

**CITY OF DELTONA, FLORIDA  
ECONOMIC DEVELOPMENT COMMERCE PARK & MICRO-INCUBATOR STUDY  
SUB-COMMITTEE MEETING  
FRIDAY, April 13, 2012**

A Regular Meeting of the Economic Development Commerce Park & Micro-Incubator Study Sub-Committee was held on Friday, April 13, 2012 in the City of Deltona's 2<sup>nd</sup> Floor Conference Room at 2345 Providence Blvd., Deltona, Florida.

**1. CALL TO ORDER:**

Chairman Cerrato called the meeting to order at 3:31p.m.

**2. ROLL CALL:**

Chairman	Joe Cerrato	Present
Vice Chairman	Roy Braddy	Present
Sub-Committee Member	Bob Desmond	Present
Sub-Committee Member	John "Jack" Kesler	Present (Arrived at 3:35 p.m.)
Sub-Committee Member	Franklin Welch	Absent (Excused)
Staff Liaison	Jerry Mayes	Present

Also present: Tony Otte, CRA and Economic Development Director for the City of New Smyrna Beach, Donna Banks, City of New Smyrna Beach, Dr. Heather Garten, Public Sector Participant and George Voll, Citizen Advisor.

**3. APPROVAL OF MINUTES & AGENDA:**

**A. Adoption of the Minutes – March 2, 2012.**

Chairman Cerrato asked if there was any discussion and if not a motion is in order.

**Motion was made by Mr. Desmond, seconded by Mr. Braddy to approve the minutes for March 2, 2012 as submitted.**

**Motion carried with members present voting unanimous.**

**B. Additions or Deletions to the Agenda. None**

**4. WELCOME OF GUESTS & PUBLIC:**

Chairman Cerrato welcomed the guests to the meeting. He asked the guests to introduce themselves. Mr. Otte stated that he and Ms. Brangaccio the City of New Smyrna Beach City Manager had met with Mr. Mayes and City Manager, Ms. Miller to discuss the subject of business incubators as they are also interested in having a business incubator. He introduced Ms. Banks who works for the City of New Smyrna Beach and is working on a business incubator. He thanked everyone for letting them attend. Chairman Cerrato acknowledged Mr. Wayne Hardy, Director of the Port of Sanford SSC Incubator.

Mr. Kesler arrived at 3:35 p.m.

**5. CITY LIAISON REPORT:**

**A. Notice of DEDAB and DEDAB Sub-Committees Election of Officers:**

Mr. Mayes stated per the City Clerk, the City Attorney and the City By-Laws the DEDAB sub-committees will hold November nominations, December elections and January installation. He stated what he would like to see put before the Sub-Committee Members is if an officer wants to serve again

that the officer consider a different office than they are currently holding. He stated this way there would be cross training among the officers. He stated there will be sheets available for members to sign up to be nominated for office in November if they are interested and someone will nominate them; those nominated will have the opportunity to speak for four minutes on their behalf before the Board/Sub-Committee Members. He stated there are two officers.

**B. Reminder of City Clerk's interpretation of DEDAB By-Laws regarding absences:**

Mr. Mayes stated since the DEDAB Sub-Committees are part of DEDAB the sub-committees and DEDAB Board together constitute the three (3) absences rule which means if you have three (3) unexcused absences within a one (1) years' time the Committee or Sub-Committee could ask you to resign that position. He stated so far it has not been a problem because you can call in and be excused. Mr. Kesler asked if an absence from DEDAB would apply to him since he is not on the DEDAB Board. Mr. Mayes answered it would apply to the three (3) members who serve on both DEDAB and a Sub-Committee.

**6. OLD BUSINESS:**

**A. Public Sector Participants' contributions: None**

**7. NEW BUSINESS:**

**A. Guest speaker – Wayne Hardy, Director SSC Incubator at the Port of Sanford:**

Chairman Cerrato introduced Mr. Hardy who has experience with incubators. Mr. Hardy stated he is the Director of the Center for Economic Development for Seminole State College which has been in the incubator business actively since 1997. He stated they are the oldest incubator in central Florida and is the only incubator program in the State that has won 2 international awards for its clients with 2 clients being named International Client of the Year. He stated their program is a different animal unlike the very successful UCF program. He added they have agreements with UCF considering them friends and they do trade information. He began with a couple of things that need to be understood; first nobody does it the same way and he believes that is a very good thing as what works in one area does not necessarily translate to another. He urged the sub-committee to not be intimidated by what you see in other places. He stated Seminole County is the smallest and wealthiest county in the State and has been united when it comes to economic development. He stated they have been successful because of their location, their economic vision and a willingness to cooperate. He stated the other thing he wanted to tell the sub-committee is if you bring in partners it is very important that all the partners share the glory. He stated there are three partners including the Seminole County Commission, the Seminole County Port Authority and Seminole State College splitting up the roles according to each partner's strengths; Seminole State provides consulting education and the administrative part of the incubator, the Port Authority is a master at multi-tenant space and the County provides the financial support and a certain number of clients that flow to the incubator. He stated they operate on a system of trust and have had a very successful relationship since 1997. He stated they opened the first one which was a light industrial building with a block grant; it was 12,000 sq. ft. divided into 1,500 sq. ft. bays with an office in each one with a couple of the bays taking up 3,000 sq. ft. He stated they anticipated it would take 14 months to lease the spaces out and create 13 new jobs. He stated the Port acted as the fiscal agent of the grant with Seminole State providing the administration and consulting. He stated in less than 60 days the building was leased and after a survey conducted by HUD they found that there were actually 115 jobs created. He added the Port had been planning for 3 buildings but the first was so successful they built the next building which was 13,500 sq. ft. a year ahead of schedule and it also was leased out in about 60 days. He stated the Port Administrator decided after the success of the first 2 buildings to build a 20,000+ sq. ft. which was about 3 years ahead of schedule and about half way into that process he found out that NASA had money for the Seminole Technology Incubator; he asked the Port to suspend building that

building until he could find out if he could get grant money for the build out. He applied for the grant and after about 60 days he found out they would receive the funding for the build out. He stated that was in 2000 and 2001 when the stock portfolios were down and the .coms set to come into the incubator did not come. He stated for about 1 ½ years the building was almost empty and was disastrous. He cautioned the Board they must be as flexible as possible when planning; however they have done studies that have been verified that show every public \$1.00 that has been put into this program generates \$7.31 in tax money directly back to the county. He clarified it is not all from the incubator; there is a consulting program that is run by the Small Business Development Center that is an existing Federal program that Seminole State has been in since 1993 and every small business that comes into the incubator must be a member. He stated they also have a program for post-incubator clients and some outside clients called the Advisor Board Council that once a company goes through the start-up phase and has reached a certain criteria a board of advisors will be put around them so they can grow and a quick response training group that provides training grants for programs that are hiring at better than average wages and are providing training for their employees. He pointed out that the sub-committee needs to not see the incubator as the solution but as part of the solution to what you are looking for. He stated he believed if they stay flexible at the end of the day if Deltona wants better than average paying jobs and a tax base then the incubator could become a good thing. He added that 90% of the people that start in an area stay in the area but cautioned that 2 – 3 out of 10 will go belly up. He concluded his overview of Seminole State's program and pointed to the information he had provided to Mr. Mayes which he does not have a problem with Deltona using as a source. He did recommend someone should attend the NBIA's (National Business Incubator Association) fall training institute if the City is planning to open an incubator. Mr. Mayes stated he would forward the information provided by Mr. Hardy and opened up the meeting for questions. Mr. Harper answered several questions. Mr. Mayes asked the members if they would like to have Mr. Harper come back in 90 – 120 days to answer some questions and suggested they could send over a list of questions ahead of time. It was the consensus of the sub-committee members that this was a good idea.

**B. Determination of Program for May 11, 2012 Meeting:**

Chairman Cerrato stated it had been suggested to have Cheryl Atkins come and speak about any grants that may be available. Mr. Mayes stated Ms. Atkins would not be available but he would follow-up with her for the June meeting. He extended an invitation to Mr. Otte to feel free to attend their meetings.

**8. MEMBER COMMENTS:**

Mr. Desmond commented this was a great presentation and one of the things he would be doing to prepare the sub-committee for the next meeting is to do some research and does an emphasis report on failed incubators to try to avoid some of the mistakes made by others. Mr. Mayes encouraged the other members to also do some research.

Mr. Braddy suggested asking Pedro Leon from the Volusia County Department of Economic Development to come speak about what they are doing in Daytona Beach. Mr. Mayes stated he could also invite someone from UCF to give an overview as they have several different programs.

Chairman Cerrato thanked everyone for their participation.

**9. PUBLIC COMMENTS:**

Ms. Garten commented she had attended the DEDAB Educational & Medical Sub-Committee meeting and had heard from a representative from Webster University suggesting a possible link to them for education. Mr. Mayes stated information has already been forwarded to Webster University and he will be talking to several other institutions of higher learning.

**10. CONFIRMATION OF NEXT MEETING DATE, TIME AND LOCATION.**

Next meeting scheduled for Friday, May 11, 2012 at 3:30 p.m. in the 2<sup>nd</sup> Floor Conference Room.

**8. ADJOURNMENT:**

**Motion was made by Mr. Kesler, seconded by Mr. Desmond to adjourn the meeting.**

**Motion carried with members present voting unanimously.**

The meeting adjourned at 4:29 p.m.

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**Joseph Cerrato, Chairman**

**ATTEST:**

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**Janet Day, Admin. Assistant II**