

## **MINUTES - ECONOMIC DEVELOPMENT ADVISORY BOARD**

August 6, 2020

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The Economic Development Advisory Board of the City of Fort Myers, Florida, met in regular session at Oscar M. Corbin, Jr. City Hall, 2200 Second Street, its regular meeting place in the City of Fort Myers, Florida, on Thursday, August 6, 2020, at 2:01 p.m. Present were: Orie Lee Ford, Chair, presiding, Regular Board Members, Jerome Miller, John L. Kakatsch, Roy Kennix, and Ken Pariser. Also present were: Steven Belden, Community Development Director; Grant Alley, City Attorney; Gwen Carlisle, MMC, City Clerk; and Jennifer Myers, Recording Specialist. Absent: Dennis Landfried, Vice Chair, and Alternate Board Member Nannette Maxson.

### **CALL TO ORDER**

Chair Ford called the meeting to order at 2:01 p.m.

### **PLEDGE OF ALLEGIANCE TO FLAG AND ROLL CALL**

Chair Ford led the Pledge of Allegiance to the Flag and roll call was taken by Recording Specialist Myers.

**PUBLIC COMMENT** – None

### **PRESENTATIONS**

1. Ned Murray, Florida International University, via Zoom, update on the Economic Development Strategy

Steven Belden, Community Development Director, introduced Ned Murray, Florida International University, and explained that his team has been working on a Community Economic Development Strategy for the major corridors in the City. He stated that they recently prepared the first report of the study with the baseline information and there will a final report with recommendations later in the year.

Mr. Murray reported that he recently shared the collected data with the City Manager's Financial Innovations Team. Mr. Murray noted that the finished assessment included land availability, redevelopment opportunities, affordable housing needs, and the commercial corridors of Palm Beach, MLK, US 41, Colonial and Fowler. He stated that they are now moving forward with the community engagement process and developing long-term and short-term community economic strategies. Mr. Murray reported that the City's economy was doing very well until March, 2020, however, since that time, Lee County has lost 31,614 jobs and the City lost 4,425 jobs mostly in tourism, hospitality, and retail. He noted that even though Florida's sales tax collections have decreased, the City's tax base, which is mainly residential, is showing growth. Mr. Murray stated the key economic findings were that Fort Myers is a fast growing City, there is substantial population growth, job growth is expected to increase 9% by 2024, there is a trade sector, there is an advanced industry sector, and there is ample supply of vacant land suitable for redevelopment. He mentioned one of the challenges for Fort Myers is low household income. Mr. Murray reported that the City's top 10 resident occupations are in the low wage service sector, 21,971 residents take jobs outside of the City, and 7,272 live and work in the City. He stated that the City represents the largest commercial real estate submarket in Southwest Florida, there are high vacancy rates in retail and office markets, there are high demand in industrial development, and 30% of office

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development is for medical use. Mr. Murray reviewed that single family homes represent 44.2% of the City's housing supply, there are over 50% seasonal vacancies, 51.9% of housing units are rentals, and the City's housing market is more affordable than other respective cities. He noted that the City's housing and transportation index is at 55% however, ideally, it should be at approximately 45%. Mr. Murray stated that the team will study the median household income, high poverty rate, low purchasing power, mismatch between labor skills and labor demand, low percentage of workers that live and work in the City, disconnect between populations of various backgrounds, and the underdeveloped commercial corridors. He stated that when the study is complete they will develop and implement a Community Economic Development (CED) Strategy to address short term COVID-19 related impacts and long term sustainable economic growth.

Board Member Kakatsch asked that the Board Members receive a copy of the presentation and Mr. Belden noted that he will make a copy available to be emailed. Board Member Kennix asked if the study will involve a mechanism to effectively involve community stakeholders who will provide resources for small or minority businesses to get the capital that it needs to be able to develop. He stated that trends are evolving in new directions and should be considered in the study, for example, there is a recommendation for a segment of the federal initiative be earmarked for Community Development Financial Institutions (CDFI) filtered through CED offices for businesses in the minority and underdeveloped communities to provide equity capital or debt capital, The Metropolitan Basketball Association (MBA) make a commitment to spend \$300 million dollars over the next 10 years on economic development in minority communities, and Congress has been asked to provide grants to CDFI funneling through CED offices to new businesses.

Mr. Murray mentioned that for the plan to be successful it needs to be part of the community, wherein Second Muse is involved to engage the community because ultimately the plan is for wealth creation and inclusion. Board Member Miller suggested that the study consider previous plans such as the 2007 Dover Kohl East Fort Myers Plan, Midtown Plan, Downtown Plan, and the 2018 MLK Expansion. He mentioned that since COVID-19, he has seen an interest in larger commercial real estate spaces for employees. Mr. Murray mentioned finding a balance with industrial space on vacant land and felt that flex space will be important. Board Member Miller felt a policy that does not allow contractors in intensive commercially zoned property may need to be re-examined. Board Member Kennix inquired if the study will have alternative approaches on the issue brought up about there being a disconnect between populations of various backgrounds. Mr. Murray noted that the disconnect takes place in a lot of cities where decades old communities were established because the jobs were there, and then the jobs left and the community still living in those areas become disconnected from the larger economic growth. He stated that MLK and Palm Beach corridors have the opportunity for business and job growth to occur and connect people who live in that area to work in that area as opposed to finding jobs elsewhere. Board Member Miller noted that when trying to attract Retail and using the traditional 3 mile radius, a lot in the radius is in the river which puts the City at a disadvantage. City Attorney Alley noted that Fort Myers is unique in that it owns the river bottom and that affects attracting retail. Board Member Miller mentioned that there needs to be a customized type of demographic study to address that issue. Chair Ford thanked Mr. Murray, stating that the information is very valuable, and hopes to be working together in the future to make this plan a reality for the community.

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### **REGULAR ITEMS**

#### 2. Approve Minutes of the July 2, 2020 Economic Development Advisory Board Meeting

***MOTION: Board Member Kakatsch moved to approve the Minutes of the July 2, 2020 Economic Development Advisory Board meeting; seconded by Board Member Pariser; motion carried unanimously.***

#### 4. Discussion on Board presentation to Council

Board Member Miller noted that the Board discussed focusing on the DBE Program and the MLK Portal area and asked if the Board is ready to update Council. Chair Ford mentioned that the Board should get more of an idea of what it will produce to bring back to the Council. Mr. Belden stated that the Board can give an informal update to Council on what it is reviewing, get Council's input on what they would like the Board to review, and then the Board can go back to Council when it has recommendations. Board Member Miller agreed with that approach and noted that the Board needs to become relevant with Council. Board Member Kennix suggested putting together a short list of topics the Board is reviewing and present that to Council. He recommended that the DBE Program and Community Economic Development Strategy should be on the list as the Board could help guide and participate in the study's initiatives which could have significant impact on public policy. Board Member Miller suggested that he bring a draft list of topics to the next meeting for the Board to review and give direction on what to present to Council.

### **REPORTS**

#### 5. Community Development Department Director's Reports

##### a) Monthly Development Activity Report

Steven Belden, Director of Community Development, reported there was \$100 million dollars in permit activity in July and the residential construction industry specifically multi-family residential construction has been resilient.

Mr. Belden stated that the City hired an Economic Development Business Administrator, Barbara Carr, from Duluth Minnesota who will be starting on August 20, 2020. Board Member Kakatsch asked about her background and Mr. Belden replied that she has a business background, worked in the private sector, worked in insurance, and most recently was the Executive Director of the Aiken County Economic Development Office which operates similar to the Lee County Horizon Council.

### **Reorder of Agenda**

#### 3. Discussion regarding the Disadvantage Business Enterprise (DBE) Program

Michele Hylton-Terry, Executive Director of the Community Redevelopment Agency (CRA), advised that recently the Tax Increment Financing (TIF) rebate guidelines were updated to allow developers to incorporate community direct benefits. She mentioned that an approved participant will be granted a 50% tax increment and can get additional increment rebates by

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utilizing the Minority Business Enterprise (MBE) Program for 15%, affordable housing for 10%, contributions to non-profits for 5%, and an option allowing the developer to bring an idea forward.

Chair Ford inquired if the CRA based their MBE rebate on criteria from City's existing MBE Program and Ms. Hylton-Terry replied yes. He noted that the Board is reviewing the Ordinance to bring back the DBE Program as it has a local component of using City businesses only whereas the MBE Program can hire a contractor from anywhere in the State. Ms. Hylton-Terry stated that the CRA program is providing developers with the list of Lee County Registered MBEs as the City alone may not have enough registered MBEs. Chair Ford felt that once the contractors and subcontractors in the City see there is work available, they will get registered. Ms. Hylton-Terry mentioned Green Book Lee which is a black owned business directory available on Facebook and soon will be at GreenBookLee.Com. Board Member Pariser inquired about the point system that is an incentive for City based contractors and Ms. Hylton-Terry replied that is the City's local preference. Board Member Pariser suggested that if there is not many City MBEs, it should be considered to give them greater incentives. Ms. Hylton-Terry stated that the TIF guidelines are given to developers so they can incorporate all the rebates into their proposal, however, the CRA Commissioners ultimately determine the amount of the TIF award. Board Member Kennix noted that the City's prior DBE Program had a point person whose sole responsibility was to find and assist participants in the DBE certification process. Chair Ford mentioned that the DBE program works for businesses that have anything the City needs to purchase and is not just for construction services and that the City has or had given preference points for local bidders. City Attorney Alley mentioned that the incentive was for a business or an office within the City. Board Member Kennix stated that the local bidder preference is still in the Ordinance but is unaware if it is still being used. Chair Ford mentioned that the recommendation for the DBE Program should include a City employee to find participants to get certified so they are able to engage in City contracts as it benefits the City and supports people living and working in the City.

### **BOARD MEMBER FOCUS AREAS, COMMENTS AND CONCERNS**

#### **6. Report and discussion on Downtown Master Plan (Board Member Miller)**

Board Member Miller showed a drone video highlighting the projects Downtown.

#### **7. Economic Development website (Board Member Miller)**

Board Member Miller reviewed with the Board other community's economic development websites that Localintel has designed. He felt that creating the City's website should be fast tracked and he will offer information and picture images when it is needed. Mr. Belden noted that Ms. Carr will be taking over this project. Board Member Miller recommended that Board Members review the City's budget presentation from July 27, 2020 wherein there was a housing assessment presentation by JLL discussing work force housing, attainable housing, and affordable housing. He mentioned that Lofton Island was purchased for \$850,000 which should create projects.

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### **CHAIRMAN'S REPORTS**

#### 8. Chair's Report

Chair Ford noted that the Luminary Hotel tour times are only allowed Monday-Friday after 5:30 p.m. or Saturdays after 2:30 p.m. or after the opening on September 17th at any time. Board Member Pariser felt there was no urgency to have a tour of the hotel. Board Member Kennix suggested the Luminary Hotel representative be invited to attend a meeting and make a report. Board Member Miller agreed and that the Board could have a tour after it opens.

Board Member Pariser suggested that at the next meeting there be a focus on inviting tourists back to the area with positive incentives. Board Member Miller recommended inviting Tamara Piggot, Lee County Visitor & Convention Bureau (VCB) or someone from her office to discuss what they are doing. Chair Ford asked if the City contributes funds to the County's tourism office to be part of promotions and marketing for the County and City. Mr. Belden noted that he will look into that matter. Chair Ford suggested that the Board invite the VCB after it has been advised whether or not the City is contributing to the County's budget for marketing. Clerk Carlisle noted the new Economic Development Business Administrator will be at the next meeting and suggested having that conversation with her in addition to the Board's goals.

Board Member Pariser recalled the Board discussing a dormant lot on MLK that could be a welcoming threshold. Chair Ford suggested presenting the idea of a welcome threshold to the community and let people submit their design ideas. Board Member Miller noted that the Department of Transportation (DOT) owns the lot and suggested the Board focus on and come up with a plan.

#### 9. Next Meeting – September 3, 2020

Chair Ford acknowledged that the next meeting will be September 3, 2020.

**ADJOURNMENT: *There being no further business, it was moved by Board Member Kennix; seconded by Board Member Pariser, and unanimously carried to adjourn the meeting at 4:08 p.m.***