

money

WATCHING SHOWS

Can Apple get you to do it?

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In smaller towns, it's last days of storefronts

By Lauren Zumbach
Chicago Tribune

CANTON, ILL. | When J.C. Penney announced plans to close up to 140 then-unnamed stores earlier this year, officials in the central Illinois city of Canton dashed off a letter urging the company to spare the department store that sat just off the leafy park in the town square.

It wasn't just that the decades-old store and the shopping center it anchored had gotten a recent facelift, or that it seemed as much a part of the town as the murals depicting local history painted on one of its outside walls.

Canton was still recovering from a November natural gas explosion that killed one person and damaged more than 100 downtown businesses. And J.C. Penney — the only department store in Fulton County — drew shoppers and their gas, restaurant and sales tax dollars to the city of 14,700 about 30 miles southwest of Peoria.

It didn't work. The store closed in July and its signs have since been taken down.

"That was the last place in town you could buy decent clothes. The only place left is Walmart," said Kenneth Hamm, owner of Canton's K&L Antiques shop.

Since the start of the year, U.S. retailers have announced 5,699 store closures, according to Fung Global Retail & Technology, driven by retail bankruptcies, cost-cutting moves and, for a growing number of department stores and big-box chains, decisions to invest in top-performing stores that fit their new strategies.

And when a Sears, J.C. Penney or Macy's pulls out of small-town America, the same factors that sent those retailers packing can make the big vacant storefronts they leave behind challenging to fill.

"The sad part to me is the malls. Walmart and Menards opened stores in all those markets, and they already killed the downtown. Now if these boxes are going to close, what's left?" said Meredith Oliver, managing director with Cushman & Wakefield's Retail Services Group. "These communities will get horribly hurt from a revenue perspective with sales tax dollars."

Real estate experts say the U.S. simply has too much space devoted to bricks-and-mortar retail. Stores that once were a good investment can wind up on the chopping block when retailers' priorities change, he said.

"They don't want to refurbish marginal stores,

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The historic mineral spring, within an easy stroll from City Hall in downtown Green Cove Springs remains an icon attracting residents as well as tourists to the city. The park surrounding the spring is undergoing \$2.1 million in enhancements. (Teresa Stepinski/Florida Times-Union)

Clay going after tourists

By Drew Dixon
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Rusty Gardner's Boat Florida Rentals business on Doctors Lake in Clay County brings in fairly steady customers. But if Clay County's tourism profile was better, Gardner said he'd probably easily expand.

"I think the aspect to see Clay County from the water is something a lot of people don't think about," Gardner said. "But the (St. Johns) River runs through it, Doctors Lake, Black Creek, there are all these great waterways for tubing, kayaking, boating or whatever the case is.

"In order to experience Florida, it's one of the few ventures around that you can actually go and spend the day on the water," Gardner said.

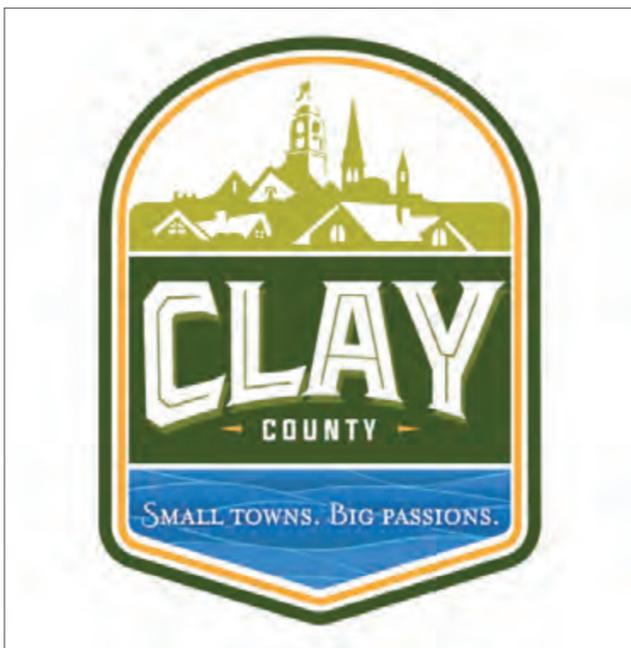
That's a good draw for the booming tourism industry.

And Clay County wants in on the boom.

Boat Florida Rentals has seven vessels for rent ranging from pontoon to deck boats in the 22-foot-range and Gardner said his business does well in rentals for mostly local customers. But if there was any effort to bring more visitors to Clay County, he'd provide more boats for rental.

"If Clay County tourism grows, we'd definitely have to grow with it," Gardner said.

It's a sentiment among several businesses in Clay County and



The new logo for Clay County emphasizes the small town feel of the area in an effort to draw more visitors. (Provided by Burdette Ketchum).

many government officials who feel the county is missing out on the tourism industry that has set records for visitation in Florida over the past several years.

In effort to capture some of that economic impact, Clay County is in the formative stages of developing a multi-year approach to bringing more tourists. Some \$60,000 in grant mon-

ey has already been spent on developing a new logo for Clay County and a tourism director has been hired at a cost of some \$66,000 a year to specifically formulate a tourism program.

Clay County Commissioner Mike Cella, who is also the chairman of the Tourist Development Council, said he wants the county to stop missing out

on the huge revenue potential of tourist visitation.

"We recognize that the state of Florida is setting records in tourism. But you also have to be in a situation to ask people to come visit you," Cella said.

Cella has some experience in bringing people to the county. He was once the owner of Jumperz Fun Center in Orange Park which features games and activities for party-style events. But Cella said Clay County could do so much more in attracting visitors, which has become a lost effort there.

"I thought it was really important that we go after tourism, which has been sort of dabbled in here," Cella said, but there's never been a concerted effort to get Clay County in the thick of the tourism market.

"I think we have some natural resources that are attractions that can act as tourist destinations. We're working on more. We see it as a very important economic development cog to draw people in to be able to spend money here, to stay at the hotels and do all the things that tourists do when they stop in a community," Cella said.

Clay County started the year in ramping up its tourism efforts by hiring Kimberly Morgan to serve as director of tourism. She left her position in marketing and development with Visit

NOTEBOOK continues on F-4

Aldi plans more area stores, investing billions in growth



sunday notebook
roger bull

Aldi just opened its fifth grocery store in Northeast Florida and it already has two more on the way. The company has stores planned in Yulee and the Oakleaf area, an employee there has confirmed.

The Yulee store will be on State Road 200. She didn't have an exact location, but said it will be near the commercial district clustered around Chester Road. The company has a vacant piece of property under contract and will build a store there, she said. It probably won't open until 2020.

The Oakleaf store will be near the Oakleaf Town Center around Argyle Forest Boulevard and Old Middleburg Road. That's likely to open the third quarter of 2019, she said.

Aldi's stores in Northeast Florida are in St. Augustine,



Aldi currently has nearly 1,700 stores across 35 states.

Middleburg, Southside Boulevard, Normandy Boulevard and the most recent one at the St. Johns Town Center.

The chain has nearly 1,700 stores in 35 states and announced in June that it planned to invest \$3.4 billion in expanding to 2,500 U.S. stores by 2022. Another \$1.6 billion would be spent remodeling most of its existing stores.

FOURAKER

KB Home is about to start a development on Logan Pointe, a 105-lot community on Fouraker

Road between Normandy Boulevard and Lenox Avenue on the Westside. It's all single-family with lots 60 and 70 feet wide, with homes 1,430 to 2,716 square feet. Prices are expected to start at \$189,900.

Work will start this month with the model grand opening planned for March. The company paid \$1,942,500 for the 43.72 acres.

COUNTY ROAD 220

The Reservation, a planned 7.3-acre community on County



The site plan shows Logan Pointe, which will be a 105-lot community on Fouraker Road on Jacksonville's Westside. (Source: KB Home.)

Road 220 at Chief Ridaught Trail, goes before Clay County's Development Review Committee on Thursday. Plans call for 16 detached single-family homes, 10 attached single-family homes in two buildings and 16 apartments in two more buildings.

It's being developed by Wiggins Construction Co. of Green Cove Springs.

BAYMEADOWS

XL Soccer World of Orlando paid \$550,760 for almost eight acres on Baymeadows Way West, off Philips Highway. There it plans a indoor soccer facility I first wrote about in March.

Ciaran McArdle, co-founder and CEO, said it will include two turf fields for 6v6 soccer, as well

NOTEBOOK continues on F-4

Time for boss to get subordinate back in line



your office coach

marie mcintyre

An employee who was denied a promotion has become openly hostile toward me. "Nate" applied to be the manager of his department but he has neither the skills nor the temperament required. I eventually hired someone with excellent qualifications.

Nate seems to get along well with his new boss, but with me he acts angry and resentful. Whenever I speak to him, he walks away without saying a word. I've been told that he disparages me to his co-workers and complains about the company.

After five months of this, I'm tired of Nate's disrespect. How should I handle this situation?

If you are fed up with Nate's insistent attitude, why have you allowed it to continue? As a higher-level manager, you have the clout to get this guy in line.

The appropriate time to address

the issue was at the beginning. As soon as Nate began to sulk and complain, you should have called him in, corrected his behavior, and established expectations.

For example: "Nate, I know you're disappointed about not being promoted. However, your childish reaction convinces me that I made the right decision. Pouting and whining aren't appropriate management behaviors, so you are obviously not ready for that role. Going forward, I expect you to control your emotions and behave like a mature, professional employee."

The good news is that it's not too late to deliver this message. You and Nate's manager should meet with him together and set specific goals for change. If his behavior improves, thank him for making the effort. But if Nate continues to act like an unhappy 2-year-old, a formal warning may be in order.

I have a disability called Meniere's disease, and it has negatively affected my performance review. My boss told me that I talk too much. The reason for this is that my co-workers often express concern for me, especially when I'm having a bad day. Since my manager doesn't seem

to understand, do you think I should I give him some detailed information about my disease?

When someone has a disability, differentiating symptoms from performance issues is sometimes difficult. One method for doing so is to identify which behaviors you are able to control and which you are not.

For example, people with Meniere's disease frequently experience vertigo or periods of hearing loss. Since you can't control those events, your boss needs to understand how they affect your work and provide appropriate accommodation.

On the other hand, "talking too much" is a manageable behavior not related to your disability. I suspect the real issue is that co-workers' empathetic remarks often lead to lengthy personal discussions.

So, if the symptoms of Meniere's interfere with your work, by all means educate your boss about this disorder. But when it comes to excessive talking, you must take personal responsibility.

Marie G. McIntyre is a workplace coach and the author of "Secrets to Winning at Office Politics." Send in questions and get free coaching tips at yourofficecoach.com, or follow her on Twitter @officecoach.

NOTEBOOK

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as two more for futsal, a version of soccer played on a hard surface. Those can also be converted to volleyball courts, he said.

There's also room for a full 11v11 field outside that could come at a later date.

The project is still in the permitting stage, but McArdle said he hopes work will begin in November and expects it to take about a year. The company has six locations from Florida to Maine.

PHILIPS

J. Turner & Co., a furniture store that opened last year in Ponte Vedra Beach, has opened a second location at 6100 Philips Highway. It's owned by Mark and Jennifer Turner, who are also part-owners of V Pizza and former owners of YoBe yogurt.

The new store is 47,000 square feet, many times larger than the PVB store, so it's a showroom and warehouse. But the basic merchandise — furniture, home furnishings, lighting, art and rugs — will be from the same vendors. Just more of it.

While much of the merchandise is American made, the company has its own factory in Bali making teak pieces.

PERMITS

4929 Skyway Drive, Ciel Apartments, 11 permits. \$38 million, Summit Contracting Group. The 400-unit complex is going in at the northeast corner of Butler and Southside boulevards.

2500 Monument Road, demolish two-story office building to make way for a **Wawa** convenience store and gas station, \$50,000, Realco Recycling.

1873 Fouraker Road, tenant buildout for **Fouraker Food Store**, \$22,400, 1,764 square feet, Prism



An indoor soccer facility is coming up off Philips Highway. (Source: XL Soccer World.)

Design & Construction.

2434 Pearl St., renovation to **JEA** offices, \$853,800, 18,454 square feet, Xeye Inc.

300 Northside Drive S., amenity center for **Pine Lakes** community off N. Main St., \$500,000, 1,766 square feet, D.R. Horton.

6003 Roosevelt Blvd., tenant buildout for **Arcade Spot**, \$12,500, 1,477 square feet, Prism Design & Construction.

2301 Park St., addition to **West Dentistry**, \$250,000, 600 square feet, Oakwell Companies.

10750 Atlantic Blvd., converting use from restaurant to banquet hall, \$9,000, 6,972 square feet, P.B. Property Management.

3525 New Berlin Road, new building for **Little Temples** daycare, \$738,000, 8,000 square feet, North Florida Construction.

790 Skymarks Drive, tenant buildout for **Stanton Optical**, \$68,199, 1,500 square feet, Emerald C's Development.

4888 Town Center Parkway, tenant buildout for **Care Now** urgent care center in The Strand, \$639,170, 5,000 square feet, Birchmier Construction.

2855 Faye Road, tenant buildout for **CIL Forwarding**, \$283,247, 4,072 square feet, The Conlan Co.

757 St. Johns Bluff Road N., three buildings for **Extreme Toy Garage**, three permits totaling \$6 million, 56,649 square feet, Boutwell Design Build Contracting.



The Reservation, a mix of single family, town homes and apartments, is planned for County Road 220 in Clay County.

Spaces in the project will be sold for people to store cars, boats, motorhomes and other extreme toys.

5760 Greenland Road, installation of zip line at city's **Palmetto Leaves Regional Park**, \$32,600, John Fitzgerald Inc.

1526 University Blvd. W., tenant buildout for **Salon Lofts** hair and nail salon \$432,205, 3,705 square feet, SLFL Construction.

4800 Town Center Parkway, tenant buildout for **Yogurt Mountain**, \$246,174, 1,568 square feet, Crabtree Construction.

1324 Dunn Ave., remodeling restrooms at **Popeye's**, \$50,000, Rosco Construction Services.

5216 Shad Road, foundation for new office, warehouse, \$15,000, 24,111 square feet, Michael G. Holder Inc.

Sales MRBK Duval Development LLC of Coral Gables paid \$1.5 million for the former **Acclaim Academy** at **4111 Wesconnett Blvd.,** a 41,261-square-

foot building on 6.56 acres. The military-themed charter school closed abruptly in 2015.

Fulfillment Shipping and Handling Inc. of Jacksonville paid \$1,350,000 for the 50,068-square-foot warehouse at **2950 Powers Ave.** It was built in 1972.

Robert and Jan Maisch paid \$3,355,000 for the 3,840-square-foot home on the ocean at **3803 Duval Drive, Jacksonville Beach.** It was built in 1982.

Albert Joseph Freitag Jr. trustee et al. paid \$2,095,238 for the **Wendy's** building at **8625 Baymeadows Road.** It was built in 1981 and last sold for \$1 million in 2014.

Loyalsock Properties LLC of Ponte Vedra Beach paid \$1,775,000 for the 10,010-square-foot office building at **4336 Pablo Oaks Court.** It was built in 1999 and last sold for \$1.5 million in 2004.

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TOWNS

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they want to put those dollars into e-commerce or their most profitable stores," Oliver said.

RETAILERS TOUGHER TO REPLACE

J.C. Penney's closings were tied to its decision to invest in stores "that offer the best expression of the J.C. Penney brand," spokesman Joey Thomas said in an email.

Many smaller closing stores would have required "major capital investment," he wrote. Others lacked space for departments J.C. Penney thinks will drive growth, such as in-store Sephora beauty shops and appliance showrooms, or infrastructure to handle online orders and same-day pickup.

Less-visible small-town stores in malls a retailer doesn't have a broader relationship with also can feel easier to cut than higher-profile stores in regional malls owned by major mall operators, Oliver said.

And while a popular mall in a big, prosperous community might see a department store's departure as an opportunity to bring in a more enticing tenant, the demographic factors that contribute to closures in smaller towns also can make retailers tougher to replace.

Canton officials have a wish list of retailers they'd like to see in the former J.C. Penney store, but efforts to woo them have struck out so far. Kent McDowell, the mayor, said he reached out to a connection at Men's Wearhouse, but was told Canton was too small.

Attempts to interest Kohl's, which is opening smaller stores elsewhere that are about the size of Canton's roughly 36,000-square-foot J.C. Penney building, fell flat, too.

"That type of retailer is looking for a certain population, median household income and traffic counts, and we just don't have the traffic," said Missy Towery, executive director of the Spoon River Partnership for Economic Development, a not-for-profit promoting development in the Canton area. The area's lack of interstates and four-lane highways doesn't help.

Peru, an even smaller city by population near Starved Rock State Park, is hoping easier access will help it maintain its status as a regional retail hub despite the loss of two department stores at the Peru Mall. J.C. Penney closed earlier this year and a Sears is expected to close by the end of the year.

Bob Vickrey, Peru's economic development director, calls the city a "pocket of prosperity for retail" that has attracted retailers



Missy Towery, executive director of the Spoon River Partnership for Economic Development (Erin Hooley/Chicago Tribune)

leaving smaller surrounding towns. Peru has a cluster of big-box and restaurant chains surrounding the mall and the crossroads of Interstate 80 and Illinois Route 251, including Target, Kohl's, Walmart Supercenter, Home Depot, Buffalo Wild Wings and Olive Garden.

FILLING BIG SPACES

So what might fill those empty anchor stores?

A shuttered shopping mall in a town of just over 1,000 people outside Cleveland is reportedly set to become an 855,000-square-foot Amazon warehouse.

Officials in Peru said their mall isn't going that route. Mall owner GK Development declined to discuss plans to replace the Sears and J.C. Penney but said it is exploring ways to "reinvigorate" the mall.

"The company is exploring many options to redevelop the shopping center and is confident that Peru Mall will continue to be a significant economic engine with a strong retail presence in the Illinois Valley," spokeswoman Marianne Fasano said in an email.

Oversize vacant boxes could be divided to make it easier to bring in tenants seeking smaller spaces. In Peru, a Kmart that closed several years ago was redeveloped into space for multiple smaller stores, the last of which was recently claimed by Planet Fitness, Vickrey said.

Discount chains like T.J. Maxx, HomeGoods and Ross Dress for Less that have been growing in major markets eventually will need to look to smaller cities if they want to continue expanding, said Mark Hunter, managing director of retail asset services at real estate firm CBRE.

"We're going to see them have an opportunity to go into smaller markets where there's less competition and strike favorable economic deals," he said.

Other communities will need to look beyond retail, potentially turning to urgent care centers, residential developments or data centers, Hunter said.

Those kinds of uses can provide jobs and services, and keep empty storefronts from turning into eyesores. But they're not always the top choice for communities looking for sales tax revenue, support for other businesses and convenient shopping options.

"Whenever you lose a retailer, residents and community members have to find another place to purchase those goods. If they can't, they drive outside, and sometimes think, 'Well, I'm here, I'll fill the gas tank and check out this other store,'" said Kim Pierce, director of the Macomb Area Economic Development Corp. "It does have a trickle-down effect."

CLAY

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Jacksonville to take the Clay County job, though she's lived in Clay County for 20 years.

Morgan acknowledged Clay is almost starting from scratch in terms of establishing some sort of tourism plan. But she's convinced it can be done, though it will take years to develop a serious approach to attracting visitors.

"I think it's a matter of us being creative. What do we want people to experience here? That goes with the branding," Morgan said. "We are in the process of clearly defining that."

REBRANDING

A big part of that branding, at least in the beginning, is the development of the logo that was designed by Burdette Ketchum marketing firm in Jacksonville.

The new logo features large "Clay County" lettering in the center with

steeple of buildings on top and the phrase "Small towns. Big Passions," over a blue aquatic image on the bottom. The logo will be placed at several key locales in the county and is designed to provide an identity for the county based on six themes including family, natural amenities, country and military heritage, faith, small town feel and development for the future.

Will Ketchum, president and CEO of Burdette Ketchum, said it may appear to be just a logo. But the image is an important step for future visitation in Clay County.

"We did a significant discovery and immersion process. We studied the history of the county and studied the experience of the county. ..." Ketchum said. "We specifically honed in on the small towns.

"When you're an outlying county of a major metro area, you tend to get viewed as a larger, amor-

phous space with a couple of state highways that travel through it. But what we saw was actually several wonderful communities that represent nice little experiences for visitors or residents," Ketchum said.

Morgan said the county is already planning to place the signs at least in 16 locations. It might add the county logos on top of individual municipal logos, such as above the Key-stone Heights logo or in Middleburg or Green Cove Springs.

"Burdette Ketchum was really able to nail who we are as a community," Morgan said. "We have a full implementation plan. We're wrapping up our standards guide now. ... We are taking an inventory of everything. The new logo will be replacing everything" regarding high-profile displays, including buildings such as libraries and similar structures.

Morgan said she has no estimate how much they'll end up spending on the

logo conversion. But it's the beginning of establishing a visual identity for the county.

Eventually, Cella said Clay County will not necessarily promote itself as a single tourist destination — and he doesn't even want marketing help from Visit Florida, the state's tourism bureau. But he sees Clay County as becoming a piece of a bigger tourism puzzle on the First Coast and will seek cooperative efforts with other counties.

"We can't stand alone. We have to attract people here to the region and once they're here in the region we've got something that will attract them. They come here and enjoy it and put us on the visit list once in a while. Then they can go home and tell the story how they had a great time in Clay County," Cella said.

ECONOMIC IMPACT

The financial impact of tourism is substantial.

Visit Florida, the state's tourism bureau said last

week that there were 60.7 million visitors to Florida for the first half of 2017, that's the most ever for the first six months of any year in Florida history. It's also a 4.1 percent increase over the same time period in 2016.

On the First Coast, that trend is pumping revenue into businesses and municipalities that are actively trying to lure tourists.

Tourism trends, showing occupancy rates at Duval County hotels increased. And tourism spending on hotel rooms went up by more than \$12 million in the first six months — from \$212.41 million in the first half of 2016 to \$224.97 million for the same time frame this year.

Meanwhile, St. Johns County, a traditional tourism hub, also saw spikes in occupancy rates and revenue even though that county has added more hotel rooms, too.

The St. Augustine, Ponte Vedra & The Beaches Convention and Visitors Bu-

reau reports STR figures show the rate for the first six months of hotel occupancy was 70.75 percent this year, up from the average rate for the first half of 2016, which was 70.17 percent. The amount spent at hotels for room rentals jumped from \$95.52 million in the first six months of 2016 to \$101.77 million for the same time period this year, a record high for St. Johns County.

In Nassau County, the Amelia Island Convention and Visitors Bureau saw a slight drop in hotel occupancy, coming in at 74.35 percent average for the first six months of this year, down a bit from the 2016 figure of 74.58 percent. But Amelia Island, too, saw an increase in the number of hotel rooms.

The revenue generated at those resorts and hotels went up in the first half of the year. There was \$57.79 million spent at Nassau County hotels, up from the 2016 figure of \$55.95 million. **Drew Dixon: (904) 359-4098**