Economic Development Summit 2011

Focus Group Feedback Report

University of Florida Cooperative Extension Service
Agricultural Extension Center

May 13, 2011

SCORE
FOR THE LIFE OF YOUR BUSINESS

SCORE Project Management Team

Introduction

Summit Meeting 3/18/11 – Next Steps Definition:

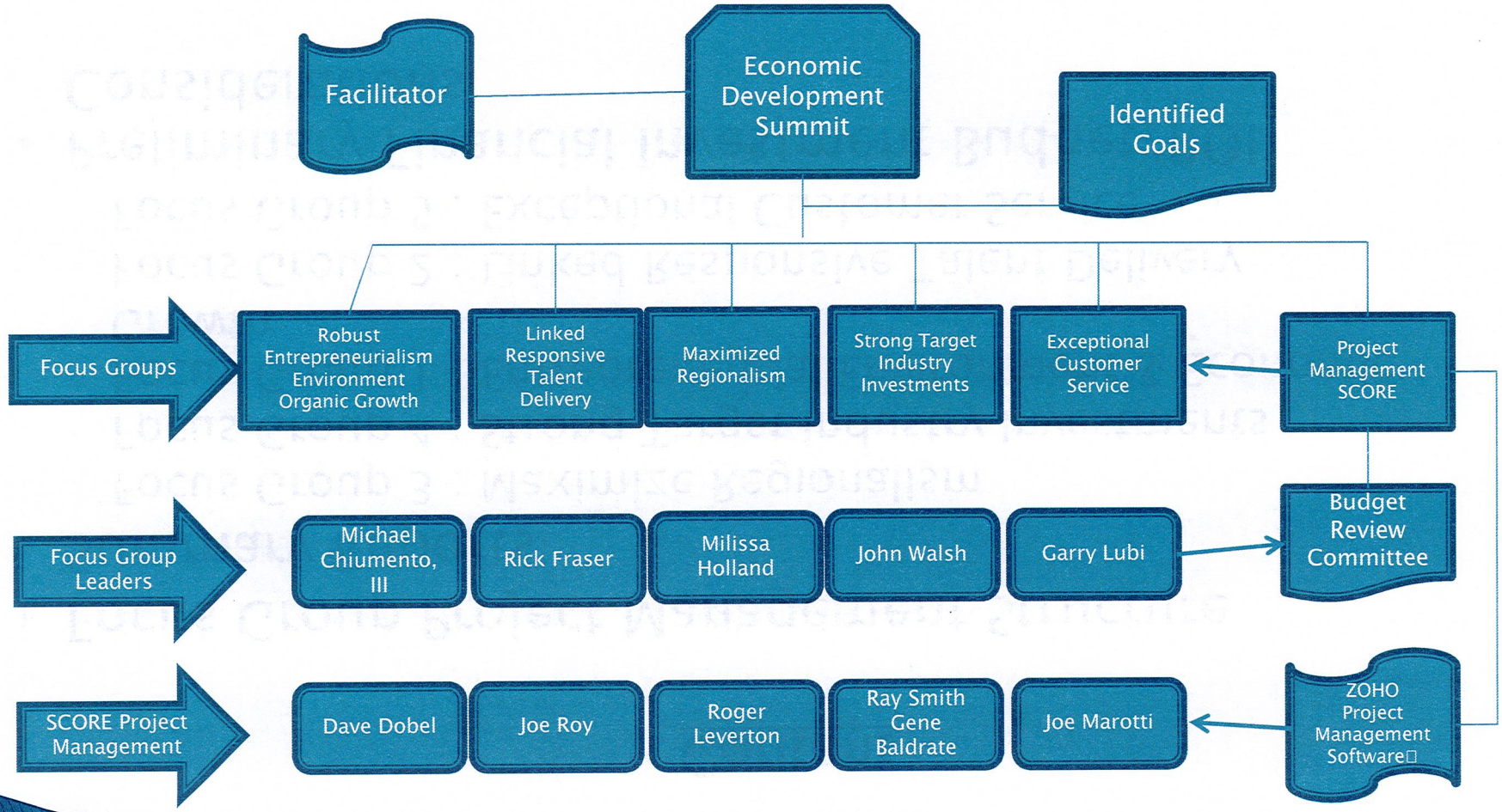
"The current assignment is to look at the consensus, potential steps under each strategic goal and confirm: if, how and when the identified elements will be accomplished; linkage to strategy; resources, including dollars, required to get the job done; and expected ROI"

SCORE was tasked with the role of Project Manager

Content

- Focus Group Project Management Structure
- Summary Reports
  - Focus Group 3 : Maximize Regionalism
  - Focus Group 4 : Strong Target Industry Investments
  - Focus Group 1 : Entrepreneurial Environment & Economic Growth
  - Focus Group 2 : Linked Responsive Talent Delivery
  - Focus Group 5 : Exceptional Customer Service
- Preliminary Financial Investment Budget/ROI Considerations

Focus Group Project Management Structure



Focus Group 3: Maximized Regionalism

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Focus Group 3: Maximized Regionalism

- Group Leader: Milissa Holland
- Group Membership: Jon Netts; Jane Mealy; Teri Pruden; Kurt Allen; Art Barr; Rick Fraser
- SCORE Project Management: Roger Leverton
- Meetings held: 4/6/11; 4/20/11; 5/4/11

Recall of Focus Group 3 Goals

"Regionalism is about significant relationships. Need partners to advance supply chain, transportation and policy."

- Initial outreach targets identified

  Cornerstone, NEFTS, Hastings Ag, Central Florida Partnership, Florida High Tech Corridor Council, Northeast Florida Regional Council

- Task: Determine relative importance of each target based on ROI and potential grant resources

Summary of Northeast Region Economic Development Resources

Resource Identity	Function/Importance to Flagler	Priority	Flagler Rep	Cost (000's)
Cornerstone	• Recognized development arm of NE Region • Responsible for EDA funded target industry clusters • Develop prospect leads/marketing of Region	High	Enterprise Flagler	$22.5yr
NEFTS	• State legislative policy for formation of a • Regional Transportation Authority • Study due for completion December 2012 • Potentially important to future County Transport Policy	Low	M. Holland (Planning Comm.) J. Netts (Govern. Comm.)	Nil
Hastings Ag	•Linked directly to University of Florida •74% of NE Region is designated as Forest/Ag with potential to create alternative Ag industries	High	M. Holland & S. Strictland (Ag Rep.)	Nil

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Focus Group 3: Maximized Regionalism

Summary of Northeast Region Economic Development Resources

Resource Identity	Function/Importance to Flagler	Priority	Flagler Rep	Cost (000's)
Northeast Florida Regional Council	• Responsible for identifying projects encompassed within the Comprehensive Economic Development Strategy • Dictates by State Law the Economic Development Strategy of Region to which Flagler must be consistent	High	M. Holland (Strategic Plann. & Legis. Comms.) J. Netts (Plan. & Growth & Legis. Comms)	$38.4 yr
Central Florida Partnership	• By membership of myregion.org links to Regional Business Force; Regional research; Regional leadership programs within Florida's Super Region	High	TBD	$20/yr
Florida High Tech Corridor Council	• Initiative of UCF/UF/USF Universities providing entrepreneurial support; workforce development; matching research funds; marketing the corridor	High	Rick Frasier (Workforce Development Committee)	Nil

Note: Central Florida Partnership is the only additional membership cost.

Target Industry Strategy

Background: Agriculture is an important element of the County's economy:

- Flagler County has the largest designated Agricultural land mass (58,396 acres) within the Northeast Region
- Agriculture generates a total Economic Output Impact to County of $341 million per annum (University of Florida)
- Agriculture supports a total Economic Employment Impact of 4,164 jobs (University of Florida)

Objective: To facilitate high growth and expansion of the County's agricultural industry through the introduction of innovative new products and processing concepts not currently available locally.

Proposal: To research & investigate the practicality of establishing a "Fresh Cut" Incubator Program through collaboration with the University of Florida. Partnership opportunities would be identified with Economic Development Administration, regional partners (St. Johns/Putnam Counties) and private investors. A preliminary budget of $25,000 is proposed for research costs.

Focus Group 4: Strong Target Industry Investments

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Introductory Remarks

Our task was to identify, acquire and retain Economic Development opportunities based on targeted industries

- **Identify**: Targeted Industries
- **Acquire**: Marketing, Advertising & Sales
- **Retain**: Product mix, Competitive Incentives, Cooperative Community Support

Expected outcome:

Positive economic benefit of $174 million over 3 years

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Focus Group 4: Strong Target Industry Investments

- Group Leader: John Walsh
- Group Membership: Greg Rawls; Margaret Sheehan-Jones; Craig Coffey; Beau Falgout; Art Barr; Mick Cuthbertson; Doug Baxter;
- SCORE Project Management: Ray Smith and Gene Baldrate
- Meetings held: 4/13/11; 4/27/11; 5/4/11; 5/10/11

Recall Focus Group 4 Goals

"Enterprise Flagler will review target industry data, policies and trends to confirm and true up the assumptions and ideas involving the strategic goals"

- Within target industry clusters drill down and identify specific opportunities
- Identify target needs:
  - Inventory matching assets – sites and workforce
  - Develop available/affordable sites
  - Develop competitive incentive programs
  - Define zoning/permitting/regulatory requirements
- Define Support Resources
  - Determine staffing requirements
  - Develop a comprehensive marketing plan

Identified Target Industry Strategy

Objective: Mirror *e*Florida Qualified Target Industries for Incentives:

- Maximize resources, research and investment of regional partners
- 'Piggy-Back' collateral data and marketing provided by State of Florida and Cornerstone
- Leverage access to good transportation/workforce/life style
- Maximize position in strongest State Economic Corridor

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Focus Group 4: Strong Target Industry Investments

Proposed Target Industry Focus

Objective: Initially focus on light manufacturing recognizing our unique local assets and desire to create a high impact/innovative business base

- 80% of leads relate to light manufacturing across all sectors (eFlorida/Cornerstone) including Alternative Energy & Aviation
- Manufacturing makes use of existing workers' transitional skills; increases wage base
- Positively impacts tax base – buildings/equipment
- Leverages regional/local logistical strengths
  - Rail : US1 : I-95 : I-4 : Sea Port : Airport

Identify Key Success Factors

Retain

- Balanced product mix
- Competitive incentives
- Proactive focused Marketing program
- Community support

Support Strategies: Product

Objective: Provide comprehensive portfolio of sites to prospective businesses that would support 50K/100K sq. ft. buildings for flexible use.

Factors	Description
Site Selector Definitions	**Raw Land:** Highest risk: 1-2 yrs. before ready for construction **Shovel Ready:** Studies/permitting complete; roads/utility locations identified-completion within 6-9 months critical path for construction **Pad Ready:** All above plus; site has all permitting except building permit (vertical construction); utilities adjacent to site; site filled and ready for pad; building design for footprint complete; storm water and retention complete **Occupancy Ready:** All above plus; Building complete

Support Strategies: Product (continued)

Objective: Provide comprehensive portfolio of sites to prospective businesses that would support 50K/100K sq. ft. buildings for flexible use.

Industrial/Commercial Site Inventory	Flagler County Assoc. of Realtors Survey/NAVICA data base update (June 2011) to centralize inventory data
Proposed Site Portfolio Offering	• 3 Pad Ready Sites • 1 Shovel Ready Large Industrial • 3 Shovel Ready Light Industrial

Notes:
1. Analysis of past lost prospects were shown to be due to lack of qualified site inventory; successful prospects all moved into completed facilities.
2. As product is sold, new sites are developed in order to maintain an effective portfolio.

Support Strategies: Incentives

Objective: Provide differential incentives to prospective businesses.

Factors	Description
Workforce Training Incentives	Supplemental incentive to State of Florida Workforce Training grants - $1,000/job created
Job Recruitment Incentives	Performance based incentives for targeted industries • High Impact/Innovative Businesses • High Value Advanced Manufacturing - Average $3,000/job created
Local Capital Investment Program	Assist target industry prospects to leverage capital funding needs re buildings/equipment

Note: 1. Assumes all State of Florida/Regional incentives utilized/maximized prior to offering any prospect the above supplemental incentives.

Support Strategies: Focused Marketing Program

Objective: Provide an effective support organization to promote Flagler County to prospective businesses. Develop a strategic comprehensive Marketing Plan with expected outcomes & measurable results

Factors	Description
Increased Headcount	Additional Staff: • Marketing/Sales Representative • Market Analysis/Business Stats • Transactional flow (Lead Management)
Increased Market Profile	Increased Site Selector Visits Attendance at Trade Shows, etc.
Marketing Activities	• Direct marketing to Targeted Industry/ Chain Supplier audience • Website development & SEO

Community Support

- Objective:
  - Effective engagement with the local community to gain support and understanding through communication, education and awareness

- Key Factors:
  - Maximize Regionalism
  - Strong entrepreneurial environment
  - Linked responsive task delivery
  - Exceptional customer service

Proposed Budget/Return on Investment

Budget Overview

- The total 3 year program can be expected to generate:
  - 1980 New Jobs
  - Local Economic Benefit of $174 million
- The total 3 year Investment to support the program is expected to be $6.5 million

Proposed Budget/Return on Investment

Financial Investment Budget Breakdown:

Support Strategies	Description	Investment Cost ($000's)		
		Year 1	Year 2	Year 3
Product	Site Portfolio Offering	$1,150	$250	$700
Incentives	Workforce Training/Job Creation	$700	$1,150	$1,600
Organization	Add'l Head Count/Increased Activity	$215	$215	$215
Marketing	Development/Implementation of Comprehensive Range of Activities	$150	$100	$100
	Total Annual Investment Budget	$2,215	$1,715	$2,615
		3 Year Investment: $6.5 Mil.		

Note: 1. Budget assumes worst case that site investment will not be recovered in order to make land more affordable to potential prospects.

Proposed Budget/Return on Investment

Estimated Number of Jobs Created:

Source	Description	Number of Jobs Created		
		Year 1	Year 2	Year 3
Identified Impact Incentives	Direct New Jobs Introduced	150	300	450
	Indirect/Induced New Jobs	180	360	540
	Total Annual Jobs Created	330	660	990
		3 Year Job Creation: 1,980		

Note:

1. Indirect/Induced New Jobs equals 1.2 times the number of Direct New Jobs introduced. (State of Florida Guidelines)

Proposed Budget/Return on Investment

Estimated Financial Impact Generated:

Source	Description	Investment Cost ($000's)		
		Year 1	Year 2	Year 3
Direct Taxes	Equipment/Property Tax Revenue	$104	$312	$624
Economic Impact	Direct Avg. Wage $38,500 + 1.87 Indirect Avg. Wage $19,250 Multiplier	$17,300	$51,900	$103,800
	Total Positive Annual Economic Impact	$17,404	$52,212	$104,424
		3 Yr. Economic Impact: $174M		

Notes:

1. Economic multiplier of 1.87 reflects anticipated increase in local expenditure (incl. sales tax) arising from job creation.
2. All Financial Impact calculations based on State of Florida guidelines.

Focus Group 1: Robust Entrepreneurial Environment & Organic Growth

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Focus Group 1: Robust Entrepreneurial Environment & Organic Growth

- Group Leader: Michael Chiumento III
- Group Membership: Bruce Campbell; Ky Ekinci; Chris Horton; Rob Beach; Doug Baxter; Beau Falgout; Ned Harper; Jason Johnson; Mick Cuthbertson; Dano Ybarra; Courtney Anderson
- Meetings held: 4/18/11; 5/02/11

Recall of Focus Group 1 Goals

"Local startups and existing businesses are an important base of economic development. Creation of an entrepreneurial culture that supports, sustains and grows small businesses is fundamental."

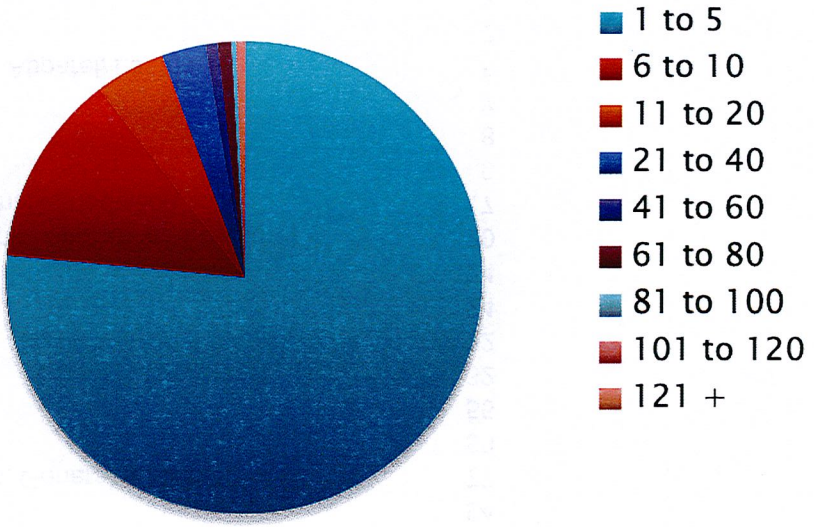
- Profile of existing businesses
- Content and Management of an "Economic Gardening Program"
- Measurement tools of success

Profile of Existing Businesses

Business Census

- Email Survey sent to 8000 businesses in March
- Approximately 25% have responded as of 5/2
- 94% have less than 20 employees
- Six companies with 120+ employees

Number of Businesses by Employee Size



Total Survey Responses (as of 5/2) = 968

"The vast majority (76%) of businesses in Flagler County have 1-5 employees."

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Focus Group 1: Robust Entrepreneurial Environment & Organic Growth

Profile of Existing Businesses by Industry

Business Census

Industry	No. Of Businesses
Other Services (Except Public Administration)	561
Construction	84
Retail Trade (Sporting Goods, Hobby, Book, Music, General & Misc)	77
Real Estate, Rental and Leasing	58
Healthcare and Social Assistance	55
Finance and Insurance	32
Professional, Scientific and Technical Services	22
Accomodation and Food Services	24
Arts, Entertainment and Recreation	24
Manufacturing (Metal, Machine,Computer, Electronic, Appliance, Furniture)	20
Adminstrative and Support and Waste Management Remediation	17
Educational Services	9
Transportation (Postal, Courier, Warehousing)	8
Wholesale Trade	7
Manufacturing (Food, Beverage, Tobacco, Textile, Apparel, Leather)	5
Transportation (Air, Rail, Truck, Water, Pipeline)	3
Utilities	2
Information	2
Agriculture, Fishing & Hunting	1
Public Administration	1
* No Description Given By Business	35

"The vast majority of businesses in Flagler County provide support services."

Content & Management of an Economic Gardening Program

" 70% of new businesses fail in the first 7 years. SBA statistics show that with appropriate counseling/mentoring, the survival rate improves by 40%"

"Economic Gardening embraces the idea that entrepreneurs drive the economies and seeks to connect entrepreneurs with resources and information which enables them to thrive, grow and succeed."

Three Stages/Elements of Economic Gardening

← Stage I Businesses →

New Business Startup	Existing Business Survival

Stage II Businesses

Existing Business Growth

Three Stages/Elements of Economic Gardening

← Stage I Businesses →

Stage II Businesses

New Business Startup	Existing Business Survival	Existing Business Growth
➢ Essential Startup Information ➢ Business Counseling ➢ Incubator Program ➢ "How To Get Started" Seminars	➢ Literature on Ways to Keep a Business Thriving ➢ Training Assistance ➢ Business Counseling ➢ Tailored Workshops	➢ Selective Accelerator Program ➢ Business Management Roundtable ➢ Advisory Board System ➢ Employment Assistance ➢ Business Counseling ➢ Top Performance Development Workshops

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Focus Group 1: Robust Entrepreneurial Environment & Organic Growth

Example: Fully Functional Business Assistance Support Structure

Growth Accelerator Program Coordinator

Responsibilities:
- Contacting/recruiting SMEs in County for entry into Accelerator Program
- Development/ Management – Selective
- Accelerator Program, Roundtables, Advisory Boards
- Development/Management – Top Performance Workshops, Speaker Engagement

Estimated Cost: $80,000 P.A. (Coordinator, Travel, Workshop and Speaker Fees)

Measurements of Success:
- Number of Entries into Accelerator Program
- Number of New Jobs Created
- Attendance at Top Performance Development Workshops

Business Assistance Centers

Responsibilities:
- Proactive Locally Focused "Economic Gardening" Activity
- Palm Coast; Flagler Beach, Bunnell and County

Estimated Cost: $120,000 P.A.
(P.C. Business Coordinator, Information/Literature, Advertising)

Measurement of Success:
- Increase in Overall Business Population Base
- Number of New Jobs Created
- Number of Counseling Sessions Provided

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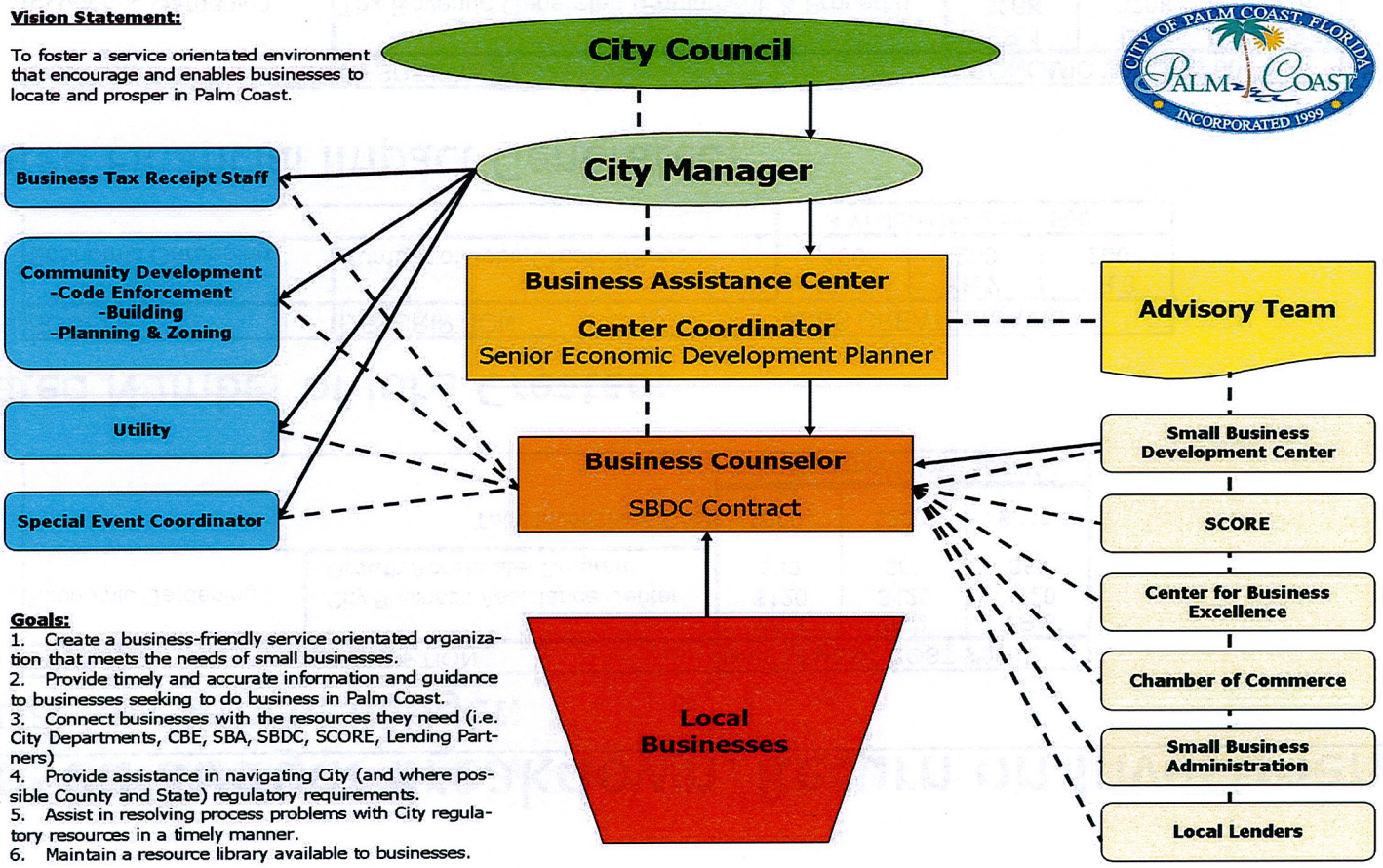
Focus Group 1: Robust Entrepreneurial Environment & Organic Growth

Example: Fully Functional City Business Assistance Center Structure

Vision Statement:

To foster a service orientated environment that encourage and enables businesses to locate and prosper in Palm Coast.



Goals:

1. Create a business-friendly service orientated organization that meets the needs of small businesses.
2. Provide timely and accurate information and guidance to businesses seeking to do business in Palm Coast.
3. Connect businesses with the resources they need (i.e. City Departments, CBE, SBA, SBDC, SCORE, Lending Partners)
4. Provide assistance in navigating City (and where possible County and State) regulatory requirements.
5. Assist in resolving process problems with City regulatory resources in a timely manner.
6. Maintain a resource library available to businesses.

Proposed Budget Breakdown/Return on Investment

- Financial Investment Budget:

SOURCE	DESCRIPTION	INVESTMENT COST $'000		
		YR 1	YR 2	YR 3
Economic Gardening	- City Business Assistance Center	$120	$120	$120
	- Growth Accelerater Program	$80	$80	$80
	Total Investment Cost	$200	$200	$200
		3 Yr Investment Cost: $600K		

- Estimated Number of Jobs Created:

SOURCE	DESCRIPTION	JOBS CREATED/SAVED		
		YR 1	YR 2	YR 3
Economic Gardening	Number of Jobs Created/Saved	100	200	200
		3 Yr Job Creation: 500		

- Estimated Financial Impact Generated:

SOURCE	DESCRIPTION	ECONOMIC VALUE $'000		
		YR 1	YR 2	YR 3
Economic Gardening	Tax Revenue Generated (Equipment & Property)	$26K	$78K	$152K
	Economic Impact of Wages (Ave. Cost of Jobs: 24,000/P.A. x 1.87)	$4.5M	$9.0M	$9.0M
		$4.5M	$9.1M	$9.2M
		3 Yr Financial Impact: $22.8M		

Focus Group 2: Linked Responsive Talent Delivery

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Focus Group 2: Linked Responsive Talent Delivery

- Group Leader: Rick Fraser
- Group Membership: Bill Lewis; Holsey Moorman; Jerusha Logan; Steve Settle; Colleen Conklin
- SCORE Project Management: Joe Roy
- Meetings held: 4/18/11; 5/02/11

Recall of Focus Group 2 Goals

- Create an inventory of workforce assets
- Identify educational and training resources
- Identify skill sets of targeted industry list *
- Indentify skills gap/training needs*
- Increase opportunity for dual enrollment for AA and AS Degrees for high school students
- Ensure workforce talent data accessible on Enterprise Flagler website

** To be determined once target industries identified.*

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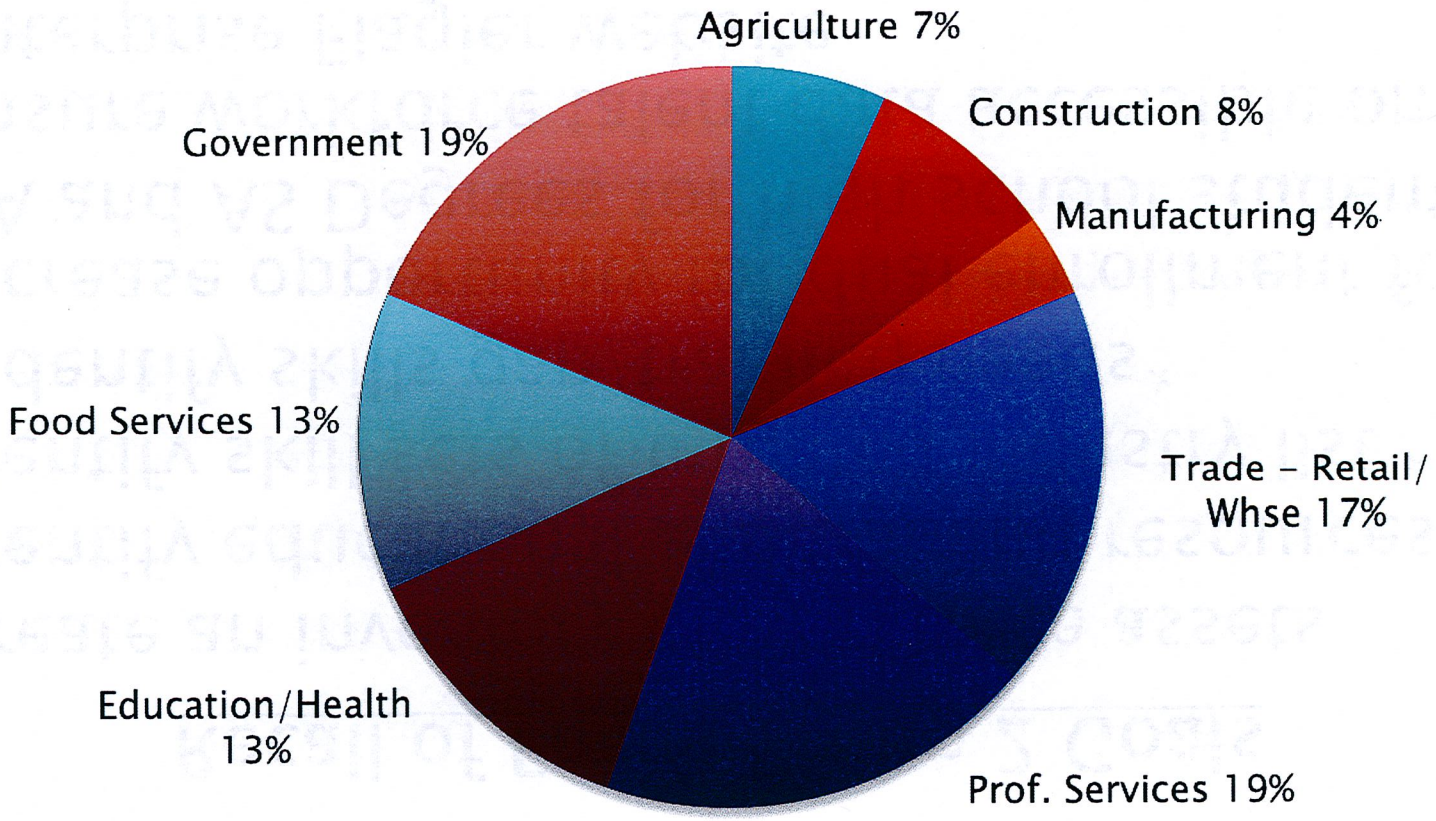
Focus Group 2: Linked Responsive Talent Delivery

Inventory Of Local Workforce Assets



Source: University of Florida

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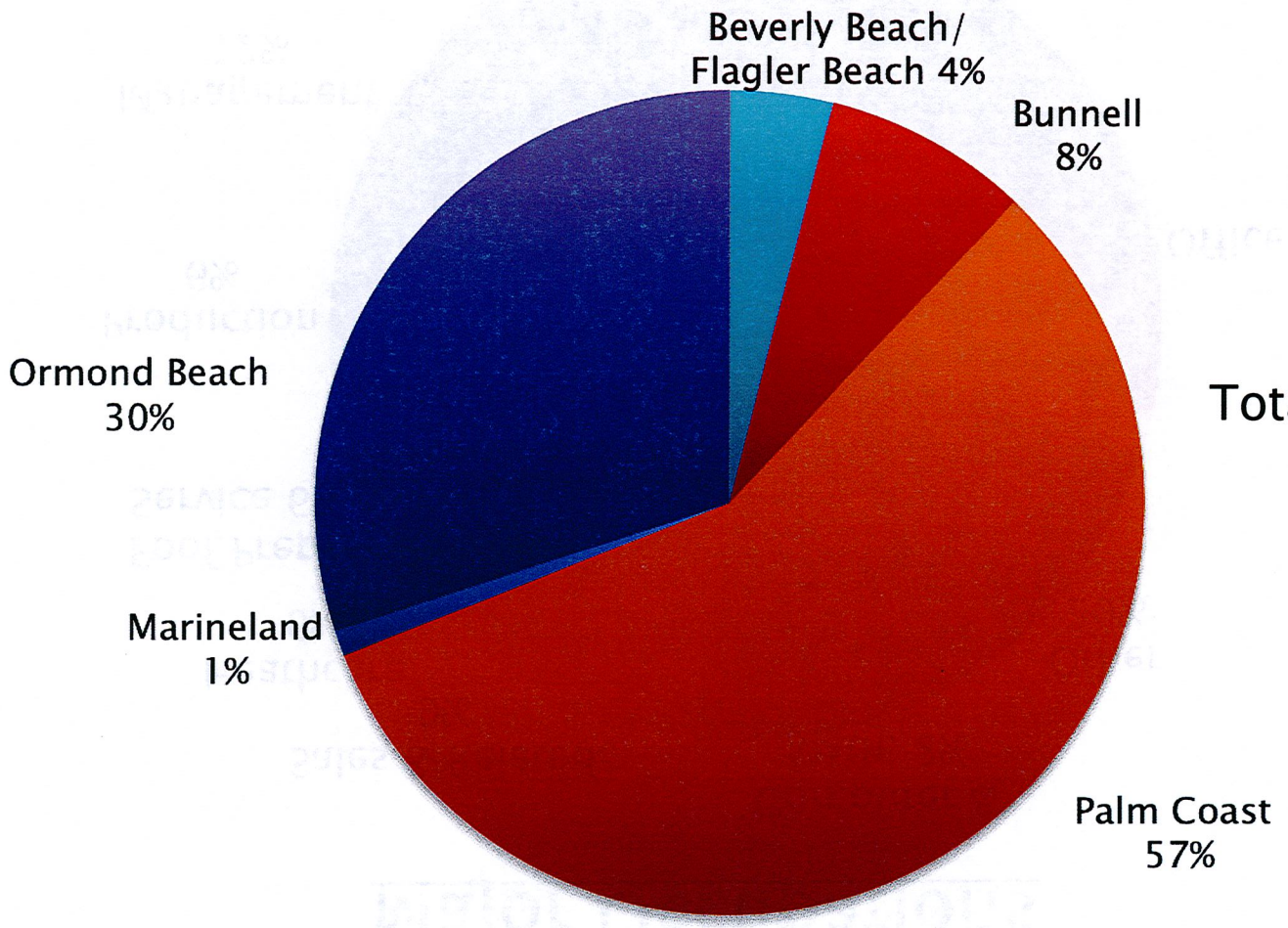
Focus Group 2: Linked Responsive Talent Delivery

Unemployed Statistics



Total Unemployed
10,787

Source: CBE Job Applications 2009-2011

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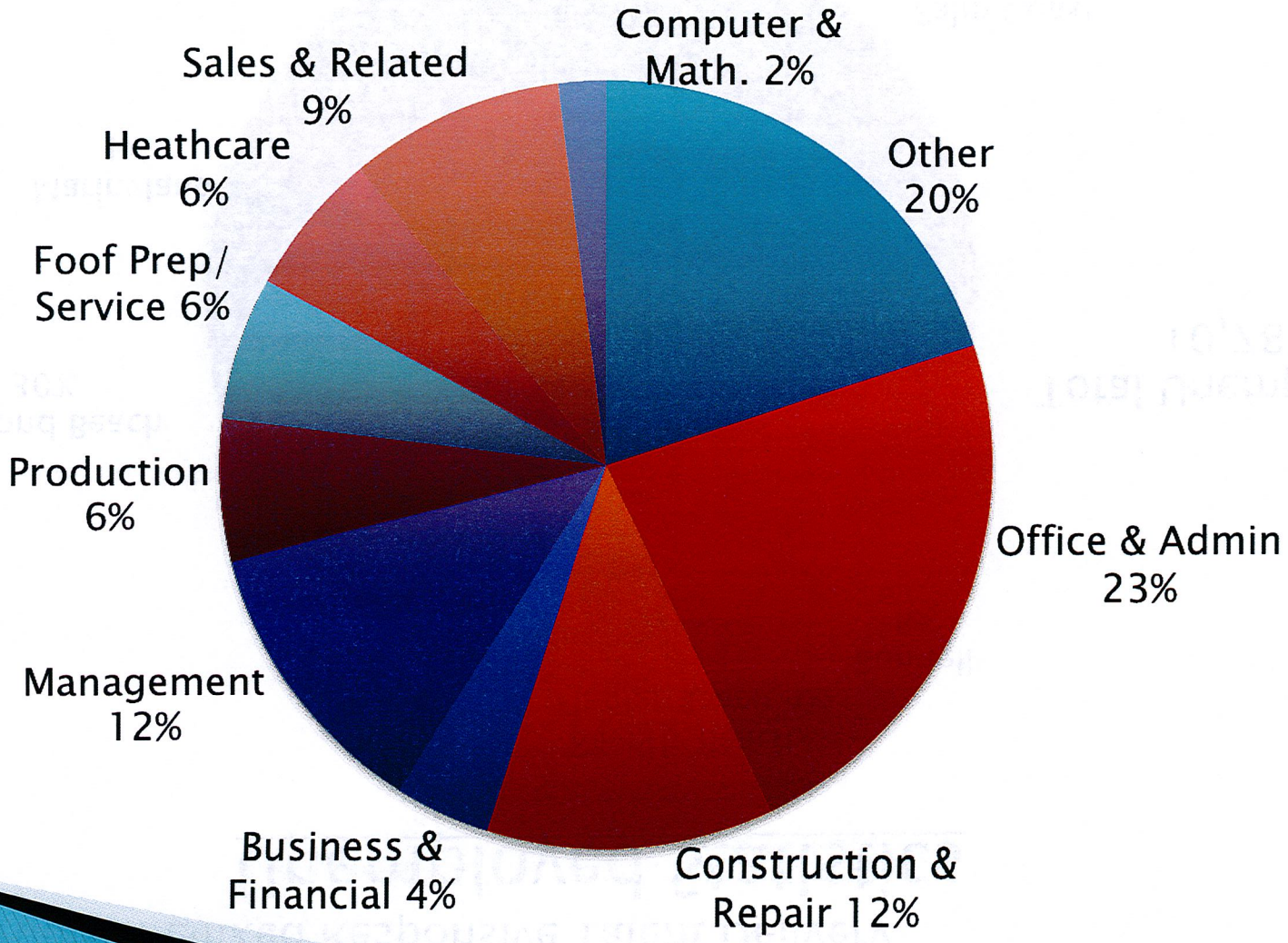
Focus Group 2: Linked Responsive Talent Delivery

Major Occupations



Source: CBE Job Applications 2009-2011

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Focus Group 2: Linked Responsive Talent Delivery

Center for Business Excellence

Training Providers

Agriculture

ALPI

Construction

Associated Training
National Training

Aviation

Embry-Riddle

Technical

Adv. Tech Cont.
Lincoln L.
First Coast
Flagler Tech Inst.
Fl. Tech College
High Tech
Tech Skills
Sunshine State
New Horizons

Industry

Brevard Comm. College
Daytona State College
Lake City Comm. College

Public Health

Health

Bethune Cookman
Cambridge
Dental Care
J&J Healthcare
Keiser
Lake Tech
Lighthouse
Professional Dev & Training
Central Florida Institute
Daytona College
Fortis College
Sunshine State Tech

Social Services

Halifax Academy for Caregivers

Focus Group 5: Exceptional Customer Service

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Focus Group 5: Exceptional Customer Service

- Group Leader: Garry Lubi
- Group Membership: Nestor Abreu, Mike Cuthbertson, Joe Pozzuoli, Bruce Campbell, Adam Mengel, Doug Baxter, Winnie Costello, Sally Sherman, Jason DeLorenzo, Charlie Faulkner, Larry Jones, Greg Rawls, Lea Stokes, Bob Elkin
- Meetings held: 4/18/11; 5/02/11

Recall of Focus Group 5 Goals

- Identify ways to create a culture and reputation for great customer service
  - Initial meeting had broad representation of all channels- public and private
  - Send out a survey to solicit feedback

- Task: Used survey feedback, best practices research and group feedback to determine that sub committees would most effectively address the issue and enact a plan of action

Survey Questionnaire

- Question 1: Thinking about current customer service levels from public and private partners; list three to five strengths:
- Question 2: Thinking about current customer service levels from public and private partners; list three to five weaknesses
- Question 3: Thinking about current customer service levels from public and private partners; list three to five opportunities
- Question 4: Thinking about current customer service levels from public and private partners; list three to five threats
- Question 5: Thinking about current customer service levels from public and private partners; what would you say are the top five issues we need to address?

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Focus Group 5: Exceptional Customer Service

Survey Results

Strengths:

1. Customer service already beginning to improve
2. Willingness to come together to overcome our differences

Weaknesses:

1. Training inadequate
2. Lack of guidance from public partners to private partners
3. Customer (end user) lack of understanding

Opportunities:

1. Maintain an open line of communications between all delivery channels
2. Consider all stake holders as teammates
3. Bridge gap between customer and delivery channels
4. Maintain an open mind about policy and procedures

Threats:

1. Bad reputation-the perception that Flagler County is not business friendly
2. Lack of communication

Next Steps

- Break down into sub committees to address the issues:
  - Training: internal and external customers. Public and Private entities
  - Every customer should have a relationship manager
  - Establish flow chart to access knowledge to determine the path and process
  - Train business community with easy access to information
  - Open dialogue to review specific ordinances
  - Marketing Communications
  - Chamber and Enterprise Flagler to act as the bridge between private and public sectors

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Focus Group 5: Exceptional Customer Service

Action Items

- Training: Internal and external customers- to follow
- Every customer should have a relationship manager- to follow
- Establish flow chart to access knowledge to determine path and process- flow charts to be handled by local and public entities - access to knowledge will be a collaborative effort between private and public sectors
- Train business community with easy access to information- to follow
- Open dialogue to review specific ordinances- to be vetted through Chamber Business Issues Committee
- Marketing communications- tabled for now until plan is developed and in place
- Chamber and Enterprise Flagler to act as the bridge between private and public sectors- underway

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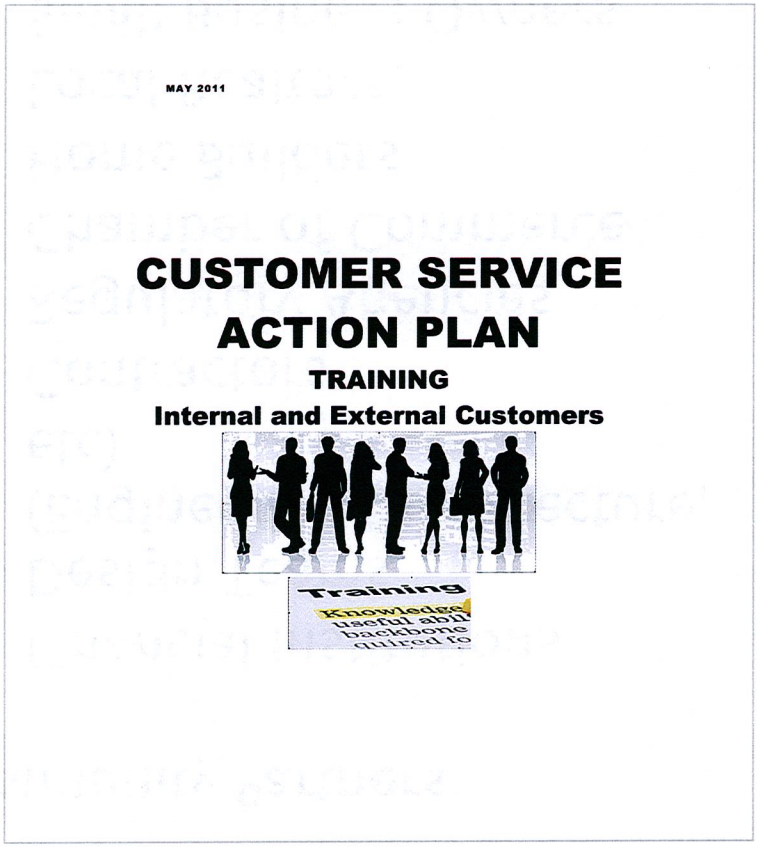
Focus Group 5: Exceptional Customer Service

Training Sub Committee


MAY 2011

CUSTOMER SERVICE ACTION PLAN

TRAINING

Internal and External Customers

- Objective: Design customer service training that provides the needed skills focused on improving service delivery by the community partners.

Sub committee: Winnie Costello, Sally Sherman

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Focus Group 5: Exceptional Customer Service

Training Sub Committee Results

Community Partners:

- Financial Institutions
- Design Teams (Engineering/Architecture, etc)
- Contractors
- Regulatory Agencies
- Chamber of Commerce
- Home Builders
- Local Realtors
- Small Business Owners

Overall Training Goals and Learning Objectives:

- Basic customer service skills
- Leading & Managing Customer Service
- Function
- Reliability
- Timeliness
- Effectiveness
- Service with a Smile

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Focus Group 5: Exceptional Customer Service

Relationship Manager Sub Committee

- Public Sector, Business - Business Assistance Centers being established
- Flagler Beach Ambassador Program - In place, need to publicize
- Public Sector, Development/Building/Inspections - In place
- Checklists/ Codes - Programs in place
- Inspections: Cell phone numbers of inspectors to be published in Palm Coast and Bunnell; issue Organizational Charts to aid communications
- Chamber to act as relationship manager for new and existing businesses
- Business Information Clearing House
  - Chamber to develop a web page with direct links about starting or expanding a business
- Flagler Home Builder's Assoc.
  - HBA to develop a web page with direct links to each local government.
  - Identify missing, incomplete or difficult to find information
- Exit Survey - City of Palm Coast to develop; Chamber to conduct

Sub committee Chair: Charlie Faulkner

Train Business Community to Access Information

- Develop Subject Matter Experts (SMEs) on each municipal process and key points of contact in their respective municipalities
- Establish a Business Advisory Academy and use SMEs to train
- Customers could be Contractors, Realtors, Home Builders, Design Teams (Engineers, Architects, etc.), Small Business owners, etc.
- Leverage Chamber, Enterprise Flagler and Government websites so customers will know where to find information
- Through the Chamber, develop access to local professionals to guide businesses through process

Timing and Costs

Timing:

- Start developing training modules - May 2011
- Complete training modules - June 2011
- Deliver training - 3rd quarter 2011
- Access web design for building knowledge - 3rd quarter 2011
- Identify subject matter experts - June 2011

Developmental Costs:

- Prep time
- Number of days for trainers - cost per day
- Materials (TBD)

Direct costs:

- Training facility/room (provided)
- Materials and equipment (TBD)
- Number of days training offered
- Web design and developmental cost

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Focus Group 5: Exceptional Customer Service

Expected Results:

- Better trained personnel
- Better educated businesses
- Better trained Community Leaders
- County and cities viewed as a place to do business
- Use of best practices

Next Steps:

- Budget needs
- Organize training
- Marketing communications to all about the training available
- Assemble "A Team"
- Continue to review and improve process

Preliminary Financial Investment Budget/ROI

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Preliminary Financial Investment Budget/ROI

Budget Overview

- The total 3 year investment can be expected to generate the following benefits:
  - **2,480** new jobs (an approximate 12.5% increase in County jobs)
  - Local economic benefits of **$188 mil.**

- This 3 year investment has the following cash flow components:

– Irrecoverable organization & mktg costs:	$1.6 mil.	22%
– Property portfolio investment:	$2.1 mil.	30%
– Variable job incentives:	$3.4 mil.	48%
– Total:	$7.1 mil.	100%

- Year 1 total cash flow is $2.45 mil. of which $0.06 mil. would be irrecoverable; $1.15 mil. invested in a property portfolio; and $0.70 mil. payable in direct job-related incentives.
- Years 2 & 3 cash flow, other than for ongoing irrecoverable cost (circa $0.5 P/A), would only be spent providing New Businesses/New Jobs created.

- Budget is fully measurable and totally focused on job creation via:
  - Local Economic Gardening measures, and
  - Successful new prospect inducement programs

I. Financial Investment Budget Breakdown: ($'s000)

Focus Group	Description of Investment Needs	3 Year Investment Plan		
		Existing $	New $	Total $
Focus Group 3: Maximize Regionalism	• Annual Membership fees payable to high priority regional resources • Agricultural 'Fresh Cut' Incubator Program Research	$180	$85	$265
Focus Group 4: Strong Target Industry Investments	• Product – Site Portfolio Offering • Incentives – Workforce Training/Job Creation • Organization – Additional headcount /increased activity • Marketing – Provision of a comprehensive marketing plan	$250	$6,545	$6,795
Focus Group 1: Entrepreneurial Environment & Economic Growth	• Economic Gardening - Business Assistance Center - Growth Accelerator Plan Coordinator	$180	$420	$600
Focus Group 2: Linked Responsive Task Delivery	• No investment costs identified (CBE)	Nil	Nil	Nil
Focus Group 5: Exceptional Customer Service	• Instructor led interactive Training Module for both public and private service	Nil	$90	$90
	Total Budget	$610	**$7,140**	$7,750

II. Financial Investment Budget Timing: ($'s 000)

Identified Investment Need	Total Incremental Dollars	3 Year Investment Plan		
		Year 1	Year 2	Year 3
Maximize Regionalism	$85	$45	$20	$20
Strong Target Industry Investments	$6,545	$2,215	$1,715	$2,615
Entrepreneurial Environment & Economic Growth	$420	$140	$140	$140
Linked Responsive Task Delivery	Nil	-	-	-
Exceptional Customer Service	$90	$50	$20	$20
	Total	$2,450	$1,895	$2,795
		3 Yr Total Investment $7,140		

III. Linked Return on Investment: ($'s 000)

Identified Return on Investment	3 Year Target ROI		
	Year 1	Year 2	Year 3
Number of Jobs Created • Strong Target Industry Invest. • Entrepreneurial Environment	330 100	660 200	990 200
	430	860	1,190
	3 yr Total 2,480 Jobs		
Local Economic Benefit Generated • Strong Target Industry Invest. • Entrepreneurial Environment	$17.4 M $ 4.5 M	$52.2 M $ 9.1 M	$104.4 M $ 9.2 M
	$21.9 M	$61.3 M	$104.6 M
	3 yr Total $187.8 M		

Note: Return represents an approximate increase of 12.5% in County jobs and a financial return of 26 times the 3 year $7.1 million cumulative investment.

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Preliminary Financial Investment Budget/ROI

IV. 3 Year Cash Flow Projections: ($'s 000)

Year 1

Focus Group	Investment	Additional Investment			
		Irr. Cost	Invest. Cost	Variable Cost	Total Cost
Maximize Regionalism	Membership fees/Incubator research	$45	Nil	Nil	$45
Target Industries	Site portfolio/Incentives/Org. & Mktg.	$365	$1,150	$700	$2,215
Entrepreneurial Growth	Economic Gardening	$140	Nil	Nil	$140
Customer Service	Training Modules	$50	Nil	Nil	$50
	Totals Year 1	**$600**	**$1,150**	**$700**	**$2,450**
Year 2					
Maximize Regionalism	Membership fees	$20	Nil	Nil	$20
Target Industries	Site portfolio/Incentives/Org. & Mktg.	$315	$250	$1,150	$1,715
Entrepreneurial Growth	Economic Gardening	$140	Nil	Nil	$140
Customer Service	Training Module	$20	$250	$1,150	$20
	Totals Year 2	**$495**	**$250**	**$1,150**	**$1,895**

IV. 3 Year Cash Flow Projections: ($'s 000)

Year 3

Focus Group	Investment	Additional Investment			
		Irr. Cost	Invest. Cost	Variable Cost	Total Cost
Maximize Regionalism	Membership fees	$20	Nil	Nil	$20
Target Industries	Site portfolio/Incentives/Org. & Mktg.	$315	$700	$1,600	$2,615
Entrepreneurial Growth	Economic Gardening	$140	Nil	Nil	$140
Customer Service	Training Modules	$20	Nil	Nil	$20
	Totals Year 3	**$495**	**$700**	**$1,600**	**$2,795**
	3 Year Cumulative Totals	**$1,590**	**$2,100**	**$3,450**	**$7,140**

Note: Out of a total 3 yr. cash flow projection of $7,140, only 22% ($1,590) would be irrecoverable. Aside from the initial property portfolio investment in year 1 of $1,150 (16%) the balance of cash outflow of $4,400 (62%) would be directly related to the introduction of New Businesses/New Jobs.

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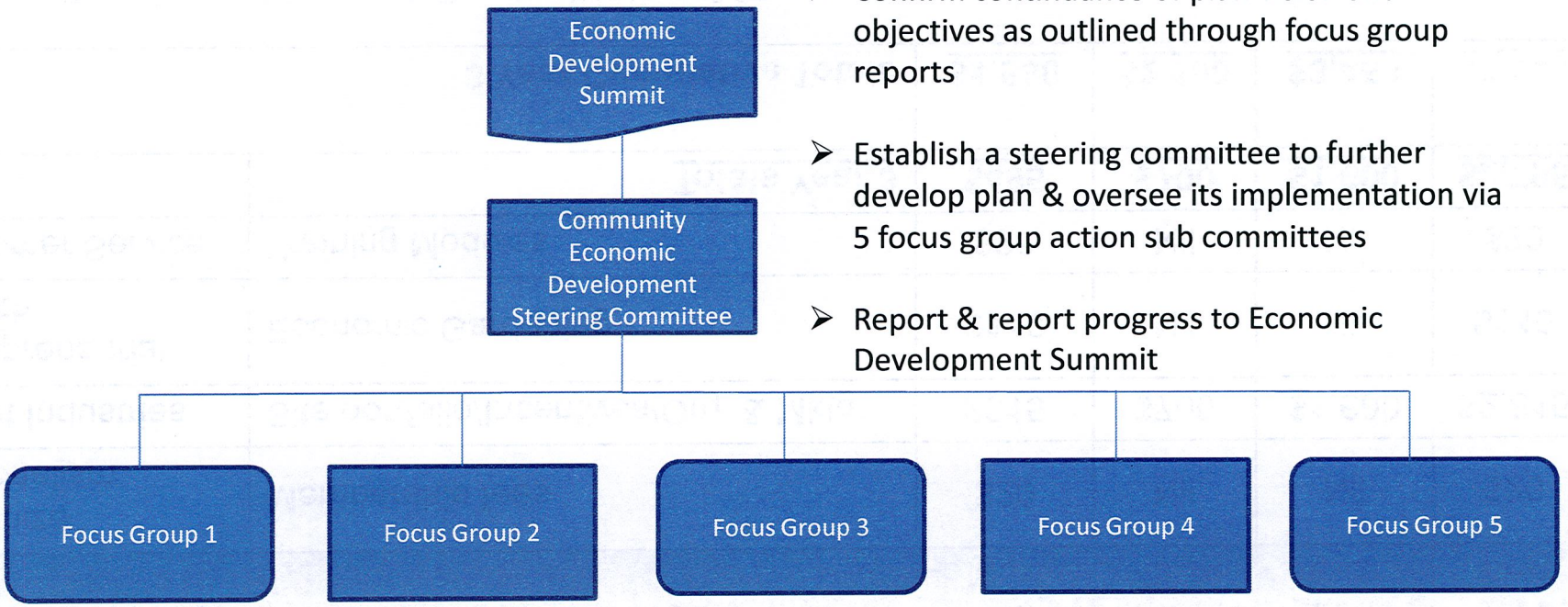
Proposed Next Steps

- Establish a formal governance structure to manage process



- Confirm continuance of plan vision and objectives as outlined through focus group reports
- Establish a steering committee to further develop plan & oversee its implementation via 5 focus group action sub committees
- Report & report progress to Economic Development Summit

- Tasks:
  - Agree key stakeholder membership of Steering Committee/Appoint chair
  - Broad terms of reference
  - Agree timelines and reporting criteria