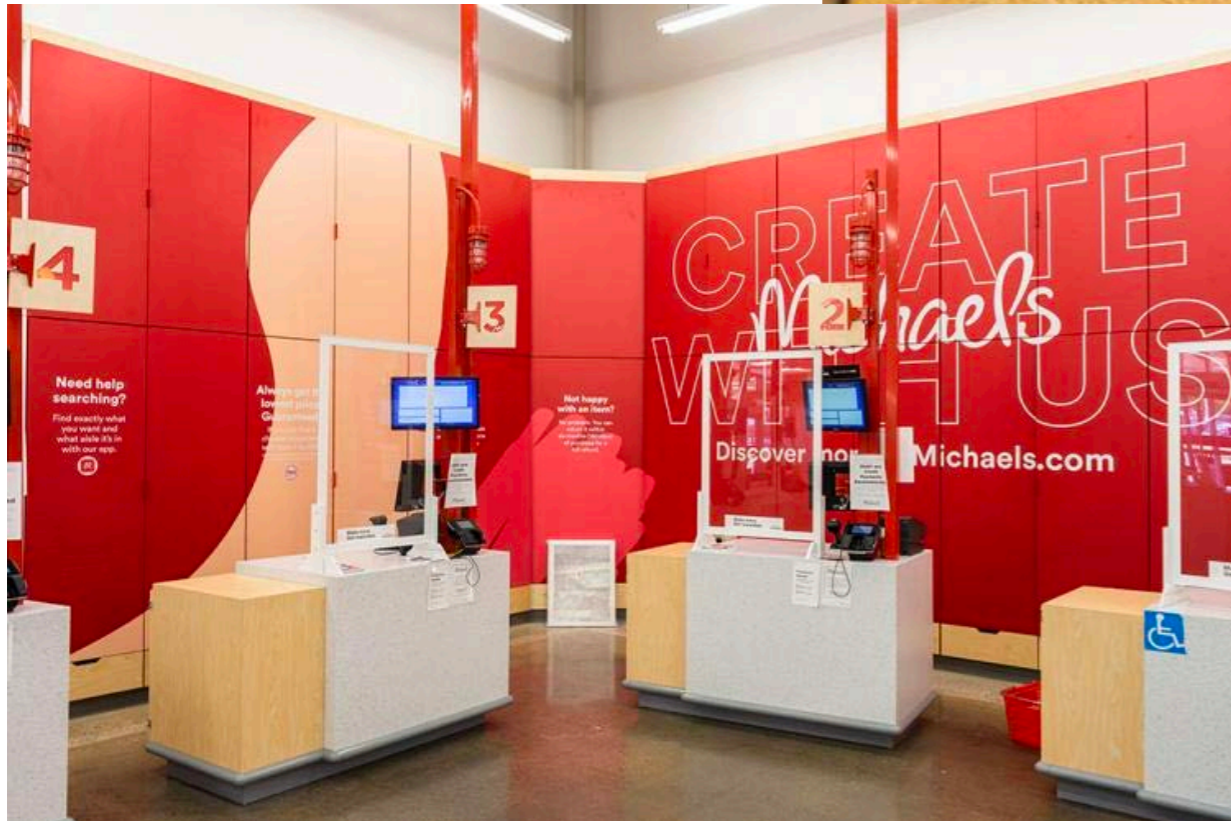
New Concepts

Market by Macy's: 20,000 sf "flexible retail format" offering "community-driven experiences and programming"



New Concepts

Michael's: Reimagined store layouts centered around the customer ('maker') experience



Post-COVID Retail Outlook

**So COVID killed brick & mortar
retail right?**

Post-COVID Retail

Despite the pandemic and (misconceived) notions of the market, many brands have plans to add attentional brick-and-mortar locations in 2021.

Retail Brands Expanding in 2021-2022

- At Home
- Burlington
- DSW
- Marshalls
- TJ Maxx
- Ross
- Old Navy
- Dd Discounts
- AutoZone
- O'Reilly's Auto Parts
- Take 5 Oil Change
- Hobby Lobby
- Michaels
- Costco
- Dollar General
- Dollar Tree
- Family Dollar
- Five Below
- Target
- Best Buy
- Aldi
- Save A Lot
- Trader Joe's
- Harbor Freight
- Tractor Supply Company
- Texas Roadhouse
- Shake Shack
- Raising Cane's
- Sonic
- Starbucks

Retail Brands Expanding in 2021-2022

The Wall Street Journal

Amazon plans to open large retail locations akin to department stores

Published: Aug. 19, 2021 at 8:58 a.m. ET

By Sebastian Herrera, Esther Fung, and Suzanne Kapner

Online shopping pioneer wants a larger retail presence to sell clothing and household items and facilitate exchanges

0



Slim Chickens signs 30-unit development deal to further develop North Carolina portfolio

Franchising News | 04 May 2021



Actionable Retail Recruitment

How does your community align with trends? What characteristics do new developments need to have?

- Access for multiple drive-thru (codes?)
- Conversations with DOT (curb cuts, future road work, etc...)
- Parking requirements
- Signage
- Land use planning (“protect” key retail sites)



Panel Conversation

What Can Communities Do to Support and Retain Existing Businesses While Recruiting New Businesses in the Post-COVID World?

Panelists



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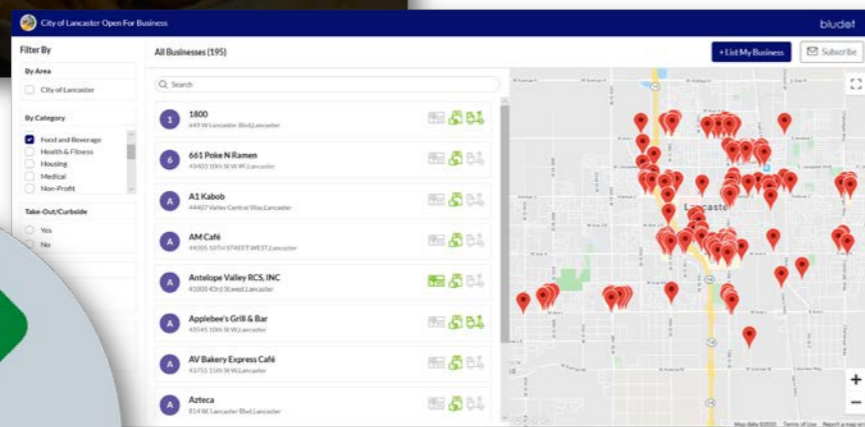


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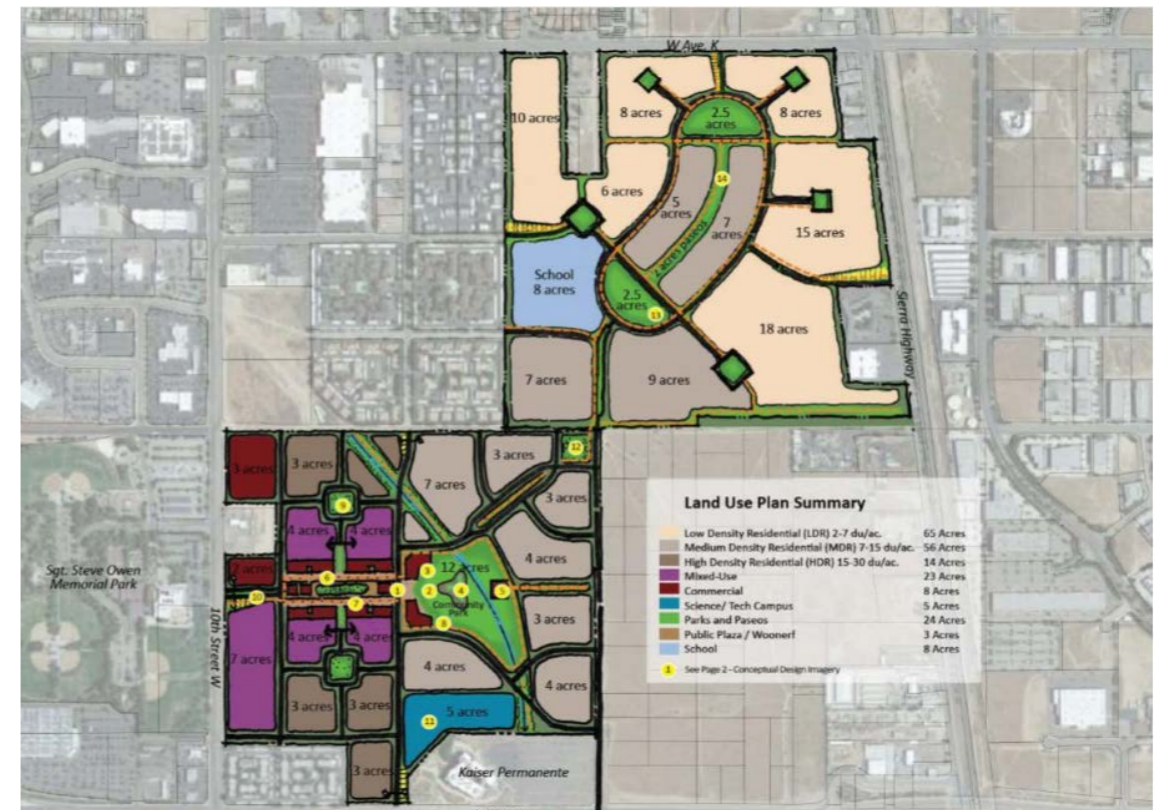
City of Lakeport

Supporting Existing Businesses

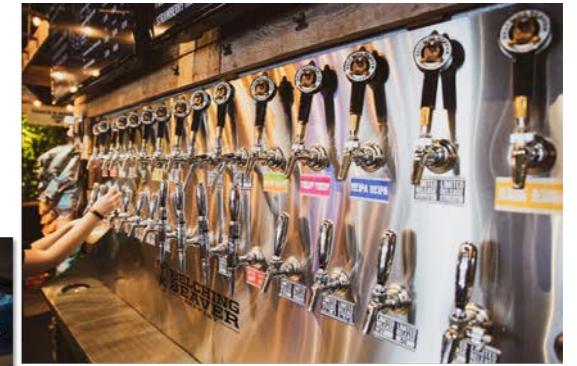


New Development & Post-COVID Growth

City of Lancaster



New Development & Post-COVID Growth City of Murrieta



New Development & Post-COVID Growth

City of Lakeport

