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# How Osceola County flipped a manufacturer flop into a win for Central Florida

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Valencia College had a dilemma.

When it got a \$2.5 million federal grant under the Trade Adjustment Assistance Community College and Career Training initiative in 2014 to expand training and education in high-tech manufacturing, it was missing a key component: A manufacturing training center.

Wanting to get started on training the future workforce due to more than 5,000 manufacturing job openings in Florida, with nearly 2,000 in Central Florida, Valencia College needed a facility quickly — without having to jump through the hoops of getting a building site approved and landing state construction funds.

As luck would have it, said Valencia College Vice President Joseph Battista, "the stars aligned."

## Making lemonade

At the same time Valencia College was pondering options for a facility, another quandary was taking place between Connecticut firearms factory **Colt's Manufacturing Co.** and Osceola County involving a nearly 50-year-old Kissimmee building.

Osceola County's board of commissioners approved a deal with Colt in 2011 for the company to create a regional headquarters and create 63 high-wage jobs by the end of 2015. However, Colt repeatedly stalled on the deal from the time hands shook in agreement. It never moved into the 16,490-square-foot facility at 1099 Shady Lane, nor did it create any local jobs.

Although the facility bears Colt's name and royal blue color scheme, Colt continued to waffle on the deal stretching into 2014. "It's not fair to our citizens to let a prize asset sit empty, especially when the economic climate is improving and we are confident we can find partners who will create good-paying

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Osceola County had had enough, especially commission Chairman <u>Brandon Arrington</u>. "Once November came around, I brought up the conversation with our board members that we needed to terminate the deal with Colt and we needed to take legal action to do so."

All eyes were on the deal, especially Valencia College's executive team, which almost immediately planted a bug in the county manager's and commissioners' ears about wanting the building for itself.

"We started to hear about the Colt facility and Colt not moving," said Battista, Valencia's global vice president of professional and continuing education. "We threw the question out to the county if it would consider Valencia [as a tenant there] if Colt doesn't move, and what would that process be."

That caused county officials to rethink their plan to find another manufacturer to occupy the space and, instead, to look toward an education program that could lead to more skilled workers. Arrington said it took about a month to get everything agreed upon with Valencia, an education partner they worked with before. But the reason the discussion for the deal lasted as long as it did — a span of seven months from November until the closing in May — was because it was contingent on the county severing ties with Colt.

# Out with the old, in with the new

Finally, on May 4, Osceola County commissioners slammed the gavel to terminate its deal with Colt. Osceola County agreed to pay the state back for its \$150,000 worth of incentives toward building improvements.

In almost the same breath, Osceola County gave the OK for Valencia to create its training center there. "It was like a weight was being lifted," Arrington said. "We finally captured the opportunity to get someone in that facility. While it was not creating the jobs we had hoped, it was training opportunities for jobs of the future."

He added that the legal fees and "county staff time we would have had to spend if we would have tried to fight them [means] Valencia wouldn't be in there and we'd be spending more than \$150,000, I quarantee that."

Valencia inked a seven-year lease, and will pay \$7,558 per month for the first 44 months and \$8,932 per month for the remaining 44 months for a total of \$725,556. The college also plans to spend roughly \$600,000 for equipment and furniture. "We saved time, effort and probably \$3 million," Battista said. "Time is everything right now, but it is almost a ready-to-move-in facility. We have to do some tweaking to it — add a couple of walls, create a smart classroom to make into digital labs — but classes are set to start in October."

Valencia's center expects to enroll at least 350 students each year in manufacturing programs that last two to nine months, depending on the career path.

As far as celebrating the new deal, it was just business as usual for Valencia and Osceola. "Government doesn't always celebrate," Arrington said. "We go from one project to the next. This was another step for Osceola to diversify its county. We went from a gun manufacturer to an education facility — and to me, that's a great day for my community."

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# Next up: Filling a critical need

Meanwhile, the need for Valencia College's new advanced manufacturing training center is crystal clear.

There currently are at least 1,862 open manufacturing jobs in Central Florida.

Further, that number could rise.

Consider: "Lockheed Martin projects that they could lose 40 percent of their workforce to retirements and nobody to replace them," said Battista.

He added that Lockheed has 700 suppliers in Florida, including 500 in Central Florida, "and they may have the same workforce issue."

**Lockheed Martin's** Missiles & Fire Control facility in Orlando now is looking to hire more than 100 manufacturing employees. "We depend on highly skilled manufacturing operations that require either experience or special training," said Lockheed Martin spokesman <u>Joe Stout</u>. "Community partners like Valencia College can play an important role in ensuring we have a pipeline of individuals in the area who have the prerequisites to be candidates for these positions."

The Bethesda Md.-based defense and support company, which has 7,000 employees in Central Florida, requires many of its new hires to have experience — and that's a problem Valencia College is looking to address with its new training center in Osceola County.

"Custom Metal Designs hired many of our students," Battista said. "One student we trained in less than three months, and she got a job as a machinist apprentice. We didn't have a lab to give her hands-on training, so we had to ask the manufacturer to work with us. But with our own lab, we can give them significant hands-on experience, and with that extra experience, workers like her could make \$50,000 to \$60,000 a year in three or four years."

Having an advanced manufacturing training center also will let manufacturers know they can come to Central Florida and get better trained, quality workers, said <u>Jim Donlin</u>, president of Orlando-based **Amazon Hose & Rubber Co.** "For us, it will allow us a bigger pool of employees to choose from."

In addition, Valencia College's advanced manufacturing training and education center will dovetail nicely with the planned \$200 million-plus, 100,000-square-foot Florida Advanced Manufacturing Research Center, which currently is being built by the county and the University of Central Florida, and is expected to create tens of thousands of jobs once it opens in 2017.

Meanwhile, another factor that's been contributing to the lack of skilled workers in Central Florida is the public's view of the industry. "Manufacturing has done a poor job over the years of marketing to high school and college students," said <u>Richard Sweat</u>, president and CEO of Sanford-based medical device manufacturer **.decimal**. "Meanwhile, we have universities marketing the promise of a four-year degree as the only path forward to a good career."

However, the jobs created by Florida's 17,000 manufacturers, from computer numerical control machine operators to production workers and aerospace engineers, can earn an average annual salary of nearly \$72,000.

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"People think manufacturing is the same as it was 100 years ago, but it's changed," said <a href="Sherry Reeves">Sherry Reeves</a>, executive director of <a href="Manufacturers Association of Central Florida">Manufacturers Association of Central Florida</a>. "The advanced manufacturing field requires more tech and STEM education. When you talk to a lot of young people, they don't understand how cool it is."

# Where the jobs are

There were 1,862 open Central Florida manufacturing jobs in May 2015. Here are the local employers with the most job openings:

101: Northrop Grumman

70: Lockheed Martin

50: Brunswick Corp.

42: Aerotek

36: Siemens

32: Randstad

20: Medtronic

18: Coviden

14: The Walt Disney Co.

14: Universal Orlando

## Central Florida manufacturing jobs

Total number of manufacturing job openings by county in May 2015 and each county's manufacturing job title with the most openings:

#### Orange

**872:** First-line supervisors

**Brevard** 

**490:** Aerospace engineers

Volusia

**307:** First-line supervisors

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eminole	
13: Production workers	
esceola	
3: First-line supervisors	
ake	
7: Production workers	
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