

Florida Trend

celebrating
50
years

April 2008

THE MAGAZINE OF FLORIDA BUSINESS



**2008
Economic
Yearbook**

- 1 FLAGLER
- 2 VOLUSIA
- 3 BREVARD



Back to Earth

REGIONAL TRENDS

Across Florida's Space Coast region, there's a flurry of activity to create jobs and mitigate the effects of the residential real estate collapse and the rapidly approaching end to NASA's space shuttle program, scheduled to shut down in 2010.

In Palm Coast and surrounding Flagler County, leaders are catching their breath after years of a residential real estate boom that led not only the state, but also the nation. Countering the housing slowdown in Palm Coast is ongoing retail development, which was slow to arrive but now includes a cadre of national retailers scheduled to open this year.

Palm Coast Landing will open in July with Target, TJ Maxx, Ross Stores, PetSmart, Michaels arts and crafts store and others. Ira Corliss, the city's economic development coordinator, says that Kohl's has committed to open a store in the city and Wal-Mart is adding a super center. Corliss says the city wants more than retail, however, and has launched a business assistance team to give advice and information to mom and pop businesses that are struggling. Later this year, Palm Coast will tap unused space in city hall to launch a 26,000-sq.-ft. business incubator designed to house five or six technology companies. One business that has already expressed interest is Seidcon, a defense contractor that relocated to Palm Coast from San Diego last year.

Brevard County expects to lose about 3,500 jobs when the space shuttle completes its last mission in two years. The Orion Crew Exploration Vehicle, or CEV, project, NASA's next venture, won't get off the ground until 2015, leaving Brevard's space activity in limbo for five years. The good news is that assem-

bly work on the CEV, which will be built by Lockheed Martin, will be done locally and contribute more than 400 jobs.

Lynda Weatherman, president and CEO of the Economic Development Commission of Florida's Space Coast, says that the EDC's focus is matching the skills available with new aerospace demands. One key focus is attracting both the launch and manufacturing work of companies chosen to participate in NASA's Commercial Orbital Transportation Services, or COTS, program. Between 2008 and 2010, private companies chosen to participate will demonstrate their capabilities to transport cargo to the International Space Station.

The area received a blow, however, in February when Orbital Sciences, one of the companies chosen to demonstrate its supply capabilities for the space station, said it was leaning toward launches from Virginia.

Both Daytona Beach and Volusia County need industrial and manufacturing space for automotive, medical products and information technology

businesses. Rick Michael, director of the Volusia County Department of Economic Development, says that his county's push to retain and recruit manufacturing jobs has resulted in a 10.4% growth in manufacturing employment in Volusia over the past five years — in sharp contrast to the statewide 8% decline in manufacturing jobs. A planned 95-acre industrial park adjacent to Daytona Beach International Airport will encompass 312,000 square feet of manufacturing space and 296,000 square feet of class A office space and employ 2,500. Permitting and infrastructure are scheduled to be completed this year for the 120-acre Tomoka Farms Industrial Park west of Interstate 95. At the 43-acre DeLand Crossings Industrial Park, a 64,000-sq.-ft. building is under construction for Intellitec, a manufacturer of automotive electronics, and work has begun recently on an additional 62,000-sq.-ft. facility for BBK Performance, an automotive after-market products maker.

POPULATION TREND

Although population growth has slowed in all three Space Coast counties, Flagler County remains the fastest-growing county in the state. Its 5.56% average five-year growth is more than double the 2.07% statewide average. It's the only county with a growth rate above 5%. Population growth in Brevard and Volusia counties is 1.36% and 1.64% respectively. Brevard's growth has dropped by a half a percentage point from last year while Volusia's drop is less than a tenth of a percentage point.



BUSINESS AIDE (Melbourne)
Chester Straub

» Chester J. Straub Jr., executive director of Florida's Technological Research and Development Authority, a public-private partnership in Melbourne, is a driving force in helping Brevard residents launch their own businesses. Since joining TRDA in 2007 from New York, where he co-founded the Hudson Valley Center for Innovation, Straub has promoted the group's new Business Innovation Center, which provides space for offices, light manufacturing and wet labs as well as full-time mentoring. "Our role would be focused on maintaining the level of workforce and supporting entrepreneurial activity," says Straub. "The key is to maintain them here in the area."