



The first quarter 2009
Volusia County
Economic Development
Update

February 6, 2009



Volusia County Council, attorney and manager: back row, left to right, Dan Eckert, county attorney; Andy Kelly, district 1; Josh Wagner, district 2; Jim Dinneen, manager. Front row: Jack Hayman, district 3; Joie Alexander, vice-chair, at-large; Frank Bruno, chair; Patricia Northey, district 5; and Carl G. Persis, district 4.

introduction by County Chair, *Frank Bruno*

The Volusia County Council is pleased to present another in a series of Quarterly Briefings concerning the latest local economic data. The 2009 “Q1 Briefing” covers the county’s economic activities for the months of October, November and December, 2008. Much has happened in the past few months and current business conditions continue to impact an increasing number of families and businesses in our community.

While Volusia County’s workforce grew by 2.1-percent during the past year, the community’s unemployment has seen significant increases with an average of 20,000 individuals out of work during the last quarter. This trend, we expect, will continue well into 2009. The only Volusia County employment sector continuing to experience growth is the healthcare industry.

Several major projects currently underway throughout the county are helping to strengthen and to stabilize some of the commercial and industrial construction market. The Pavilion at Port Orange project has been underway for the past several months, generating upward to \$80 million or more in capital investments. This Port Orange project is poised to create an estimated 1,000 retail, service, office and hospitality jobs by the end of the 2009.

In Daytona Beach, International Speedway Corporation began the construction of the company’s new Corporate Headquarters along International Speedway Boulevard. This \$64 million project comes at time that is most beneficial to the community and is one that will position ISC in our community for years to come. The new headquarters facility will be home to more than 1,000 ISC employees.

The months of October, November and December continued to experience declines in overall construction permitting activities county wide. The total permits issued during this period were reported at \$107 million as compared to \$153.4 million the previous quarter and were nearly 25-percent lower than the same period in 2007. Commercial permitting activity reported \$61.8 million while residential permit activity logged a mere \$45.2 million, the lowest level of activity in the five years that we have been tracking this information.

Concerns over home foreclosures continued to increase as a total of 7,671 homes were recorded for foreclosure during 2008; just under 2,000 for the final three months of the year alone.

Our Department of Economic Development continues to monitor a wide variety of economic data and is a source of valuable information concerning our community. The purpose of the “Q” briefings is to share this information with the community and business leaders and to enhance your awareness of economic trends that impact our local economy.

We welcome your participation in today’s “Q1” briefing.


Frank T. Bruno Jr.



table of *contents*

Volusia County Council, attorney and manager inside front cover

Introduction by County Chair, Frank Bruno page 1

Table of contents page 2

Pavilion at Port Orange page 3

Volusia County unemployment 2008 (chart)..... page 4

Employment statistics page 5

Employment by major industry page 6

Labor force by city pages 7-8

Ocean Center Grand Opening page 9

2005-2008 Volusia County permit data, commercial versus residentialpage 10

Commercial permit data.....page 11

Residential permit data.....page 12

Home foreclosures.....page 13



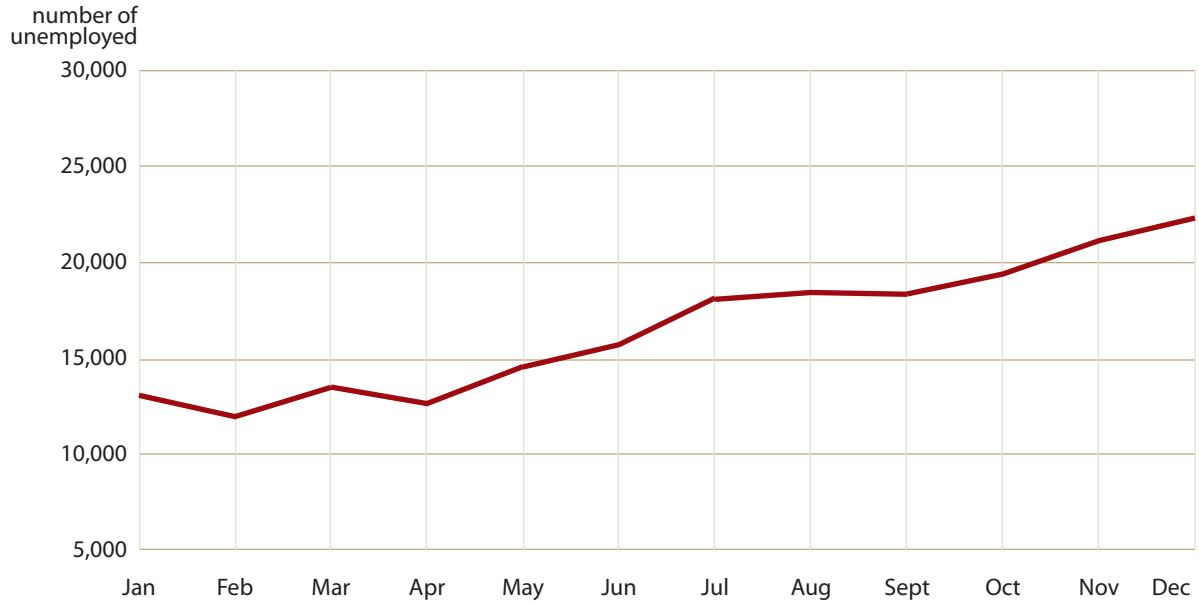


The Pavillion at Port Orange is scheduled for opening in the fall of 2009. Anchored by Belk fashion department store, the Pavilion will feature a 14-screen Hollywood Theaters, large format stores, prominent lifestyle retailers and a restaurant district that will offer new dining opportunities to the area. The Pavilion will feature a covered play area, walking trails surrounding the water, decorative fountains and an outdoor community performance venue. The Pavilion will also feature second-story office space.

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2008 Volusia County *unemployment*



fourth quarter 2007 versus fourth quarter 2008*: *employment statistics*

Civilian workforce (all available workers)

	4th quarter '07	4th quarter '08	change	% change
Volusia County	251,025	256,278	5,253	2.1%
Florida	9,214,667	9,325,000	110,333	1.2%
U.S.	153,752,000	154,661,667	909,667	0.6%

Percent unemployed

	Oct '08	Nov '08	Dec '08
Volusia County	7.6%	8.2%	8.6%
Florida	7.1	7.4	7.8
U.S.	6.1	6.5	7.1

Employment (all employed workers)

	4th quarter '07	4th quarter '08	change	% change
Volusia County	239,501	235,475	-4,026	- 1.7%
Florida	8,811,000	8,633,667	-177,333	- 2.0%
U.S.	146,731,667	144,500,667	-2,231,000	-1.5%

Number of unemployed in Volusia County 2008

October	19,549
November	20,921
December	21,941

Source: Florida Agency for Workforce Innovation, Labor Market Statistics Center and the U.S. Department of Labor, Bureau of Labor Statistics.

* All numbers are actual numbers except December's, which are preliminary.

Actual December numbers will be available for Q2 briefing in May.



2008 vs 2007 fourth quarter *employment by major industry*

Deltona-Daytona Beach-Ormond Beach MSA

	Oct'08	Nov '08	Dec'08	average'08 4th quarter	average'07 4th quarter
construction	12,100	12,000	11,800	11,967	13,033
manufacturing	9,900	9,800	9,700	9,800	10,200
wholesale trade	5,500	5,500	5,500	5,500	5,400
retail trade	24,800	25,100	25,000	24,967	25,967
transportation, warehousing, and utilities	2,300	2,300	2,300	2,300	2,267
information	2,900	2,900	2,900	2,900	3,000
financial activities	7,800	7,700	7,700	7,733	8,033
professional and business services	18,300	18,200	18,300	18,267	19,067
education and health services	31,200	31,500	31,500	31,400	30,567
leisure and hospitality	21,600	21,600	21,600	21,600	21,733
other services	8,200	8,100	8,100	8,133	8,233
federal government	1,400	1,300	1,300	1,333	1,400
state government	3,100	3,100	3,100	3,100	3,200
local government/schools	20,400	20,400	20,400	20,400	20,433
total non-agricultural employment	169,500	169,500	169,200	169,400	172,533

Note: bold white type over darker tan boxes indicates an increase over fourth quarter, 2007

Source: Florida Agency for Workforce Innovation, Labor Market Statistics Center, Current Employment Statistics Program in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.



2007 vs 2008 fourth quarter by MSA and individual city analysis *labor force*

Deltona-Daytona Beach-Ormond Beach MSA

fourth quarter 2007				
	Oct	Nov	Dec	average
labor force	251,591	251,497	249,987	251,025
employment	240,482	240,082	237,938	239,501
unemployment	11,109	11,415	12,049	11,524
unemployment rate	4.4%	4.5%	4.8%	4.6%
fourth quarter 2008				
	Oct	Nov	Dec	average
labor force	258,004	255,782	255,049	256,278
employment	238,455	234,861	233,108	235,475
unemployment	19,549	20,921	21,941	20,804
unemployment rate	7.6%	8.2%	8.6%	8.1%

Daytona Beach

fourth quarter 2007				
	Oct	Nov	Dec	average
labor force	32,755	32,740	32,520	32,672
employment	31,256	31,204	30,925	31,128
unemployment	1,499	1,536	1,595	1,543
unemployment rate	4.6%	4.7%	4.9%	4.7%
fourth quarter 2008				
	Oct	Nov	Dec	average
labor force	33,643	33,329	33,177	33,383
employment	30,992	30,525	30,297	30,605
unemployment	2,651	2,804	2,880	2,778
unemployment rate	7.9%	8.4%	8.7%	8.3%

DeLand

fourth quarter 2007				
	Oct	Nov	Dec	average
labor force	11,353	11,389	11,298	11,347
employment	10,853	10,835	10,739	10,809
unemployment	500	554	559	538
unemployment rate	4.4%	4.9%	4.9%	4.7%
fourth quarter 2008				
	Oct	Nov	Dec	average
labor force	11,703	11,590	11,599	11,631
employment	10,762	10,600	10,521	10,628
unemployment	941	990	1,078	1,003
unemployment rate	8.0%	8.5%	9.3%	8.6%



Source: Florida Agency for Workforce Innovation, Labor Market Statistics Center, Local Area Unemployment Statistics Program, in cooperation with U.S. Department of Labor, Bureau of Labor Statistics.

2007 vs 2008 fourth quarter by MSA and individual city analysis *labor force*

Deltona

fourth quarter 2007				
	Oct	Nov	Dec	average
labor force	45,371	45,341	45,038	45,250
employment	43,189	43,117	42,732	43,013
unemployment	2,182	2,224	2,306	2,237
unemployment rate	4.8%	4.9%	5.1%	4.9%
fourth quarter 2008				
	Oct	Nov	Dec	average
labor force	46,534	46,078	45,893	46,168
employment	42,825	42,179	41,864	42,289
unemployment	3,709	3,899	4,029	3,879
unemployment rate	8.0%	8.5%	8.8%	8.4%

Ormond Beach

fourth quarter 2007				
	Oct	Nov	Dec	average
labor force	19,535	19,539	19,397	19,490
employment	18,867	18,835	18,667	18,790
unemployment	668	704	730	701
unemployment rate	3.4%	3.6%	3.8%	3.6%
fourth quarter 2008				
	Oct	Nov	Dec	average
labor force	19,902	19,664	19,604	19,723
employment	18,708	18,426	18,288	18,474
unemployment	1,194	1,238	1,316	1,249
unemployment rate	6.0%	6.3%	6.7%	6.3%

Port Orange

fourth quarter 2007				
	Oct	Nov	Dec	average
labor force	29,334	29,287	29,148	29,256
employment	28,283	28,236	27,984	28,168
unemployment	1,051	1,051	1,164	1,089
unemployment rate	3.6%	3.6%	4.0%	3.7%
fourth quarter 2008				
	Oct	Nov	Dec	average
labor force	29,819	29,536	29,422	29,592
employment	28,044	27,622	27,416	27,694
unemployment	1,775	1,914	2,006	1,898
unemployment rate	6.0%	6.5%	6.8%	6.4%



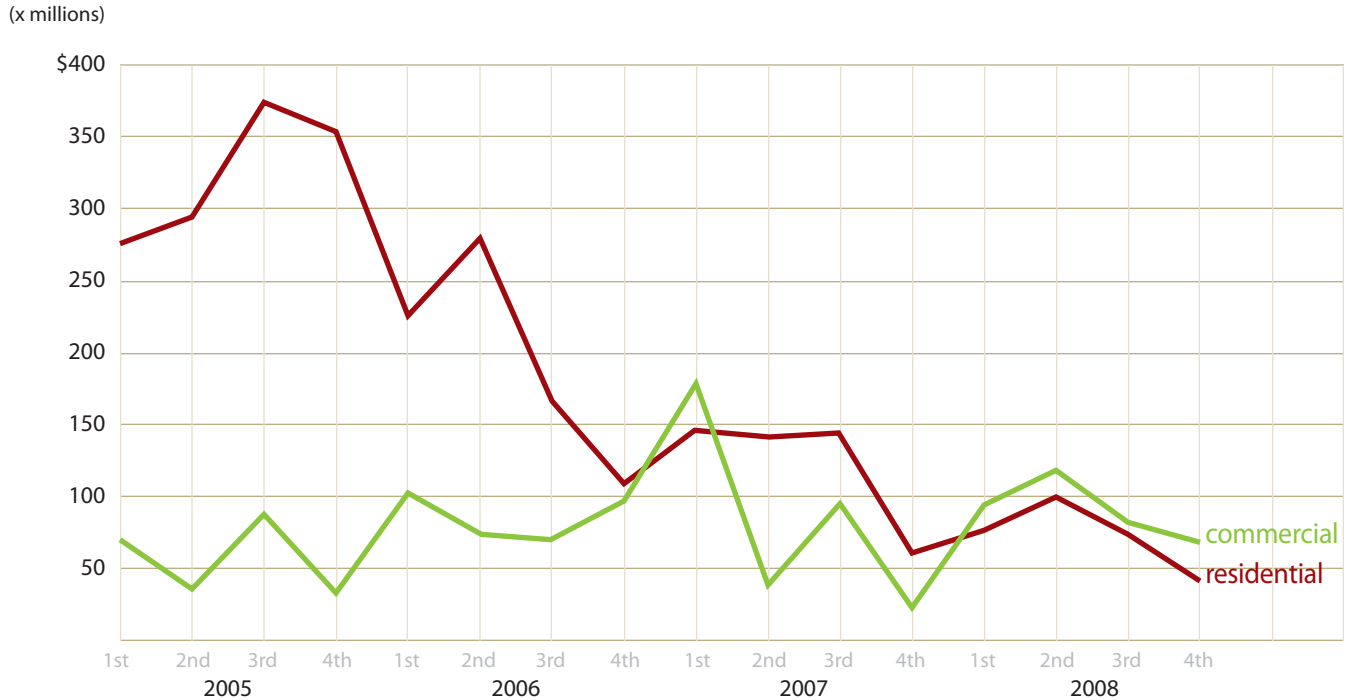
Source: Florida Agency for Workforce Innovation, Labor Market Statistics Center, Local Area Unemployment Statistics Program, in cooperation with U.S. Department of Labor, Bureau of Labor Statistics.



The Grand Opening of the 164,000-square-foot expansion of the Ocean Center, which has doubled the facility's size, is set for February 22. The \$76 million construction project elevates the facility to one of the largest in Florida, and in the second tier of convention facilities throughout the world. It's a multi-use facility that hosts conventions, tradeshows, concerts, banquets, family entertainment shows, sporting events, and includes 200,000 square feet of interior meeting space. A service of Volusia County Government, the Ocean Center is the only convention complex within 400 feet of the Atlantic Ocean. The Ocean Center is funded by operating revenues and a three-percent Tourist Development Tax on transient accommodations.



2005-2008 Volusia County permit data *commercial versus residential*



commercial permit data for most recent six quarters **2007-2008**

	3rd qtr '07		4th qtr '07		1st qtr '08		2nd qtr '08		3rd qtr '08		4th qtr '08	
	permits	\$ value	permits	\$ value	permits	\$ value	permits	\$ value	permits	\$ value	permits	\$ value
Unincorporated	1	\$ 151,227	1	\$ 4,681,449	9	\$13,874,983	5	\$10,920,689	1	\$1,416,784	0	-
Daytona Beach	26	50,682,007	4	4,641,800	42	35,700,086	16	59,056,932	19	40,983,913	8	\$10,427,167
Daytona Beach Shores	0	-	0	-	0	-	0	-	0	-	0	-
DeBary	3	1,438,876	1	1,492,855	1	1,984,000	1	216,000	2	2,585,000	0	-
DeLand	7	4,582,000	3	4,210,800	1	1,559,570	2	1,179,900	1	900,172	3	3,603,862
Deltona	3	4,607,308	0	-	0	-	1	667,700	3	10,319,890	2	16,928,990
Edgewater	0	-	0	-	6	3,379,529	4	1,105,575	2	890,955	3	1,657,000
Holly Hill	1	100,000	0	-	0	-	0	-	1	200,000	0	-
Lake Helen	0	-	0	-	0	-	0	-	0	-	0	-
New Smyrna Beach	0	-	5	2,851,096	3	1,507,437	2	623,260	3	1,349,815	3	8,222,312
Oak Hill	0	-	0	-	0	-	0	-	0	-	0	-
Orange City	17	30,248,443	4	1,982,000	15	15,190,167	15	14,729,912	2	1,250,800	2	2,100,000
Ormond Beach	3	2,437,730	4	2,095,834	1	665,614	4	3,102,494	1	1,354,468	6	4,831,037
Pierson	0	-	0	-	0	-	0	-	0	-	0	-
Ponce Inlet	0	-	0	-	0	-	0	-	0	-	0	-
Port Orange	1	1,508,200	2	2,010,654	7	20,244,230	6	22,592,900	8	17,666,026	2	14,051,180
South Daytona	0	-	1	879,100	0	-	0	-	0	-	0	-
totals for quarter	62	\$95,755,791	25	\$24,845,588	85	\$94,105,616	56	\$114,195,362	43	\$78,917,823	29	\$61,821,548



Source: cities and county permit offices. Permits listed reflect new construction only. They do not reflect permits issued to renovate or improve existing facilities.

residential permit data for most recent six quarters *2007-2008*

	3rd qtr '07		4th qtr '07		1st qtr '08		2nd qtr '08		3rd qtr '08		4th qtr '08	
	permits	\$ value	permits	\$ value	permits	\$ value	permits	\$ value	permits	\$ value	permits	\$ value
Unincorporated	118	\$ 23,201,230	90	\$20,061,436	75	\$15,321,304	69	\$14,497,491	51	\$13,778,659	68	\$18,259,711
Daytona Beach	66	15,288,016	28	6,652,905	43	10,348,676	51	11,026,356	31	5,974,165	12	2,643,123
Daytona Beach Shores	54	17,350,000	0	-	1	453,000	1	916,891	0	-	0	-
DeBary	7	1,735,509	10	3,452,648	2	336,700	5	1,436,394	5	1,817,000	0	-
DeLand	108	22,911,170	46	8,954,517	21	4,256,087	62	11,771,512	76	19,337,522	21	5,218,738
Deltona	28	7,188,362	16	4,167,334	30	6,324,964	32	8,147,096	13	2,556,762	17	3,747,568
Edgewater	0	-	3	431,944	5	711,438	6	674,797	3	365,119	7	909,803
Holly Hill	10	1,130,000	2	420,000	2	205,000	5	574,500	2	192,500	0	-
Lake Helen	0	-	0	-	0	-	0	-	0	-	0	-
New Smyrna Beach	75	39,796,230	37	9,259,968	33	9,628,222	71	29,979,629	54	11,075,080	16	3,100,016
Oak Hill	0	-	1	149,960	0	-	0	-	2	374,460	0	-
Orange City	4	1,365,412	1	439,000	0	-	4	1,193,246	8	2,328,661	8	1,882,253
Ormond Beach	6	4,227,327	2	898,273	32	11,797,375	21	7,616,158	22	7,697,320	9	3,403,002
Pierson	0	-	0	-	0	-	0	-	0	-	0	-
Ponce Inlet	0	-	0	-	0	-	3	1,348,340	0	-	0	-
Port Orange	41	10,167,384	17	4,836,083	46	9,563,526	41	9,740,558	39	9,021,153	26	5,777,656
South Daytona	1	290,526	0	-	1	102,750	4	543,808	0	-	1	257,788
totals for quarter	518	\$144,651,167	253	\$59,724,068	291	\$69,049,042	375	\$99,466,775	306	\$74,518,401	185	\$45,199,658



Source: cities and county permit offices. Permits listed reflect new construction only. They do not reflect permits issued to renovate or improve existing facilities.

2008 vs 2007 Volusia County *home foreclosures*

	total home foreclosures sold		total timeshare unit foreclosures	
2007				
January	257	41	225	64
February	279	31	86	35
March	266	39	121	80
April	281	44	99	43
May	273	47	152	65
June	313	35	111	73
July	390	84	110	82
August	434	88	357	46
September	385	52	100	51
October	468	93	152	102
November	482	116	132	96
December	467	99	38	51
total 2007:	4,295	769	1,683	788

	total home foreclosures sold		total timeshare unit foreclosures	
2008				
January	540	153	73	174
February	580	142	173	49*
March	595	148	79	58
April	632	157	58	63
May	663	129	82	60
June	620	161	282	40
July	686	275	268	27
August	612	262	216	11
September	751	202	207	0
October	748	196	267	50
November	520	188	90	113
December	724	140	182	45
total 2008:	7,671	2,153	1,977	690

Source: Volusia County Clerk of the Circuit Court, Civil Court Operations.

Note: Some numbers are corrected from last reporting—specifically, the total timeshare unit foreclosures for July-September 2008.

Volusia County/Department of Economic Development—Update, February 6, 2009

page 13



For more statistic data concerning
the Volusia County economy,
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