

Regular Economic Development Advisory Committee Meeting
Thursday
March 17, 2005
7 PM

Florence K. Little Town Hall
12 Colomba Road DeBary, Florida 32713

MINUTES

1. Call to Order – Chairman Tom Smith

The meeting was called to order at 7:02 P.M.

2. Roll Call

Present: Chairman Tom Smith, Vice-chairman Don Kitner, and members Neil Coppens, Gretchen Ganas, Leonard Marks, Tim McLaughlin, and Dianne Schaefer.

Absent: Donelda Christy.

3. Approval of Minutes of the Regular Meeting February 17, 2005

Committee Member Tim McLaughlin made a motion to approve the minutes of the February 17th meeting, as submitted. Committee Member Leonard Marks seconded the motion. All members voted to approve the minutes as submitted.

4. Presentation by Volusia County's Economic Development Director

Rick Michaels, Volusia County Director of Economic Development, told the Committee that about every three months the program produces a Real Estate Journal covering growth management, public works and economic development issues County-wide. This publication is direct mailed to 14,000 area businesses. Recruiting business is just a small portion of their activities. Their mission is composed of two things: provide productive well paying opportunities for local people to earn a living, and more importantly create a capital investment in the communities to provide revenue for government services. Their focus on job creation falls in four or five key areas. Manufacturing creates product and generates the most return on dollars spent; office technology is a higher wage value job and utilizes educational investment. Retail and service businesses occur on their own as population increases.

The County surpassed 200,000 people in the work force. Diversification depends on the wealth and influx of dollars into the market. One of the curtailments is the age of the area population. The average local age is 50–51 years old. The strongest economies are in groups with an

average age of 35. A market dominated by service and retail is going to be an older work population. To maintain a younger work population you need the kind of jobs younger people want. Office technology is a job of that nature. There are about 20,000 skilled individuals in the area work force in jobs such as communication, banking, accounting and customer service jobs that appeal to workers 22 years old to 45 years old. Manufacturing jobs attract people ages 25 to 55 years of age.

Migration trends are important; who moves here, who leaves and why. The in-migration to Volusia County in 2004 was 26,000 new residents. What is important to know is that 17,000 are leaving each year. 12% of the 26,000 come from Seminole County, 12% come from Orange County to Volusia County.

In DeBary real estate is appreciating. When there is an increase in the value of the homes (of 24% per year) then land use and the cost of housing is an important issue to prepare your community for tomorrow. Do not worry about creating jobs, worry about creating employers. If you don't create employers, the government doesn't create jobs. But the government can encourage certain employers to come to our community to create jobs and bring in dollars. Land use needs to be addressed in a way that is profitable for the community.

If you are trying to be a bedroom community focus on creating diverse retail and service opportunities. If you want to create wealth, DeBary is unique with the power companies in the City; you need to attract businesses that bring good paying jobs. Millennium Coach would bring 60 high paying jobs and an influx of high-end customers. If you help someone come to your community you need to follow through for the long term.

When you have a community with limited land available for development you have two options in terms of how you develop. You can take a look at your raw ground and raw land and try to encourage it to be developed for the needs of the City's future. You do that by planning today and visualizing the future. The other option is to take a look at what used to be and how it can become something different. Many communities have first stage development, usually along major highways. Government doesn't have to own this property but can participate in encouraging what the use should be. Re-development becomes a major portion of what you have as an option if you are running out of land. If this is avoided, communities go through a time of decay until government has to be involved usually in a major way.

Economic development is really multifaceted. It is not just jobs. It involves housing, land use and zoning. Chairman Tom Smith and Mr. Michaels discussed the in-migration of residents to Volusia County and all of Florida. It is important to create a balance of land uses to be sure to have tomorrow's jobs, you can't focus on housing you need to focus on employers. Otherwise you won't be able to sustain the market you currently have. There are a lot of new homes today; in 25 years they won't be new. If you don't balance the economy today there will be a major shift of individuals out of this area to new areas. Part is jobs; part is education.

Committee member Diane Schaefer asked about the age groups of the people in-migrating. The Internal Revenue records are used, but it is a composite. In the last year and a half, the County has lost 2500 jobs in office technology. One is Coke, another is Ford. They could have brought

in 500 jobs paying \$30,000 for dealing with warranty issues in Canada for Ford. This would have brought in the age group starting at 25. Coke wanted a supply call center. The County had the skilled people, but when it came to real estate they couldn't find places for them. They were even looking at closed K-Mart sites. The City Opportunity Fund is modeled after the old Volusia County model. They have abandoned it now. If you have a land use vision, use that fund to attract desirable businesses to bring the desired jobs to the community. Partner with the County, as well as private business. They have no trouble attracting businesses to Volusia, what we have trouble is finding places to put them. Most businesses don't want to have to build a facility to relocate. Site plans take up to 28 months and that is too long for most businesses today. Most businesses want to be in business within 90 days. If government builds the building, then sells it and makes a profit, it can then reinvest in another project. Keep using the same money over and over again.

Chairman Tom Smith asked if the County interfaced in the production of the City strategic plan. Mr. Michaels stated the County Council approved the County strategic plan 4 to 5 years ago. It has 261 initiative plans. The consultant who worked on the City plan used it. He asked if Mr. Michaels would review the Plan and make a recommendation regarding its quality. Mr. Richards agreed to do so, he commented DeBary would be an ideal location for office technology and manufacturing, but you do not have the facilities. He noted Springview Industrial Park is a development to be proud of. Other cities don't have such a facility. It has helped to create \$5 million dollars in capital investment and 100 jobs in the City. Mr. Michaels noted he talked to Progress Energy about using 150 acres out on Saxon Blvd. to create a public purpose of job creation to promote the development of infrastructure to extend Saxon Blvd.

Committee Member Neil Coppens noted the average worker age of DeBary and suggested "that age group" wants upscale restaurants and retail not manufacturing. Mr. Michaels noted he was correct but a diversified population brings those things. If the jobs are here, the population follows. There was a discussion of Heathrow's success. Focus your attention on the younger worker and that population brings the amenities to the area, Mr. Michaels suggested.

Chairman Tom Smith noted there are a limited number of developable properties in DeBary. The age of the local residents is increasing. Mr. Michaels noted that the rising cost of housing in DeBary invites older people. There are two ways to develop: use the properties available or redevelop. In a lot of ways there are unlimited redevelopment projects available in DeBary. Chairman Tom Smith asked what could the Committee do to attract business to DeBary. Mr. Richards suggested that they must leverage wants and needs with resources. Also, leverage them with the County, they can help the City. They reach out to target businesses. They do trade shows. Most of their activities are through direct mail to specific industries and it is very effective.

Chairman Tom Smith asked if an inventory of raw land would help. Mr. Michaels stated yes, if it is pre-permitted; whether it is owned by the City, County or by a private landowner. Vice-chairman Don Kitner asked what his recommendation was to help the City partner a team with the County Economic Development to move forward with some economic development opportunities within the City. Mr. Michaels replied: prioritize what you think are the opportunities within the City and the County will find ways of partnering. This Committee and

the City Council would make the prioritizing decisions and he would help them. The Council wanted Saxon Blvd. to be developed. The City must decide the land use, if and when Progress Energy comes to the table for development. The City could probably team with Progress Energy for a spec building to create jobs. Chairman Tom Smith asked what is the hindrance today for the extension of Saxon Blvd. Mr. Michaels stated public purpose, 150 to 200 acres meets that criteria. Vice-chairman Don Kitner asked when a conflict arises, as with Millennium Coaches, what would be his recommendation. Mr. Michaels told him that you have to think how would it affect you if it were your project. He asked Mr. Michaels to help save Millennium Coaches and keep the Committee involved.

There was a discussion of the unavailability of industrial land use areas in the City. Committee Member Leonard Marks said that if Springview Industrial Park has been so successful why haven't other areas been identified / rezoned as industrial. Mr. Michaels stated it is economics. The market is absorbing the land as soon as it ready.

5. Introduction of Board Members

Chairman Tom Smith asked each board member to introduce themselves to the other members. Each member gave their name, a brief statement of their work experience, and the length of time they have resided in the City of DeBary.

6. Review of Sunshine Law

City Planner Anita Gonzalez presented the review as City Manager Courson had to attend another meeting. She explained that Florida Law requires the public have access to boards, commissions and meetings of government bodies as well as public records. That means meetings must be open to the public with reasonable notice of the meeting date, time and location. The City does this by posting the agenda, as well as sending it to the press, although it is not always published. The staff also keeps written minutes and copies of tapes of the meetings that are available to the public.

The Sunshine law provides that board and committee members can meet socially, such as having a cocktail party, but they can't discuss the business of the board on which they sit amongst each other. As an example, a member of this Committee could discuss the business of this committee with a member of the general public, City Council or another Board in the City. Amongst each other members must be very careful to not discuss anything that could potentially come before this Committee. Agenda packages are public records, so if someone wants to see your agenda package you must let them look at it.

The exception to the Sunshine Law involves litigation. If there is litigation involving a Committee or Board, dealings with the attorney, the work product of the attorney or any meetings with the attorney are private until the litigation is resolved. Then they become public records. There is no open discussion regarding any lawsuit. Also, if someone wants a copy of an agenda package, the City is allowed to charge 15 cents per page for copying.

7. Discussion of Jobs Growth Incentive Economic Development Agreement

G.C. Contracting, LLC

City Planner Anita Gonzalez announced that neither Mr. Schmidt nor the business owner was present this evening. There is a proposed agreement in the agenda package. G.C. Contracting is proposing to purchase a 4.5- acre parcel on south 17-92, on the east side. They are proposing to move their business from Sanford and to build a one-story building initially. They plan to add 2 other floors later, and then in a second phase construct a second 3-story building. The plan is to use both buildings as office space. At this time, they are beginning the development review with the County. They haven't submitted a site plan or a conceptual plan.

Committee Member Gretchen Ganas asked about the terms of the agreement. She noted the company is bringing in 40 existing employees; and that the fund is to employ people from the DeBary area. It will create only 10 new jobs per year over 3 years and they are asking for \$1500 per person. She thinks \$90,000 is a lot of money. She thinks it should go for NEW employees and therefore be half that amount. City Planner Anita Gonzalez stated the ordinance creating the fund specified \$1500 per employee. Chairman Tom Smith asked if the Board had the authority to amend the agreement. It was agreed it was mandated by ordinance of the City Council. Chairman Tom Smith noted there would be income to the City from this business coming here.

Vice-chairman Don Kitner was questioned on the number of employees his company relocated to the City, he said there were 44 employees initially and now there are 65 employees. Most didn't live in DeBary at that time. Now, 10 are DeBary residents. There was a discussion of the wages for the new business employees and the health benefits. The current average annual salary for Volusia County is \$31,050. These employees will be earning \$50,000 to \$90,000 per year, City Planner Anita Gonzalez noted. There will be some staff earning less, but most of them will earn at least \$30,000, although there are no actual salary figures given at this time. But they will have to document salaries.

Vice-chairman Don Kitner noted that per the agreement DeBary residents would have a hiring preference and receive health benefits. Chairman Tom Smith commented on the need for development in the area of the City and is pleased that this company wants to locate by the bridge. Chairman Tom Smith asked if there is a stipulation in the opportunity fund program limiting the use of funds. Could it be used for land acquisition, he wanted to know. Vice-chairman Don Kitner noted they didn't get any monies until they had a Certificate of Occupancy. City Planner Anita Gonzalez observed the money could be used for a mortgage payment. Committee Member Leonard Marks asked would this be the corporate headquarters of this business. City Planner Anita Gonzalez responded it would be their only facility.

Vice-chairman Don Kitner made a motion to recommend to the City Council approval of the agreement for G.C. Contracting. Committee Member Tim McLaughlin seconded the motion. All members voted to approve.

8. Discussion of Business Forum/Roundtable

Chairman Tom Smith applauded the Staff's efforts in putting together the two lists. One is the home occupation license listing in the City; and the other is all commercial or industrial occupational license sites in the City. Chairman Tom Smith said the letter to the business owners is ready to go out for the roundtable meeting. They could meet at the DeBary Golf & Country Club, as it is the biggest venue. Committee Member Neil Coppens suggested using the Civic Center as it seats 300 people; and it has round tables and padded chairs. Chairman Tom Smith commented both sites could be reviewed as the potential site for the Forum. Committee Member Neil Coppens commented he thought the first meeting should be the 70 DeBary businesses that are part of the Chamber of Commerce. It would be best to have a verbal or face-to-face invitation to these people as well as the business owners up and down US 17-92. The entire list is overwhelming. He offered to take flyers and visit with the business owners and invite them personally. He would talk to business owners on the East side of US 17/92 and suggested someone else take the West side. He thought a flyer would be more effective than a letter in the mail. Chairman Tom Smith thought it might be good to send a letter and then a flyer. Committee Member Dianne Schaefer commented she recalled it was the original intent to ask the business owners if they would have interest in creating a business owners forum in the City.

There was a discussion of the Sunshine Law effect's on the business owners group if the E.D.A.C. members were also members of the business round table. Would everything said be public record? It was decided to look into this question.

City Planner Anita Gonzalez noted last year a roundtable was held on a Saturday morning and it was not a good time for many business owners to attend. Chairman Tom Smith asked that an agenda be specified for the roundtable. He said he would ask Pat Northey, from the Chamber of Commerce, to make a presentation. Committee Member Neil Coppens commented he thought the focus should be input from the business owners. Vice-chairman Don Kitner liked that idea and also that it would be a good opportunity to review the sign ordinance and the sign grant program. Committee Member Dianne Schaefer questioned whether they should ask the business owners to identify a representative to attend E.D.A.C. meetings. Chairman Smith felt a voice of the business community would have more weight before the City Council. Former Vice-Mayor George Coleman stated he recalled the C.A.R. group did meet at the Civic Center to discuss the potential of a CRA organization and was effective as a business owners group before the Council. He also commented that many people are currently working on the Saxon Blvd. extension. Chairman Tom Smith questioned who was the target round table group. Committee Member Neil Coppens felt it should be DeBary business owners.

Mac McShay, of 71 Alano Road, commented there are a lot of different problems for business owners depending on their locations on 17-92. It would be better to go door to door to each business just like Deland did. It was the decision of the Deland business owners to do more "events".

Chairman Tom Smith questioned the cost of a mailing. The Committee members felt the mailing should go to the business owners. City Planner Anita Gonzalez noted this Committee has no budget, but she would speak to the City Manager, Maryann Courson, regarding the cost of the mailing. She suggested that E.D.A.C. could ask for a budget from the City Council for

the next budget year. Committee member Neil Coppens stated he would talk to Sharon at the Civic Center to use that facility for a couple hours and what the cost would be. Chairman Tom Smith said he would price the Country Club. It was decided the occupational license listing and the DeBary business owners from the Chamber of Commerce list would receive the mailing. It would be good to have the business forum by the next meeting on April 21st. That means getting the letter out in the next week to 10 days. Committee Member Neil Coppens asked is there an R.S.V.P. Chairman Smith said that there was an RSVP and that it can be hand delivered or faxed.

Committee Member Gretchen Ganas felt it would be better to go door to door and not mail the letter. Other board members agreed. It was decided to get flyers and go face to face. Committee Member Neil Coppens suggested the committee set the date and time and go door to door to promote the meeting. The dates of April 18 to 22 at 7 to 10 P.M. were suggested dependent on what date was available at the Civic Center. The Chairman asked City Planner Anita Gonzalez to change the letter and get it mailed as soon as possible and, as soon as Committee Member Neil Coppens secures the date with the Civic Center.

9. Other Business

None.

10. Adjournment

Chairman Tom Smith announced the meeting was adjourned at 9:35 P.M.