

CITY COMMISSION WORKSHOP

Strategic Economic Development Plan

City Hall Training Room
October 18, 2011 5:30 p.m.

1. CALL TO ORDER

Mayor Ed Kelley called the meeting to order at 5:30 p.m.

Present were Mayor Ed Kelley, Commissioners James Stowers, Troy Kent, Rick Boehm, and Bill Partington, City Attorney Randy Hayes, City Manager Joyce Shanahan, Assistant City Manager Ted MacLeod, Economic Development Director Joe Mannarino, and Bob Gray of Strategic Planning Group.

2. THREE-YEAR STRATEGIC ECONOMIC DEVELOPMENT PLAN

City Manager Joyce Shanahan explained the workshop was to update the Commission on the Strategic Economic Development Plan. She stated that the last process was five years ago when the plan was created through citizen involvement. She noted the environment was changing rapidly so we were now considering a three-year plan.

Economic Development Director Joe Mannarino stated that they would review the economic principals; the strategic economic development plan, which was the five-year plan and evaluation; the updated demographics; the workshop results of September 17 and the recommendations for the three-year plan. He introduced Bob Gray from Strategic Planning Group, who had worked on several projects for the City, including Ormond Crossings.

Mr. Gray presented an overview of the plan. He noted the City had been committed to working the plan since 2005/2006. He stated the most important reason for economic development was revenue generation, as well as ensuring a bright economic future for the citizens, ensuring job opportunities, increasing wealth, expanding the tax base, and improving the quality of life. He stated that hopefully in three years, the Country would be back to a new normal working environment.

Mr. Gray stated the 2006-2010 mission statement was for the City to be proactive in business retention, expansion and attraction, and he noted the City had been successful in doing this. He stated the five-year plan served as a guideline which had three major goals, 17 objectives, and 51 strategies. He stated overall, the City accomplished what they set out to do and Mr. Mannarino had done an excellent job with assisting businesses. He stated the objectives were as follows:

Objective 1 consisted of:

- Creating a healthy business environment;
- Assisting businesses in hiring/training skilled labor force;
- Access to capital/financial incentive programs;
- Assisting commercial/industrial business expansion;
- Developing reuse program for Florida Memorial Hospital properties.

Objective 2 consisted of:

- Ensuring sufficient properties available for business expansion;
- Creating regional commerce park (Ormond Crossings) – The problem with Ormond Crossings was that it didn't occur when planned, it's moving along and there was a meeting to discuss what types of businesses to attract;
- Coordinating marketing strategies to attract industry;
- Providing/identifying businesses access to financial incentive programs;
- Launching a marketing program to brand the City;
- Attracting new industries to the Ormond Beach Airport;
- Identifying/recruiting green/sustainable energy industry;
- Encouraging workforce housing opportunities.

Objective 3 consisted of:

- Updating current CRA Downtown Master plan;
- Providing financial assistance to Downtown businesses;
- Promoting visitor attraction to the Downtown;
- Marketing the Main Street and visitor attraction.

Mr. Mannarino stated they recently received the design standards with the planned mixed unit developments. He stated that once staff reviewed it, it would go to the Planning Board and then to the Commission for approval. He stated there was discussion about infrastructure on a secondary road to Broadway and across the railroad tracks, as they had tapped into the existing sewer line which should be enough to open about 50 to 90 acres of land in the north section of the business park to move forward in that area.

Mr. Gray stated they accomplished creating 150 jobs and generating revenue from land sales and leasing grants, and construction capital at \$30 million, which was done at a time when other areas were experiencing the opposite. He commented on the CRA district and noted that it was in good shape.

Mr. Gray stated Ormond Beach was now part of the Orlando Community Supported Agriculture (CSA) Program. He noted in the past the region's population was 554,000 and was now 2.8 million, partly because of Deltona and the west side being close to the Orlando market, which also included Flagler. He pointed out that Flagler County had phenomenal growth. He stated that Ormond Beach was the fourth largest city in the County with modest growth. He stated

that in the past, they were able to pull census data, but the most recent census did not ask for detailed information, but there was an American Community Survey which gave more detailed information. He pointed out the mean income for Ormond Beach was about \$84,000, with 94% of the population having over a high school education, both of which were strong selling points. He stated the chart showed people that lived in Ormond Beach also worked in Ormond Beach. He stated in a 2006 study, Ormond Beach had 22% of the manufacturing firms in the County that employed 200 or more employees, which was now at 40%.

Mr. Gray stated Volusia County was essentially divided into two counties, east and west. He stated that when you looked at the west portion of the county, it usually encompassed Orlando. He stated statewide, the County had a lot of jobs per location. He noted there was a slight loss in population and it was projected to lose more. He stated there had been a 3,000 increase in hospitality from 2005. He stated that comparing the retail gap analysis for 3, 5 and 10 miles, Ormond Beach's three-mile radius was positive in electronics, health, sporting goods, clothing and gas stations, so there was a need for these types of businesses. Mr. Mannarino stated there had been some retail clothing stores looking into the downtown area and he noted there was a need here as well. Mr. Gray noted the retail challenge was online sales, the loss of Mom and Pop stores, as it was now better to go small, which created problems for the larger stores.

Mr. Gray noted across the country, there were only a few states that had the 20 strongest metropolitan areas, but there were quite a few weak metropolitan areas in Florida because the building trade expanded over many different sectors.

Mr. Gray stated there was a Strategic Economic Development Plan Workshop in September for some of the community, some of which attended the 2001 workshop. He stated that some of the participants were from Team Volusia and the Economic Development Department of Volusia County. He noted the new recommendations were five macro goals; three major themes/goals; 24 objectives; and 55 strategies/action steps to move forward over the next three years. He stated that the mission statement was changed slightly to include the word "influence," because the government did not create, they only influenced.

The new macro goals were to:

- Expand the Ormond Beach non-residential tax base and other revenue sources;
- Provide for a variety of employment opportunities in Ormond Beach;
- Maintain and increase financial wealth of Ormond Beach residents;
- Ensure quality commercial and industrial development; and
- Increase participation and regional coordination of economic development efforts to eliminate redundancies

Objectives for Retention were to:

- Foster a healthy business environment;
- Assist businesses in hiring/training skilled labor force;
- Assist businesses access to capital/financial incentive programs;
- Assist commercial/industrial business expansion;
- Develop a reuse program for Florida Memorial Hospital properties;
- Evaluate existing business regulations for simplicity and efficiency; and
- Identify additional economic opportunity areas.

Objectives for Recruitment were to:

- Ensure sufficient properties available for business expansion;
- Create regional commercial park;
- Coordinate marketing strategies to attract industry;
- Provide/identify business access to financial incentive programs;
- Launch a marketing program to “Brand the City”;
- Attract new industries to the Ormond Beach Airport;
- Identify/recruit “green”/sustainable energy industry;
- Promote green industry standards;
- Analyze our competitiveness;
- Partner with ERAU for additional facilities to support expansion of new tech park; and
- Develop active marketing program for the motorcycle industry.

Objectives for Downtown, Hospitality, Retail were to:

- Update current CRA Downtown Master Plan;
- Provide financial assistance to Downtown businesses;
- Promote visitor attraction to the Downtown;
- Market the Main Street and visitor attraction;
- Develop an Arts district; and
- Implement the Granada Opportunity Zone.

Mr. Gray stated the City was doing well in accomplishing the past goals that had been set and needed to stay competitive regarding the millage rate and utilities. Mr. Mannarino stated Ormond Beach wanted to also be known as a business friendly community.

Ms. Shanahan asked the Commission for feedback and any specifics they wanted to add, which would then come back for formal action.

Regarding financial assistance, Mayor Kelley stated the City should set aside an amount that would be available for helping local businesses maybe in the form of training or to attract business. He suggested that this amount could be set in the budget.

Ms. Shanahan stated they were currently working on a start-up plan, and Mr. Mannarino was working on the guidelines.

Mr. Mannarino stated that there were ample funds through the Center for Business Excellence, which the City worked with. He noted there were also funds from land sales at the business park and he was working on a way to leverage those dollars.

Commissioner Partington commended Mr. Mannarino on the great job he was doing and noted the City was getting the items done according to the report. He mentioned a seminar he went to where everyone was asked questions about what their city had and noted the City had the majority of them. He questioned the 15% of the respondents that would be moving or closing their business in the next six months, and hoped that Mr. Mannarino was in contact with them to see if they needed assistance. He agreed with Mayor Kelley's financial assistance suggestion and other available options, such as the matching grant success in the CRA.

Mr. Mannarino stated there was a survey attached to be completed by the business community so there would be information available for the economic forum in June. He stated the problem with the survey was it appeared to be focused on the licenses, so a better database was necessary to obtain the targeted information. He stated he had been in contact with the 15% of the businesses. He stated that some were moving to another location, such as S. R. Perrott moving to their new site on US1.

Commissioner Kent stated he also attended the seminar and agreed the City was in good shape. He commented on the many improvements on Granada Boulevard from A1A to Nova Road. He stated he liked to keep businesses, but wondered how much the government needed to get involved.

Ms. Shanahan stated there needed to be a balance because you wanted a return on your investment, such as setting specific parameters for those funds.

Mr. Mannarino stated there was a company recently that the City assisted and if we had not helped them, they would have relocated, but they were now more stable.

Mr. Gray stated retention went beyond Ormond Beach, as it went back to a region, east of Palmetto and north to Flagler.

Mayor Kelley stated retention for one business affected other businesses that did business with them, which was why he suggested the financial assistance.

Mr. Mannarino stated he would work on a program for the Commission to discuss.

Commissioner Stowers stated that the City had come a long way and was able to attract some of the large employers to the area. He stated that the downtown population loss was interesting because it was built out, so he did not see the loss of units. He stated that having a unique downtown should be an economic driver, but he would like to see the advantages to Ormond Beach by expanding the downtown area, even if they were small businesses.

Mr. Mannarino stated he spoke with some larger property owners about consolidating with other properties as a mixed-use project and he will continue to follow up with them because there could be some great opportunities.

Commissioner Stowers commented about going to the businesses and saying thank you so they knew they were appreciated by the City.

Mr. Mannarino mentioned an upcoming ribbon cutting ceremony with Pace Analytical and asked if the Commission wanted to do a tour of the businesses or individual meetings.

Ms. Shanahan agreed the Commission had a business attitude and had their greater interest in mind. She stated that the Commission set the tone for the community.

Commissioner Stowers stated the City needed a comprehensive sign plan. He pointed out a retention pond at Williamson and Granada could have a fountain which could be lit at night as a welcome sign sending the message of the City. He stated the sign on North US1 was in need of repair and signs were related to what goes on in the city.

Mayor Kelley agreed the business meeting was a good idea.

Commissioner Boehm stated most of the property on North US1 had been annexed and as a gateway to Ormond Beach, it was a failure. He stated that Ormond Crossings will be difficult to market with the interchange entrance in its current state. He stated we needed to create a plan to beautify that area. He stated that the City did not have welcoming signs to help economic development, and we needed to help make it look inviting, as the first impression was important.

Ms. Shanahan stated the City was working on a joint plan with the County regarding that area.

Mr. Hayes stated the City was working on Chapter 163, an interlocal agreement with the County regarding design standards.

Commissioner Kent stated there was \$50,000 a year for signs in the CIP.

Ms. Shanahan stated signage could be a public/private partnership.

Mr. MacLeod stated there have been designs for signage at Williamson and Granada, but cost was always an issue.

Commissioner Boehm stated the City had to stay competitive.

Mayor Kelley summarized the Commission wanted a welcome sign in that area.

Ms. Shanahan stated she would bring the welcome sign concept and cost to the Commission for review.

Mayor Kelley thanked the Commission for their comments.

3. ADJOURNMENT

The meeting was adjourned at 6:40 p.m.

Transcribed by: Sha Moss