

ECONOMIC DEVELOPMENT ADVISORY BOARD
June 27, 2012 - MINUTES

1. Call to Order

Mr. Blawn called the meeting to order at 8:00 A.M.

2. Roll Call

Present: Thomas Blawn Carol Kilian Carl Lentz
Lawrence McDermott Ruth Trager Tim Davis

Absent: Bishop Derek Triplett

Ex-officio: Robert Erhardt, Volusia County Economic Development Manager
Staff: Emory Counts, Daytona Beach, Economic/Community Development Director

3. Reports

A. Volusia County Economic Development (VCED) –Robert Erhardt

Mr. Erhardt noted the July issue of *Florida Trend Magazine* lists by revenue the top 350 public Florida companies and Brown & Brown is listed as number 48 and International Speedway Corporation is listed as number 56. Similarly, when you look at the top 350 private Florida companies NASCAR is listed as number 12 and Halifax Media Group is listed as number 89, and all of these companies are located in Daytona Beach.

Mr. Erhardt announced that Phil Ehlinger, the previous Economic Development Director, retired on May 11, 2012 and he is the new Volusia County Economic Development Manager. He clarified the division of labor among the various area economic development entities stating that the CEO Business Alliance and Team Volusia are the lead organization when it comes to business recruitment. The County supports both organizations as appropriate, however, the County's focus is business retention and expansion.

B. Team Volusia Economic Development Corporation (TVEDC) – Kerry Symolan

This item was tabled.

C. Vision Foundation – Larry McDermott, Vision Foundation Chair

Mr. McDermott reported two major focuses on (1) efforts to provide healthcare to the working poor and specifically establishing a group of persons to provide follow-up care. The other focus was on (2) passenger rail service/train station in Daytona Beach. There have been a number of meetings involving several persons in the community and the Magnolia Avenue site is the identified site for the station. One of the goals is to have a practical site plan ready when the anticipated monies come from the state and other resources.

4. Old Business

Mr. Lentz highlighted the use of our Brownfield Areas for economic development. In his conversation with a local attorney the sense was that this prime asset was being underutilized. Ms. Kilian asked, "Where are we with the Brownfield?" Mr. Counts responded that we have not expanded any existing, nor established any new Brownfield Areas. We will have J.R. Sloane, City Engineer to come before and provide a report on the cleanup on Clyde Morris Boulevard but it's more challenging to have him come when the meeting date is moved around to accommodate what is needed by the state and the business' schedule.

5. New Business

A. Crane Performance Products – Robert Erhardt

Mr. Erhardt represented the company, and reported that Crane was previously supported by the EDAB and performed well creating more than the 22 jobs required to meet the performance measure in its application and now wants to create 29 more new jobs in this proposed expansion. The amount of any incentive the company would receive is commensurate to the actual performance. Additionally, Mr. Counts clarified that although the company is considering purchase of the property it still has to pay the property taxes per their lease, and so, the exemption of ad valorem incentive will inure to the company and not the landlord.

B. Ocean Sands, Econolodge, and Holiday Inn Resort – Efrain Silva

Mr. Counts ...Silva presented information about hotel development/redevelopment where a portion of the work has already been completed, as well as, to incentivize future redevelopment through our regular economic development program. His investment group, Humphrey Hospitality Management, purchased property on beachside and he was hired as a Project Manager to close the hotel, let it sit and maybe sell it in a couple years. Rather, he asked to be able to run the hotel "as is" for one-year and at the end of that time convinced them to invest \$5 million to renovate the property and it opened as a Holiday Inn Resort. It has now gone on to win several renovation industry awards.

The investment group looked at Clearwater but Mr. Silva advised them to invest again in Daytona Beach and began looking at the old Royal Beach Hotel, an old Ocean Waters property. They invested another \$1 million into renovations and it just opened as an Econolodge and already has won a renovation award. They just bought the Ocean Sands Hotel and are working to renovate that which should open January 3, 2013 as a Hampton Inn, a Hilton Hotel product and would like to get some help renovating the Oceans Sands property.

The company is looking at other properties in Tampa and Orlando but he wants to entice them to invest here in the City. Some sort of incentive help for the renovations would be helpful to keep the owners invested in Daytona Beach. The company has capital about \$24 million they plan to spend in the next 12 months.

Mr. Blawn thought that since the investment group is purchasing distressed properties and increasing the value of hotel properties on the beachside granting ad valorem tax abatement would be a good investment.

6. Citizens' Comments

There were no citizen comments brought before the Board.

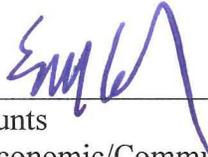
7. Schedule next meeting

A motion to schedule the next meeting on August 15, 2012 unless there is a need to schedule a meeting prior to that time was made by Mr. McDermott, seconded by Mr. Lentz, and approved unanimously.

-2012 Meeting Schedule: January 12; February 15, 2011; March 21 (rescheduled to April 18, 2012); April 18; May 16; June (no meeting); July 18; August 15; September (no meeting); October 17; November 14; December (no meeting)

8. Adjourn

The meeting adjourned at 9:37 A.M.



Emory Counts
Director Economic/Community Development

Adopted: August 1, 2012