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3 **CITY OF NEW SMYRNA BEACH**
4 **ECONOMIC DEVELOPMENT ADVISORY BOARD (EDAB)**
5 **REGULAR MEETING MINUTES OCTOBER 19, 2010**
6 **City Hall Commission Chamber, New Smyrna Beach, FL**
7

8 Mayor Adam Barringer called the meeting to order at 6:00 p.m.

9
10 The following members answered to roll call:

11
12 Mayor Barringer
13 Jill Carlton
14 Jack Holcomb
15 Paul Mayer
16 Arlen Stauffer
17

18 Also present were CRA Director Tony Otte; CRA Administrative Assistant Claudia Soulie; Planner
19 Jake Baker; members of the City staff and the public. Board Member Bill Hall and City Manager
20 Pam Brangaccio were excused absent. Board Member Randy McHenry had informed staff that
21 he might be late and arrived at 6:25 pm.
22

23
24 **APPROVAL OF MINUTES** – - Tour of selected Properties September 21, 2010
25 - Regular EDAB Meeting September 21, 2010
26
27

28 **Mr. Mayer made the motion to approve the above referenced minutes as written; seconded**
29 **by Ms. Carlton. Motion carried unanimously on roll call vote.**
30
31
32

33 **PRESENTATION**

34 a. Debbi Boyd, Executive Director, Southeast Volusia Advertising Authority
35

36 Mr. Otte stated that at the August 17th, 2010 meeting the EDAB members reviewed and voted
37 to prioritize the goals listed in the City's Economic Development Plan. The goal receiving the
38 highest number of votes was goal number four: "Support efforts to expand tourism through
39 venues and support systems". The Southeast Volusia Advertising Authority is a key partner in
40 the accomplishment of this goal. Mr. Otte introduced Ms. Debbi Boyd, Executive Director of the
41 New Smyrna Beach Visitor's Center to give a presentation on the operation of the Southeast
42 Volusia Advertising Authority.
43

44 Ms. Boyd informed the EDAB that the Visitor's Center received its funding from bed tax (3 cents
45 of every dollar went to the Visitor's Center and 3 cents to the Ocean Center). Ms. Boyd stated
46 that their marketing efforts have yielded great results and she felt that this could be
47 contributed to the fact that they did their advertising in-house.
48

ECONOMIC DEVELOPMENT ADVISORY BOARD
OCTOBER 19, 2010 MINUTES

49 Ms. Boyd stated that she and her team had created a countywide video titled “Explore! Volusia
50 County” that encompassed everything in the county that somebody might want to do and that
51 she was going to present it to the EDAB tonight.

52

53 Ms. Boyd informed the EDAB that New Smyrna Beach had a great mix of residents and tourists
54 and that the Visitor’s Center received additional funds from tourists staying longer than six
55 months, as they had to pay sales tax.

56

57 Mr. Holcomb inquired about tourism dollars, their direct impact on the City of New Smyrna
58 Beach and if that could be tracked. Ms. Boyd stated that they had a great impact and that this
59 was one of the reasons why property taxes in New Smyrna Beach were fairly low and that the
60 Chamber of Commerce had started tracking those numbers. Ms. Boyd stated that it was
61 difficult for the Visitor’s Center to track where and how the money they received from Volusia
62 County was generated and that she depended on individual hotel, motel and condominium
63 owners to supply her with their Average Daily Rates.

64

65 Ms. Boyd commented on their recent success with placing small ads in out-of-state newspaper
66 publications.

67

68 A brief discussion ensued about the current rental rates the City’s Parks & Recreation
69 Department was charging for their facilities and if this could negatively affect the decision of
70 event coordinators to come to New Smyrna Beach.

71

72 Mr. Mayer stated that he was aware of an event that withdrew from New Smyrna Beach due to
73 the rental rates and that this was a large loss of income to the Community.

74

75 A brief discussion ensued about enticing events to the area, as this had a huge impact on the
76 local economy, which in turn strengthened the community and the City. Mayor Barringer
77 suggested inviting the Parks & Recreation Director to the next EDAB meeting to educate the
78 EDAB on this topic.

79

80 Mr. Holcomb stated that the City should get creative in working with event coordinators in off-
81 setting any rental cost.

82

83 Ms. Boyd thanked Mayor Barringer for the City’s recent partnership efforts which created a
84 win-win scenario for everybody involved.

85

86

87

OLD BUSINESS

88

- a. County Prospects Report; and Team Volusia Prospects Report

89

90 Mr. Otte stated that in an effort to effectively communicate profiles of prospective recruitment
91 prospects and projects, the Volusia County Economic Development Department and Team
92 Volusia issued updated status reports.

ECONOMIC DEVELOPMENT ADVISORY BOARD
OCTOBER 19, 2010 MINUTES

93 Mr. Otte commented on Team Volusia's prospect report and stated that City staff was going to
94 respond to six different prospects and gave a brief summary of those prospects (TV10-115;
95 TV10-113; MD10-110; MD10-107MD10-104 and BDP08-112).

96

97 Mr. Sam Goodwin, Director of Business Development with Team Volusia thanked the EDAB for
98 their time. Mr. Goodwin gave a brief summary on how Team Volusia obtained their prospect
99 leads, their due-diligence procedures to create a comprehensive prospect list, and the 24 hour
100 turnaround time to respond to a prospect with a possible match. Mr. Goodwin also commented
101 on the efforts of keeping the property inventory current, and relaying this information to the
102 prospects.

103

104 Mr. Goodwin also informed the EDAB that Team Volusia was focused on creating an extensive
105 interactive website that would allow subscribers to review, research and edit property
106 information that they were authorized to access.

107

108 Mr. Goodwin commented that Team Volusia's first priority was to select its President/CEO
109 before finalizing the website, as they wanted the President to be able to give input, which
110 might delay the launch of the website by at least six months.

111

112 A brief discussion ensued about how Team Volusia selected the two website company finalists
113 and if they had MLS database experience. Ms. Carlton suggested the Property Appraiser's office
114 as a great resource as she felt that six months was a long timetable to establish a website.

115

116 Mr. Goodwin duly noted the suggestions and stated that the website had customized features
117 that had to be specifically designed and fitted to Team Volusia specific requirements.

118

119 A brief discussion ensued about ways to bring this website to the top of the list in various
120 search engines and what type of budget existed for pay-per-click marketing campaigns. It was
121 also noted that results needed to be achieved rather quickly, as New Smyrna Beach signed a
122 one year membership with Team Volusia.

123

124 Mr. Goodwin clarified that Team Volusia already had a system in place for developer match-
125 ups, and that the new website would greatly enhance/speed up the process. Mr. Goodwin
126 informed that Team Volusia would replace the links on local portals with a link that will route a
127 prospect to Team Volusia's website in an effort to maximize success with that prospect.

128

129 Mr. Mayer inquired how prospects can currently find and contact Team Volusia. Mr. Goodwin
130 stated that they cultivated partnerships with national site selectors, past clients and various
131 Chambers of Commerce including Enterprise Florida (those leads were currently handled by
132 Volusia County).

133

134 Mayor Barringer thanked Mr. Goodwin for his presentation.

135

136

137 **NEW BUSINESS**

138 a. Economic Incentives Program and How do we define targets for incentives

139
140 Mr. Otte commented on the City Manager's agenda memo which stated that there were varied
141 levels of Economic Development Incentives ranging from appointment of project ombudsmen
142 & ladies; expedited permitting with "rapid response" teams; improved building permitting and
143 site plan review processes; revisions to City Land Development Regulations; adjustments to
144 development fees for targeted businesses and/or a voter-approved tax abatement program.
145 Incentives were typically provided for the creation of new quality jobs (as defined by targeted
146 business types and wages paid) through the expansion of existing businesses or the relocation
147 of new businesses.

148
149 Mr. Otte stated that the City Manager's memo also referred to an approach used by Manatee
150 County which provided refunds/credits for impact fees for expanding new, or relocating
151 businesses that created at least five quality jobs, at or above 115% of the County's average
152 wage, and was paid based on a performance over a five year period. The jobs created must be
153 those established by Enterprise Florida, the QTI Tax Refund Program, or local targeted industry.
154 The City of Edgewater utilized a similar approach in September 2010, with a \$2,000 reduction in
155 Impact Fees, for each FTE job created, and for projects with Impact Fees over \$10,000, a one
156 year deferral of payment of fees. Both Edgewater ordinances expire on September 30, 2011.

157
158 Mr. Holcomb cautioned for those incentives not to get too restrictive on the qualifications. He
159 felt that as long as the businesses meet the 115% average wage criteria they should be
160 considered even if they were not in the targeted market.

161
162 Mayor Barringer was in favor of focusing on targeted market industries in order to diversify
163 New Smyrna's tax base, but felt that other businesses should not be disqualified outright if they
164 did not belong to the targeted market.

165
166 A brief discussion ensued about the EDAB's role of determining the target markets and their
167 demographics.

168
169 Mr. Otte suggested a two phase approach by giving a certain amount of incentives to
170 businesses meeting the wage criteria and more incentives if the business was also a target
171 industry.

172
173 Mr. Holcomb referred to a tax abatement program that the City of New Smyrna used to have
174 that had very stringent insurance requirements and he would like to keep the City's options
175 open to evaluate each business on a case by case basis.

176
177 Mr. Stauffer felt that the EDAB should "cast a very wide net".

178
179 Mr. McHenry commented that some local folks would like to purchase the Water Taxi boats
180 from the City to set up/ operate a business and he suggested finding an incentive to assist them

ECONOMIC DEVELOPMENT ADVISORY BOARD
OCTOBER 19, 2010 MINUTES

181 as this venture could create several jobs. A brief discussion ensued about drafting a sales
182 document for the boats and the possibility of incorporating incentives. Mr. Otte stated that if
183 the group planned to operate a business within New Smyrna Beach, then incentives were an
184 option and that he would check into this. Mayor Barringer suggested consulting the City
185 Manager.

186
187 Mr. Stauffer felt that the City Manager's agenda report on incentives was very comprehensive
188 and challenged the EDAB to fashion a program that set New Smyrna Beach apart from the other
189 towns within Florida.

190
191 Mr. Stauffer stated that he had recent conversations with contractors in the area who felt that
192 the permitting process was laborious and that the impact fees were assessed too late in the
193 process.

194
195 Mayor Barringer gave a brief summary on the history of a recent development (ABC Liquor) on
196 SR 44 where the sewer impact fee assessment caused the project to come to a halt.

197
198 Ms. Henrikson stated that this project was in the very beginning stages of the site plan review
199 and continued that the developer was aware of the sewer issues. Mr. Holcomb inquired at what
200 stage in the project the developer was made aware of the cost to remedy the sewer situation.
201 Ms. Henrikson stated that staff did not find out about the cost until just recently and that the
202 original property owner did the design work for this area and he may or may not have informed
203 the developer. Mayor Barringer was under the impression that the developer had met with the
204 Utilities Commission and that in the past the UC had taken the stand that the development pays
205 for infrastructure.

206
207 Mr. Otte suggested inviting the UC's economic development representative to the next EDAB
208 meeting in November. He continued that in his past experience working for other Cities, the
209 Utilities Commission was part of that City and offered Pioneer agreements or municipal
210 assessments. Mr. Otte felt that a close working relationship between the City and the UC was
211 necessary to overcome difficulties and that a change in policy might be needed to facilitate
212 economic development. Mayor Barringer stated that this was one reason why he felt that it
213 was necessary to have a representative from the UC on the EDAB and that he respected Mr.
214 Hall for having accepted this responsibility.

215
216 Mr. Holcomb suggested making as many tools and incentives available to the developers as
217 possible in order to be the most effective.

218
219 Mayor Barringer clarified that the EDAB was asking staff to bring back an incentive packet at the
220 next meeting that was less restrictive, especially in the area of defining target markets which,
221 following review by the EDAB would then be forwarded to the City Commission for approval
222 and implementation by January 2011.

223 Mr. Stauffer referenced a passage in the article *Strengthen Your Local Economy through*
224 *Economic Gardening* which stated that a study had shown that nearly 100 percent of job

ECONOMIC DEVELOPMENT ADVISORY BOARD
OCTOBER 19, 2010 MINUTES

225 growth in the U.S. between 2006 and 2008 was created by resident companies that were either
226 stand-alone businesses in the area or had their headquarters in the same state. Mr. Stauffer felt
227 that if this was the case, local business retention was just as important as attracting new out of
228 state businesses and that local business retention should be included in the packet staff was
229 going to create.

230

231 Mr. Holcomb suggested keeping the next agenda mainly focused on the incentive packet as
232 there was a lot of information to read, digest and disseminate.

233

234 Mr. Otte duly noted the EDAB members' comments and suggestions.

235

236 b. Isleboro Development Company – Proposed Text Amendment

237 Based on a recent request from Isleboro Development Company, Planning staff is considering
238 a text amendment and is requesting input for the EDAB whether or not to pursue this issue
239 any further.

240

241 Ms. Gail Henrikson, Planning Manager was present and informed the EDAB that planning staff
242 had been dealing with a policy in the City's Land Development Regulation that prohibited
243 property owners that owned two platted lots from subdividing them if were less than the
244 current lot width. Ms. Henrikson stated that this issue usually only affected older subdivisions
245 and that she had encouraged the representatives from the Isleboro Development Company to
246 be present to inform the EDAB about how this policy was hindering redevelopment efforts in
247 the City.

248

249 Ms. Henrikson listed the pros and cons of such a change and stated that planning staff was
250 recommending the EDAB authorize staff to make a presentation to the City Commission to
251 create a text amendment.

252

253 Mr. Al Lawrence, Managing Partner with Isleboro Development Company stated that he was
254 impressed with the economic development efforts of the EDAB and summarized his firm's
255 current situation. Mr. Lawrence felt that a text amendment would provide potential buyers
256 with more affordable alternatives and lot development would become more feasible as the cost
257 of infrastructure could be spread over a broader base.

258

259 A brief discussion ensued about the rules of the County and neighboring Cities and if there was
260 a community vision. Ms. Henrikson stated that the Planning Department would take this item
261 to the Planning and Zoning Board as a visioning session.

262

263 Mr. David Machuga stated that this was a perfect example of adding too many layers of
264 restrictions and how it can affect future development.

265

266

ECONOMIC DEVELOPMENT ADVISORY BOARD
OCTOBER 19, 2010 MINUTES

267 **Mr. Mayer made the motion to recommend to the City Commission that the EDAB was in**
268 **favor of the proposed text amendment; seconded by Ms. Carlton. Motion carried**
269 **unanimously on roll call vote.**
270

271 c. Team Volusia Request: How do we measure success

272 Mr. Otte stated that at the Team Volusia “Economic Development Practitioners” meeting on
273 October 6, Team Volusia staff distributed a chart entitled, “Mission: Leverage Community and
274 Business Partnerships to accomplish Economic Development Goals”. The top three goals
275 recommended by the practitioners (City and County staff) for Team Volusia are:
276

- 277 1) Develop a proactive recruitment process to strategically attract domestic and
278 international business (goal 2)
 - 279 2) Create a Communications Program (goal 6)
 - 280 3) Drive Measurement and Accountability (goal 7)
- 281

282 Mr. Otte continued that Team Volusia wished to have input on these three goals; specifically
283 on how these three goals translated into actions and success measures for New Smyrna
284 Beach.
285

286 Mayor Barringer stated that the EDAB should come up with individual goals on how the City of
287 New Smyrna would like to measure success and to discuss that at the December 7, 2010 EDAB
288 meeting.
289

290 d. Discussion of the need for a meeting in December/ possible permanent date
291 change

292 Staff was entertaining the possibility of not having an EDAB meeting in December due to the
293 proximity to the Holidays. Furthermore, the Code Enforcement Board meets every third
294 Tuesday of the month in the Commission Chamber at 4:30 pm. Staff felt that this would
295 create a conflict in being able to turn over and set up the room for the EDAB meeting with a
296 6:00 pm start time. Staff would like the EDAB to consider permanently changing the meeting
297 date to every third Wednesday of the month at 6:00 pm.
298

299 The Board agreed to permanently move the regular EDAB meetings to every third Wednesday
300 of the month starting November 17, 2010 and to have an EDAB meeting on December 7, 2010
301 to accommodate possible holiday schedules so not to lose any forward momentum.
302

303 Mr. Stauffer suggested asking a UC representative to attend the November meeting, as this
304 was the meeting when the EDAB will focus on finalizing the incentives and he felt it was
305 important to hear from them first. A brief discussion ensued that the UC could be asked to
306 speak during the first portion of the meeting and the remainder could be used to focus on the
307 incentives.

ECONOMIC DEVELOPMENT ADVISORY BOARD
OCTOBER 19, 2010 MINUTES

308

309 Mr. Stauffer also asked that the City's packet should include incentives that no other City had
310 thought about. Mayor Barringer stated that then the EDAB would have some homework to
311 do.

312

313 **REPORTS AND COMMUNICATIONS**

314 a. **Economic Development Report**

315

316 Mr. Otte summarized the economic development report and stated that he would be available
317 to answer any questions the Board members may have.

318

319 Mr. Otte thanked Mr. Holcomb for his generous "donation" of his website consultant to analyze
320 the City's website as this will pay large dividends.

321

322

323 **ADJOURNMENT:**

324

325 There being no further business, the meeting was adjourned at 7:30 p.m.