



Economic Development

Quarterly

An official publication of the Volusia County Economic Development Division

Third Quarter 2016

Investment, jobs on the horizon for B. Braun Medical



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Gov. Rick Scott visited Daytona Beach last quarter to welcome B. Braun Medical to Florida and Volusia County. During a news conference at Daytona Beach International Airport, B. Braun Medical Executive Vice President Bruce Hengel announced his company's plans for expansion, hiring and investment.

The company purchased the Daytona Beach complex that formerly housed Gambro AB. B. Braun intends to create 175 jobs and invest more than \$100 million at the Mason Avenue plant.

"This is only our second intravenous solutions plant, and we are pleased to create it right here in Daytona Beach," said Hengel.

The new jobs will be created by 2019 and are expected to pay salaries averaging nearly \$42,000. Expansion plans will increase the current 160,000-square-foot footprint by an additional 4,000 square feet.

During the news conference, the governor recalled making the

January 2015 trip to B. Braun headquarters in Bethlehem, Pennsylvania, to personally make a pitch for locating the plant in Daytona Beach.

B. Braun had an eye on the Daytona Beach community for some time. The company bought the land the Gambro plant sits on in 2014 and has been the landlord for Baxter International, which acquired Gambro in 2013.

The CEO Business Alliance was instrumental in the recruitment process. The alliance's community-based philanthropic 501(c)(6) corporation is composed of CEOs and chairmen of boards of highly successful private sector corporations in Volusia County. Hyatt Brown, chairman of Brown & Brown and a

founding member of the CEO Business Alliance, said alliance representatives arranged a meeting with B. Braun officials who cited the governor's efforts in recruiting B. Braun Medical.

B. Braun Medical is based in Germany and is known as a leading manufacturer of infusion therapy and pain management products. Its products include intravenous solutions sets, IV solutions, drug delivery systems, clinical nutrition solutions, IV safety catheters, needle-free IV systems, smart IV pumps, dialysis machines and disposables, and pain control catheters, needles and trays. Its primary U.S. manufacturing plants are in Pennsylvania, Texas and California.

Honoring Tom Staed and all veterans
Veterans Memorial Bridge project underway



A rendering of the Tom Staed Veterans Memorial Bridge is flanked by Veterans of Foreign Wars Post 1590 Honor Guard Members Pete Rosado (left) and Gilles Blaise.

On the eve of the Fourth of July weekend, local dignitaries, business owners and residents gathered to formally kick off the construction project that will replace the Orange Avenue Bridge in Daytona Beach.

The high-rise bridge will be called the Tom Staed Veterans Memorial Bridge in honor of the nation's veterans including the late Tom Staed, who died in 2013. Staed is remembered as a dynamic and visionary leader in the community and the state of Florida. He was a driving force in Florida's tourism, lodging and hospitality industries.

Construction of the new bridge will take 32 months. The \$38 million cost is being funded by the federal government. The design will yield a bridge that will become an instant landmark with 8-foot wide sidewalks, fishing piers, plaques commemorating American military history, scenic overlooks and more. QR codes will be featured for smart phone users, and Braille placards will be featured for the visually impaired. To follow along with the project visit www.volusia.org/veteransmemorialbridge.



Tom Staed's daughters and grandchildren were on hand to mark the occasion. Pictured from left are Kelsey Lansberry, Hailey Bush, Leslie Bush, Jackson Bush and Blaine Lansberry. Not pictured are Brian Lansberry, who was in attendance, and Mr. Staed's widow, Barbara Staed, who was out of the country at the time.

Enterprise Florida and Team Volusia Economic Development Corporation welcome site selectors to Coke Zero 400 at Daytona International Speedway



Breakfast meeting at the Henderson Welcome Center at Embry-Riddle Aeronautical University with presentation on the Embry-Riddle Research Park.

Enterprise Florida, the Sunshine State's economic development authority, joined Team Volusia Economic Development Corporation (TVEDC) to welcome prospects to the area to promote Florida and Volusia County as preferred locations for business and industry. The event was a well-scripted weekend that included visits to Embry-Riddle Aeronautical University, Stetson University, downtown DeLand and several Volusia County projects.

"This was an extraordinary opportunity to welcome several influential professionals to experience Florida and learn more about its pro-business climate while getting a close-up view of Volusia County," said Lisa Ford Williams, chairwoman of TVEDC.

Guests arrived at Daytona Beach International Airport and stayed at the Hilton Daytona Beach Oceanfront Resort. Day one of the itinerary included a meeting with Volusia County economic development practitioners at the Lynn Business Center at Stetson University, followed by a tour of downtown DeLand.

The next day began with a community leadership breakfast at Embry-Riddle

Aeronautical University and an aviation/aerospace overview, followed by a driving tour that included several impressive projects. After lunch at the Halifax River Yacht Club, guests enjoyed an afternoon of leisure time before attending the Coke Zero 400 under the lights at Daytona International Speedway.

"There is nothing like experiencing the thrill of NASCAR racing under the lights at Daytona International Speedway," said Joe Hice, chief marketing officer and senior vice president for marketing and communications of Enterprise Florida. "Add to the excitement on the track, the stunning new motorsports stadium

emanating from the Daytona Rising re-imagining of DIS, and our guests were not just captive, they were captivated."

While at the Enterprise Florida suite, guests were presented useful information about doing business in Florida, much of which was featured in Enterprise Florida's new advertising campaign, which proclaims "the future is here."

The experience showcased the best of Florida and put Volusia County center stage. Clearly, Florida means business and the event showed that business is thriving in Volusia County.

Birthplace of NASCAR

New life for historic Streamline Hotel



In 1947, Bill France Sr. met with friends, stock car racing drivers and racing enthusiasts at the Streamline Hotel on Route A1A in Daytona Beach. It was then and there that they harnessed their dreams and created the National Association for Stock Car Auto Racing (NASCAR). It was a moment in history that occurred at a place that still stands. The moment is preserved in the minds of millions of NASCAR fans today, and the place will soon welcome guests as a two-year, \$6 million makeover nears completion.

Local entrepreneur Eddie Hennessy bought the aging property in 2014 at the suggestion of his friend and area real estate professional Dino Dodani of Keller Williams Realty. The two toured the structure in 2013, and Hennessy purchased the property with an eye on preserving its history and restoring it to its former glory.

The property will re-open this year as a 47-room boutique hotel that celebrates the 1940s era and NASCAR history. Hennessy has painstakingly restored the hotel to celebrate that era and include 21st century amenities and creature comforts.

"Our goal is to ensure guests enjoy an experiential visit at the birthplace of stock car racing," said Hennessy.

The newly restored Streamline Hotel will feature its Boardroom Sky Lounge on the rooftop, where "Big" Bill France and his colleagues met nearly 70 years ago. The guestrooms will be well appointed and have many touches

reminiscent of the 1940s. There will be a swimming pool, restaurant, a second bar and more. The hotel is located near the original beach racing course and just a short drive from famed Daytona International Speedway that replaced the beach course in 1959.

In October 2014, the project was featured on *Hotel Impossible*, a popular Travel Channel television program that features unique and ambitious hotel projects. Its host, Anthony Melchiorri, a race fan, history fan and hotel fan, experienced an instant fascination for the project.

"This building is an icon. It's a rock star. If it were a person, it would be a rock star," Melchiorri said.

Bringing the Streamline Hotel back to life has been a complex project driven by the passion and determination of Hennessy and his team. Melchiorri spoke of the challenges on his program. General contractors Paul

and Anthony Viscomi underscored Melchiorri's observations, stating that they ended up gutting the building to ensure it was re-created from its bones to its finishes.

"We had to replace practically everything — electrical wiring, plumbing and other systems — to ensure this historic place meets the needs and expectations of 21st century guests," said Paul Viscomi.

A grand opening date has not been set, but will be scheduled soon, according to Hennessy.

"It is important that we not welcome our first guest until every detail is properly completed and our staff is properly trained," said Hennessy.

He said the hotel will be open this year and he is expecting the staff to number 55 to 75 hospitality professionals. Details will be posted at streamlinehotel.com.

Dollars, cents and a warm welcome

Ocean Center's economic impact



The Ocean Center hosts a wide variety of events generating revenues, often increasing hotel occupancy and adding vitality to the local economy.

"It's a world-class facility that not only hosts widely varying events, but provides substantial 'bang for the buck,'" said Volusia County Manager Jim Dinneen.

Dinneen addressed the Volusia County Council on the results of an economic impact study that revealed the Ocean Center bolsters the local economy by more than \$90 million annually. In addition to its substantial economic impact, the Ocean Center is a window to the world, showcasing our community to all kinds of people including convention delegates, athletes, religious groups, public safety professionals and many other kinds of visitors, according to Dinneen.

"Many Ocean Center guests are first-time visitors to the area, and most give the community high marks." Dinneen noted.

The \$91.9 million impact is based on a study of the center's 2014-2015

fiscal year conducted by Florida Economic Advisors. It considers direct and spinoff impacts to the Volusia County economy from Ocean Center activities in terms of local sales revenues generated, job creation, and employee wages and benefits.

That year, the Ocean Center hosted 115 events attended by more than 235,000 people over 276 event days. Some events attracted local guests, each of whom spent \$45 per day on average. Other events drew mostly out-of-state guests, whose daily expenditures in the area were pegged at \$215, spending money on many items that local guests do not purchase.

"Compared to comparable facilities, the Ocean Center is among the best-performing facilities," said Dr. Chris Jones, president of Florida Economic Advisors and former chief economist for the City of Orlando.

For example, he said, the Ocean Center outperforms similar complexes in Shreveport, Raleigh, Memphis and Palm Beach.

The study took into account the fact that no general fund county dollars are used to subsidize the Ocean Center. Instead, it collects a 6 percent hotel bed tax, 50 percent of which funds tourism marketing for the three tourism bureaus and 50 percent of which funds the Ocean Center. Of the bed tax funding dedicated to the Ocean Center, half goes to retiring debt on the complex and half goes to fund operations.

"We are fortunate to have such a versatile and welcoming complex," said Ocean Center Director Don Poor. "Not only has the county maintained the complex with the kinds of amenities and features that keep the Ocean Center competitive, but our staff has developed a reputation for professionalism and hospitality among meeting and event planners."

In economic development, being there is the name of the game

*By KEITH NORDEN, CEcD,
President & CEO, Team Volusia Economic Development Corporation*

To paraphrase Woody Allen, showing up is 80 percent of success in today's highly competitive world of economic development. With nearly 20,000 economic development organizations in the United States, being "in the room" when corporate prospects are discussing expansion or relocation is a competitive advantage. We recently enjoyed that advantage during two of the world's most important trade shows.

Team Volusia Economic Development Corporation was honored to be invited to partner with Enterprise Florida at Hannover Messe in Germany, a global forum focusing on technology in industry. It attracted more than 190,000 visitors intent on "future-proofing" their operations and investing in state-of-the-art technology.

Among the attendees were 5,000 American visitors who came in search of new technology for their manufacturing plants and energy systems. Roughly 6,000 visitors came from the People's Republic of China, second only to Germany as the host country. Overall, the event drew 6,500 exhibitors, 150 business delegations from around the world, and 2,500

journalists. The event was staged in 16 halls and pavilions covering more than five million square feet. It was a fertile environment in which to showcase Volusia County's assets and resources.

Equally powerful was the opportunity to attend the Farnborough International Air Show in the United Kingdom in July. This event is the meeting place for the aerospace industry in both the defense and commercial sectors. No other event offers as much opportunity for visitors and exhibitors to meet new and potential business partners, government officials, colleagues and existing business customers. The show provided plenty of high-profile presentations, demon-

strations and announcements, many of which have direct impact on economic development practitioners. Enterprise Florida's and Embry-Riddle Aeronautical University's attendance increased the spotlight on Volusia County in many ways and helped generate important leads among high value corporate prospects.

Both events put Volusia County center stage in critically important global forums. We are fortunate to be "in the room" with Enterprise Florida officials at these trade shows, and will be following up on important leads for many months, forging new relationships in industries that would be right at home here in Volusia County.



Team Volusia Economic Development Corporation at the Farnborough International Air Show in July.

*Team Volusia announces Pin Hsiao & Associates /
Antonina's Artisan Bakery*



Team Volusia Economic Development Corporation (TVEDC) has announced that the parent company of Antonina's Artisan Bakery, has selected Port Orange for its commercial baking and distribution operation. The parent company, Pin Hsiao & Associates, selected a site at the Eastport Business and Technology Center.

"We are pleased that Pin Hsiao & Associates selected Port Orange for Antonina's Artisan Bakery," said Lisa Ford Williams, TVEDC chair. Volusia County will continue to offer

businesses a location to reach customers throughout Florida and the southeastern United States. Port Orange is a great community, and we

are excited about the partnerships with our communities, which allow us to create employment and investment throughout Volusia County".

Daytona State College team take honors in Cairns Foundation Innovation Challenge

An innovative, lightweight sun shade device created by Daytona State College science and engineering students won top honors at this year's Cairns Foundation Innovation Challenge competition.



The students – Matthew Cresenzi, Caelan Hickman and Matthew Morris – collaborated to create the Sun 'n' Shade device, a lightweight, portable and flexible sun shade that can be mounted easily to any chair or lounge. It can be used at the beach, hotel resorts, sporting events, tailgate parties or almost anywhere.

As winners of the third annual competition, the students walked off with the top prize of \$10,000 plus a one-year resident enrollment in the University of Central Florida Business Incubator at Daytona Beach International Airport. The team will use the prize money to support commercialization of the Sun 'n' Shade product.

"It's exciting to see promising innovators step up from our local colleges and universities," said Jim Cairns, entrepreneur and head of the Cairns Foundation. "This year we received 18 proposals from students, which made it a much more competitive field than years past. We're thrilled to see how this competition is growing, and look forward to having it again at Daytona State's Advanced Technology College in 2017."

Daytona State College President Tom LoBasso concurred. "We are all so proud of our student team and their adviser, Dr. Nabeel Yousef. The leadership he provided in this competition was outstanding."

Yousef's students worked on their projects as part of their Engineering Technology capstone course. Those who showed the most merit qualified to enter the Innovation Challenge competition.

The Innovation Challenge is a program of the Cairns Foundation, which was established in 2003. Its mission is to identify and give a life-changing boost to bright, creative young people who otherwise might never realize their full potential. The foundation provides funding and mentoring that helps young inventors realize the technical and commercial success of their creations.

Economic development 101

Family entrepreneurship spanning generations

By *LEIGH SHAPLEIGH*
Volusia County Economic Development Business Specialist



Family businesses are the most enduring form of business organization. They make up a majority of firms worldwide and are significant contributors to employment and the global economy.

Volusia County is home to many family-owned businesses. Our Division of Economic Development works to respond to individual owner needs and bring together the collective powers of our ecosystem partners to help grow their businesses. These needs may concern succession planning, hiring new employees, improving production, doing business with government, marketing and exporting.

Volusia County is also home to Stetson University's Family Enterprise Center in DeLand. The award-winning family business education program was founded in 1998. It was the first of its kind in the nation and acknowledged as a leader in family business curriculum. Stetson is one of seven U.S. participants in the international Successful Transgenerational Entrepreneurship Practices (STEP) project.

STEP research affiliates study how family businesses transfer entrepreneurial potential across generations. They refer to this practice as transgenerational entrepreneurship.

Here's a quick introduction to a couple of third-generation Volusia County businesses.

DeLand Metal Craft Co. is a third-generation family-owned business that has been custom designing metal work in DeLand for decades. Using the latest technology, certified craftsmen design and install custom-made metal features including gates and fences, window stair rails, balconies and artistic ironwork. In 2017, the company will celebrate 50 years in business.

Zeno's World's Most Famous Taffy is a third-generation family-owned

business that started with a tiny kitchen and retail store on the Daytona Beach boardwalk in 1948. Zeno's sells taffy, ice cream, candy and fudge. Having outgrown its current 4,206-square-foot manufacturing space, the company is expanding into a new 11,000-square-foot plant with additional retail space in South Daytona. It's expected to open later this summer.

Volusia County's Economic Development Division provides assistance at no cost to businesses with the desire and potential for growth within Volusia County. The division can help start-ups, second-stage and maturing businesses directly and refer owners to other qualified organizations. For more information, call 386-248-8048 and ask for one of our business assistance specialists.

As the world turns, second quarter permitting numbers show gains

Despite national and global news that rattles financial markets, second quarter permitting numbers in Volusia County have shown remarkable resilience. A comparison of Q2 2016 permit numbers with those of Q2 2015 shows steady to slightly increased activity.

Commercial permits were level in Q2 2016 as compared to Q2 2015. Seventeen commercial permits were issued in both periods. In Q2 2014, only 12 commercial permits were issued. The value of the 17 permits issued in Q2 2016 was \$31,316,733, with Daytona Beach leading the way, logging five permits worth \$19,371,620.

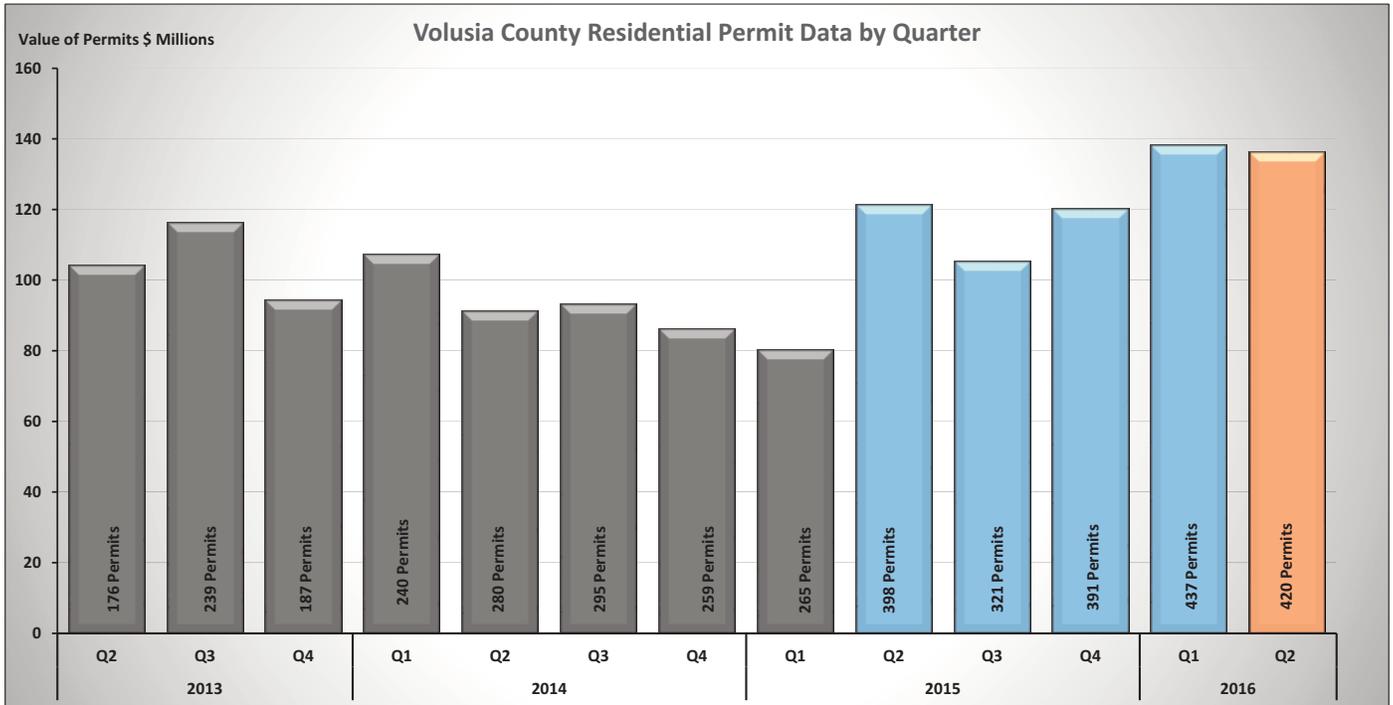
"The barometer is steady in the commercial arena," said John Wanamaker, CCIM a commercial broker and immediate past president of the Team Volusia Economic Development Corp. "Permits will ebb and flow, but we had a particularly strong first quarter year-over-year, and we

lost no ground in the second quarter year-over-year. As commercial interest rates start to decline again, we expect a strong third and fourth quarter for 2016."

On the residential side, the number of permits for Q2 2016 was up over Q2 2015, with 420 permits issued as compared to 398 for the same period last year. That represents a 5.5 percent increase year-over-year. And it is noteworthy that permitting activity in Q2 2016 is up 50 percent over the same period in 2014 (280 permits) and up 239 percent for the same period in 2013 (176 permits).

Residential permits were led by DeLand, which issued 116 permits for new construction, valued at \$38,709,509. New Smyrna Beach issued 84 permits valued at \$25,677,361. Permits issued for unincorporated areas of the county totaled 59, valued at \$18,402,853.

"The numbers continue to indicate stable growth," said Rick Karl, director of the Aviation and Economic Resources Department. "Couple that growth with companies that already call Volusia County home and new employers with relocation or expansion plans, and the future looks bright indeed."

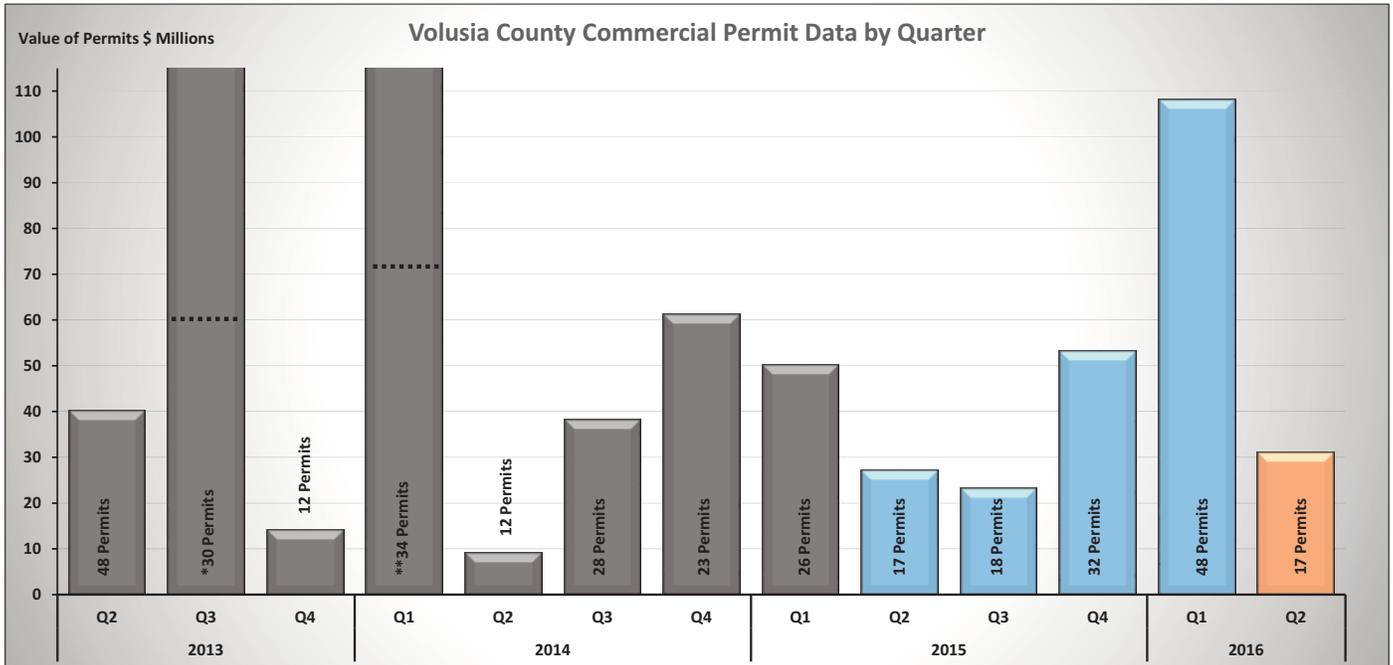


Source: Cities and County Permit offices reporting new construction activity

Residential Building Permits Issued in Volusia County Second Quarter 2016

| Ranked by Total Value of Projects AREA | April | May | June | Total | |
|---|------------|------------|------------|------------|----------------------|
| | Permits | Permits | Permits | Permits | Value |
| DeLand | 31 | 48 | 37 | 116 | \$38,709,509 |
| New Smyrna Beach | 30 | 20 | 34 | 84 | \$25,677,361 |
| Unincorporated | 16 | 18 | 25 | 59 | \$18,402,853 |
| Deltona | 8 | 5 | 17 | 30 | \$14,126,127 |
| Ormond Beach | 7 | 13 | 15 | 35 | \$10,963,711 |
| Daytona Beach | 9 | 12 | 26 | 47 | \$10,221,053 |
| DeBary | 2 | 8 | 4 | 14 | \$5,626,973 |
| Port Orange | 3 | 5 | 5 | 13 | \$5,009,349 |
| Ponce Inlet | 2 | 1 | 2 | 5 | \$3,441,264 |
| Edgewater | 0 | 5 | 3 | 8 | \$1,546,766 |
| Orange City | 0 | 1 | 1 | 2 | \$1,147,256 |
| Lake Helen | 0 | 1 | 3 | 4 | \$1,025,227 |
| Oak Hill | 0 | 1 | 1 | 2 | \$311,935 |
| Daytona Beach Shores | 1 | 0 | 0 | 1 | \$285,000 |
| Holly Hill | 0 | 0 | 0 | 0 | \$0 |
| Pierson | 0 | 0 | 0 | 0 | \$0 |
| South Daytona | 0 | 0 | 0 | 0 | \$0 |
| Totals for Quarter | 109 | 138 | 173 | 420 | \$136,494,384 |

Cities listed in descending order by \$ value for the most recent quarter
 Source: Cities and county permit offices reporting new construction activity



Source: Cities and County Permit offices reporting new construction activity
 *Q3 2013 includes a single \$105M permit for Daytona Beach International Speedway
 **Q1 2014 includes a single \$152M permit for Daytona Beach International Speedway

Note: Dotted lines represent permit total excluding the single permit for Daytona Beach International Speedway

Commercial Building Permits Issued in Volusia County Second Quarter 2016

| Ranked by Total Value of Projects AREA | April | May | June | Total | |
|---|----------|----------|----------|-----------|---------------------|
| | Permits | Permits | Permits | Permits | Value |
| Daytona Beach | 2 | 2 | 1 | 5 | \$19,371,620 |
| DeLand | 0 | 2 | 0 | 2 | \$5,643,000 |
| Port Orange | 0 | 1 | 2 | 3 | \$2,250,006 |
| DeBary | 0 | 0 | 2 | 2 | \$1,935,651 |
| New Smyrna Beach | 0 | 1 | 1 | 2 | \$1,575,000 |
| Orange City | 0 | 1 | 0 | 1 | \$363,854 |
| Unincorporated | 0 | 0 | 1 | 1 | \$112,602 |
| Holly Hill | 1 | 0 | 0 | 1 | \$65,000 |
| Daytona Beach Shores | 0 | 0 | 0 | 0 | \$0 |
| Deltona | 0 | 0 | 0 | 0 | \$0 |
| Edgewater | 0 | 0 | 0 | 0 | \$0 |
| Lake Helen | 0 | 0 | 0 | 0 | \$0 |
| Oak Hill | 0 | 0 | 0 | 0 | \$0 |
| Ormond Beach | 0 | 0 | 0 | 0 | \$0 |
| Pierson | 0 | 0 | 0 | 0 | \$0 |
| Ponce Inlet | 0 | 0 | 0 | 0 | \$0 |
| South Daytona | 0 | 0 | 0 | 0 | \$0 |
| Totals for Quarter | 3 | 7 | 7 | 17 | \$31,316,733 |

Cities listed in descending order by \$ value for the most recent quarter
 Source: Cities and county permit offices reporting new construction activity

On the Economic Scene

Volusia County Economic Development Division publishes a useful, quick-read, one page newsletter every Monday morning, *On the Economic Scene*. It arrives by fax and is a very popular publication. If you are not getting this publication and wish to receive it, submit your fax number to 386-248-8048, or fax it to 386-248-8037.

If you prefer to read it online, it is posted at floridabusiness.org/news-and-data-resources/index.shtml

Volusia County Economic Development Quarterly is a publication of Volusia County Government and is produced by the Volusia County Economic Development Division. It is produced for readers who have an interest in the area's business, economic development and real estate market. As an economic development tool, it is intended to provide information and statistics that have meaning to your business. To submit story ideas or offer comments, please contact Community Information Manager Joanne Magley at 386-822-5062 or by email at jmagley@volusia.org. If you want to add a name to the distribution list, email ssprague@volusia.org. For more information about economic development in Volusia County visit floridabusiness.org.



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ECONOMIC DEVELOPMENT