



City of Deltona

2345 Providence Blvd.
Deltona, FL 32725

DRAFT Minutes

Economic Development Advisory Board

Friday, March 11, 2016

3:30 PM

2nd Floor Conference Room

1. CALL TO ORDER:

The meeting was called to order at 3:30 pm Chairperson Tanya Boggs presiding. City Liaison Jerry Mayes.

2. ROLL CALL: (Roll Call, Determination of Quorum & Pledge of Allegiance)

Present: 5 - Chair Tanya Boggs
Vice Chair Eric Alexander
Member Jean Armstrong
Member Phyllis Stauffenberg
Member Jerry Yaris

Excused: 3 - Member Rick Demeter
Member George Voll
Alternate Victor M. Ramos

Absent: 1 - Alternate Carlos Valderrama

Alternate Member Peacock and Woodley were also present.

3. APPROVAL OF MINUTES & AGENDA:

A. Adoption of Minutes – February 12, 2016

Motion by Member Armstrong and Seconded by Member Yaris to approve the February 12, 2016 minutes as written.

For: 5 - Chair Boggs, Vice Chair Alexander, Member Armstrong, Member Stauffenberg and Member Yaris

4. PRESENTATIONS/AWARDS/REPORTS:

A. OED Report Review by Members (written report submitted)

Mr. Mayes reviewed the March 2016 OED report and stated at the bottom of the report under Workforce Development there are three items: ED - education equals Economic

Development, RX - medical equals Economic Development, Education times Medical equals Economic Development squared. He stated as far as he knows noone else is using that and that is ours.

Chairperson Boggs asked if he was going to Trademark that and he replied "yes, I am."

Mr. Mayes stated the second item is Mayor John Masiarczyk's speaking points that he will be using at the State of the Region in DeBary and at the State of the Cities in Heathrow.

Chairperson Boggs stated she noticed that Central Florida Regional has announced a location.

Mr. Mayes stated the triangular piece of property owned by Frank DeMarsh in front of the movie theater on the north side of Graves, in the area of the concrete plant on the eastern corner and they are looking to buy four to five acres.

Members discussed the location.

Chairperson Boggs stated she also noticed an increase in education activity with Daytona State's additional classrooms and Bethune-Cookman with expansion.

Mr. Mayes stated Alternate Member Victor Ramos is scheduled to give the members a report at the April meeting.

Mr. Mayes met with the President of Daytona State, Tom Labasso and discussed the expansion of a new building in Deltona to bring in some type of manufacturing and medical.

Chairperson Boggs asked about the deadline for the certificate of need letters from residents for Halifax Health.

Mr. Mayes replied around the 21st or 22nd of March and letters can be sent to Rafael Ramirez at Halifax Health. Mr. Mayes stated the City gives support to any institution that asks for support such as Daytona State, Halifax, Florida Hospital, Hospital Corporation of America or Bethune-Cookman. He stated the City supports growth and has already given a letter of support.

Vice-chairperson Alexander asked about the conflict of item #1 and #6. He stated they are both at the same location.

Mr. Mayes replied "which means it must be a very good location."

Discussion ensued with the members about the location, competition, the potential for private practice and specialist growth in Deltona and the potential for expensive homes.

Alternate member Woodley asked where the Activity Center is located and if the emergency rooms are just larger urgent care centers or emergency rooms with triage.

Mr. Mayes replied both Hospital Corporation of America and Halifax Health are "full blown emergency rooms." Halifax Health is looking at putting in Medical Office Building at the same time and that will be the basis for the hospital they plan to build and they are going for the certificate of need. Hospital Corporation of America has stated the area can sustain an additional emergency room and business wise it is a referral point within the City.

Discussion ensued on the competition, additional medical services offered in the City, the hospital and benefits of Halifax as a teaching hospital and the Activity Center area.

Member Armstrong stated she is the Secretary Treasurer for the Deltona Business Alliance and she discussed their last meeting with City Manager Jane Shang. The presentation was on the development of the Senior Center in the area near the fire station on Howland Blvd. and a possibility of a downtown area.

Discussion continued with members on the area, utilizing high school facilities for sports, the 40,000 square foot building that can be divided out and potential uses.

Member Peacock stated the medical schools are what transitioned Tampa and Gainesville to what they are now.

Member Yaris asked about vacant parcels of land on Howland and Normandy from Graves not being developed and members discussed the land around the movie theater plans for development and lack of development.

Chairperson Boggs stated they will be focused as a group on the medical and will be talking about some of that this afternoon.

5. PUBLIC FORUM:

6. OLD BUSINESS: None

7. NEW BUSINESS:

A. Commission Report and Recommendation, "Accelerator, Flex versus Virtual"

Chairperson Boggs passed out handouts of Accelerator Flex vs. Virtual to discuss and make recommendations to the Commission.

She discussed:

- Flex-Themed Accelerator - which takes a small business and transitioning them into a brick and mortar business, helping them expand and grow in a physical location

- Virtual Accelerator - micro-sized businesses (mom and pop type) and determining if there are ways in a virtual environment to provide the guidance and mentorship to grow their business
- A medical overlay, healthcare jobs coming into the City, Academies focused on manufacturing and healthcare

Members discussed concepts:

- Vice-Chairperson Alexander stated he always thought the Accelerator was a great concept to help Deltona businesses to grow
- Application process and resources
- Target for the type of businesses and qualifications
- DEDAB's recommendations to the Commission

Alternate member Peacock asked if DEDAB is still focusing on technology, manufacturing and medical for the accelerator.

Chairperson Boggs stated DEDAB first has to determine "do we want to focus on one, the other, or both? That is part of the recommendation. Do we want that brick and mortar approach which requires a lot more investment by both the business and the City potentially or do we want the Virtual approach?"

Alternate member Peacock stated she is for the Virtual Approach because it is so much more accessible. It is a more flexible and an easily changed environment.

Vice Chairperson Alexander stated all businesses need to learn more about social networking.

Alternate member Peacock stated this is far beyond social networking. This is business applications, productivity tools and business tools online.

Discussion ensued with the members on the needs for the business.

Chairperson Boggs stated having Victor Ramos speak next month on Bethune-Cookman's certification courses are things DEDAB will need to explore as part of what they would recommend in a virtual environment.

Member Stauffenberg asked if Deltona has incentives to offer for businesses.

Mr. Mayes replied "No, we don't. We are working on that."

Chairperson Boggs discussed attracting businesses and the accelerator concept. She stated Deltona has the highest population but it also has the largest number of small businesses. She believes the Virtual Accelerator is a more advanced approach if higher learning colleges and universities are involved. She stated at little or no cost to the City you can include more and help businesses in the market expand.

Discussion continued with members and Mr. Mayes:

- Target industries such as healthcare and manufacturing
- Potentially a “medical meca”
- TIF - Tax Increment Financing currently under review with the City and the County for the CRA, utility improvements and transportation improvements, the CRA area - Saxon Blvd. from I-4 to N. Normandy Blvd., N. Normandy Blvd. south to Deltona Blvd. and Deltona Blvd. down to Dirksen

Mr. Mayes stated if DEDAB would like he would invite further CRA explanation from Ron Paradise or Chris Bowley from Planning and Development. Members agreed.

Discussion continued on CRA's and new guidelines from 2010 which are based upon capital projects.

Member Armstrong commented that a Virtual Accelerator could incorporate a lot of the items under the Flex-themed and they could be pulled together.

Discussion with members continued on the two Accelerators:

- Updated list of Virtual Accelerator items
- SBDC Volusia's Best Program and possible certification courses and potential investment of time, money and employees time
- Integration of the two themes without the City investment of lease agreements and large dollar incentives
- Incentives for targeted industries that support the City's growth
- Qualifications needed and resources to help grow businesses

Mr. Mayes stated the City has started a new program for expansion and retention of existing businesses called “GroLocal”. He stated 80% of all jobs created within a City are created by existing businesses.

Mr. Mayes discussed GroLocal and a new brochure:

- Certification from Bethune-Cookman for entrepreneurial expertise: management, accounting, etc.
- SCORE - (used to be called Society of Retired Executives) work with start-ups a small company that needs a business plan
- SBDC - Small Business Development Center deal with tier 1 plus companies that have been in business and have a million dollar in sales or above
- Classes offered and rules that have changed
- Career Source Flagler/Volusia
- Volusia County Economic Development
- GroFlorida, CEO roundtables and idea exchange

Mr. Mayes discussed DEDAB's role to gather information and offer a recommendation to the Commission.

Chairperson Boggs asked if he sees the Virtual Accelerator concept as a conflict or a compliment to GroLocal.

Mr. Mayes replied he sees them as two different concepts.

Discussion continued about businesses in residential neighborhoods, the recession and the re-growth.

Alternate member Peacock stated there is a big problem in Deltona with businesses growing - not in a business environment but in the neighborhoods.

Mr. Mayes stated the accelerator takes the small company that needs the physical space and he discussed the Flex-theme, the types of businesses and the support arm of SCORE. He stated "Flex-theme and Virtual Accelerator go hand and hand but Virtual can stand on its own."

Chairperson Boggs stated there are almost two phases to this. The phase of the Virtual Accelerator and finding out what kind of interest there is in the community and using that to identify businesses that might be able to go into phase two where there is a brick and mortar Flex-themed Accelerator.

Alternate Member Woodley asked what type of businesses is DEDAB focusing on: manufacturing, medical or any business.

Chairperson Boggs replied her interpretation is on the Virtual side, any business but Flex-theme can be any type of business but the point is to keep them in Deltona. There is a time limit and she discussed the lease agreement, certifications and the Accelerator program.

Alternate Member Woodley stated there needs to be some kind of contract. After the three year period the business would be required for a certain number of years to remain in Deltona. He stated there has to be some sort of guideline. The Flex-theme will develop businesses that are here now and the Virtual Accelerator seems like it would focus more on home-based businesses.

Mr. Mayes asked the two realtors, Vice Chairperson Alexander and Member Armstrong, how eager developers are to build spec commercial buildings at this time.

Vice Chairperson Alexander replied "I don't know anyone that wants to build a spec-building." He has been talking to developers about a Flex-space facility and he believes it will fill up. There is need for small business for a 300 to 500 square foot office and 2,500 square foot warehouse space with a roll-up door. He discussed the Flex-space cost, type of businesses and the Flex-space area in DeBary that is not filled up. He asked if they would be giving a business money and stated we are giving them education and resources.

Alternate Member Peacock replied there was talk about subsidizing rent.

Vice Chairperson Alexander stated if we are physically investing then he agrees with a contract. He stated "development begets development" and he discussed the growth potential in retail development in the Activity Center with the medical facilities coming in. The area on I-4 across from DeMarsh's with multi-parcels is the space he keeps pushing for someone to build Flex-space.

Member Armstrong agrees with him 100%. When it comes to restaurants and other retail where are the people that are going to do it. Once we get something where people can work here in town - our workforce is all going south on I-4 out of town. "Nobody wants to develop on a hope."

Chairperson Boggs asked Mr. Mayes if it is appropriate to make a motion for Phase 1 of the Accelerator concept proposal or would the Commission prefer Phase 1 and Phase 2 together.

Mr. Mayes replied "you're DEDAB, you make your decision."

Members discussed the phases and timeline.

Alternate Member Peacock stated she has a third option. What about these major players that are coming to town and building big buildings and a lot of times, they overbuild so they have more space than they need to use early on. If they get involved and take the people that are in their third year of the Accelerator and give them space in their building.

Mr. Mayes discussed new development and additional space for example the additional retail space with the Dunkin Donuts. He discussed market trade and the way businesses look at additional space. He stated they have had no one come to Deltona in the last five years that has built a building that has not been fully utilized from the day they open. Costs have become so high.

Discussion continued on future and vacant space, spec building market place at this time, the current Walmart grocery store space, Florida Health Care, phases of the hospital property and future presence of businesses that are only here one day a week, and incentives for these businesses.

Chairperson Boggs stated she will put something together on Phase 1 and Phase 2 on paper and at the next meeting maybe DEDAB can make a motion to present something in May at the time of the Quarterly Report.

Member Stauffenberg stated DEDAB should offer as many alternatives as possible to the Commission.

Mr. Mayes cautioned members are not allowed to communicate with each other and discussed the process with items being sent.

8. STAFF COMMENTS:

A. Discussion towards the April 8, 2016 DEDAB meeting. B-CU presentation on Entrepreneur Degree.

Mr. Mayes stated Victor Ramos from Bethune-Cookman has agreed to do a presentation at the April meeting.

Mr. Mayes stated November the 11th is a DEDAB meeting day and is also Veteran's Day which is a City holiday. The option is to cancel or reschedule the meeting in November. He discussed the Ribbon cutting event for Nick Pizza and the new Youth Performing Arts and the Beautify Deltona campaign to clean up the City.

Alternate Member Woodley asked about the new trash rules and if residents have to place garbage cans behind their house, why don't businesses have to hide their dumpsters behind fences.

Mr. Mayes stated you can call Code Enforcement and they have to be enclosed unless they are grandfathered in.

Vice Chairperson Alexander stated Orange City started cracking down on that and discussed the structures. "I am not real happy with the fit in the bin" due to the new trucks. His concern is trash not getting picked up if it is not in the bin and he discussed the special pick-up for bigger items.

Chairperson Boggs stated Code Enforcement is who you can refer those people to and she welcomed Phyllis.

9. BOARD/COMMITTEE MEMBERS COMMENTS:

10. ADJOURNMENT:

Motion by Vice Chairperson Alexander and seconded by Member Armstrong to adjourn the meeting.

Meeting adjourned at 4:44 pm.

Tanya Boggs, Chairperson

ATTEST:

Sandi Jackson, Executive Assistant