Northeast Florida Comprehensive Economic Development Strategy

2009-2014 (revised February, 2012)

With Updated Technical Report

February 2013

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Introduction

Upon approval of this Comprehensive Economic Development Strategy (CEDS), the Northeast Florida Regional Council (NEFRC) will be designated by the U.S. Department of Commerce, Economic Development Administration (EDA) as the regional planning organization for an Economic Development District (EDD). The EDD is comprised of seven counties: Baker, Clay, Duval, Flagler, Nassau, Putnam, and St. Johns Counties. This CEDS document contains the initial five-year (2009-2014) strategic economic development plan for the Northeast Florida Region.

The CEDS document is the result of the hard work of a CEDS Committee comprised of community leaders, public officials, economic development professionals, educators, labor unions, and private individuals representing the diverse population of the Region.

The CEDS process was made open to the public. All information, dates of meetings, meeting agendas, meeting minutes, etc., were posted to a web site (www.regi.biz) for public inspection and comment.

The CEDS was adopted by the Strategy Committee on August 21, 2009. The Northeast Florida Regional Council Board of Directors adopted the CEDS on September 3, 2009.

The CEDS is intended to be a responsive tool for economic development. An important goal in developing the CEDS was to create a tool that could be adapted for unanticipated events such as changes in the market, economic development opportunities, natural disasters, etc. Therefore, a two-tiered ranking system for projects was taken.

Goals

The seven Goals within the CEDS are intended to define regional expectations and to provide a systematic means to address the economic realities of the Region.

- **Goal I.** Improve education in Northeast Florida
- **Goal II.** Improve and expand infrastructure throughout Northeast Florida
- **Goal III.** Create regional employment centers in Northeast Florida
- **Goal IV.** Make Northeast Florida conducive for small business success
- **Goal V.** Create a regional land use plan
- **Goal VI.** Create a sustainable, full-service community
- **Goal VII.** Increase regional awareness

Comprehensive Economic Development Strategy (CEDS)

Strategic Approach to the CEDS

The Northeast Florida Regional Council ensured that there was public participation, comment, and vetting throughout the entire CEDS development process. The Northeast Florida Regional Council (NEFRC) sent invitations for membership of the CEDS based on recommendations from economic development professionals in each of the seven counties comprising Northeast Florida. The CEDS Committee represents a wide-range of private and public economic development interests. Great effort was exercised in identifying CEDS members that most represent the diverse economic development interests of the Region.

In developing the CEDS, the CEDS Committee gathered over sixty pages of background data. After much consideration, only the data deemed most applicable to the efforts of the CEDS was incorporated in the document.

The CEDS report identifies both state and regional industry clusters, and identified target industries for the Region. As part of the report, the Region's workforce was analyzed and strategic findings identified.

Based in part on the findings contained in the preceding sections, the CEDS Committee identified the Region's strengths and weaknesses. The Regional strengths and weaknesses served the foundation for developing the Goals and Objectives. Once the Goals and Objectives were identified, the CEDS Committee developed a Plan of Action to achieve the Region's Goals and Objectives.

Based on the Plan of Action, the CEDS Committee identified five Vital Programs and five Suggested Projects. Using a Program and Project Subcommittee, the CEDS evaluated over a dozen suggested Programs and over eighty suggested Projects. In addition to the five Vital Programs and four Suggested Projects, the CEDS contains a listing of other Program and Projects that would be beneficial to the Region.

In order to gauge the success of the CEDS, a set of performance measures, or metrics, are included in the document. Each set of performance measures has a corresponding base year as well as baseline data.

Comprehensive Economic Development Strategy

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Background

Geography

Northeast Florida is comprised of seven counties—Nassau County, Clay County, Baker County, Putnam County, Duval County, St. Johns County, and Flagler County—and 27 municipalities, ranging in size from the City of Jacksonville's population of 852,450 to Marineland's single-digit population of nine. Northeast Florida is situated on the Atlantic Ocean and has nearly 100 miles of coastline. Four of the seven counties that make up the Region are coastal communities; from north to south, these four counties are Nassau County, Duval County, St. Johns County, and Flagler County.

The St. Johns River, which at over 300 miles in length is the longest river in the State of Florida, extends throughout the Region. In 1998, the St. Johns River was named one of 14 American Heritage Rivers. These water bodies offer the potential of waterborne transportation of both cargo and passengers. Additionally, the St. Johns River and its lakes and tributaries offer world-class fresh-water fishing, as well as canoeing and kayaking.

The City of Jacksonville, which is located in Duval County, is the economic hub and largest city within the Region. Since Duval County is a consolidated form of government, there are no unincorporated areas of the County. Consequently, the City of Jacksonville, at 874.3 square miles, is the largest city in terms of land area, in the United States.

Northeast Florida is situated on both the Atlantic Ocean, on which the region has nearly 100 miles of coastline, as well as on the St. Johns River. These water bodies are a strategic advantage for the Northeast Florida Region as they are the foundation for both international trade and the multimodal movement of freight.

Population

The Northeast Florida Region is made up of seven counties (Baker, Clay, Duval, Flagler, Nassau, Putnam, and St. Johns) with a combined 2006 population of 1,480,106, which represents 9 percent of the state's total population. While growth has flattened during the recession, the Region is still projected to add about 90 new residents each day through 2030, which will lead to an increase of approximately 750,000 people. Net migration, defined as the difference between immigrants and emigrants of an area, is the most significant source of population growth in the Region. Northeast Florida is on track to outpace the growth rate of Florida. By 2030, the Region is projected to grow by 750,000. Primarily, the growth of the Region will occur through net migration. During this period of growth, Northeast Florida will become, on average, older. Additionally, the Region is not expected to become substantially more ethnically diverse, remaining less diverse than the state as a whole.

In summary, if the Region remains status quo, Northeast Florida will become older, less educated, and less diverse than its regional competitors in Florida (i.e., Tampa, Orlando and Miami). However, through capitalizing on the three major state universities accessible to the Region, attracting high-tech industries, and rebranding itself, Northeast Florida will attract a younger, more educated and dynamic workforce.

Exhibit 1 – Historic Regional Population Growth

COUNTY								
YEAR	BAKER	CLAY	DUVAL	FLAGLER	NASSAU	PUTNAM	ST. JOHNS	REGION
1970	9,242	32,059	528,865	4,454	20,626	36,424	31,035	662,705
1980	15,289	67,052	571,003	10,913	32,894	50,549	51,303	799,003
1990	18,486	105,986	672,971	28,701	43,941	65,070	83,829	1,018,984
2000	22,259	140,814	778,879	49,832	57,663	70,423	123,135	1,243,005
PERCENTAGE OF CHANGE (1970-2000)								
	240%	440%	148%	1119%	280%	193%	397%	187%

Source: US Census

Exhibit 2 – Projected Regional Population Growth

COUNTY	2006	2010	2020	2030	2060*
Baker	25,000	26,900	30,900	34,100	40,620
Clay	176,900	201,100	255,600	300,900	417,090
Duval	879,200	944,500	1,084,400	1,199,900	1,587,860
Flagler	89,100	113,100	168,000	215,100	323,800
Nassau	68,200	75,800	92,700	106,900	151,600
Putnam	74,400	77,000	82,700	87,500	104,300
St. Johns	165,300	193,400	256,800	310,500	479,160
Regional Totals	**1,478,100**	**1,631,800**	**1,971,100**	**2,254,900**	**3,104,430**

Source: Bureau of Economic and Business Research (BEBR), University of Florida

**Calculated using 1000 Friends of Florida projection methodology*

The median age in Florida in 2006 was 39.9; it is projected that by 2030 the median age will rise to 44.4. Within our region, the median age in 2006 was 45.5; it is projected that the median age in our region will increase to 50.5 by 2030.

It is projected that the 65 years of age and older population will see the greatest increase between 2006 and 2030. In some areas, by 2030 the 65 years of age and older population is projected to double.

Nearly three-quarters (72%) of the Region's population today is white.[1] Approximately 22% of the population is Black, and only 6% of the population is Hispanic.[2] Statewide, approximately 68% of the population is White, 15% Black and 17% Hispanic.[3]

Regionally, Hispanics and Latinos are projected to have the largest increase in numbers when compared to their current population. By 2030, the Hispanic and Latino populations are projected to increase by 106,146.[4] However, this still only represents 7% of the projected 2030 population for the Northeast Florida Region.

Economy

Income

Within the seven-county region of Northeast Florida, median household income ranges from a low of $33,442 to a high of $61,859. St. Johns, Clay and Nassau Counties have the highest median household incomes; Putnam County has the lowest at $33,442.

- In 2006, total per capita income in Florida was $35,798,000,000, placing Florida's total per capita income ranking in the US at number 20. Total personal income in 2006 was $647,583,000,000.
- In 2005, total personal income for Northeast Florida was $46 billion. Income from transfer payments accounted for $6.8 billion. Per capita income in 2005 was $30,797.
- In 2004, median household income in Florida was $40,900, which represents a 5.5% increase from 2000. The regional median household income in 2004 was $45,430, an increase of 7.2% from 2000.

[1] Bureau of Economic and Business Research, University of Florida
[2] Bureau of Economic and Business Research, University of Florida
[3] Bureau of Economic and Business Research, University of Florida
[4] Bureau of Economic and Business Research, University of Florida

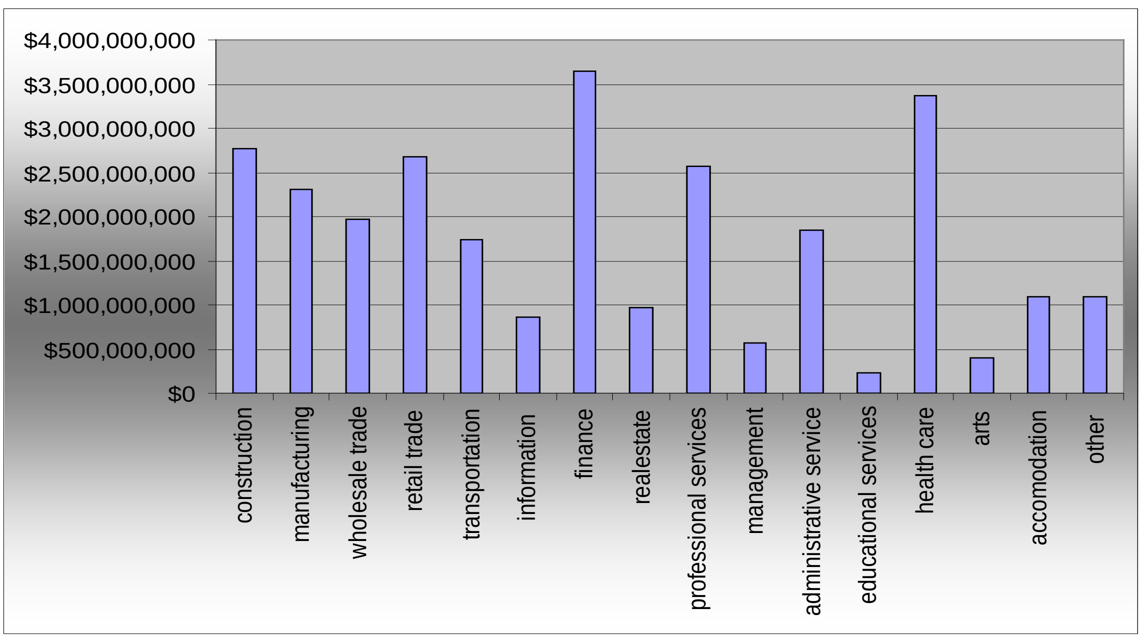
In Northeast Florida, total wages in 2006 were $24.5 billion; non-agriculture business proprietors earned another $2.3 billion, and agriculture proprietors earned an additional $28 million.

Exhibit 3 – Earned Income by Employment Sector

SECTOR	EARNED INCOME 2006	SECTOR	EARNED INCOME 2006
Construction	$2.8 billion	Manufacturing	$2.3 billion
Wholesale Trade	$1.9 billion	Retail Trade	$2.7 billion
Transportation	$1.7 billion	Information	$861 million
Finance	$3.7 billion	Real Estate	$961 million
Professional Services	$2.6 billion	Management	$563 million
Administrative Services	$1.8 billion	Health Care	$3.4 billion
Educational Services	$263 million	Arts	$399 million
Accommodation	$1.1 billion	Other Services	$1.1 billion

Source: BEBR, University of Florida

Exhibit 4 – Earned Income by Employment Sector



Source: BEBR, University of Florida

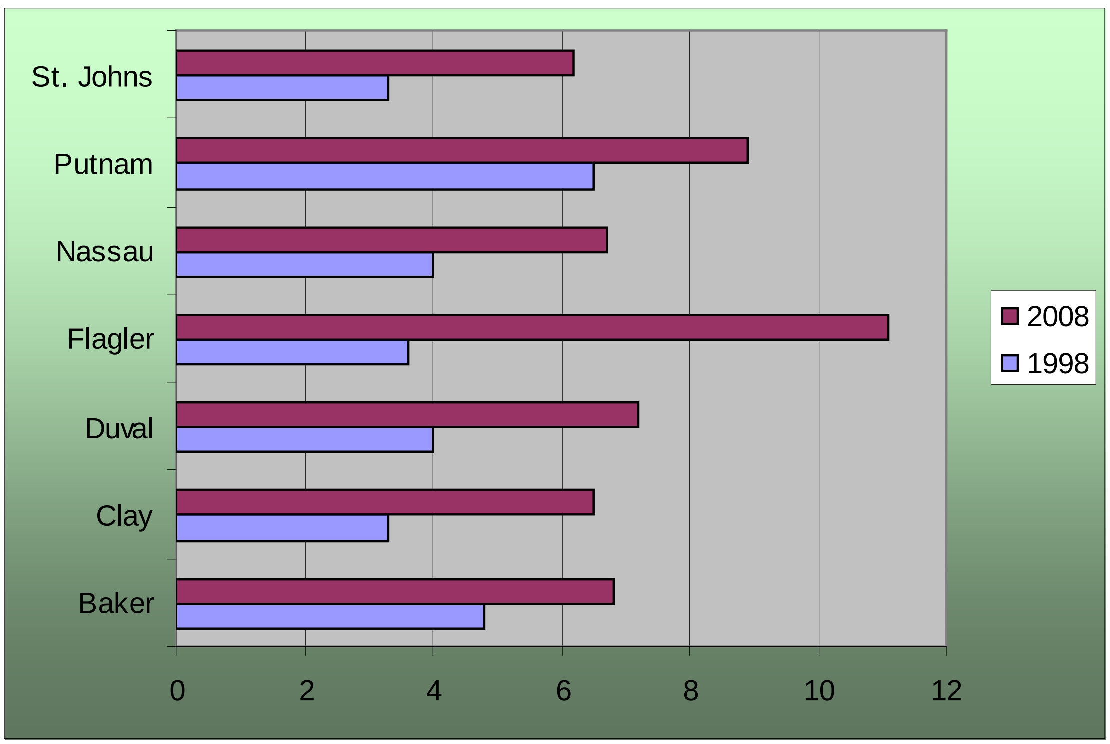
Employment

According to a Jacksonville, Florida Area Labor Availability Report dated May 2008 published by The Pathfinders, the Jacksonville area, which is defined as the seven counties making up Northeast Florida, has 137,300 available workers for "new or expanding businesses." Of the 137,300 available workers, 99,400 can be defined as "underemployed"[5] with a median rate of pay of $15.72 an hour. The median desired pay of this same group is $17.58.[6]

Northeast Florida had a labor force of 729,873 in 2007, which is approximately 8% of Florida's 9.3 million-person labor force.[7] Unfortunately, the unemployment rate has seen a substantial increase between 1998 and 2008.

Exhibit 5 shows the unemployment rates for the seven counties in the Northeast Florida Region have all experienced substantial increases in their unemployment rates.

Exhibit 5 – Unemployment Rate Comparison – Jan 1998-Nov 2008



Source: BEBR, University of Florida

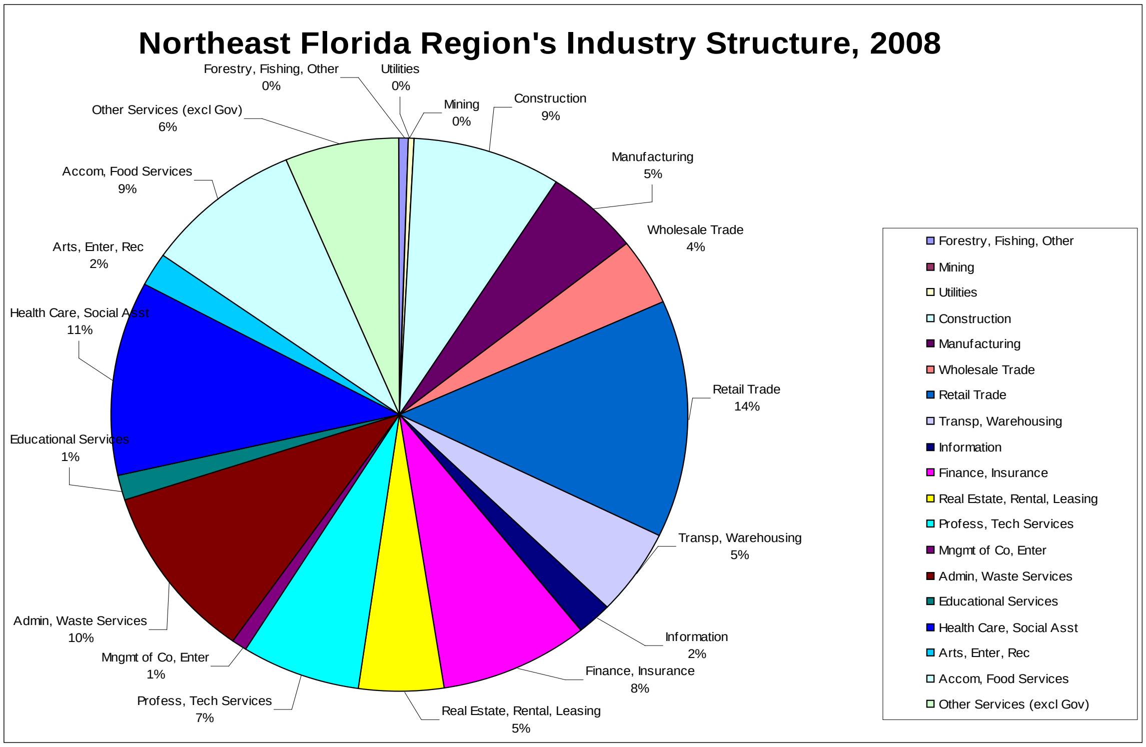
Regional Industries

As shown by Table 4, construction, manufacturing and retail trade were the largest sectors of employment in terms of earned income. Northeast Florida had total earned income in 2006 of $32 billion, which was approximately 8.5% of Florida's total earned income of $373 billion.

[5] "Underemployed" is defined as individuals who are working, desire better jobs, and have the skills, education and experience to qualify for better jobs. Source: The Jacksonville, Florida-area Labor Availability Report, May 2008, The Pathfinders
[6] The Jacksonville, Florida-area Labor Availability Report, May 2008, The Pathfinders
[7] US Bureau of Labor Statistics (www.bls.gov)

Northeast Florida Region's three largest private sectors (in 2-digit NAICS codes) are: Retail Trade, Health Care and Social Areas, and Administrative and Support and Waste Service. Together with Construction, Accommodations and Food Service, and Finance and Insurance, they account for 61 percent of regional employment.

Exhibit 6 – Industry Structure



The following table shows the economic impacts of six of the largest non-agriculture, non-real estate industry sectors in Northeast Florida.

Exhibit 7 – Value Added of Good/Services (2002)

BAKER	CLAY	DUVAL	FLAGLER	NASSAU	PUTNAM
WND	WND	$7.01B	$378.83M	$552.74M	$714.73M
WND	$28.37M	$826.31M	$4.1M	WND	$2.85M
$129.76M	$1.535B	$10.18B	$342.36M	$422.95M	$498.26M
WND	WND	$2.45B	$47.3M	$47.31M	$49.63M
$85.16M	$421.31M	$4.24B	$94.12M	$96.5M	$96.51M
$14.06M	$149.73M	$1.18B	$65.59M	$180.12M	$37.43M

Source: US Census; WND = information withheld by source or not available; M = millions; B = billions

Transportation Access

The Region also has a substantial railway and roadway network. The rail and roadway network within the Region connects large, developable tracts of land to freight receiving areas such as deep-water ports.

Military Installations

Northeast Florida has three primary active military installations: Naval Air Station Jacksonville (NAS Jacksonville), Naval Station Mayport (NS Mayport), and Camp Blanding. According to Enterprise Florida, military and defense operations in Florida contribute over $52 billion to the economy. Regionally, the total regional economic impact to Northeast Florida is estimated at $14.1 billion.[8] Additionally, the military and defense economic impacts have risen approximately 10% each year for the past six years.

According the Florida Defense Factbook, a program of Enterprise Florida, procurement, salaries, and pensions/transfers accounted for $4.1 billion in defense spending within Northeast Florida. Directly and indirectly, the military is responsible for 188,900 jobs in Northeast Florida. The average wage earning per military job in Northeast Florida is $40,000 per year.

According to the Cornerstone Regional Development Partnership, 16 of every 100 Northeast Florida-area residents are connected with the Navy. Additionally, approximately 4,100 Northeast Florida military personnel retire or exit from military service. Of those, 80% stay in Northeast Florida.

Camp Blanding Joint Training Center

Camp Blanding, the primary training facility for the Florida Army National Guard, serves the training needs for active Army and Reserve units as well as Army and Air National Guard units.

Naval Station (NS) Mayport

Since its commissioning in December 1942, Naval Station Mayport has grown to become the third largest fleet concentration area in the United States. Mayport's operational composition is unique, with a busy harbor capable of accommodating 34 ships and an 8,000-foot runway capable of handling any aircraft in the Department of Defense inventory. The number of jobs will increase to up to 5,000 with the addition of the accompanying air squadrons.[9]

[8] Enterprise Florida, Florida Defense Factbook
[9] Source: Jacksonville Business Journal, Mayport to Get Nuclear Carrier, November 17, 2008

Naval Air Station (NAS) Jacksonville

NAS Jacksonville employs over 24,000 civilian and active duty personnel (14,920 active duty, and 10,325 civilian personnel). NAS Jacksonville is home to the Navy's largest aviation squadron, Patron Squadron Thirty (VP-30), and is an aviation maintenance training facility. The economic impact of NAS Jacksonville is calculated at $2.7 billion annually. In salaries alone, NAS Jacksonville is directly responsible for over $1.1 billion per year.[10]

Strategic Intermodal System (SIS) Facilities

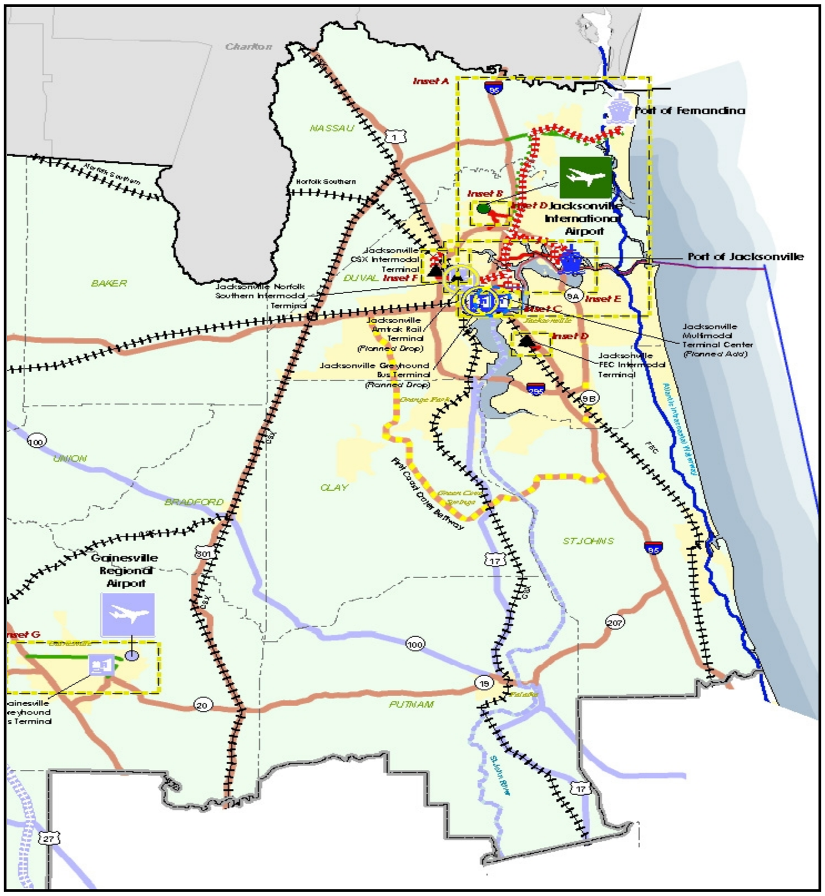
Florida's Strategic Intermodal System (SIS) is a transportation system that consists of a strategic statewide and regionally significant facilities and services that moves both people and goods by various forms of transportation. This includes linkages that provide for smooth and efficient transfers between modes and major facilities and integrates individual facilities, services, forms of transportation modes and linkages into a single, integrated transportation network.

The SIS is a statewide network of high-priority transportation facilities that includes the state's largest and most significant commercial service airports, spaceport, deep-water seaports, freight rail terminals, passenger rail and intercity bus terminals, rail corridors, waterways and highways. These facilities are the workhorses of Florida's transportation system, carrying more than 99 percent of all commercial air passengers, virtually all waterborne freight tonnage, almost all rail freight, more than 68 percent of all truck traffic and 54 percent of total traffic on the State Highway System.

A detailed map of SIS facilities within the Northeast Florida Region is below.

[10] Source: Enterprise Florida, Florida Defense Factbook

Exhibit 8 – SIS Facilities in Northeast Florida



Source: Florida Department of Transportation

The fundamentals for capitalizing on the Region's intermodal system for the efficient import and export of freight are in place. This Region is served by eight airports and seven seaports. With the Region's existing roadways, rail lines, ports, and airports, the Region has the existing multimodal infrastructure necessary for both receiving and exporting large amounts of freight. Interstate 95, the primary north-south highway along the eastern seaboard, and Interstate 10, the primary east-west highway along the southern United States, converge within the Region.

Florida has intermodal system transportation facilities that have been identified as being crucial to the State's economy. These Strategic Intermodal System (SIS) facilities receive the bulk of the Florida Department of Transportation's attention, both in terms of funding and in terms of protection. The SIS includes linkages that provide for smooth and efficient transfers between modes and major facilities and integrates individual facilities, services, forms of transportation modes and linkages into a single, integrated transportation network.

Lack of a region-wide transit system places the region at a strategic disadvantage. Currently, there are no region-wide transit options that would allow for the increase of freight capacity on our roadways through transfer of commuters from single-occupancy vehicles to transit. Additionally, the Region, as is the case with the entire State of Florida, does not have the resources to continue to build more roadway capacity.

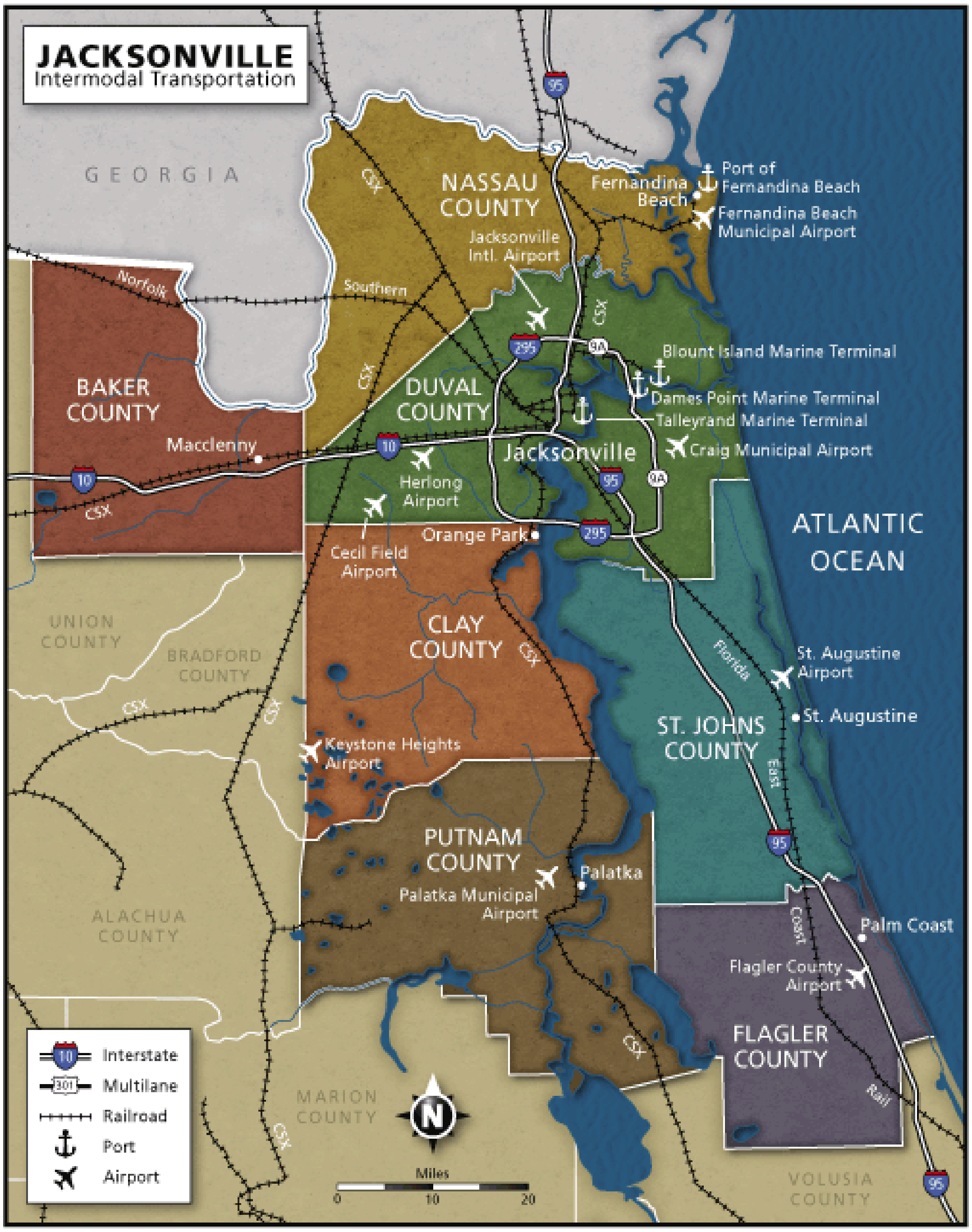
Airports

The Region is served by eight airports and seven seaports. Jacksonville International Airport (JIA) is the only international airport in the Region. The other aviation facilities in the Region are:

- Craig Municipal Airport
- Cecil Field
- Fernandina Beach Municipal Airport
- Flagler County Airport
- Herlong Airport
- Kay Larkin Airport/ Palatka Municipal Airport
- Keystone Airpark (A portion is in Bradford County)
- St. Augustine Airport

Exhibit 9 depicts the location of all aviation and seaport activities in the Region.

Exhibit 9 – Regional Aviation and Seaport Activities



Source: Cornerstone Jacksonville

Seaports

Jacksonville and Fernandina Beach both contain natural deep-water seaports. They are full-service ports and provide terminal handling and stevedoring services. They can handle container and conventional vessels with warehousing and crane services.

Exhibit 10 – Twenty-foot Equivalent Units (TEU) - 2006

LOCATION	TEU	PERCENTAGE OF UNITED STATES
Canaveral	1,047	Less than 1/100 of 1%
Everglades	864,030	1.95%
Fernandina	37,906	0.90%
Fort Pierce	11,600	0.30%
Jacksonville	768,239	1.73%
Key West	0	0%
Manatee	5,576	0.01%
Miami	976,514	2.20%
Palm Beach	344,000	0.55%
Panama City	58,000	0.13%
Pensacola	300	0%
St. Joe	0	0%
St. Petersburg	0	0%
Tampa	24,253	0.05%

Source: Florida Department of Transportation, SIS Data and Designation Update Report (2008)

"Deep-water Ports" are defined as those ports that can handle a fully loaded Panamax ship. A Panamax ship is defined as the largest ship that can navigate through the Panama Canal. Currently, the maximum dimensions for a Panamax ship are: length: 965 feet; beam (width): 106 feet; draft: 39.5 feet.

Resources and Environment

Northeast Florida has a strategic advantage in that large areas of vacant, accessible land can be developed for industrial uses. The Region has relatively large, inexpensive swaths of undeveloped land, making Northeast Florida attractive for the assembling of land for large scale developments. However, the development of these lands is dependent on the availability of centralized water and sewer.

Northeast Florida is fortunate to have large amounts of active agriculture that produce ornamentals, sod, and food crops. Additionally, there are substantial areas of silviculture. The active agriculture serves not only as an economic engine for the Region, but, if capitalized on, will make the Region more sustainable, both in terms of a local food supplier and in terms of biomass fuel production.

Northeast Florida's climate and mild winters are a strategic advantage. Northeast Florida offers a warm, sunny climate without the typical trappings, such as congestion and higher costs of living, associated with other areas of Florida (i.e., Orlando, Tampa and Miami).

The Northeast Florida Region lies within the St. Johns River Water Management District (SJRWMD). Within this district, potable groundwater is withdrawn from the Floridian aquifer. Of the five major groundwater basins, three cover the seven-county region that comprises Northeast Florida; the St. Mary's Groundwater Basin, the Lower St. Johns Groundwater Basin, and the Volusia Groundwater Basin.

Water use by population and by category is summarized below. Water is indicated in millions of gallons (mgd) per day.

Exhibit 11 – Water Usage (2007)

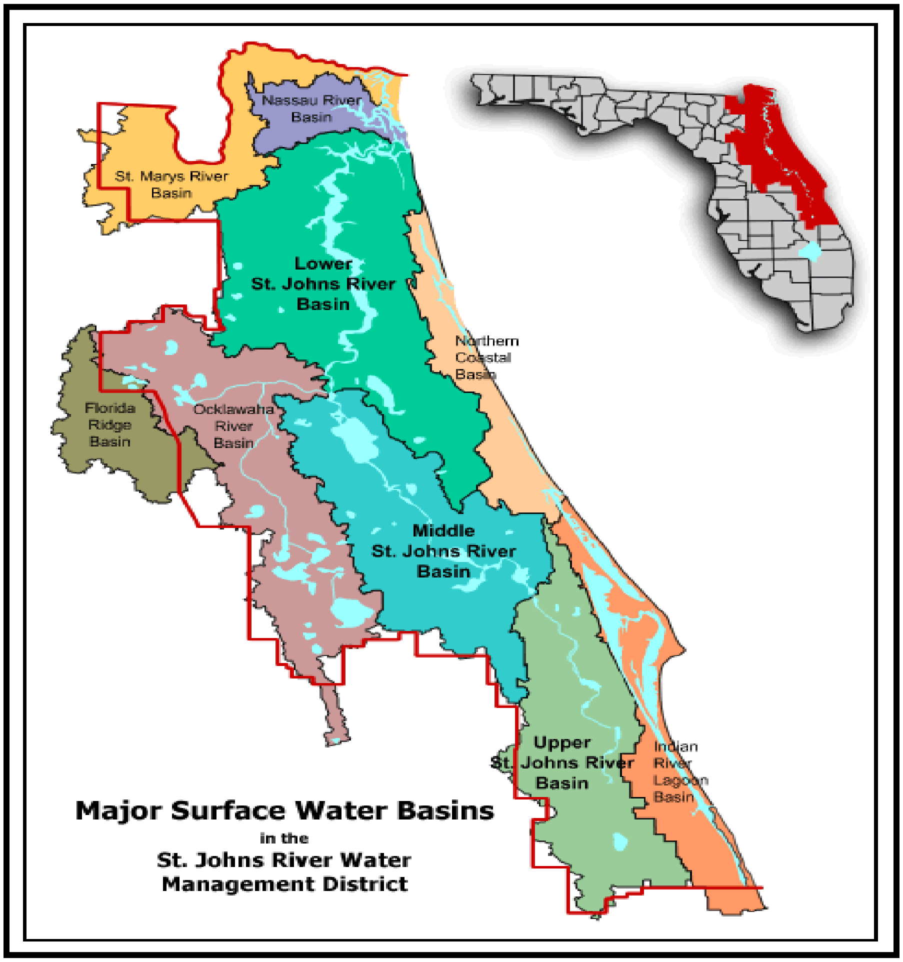
COUNTY	POPULATION	WATER USAGE (mgd)
Baker	4,162	5.85
Clay	128,106	28.23
Duval	289,300	178.99
Flagler	10,212	41.38
Nassau	27,085	53.01
Putnam	11,456	50.86
St. Johns	132,848	60.81
TOTAL		**419.13**

Source: St. Johns River Water Management District

The St. Johns River Water Management District issues Consumptive Use Permits (CUPs) to ensure regulatory compliance.

All entities requiring use of large amounts of water, except those exempt by statute or District rule, are required to obtain a CUP. Permits for consumptive use are issued for a finite duration and these must be renewed when expired. Since 1991, all water users have been required to report their water use by using a water meter or by an alternative method approved by the District. In 2008, 193 CUPs were issued by the District; there were 3,040 active CUPs at the end of 2004.

Exhibit 12 – Major Surface Water Basins



The Environmental Protection Agency, Office of Wastewater Management (OWM), monitors programs to protect water and watersheds. Its programs and initiatives promote compliance with requirements of the Federal Water Pollution Control Act. The OWM works in conjunction with the Environmental Protection Agency (EPA) and local governments to regulate discharge into surface waters including wetlands, lakes, rivers and oceans. Included in this purview is the monitoring of sanitary sewer conveyance and discharge.

The Department of Environmental Protection Northeast District is made up of 20 counties including the seven county region of Northeast Florida. There are 482 wastewater facilities in this district, approximately 14 percent of the State's total. The permitted capacity for discharge is 26.56 mgd or 2 percent of the State's total flow.

A fundamental resource challenge facing Northeast Florida is water, both in terms of availability and distribution. Portions of the Region are in a water resource caution area, meaning that projected demand for water will exceed its availability. It is expected that the remainder of Northeast Florida will be within a water resource caution area within the next few years. In addition to water availability, is a lack of region-wide potable water distribution system. While individual well systems may accommodate low density residential development, it is not conducive for to supporting industrial growth throughout the Region.

In addition to potable water supply and distribution, the centralized sanitary sewer treatment is not available region-wide. As is the case with potable water, individual septic systems are not adequate for large scale industrial and business park development.

There are nine providers of electricity within Northeast Florida. They are:

- Beaches Energy Services
- Clay Electric Cooperative
- Florida Power & Light
- Florida Public Utilities
- Green Cove Springs
- JEA
- Okefenoke REMC
- Progress Energy Florida
- Seminole Electric .

Consumption of gas (non-vehicle consumption) and electricity as determined by capital stock is reflected in Table 9 below:

Exhibit 13 – Gas and Electric Stock

VARIABLE	2008	2009	2010	2011	2012	2013	2014	2015	2016
Gas and Electric K	4.499	4.549	4.601	4.649	4.695	4.742	4.787	4.888	4.991

Source: REMI Policy Insight 9.0

The map below is derived from the Florida Department of Environmental Protection, Division of Air Resource Management's October 2008 Florida's Power Generating Facilities. Exhibit 14 below identifies the electricity producing facilities in Northeast Florida, their output capabilities, and their fuel types.

Exhibit 14 – Florida Power Generating Facilities

Source: Florida Department of Environmental Protection, Division of Air Resource Management's October 2008 Florida's Power Generating Facilities.

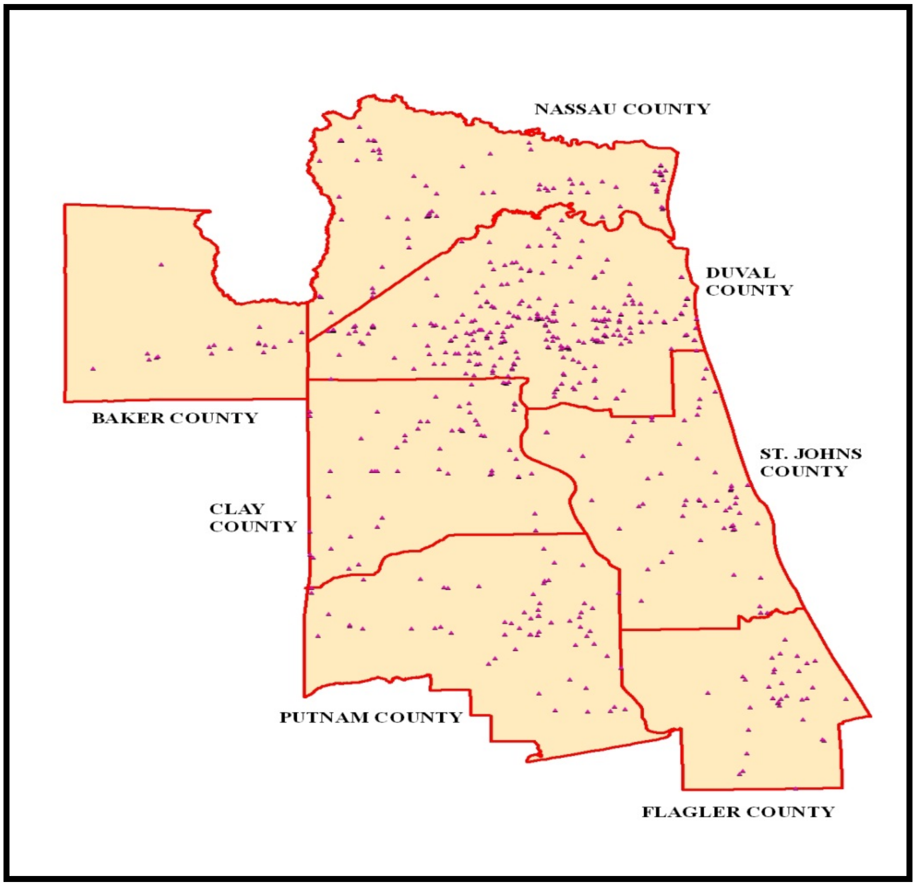
TECO Peoples Gas provides natural gas to residential, commercial, and industrial customers in Northeast Florida. Natural gas provides clean energy for a wide range of uses, including home heating, vehicles, and electric generation. Natural gas is the cleanest-burning fossil fuel.

Florida is part of the Southeast Region interstate pipeline network, which includes: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee. Twenty-three interstate, and at least eight intrastate, natural gas pipeline companies operate within the Southeast Region. Fifteen of the twenty-one interstate natural gas pipelines originate in the Southwest Region and receive most of their supplies from the Gulf of Mexico or from the States of Texas and/or Louisiana.

The exhibit below shows where wireless communications towers are located throughout the Region. Each tower may, and most likely does, house multiple wireless technologies providers.

According to the Federal Communications Commission antenna structure registration Geographical Information Systems-based data, there are approximately 600 wireless communications structures within the Northeast Florida Region.

Exhibit 15 – Wireless Communication Towers



Source: Federal Communications Commission, FCC Wireless Telecommunications Bureau, Antenna Structure Registration

Workforce Development

In order to meet needs and skill set requirements of future and emerging industries, it is important to assess the existing workforce and workforce development attributes of the Region. The information on workforce development contained in the CEDS was compiled from existing sources. By compiling information from existing sources, duplication of the good work and efforts already being done by economic development agencies throughout the Region was avoided.

Firms are increasingly more likely to make location decisions based on the presence of a skilled workforce, one that is of high quality and high-productivity, rather than just based on traditional economic development conditions (i.e., taxes, cost of living). As the regional population seeks higher-wage jobs, the need to develop, and, just as important, retain a skilled workforce in Northeast Florida will become even more important.

An asset to Northeast Florida is the growing and developing workforce; Northeast Florida has a regional labor force of more than 700,000, with a median age just under 37.

Military

Northeast Florida is fortunate in that there are three active military installations within the Region: Naval Air Station Jacksonville (NAS Jacksonville), Naval Station Mayport (NS Mayport) and Camp Blanding. These military installations employ both enlisted and civilian personnel in high-tech fields such as aeronautics. Every year, more than 3,000 highly trained, mission-oriented personnel exit or retire from military service, and 80% of those choose to stay in Jacksonville.[11] The key to capitalizing on the skill sets of these military personnel is in retaining them once they leave the military.

Education

From an educational attainment perspective, Northeast Florida is consistent with the Florida as a whole. Region wide, 51% of households have a high school degree or less educational attainment rate; 43.3% attained a bachelor's degree; and 5.2% hold a graduate degree.[12]

In the *Road Map to Florida's Future*, Enterprise Florida identifies "Build World-Class Talent" as one of six strategic priorities for economic development. There is concern within the Region that there will be an increasingly large gap between the skill sets of our current workforce and those that will be needed by future employers. The following table shows the drop-out rate and school district ranking (state).

Exhibit 16 – Dropout Rates and School District Ranking

COUNTY	DROP-OUT RATE	SCHOOL DISTRICT RANKING
Baker County	3.7	17
Clay County	1.9	10
Duval County	6.6	59
Flagler County	1.9	36
Nassau County	3.4	4
Putnam County	4	58
St. Johns County	2	7

Source: Florida Department of Education, 1989-1999 thru 2005-2006

[11] Source: Jacksonville Chamber of Commerce
[12] Source: Florida Department of Education

Northeast Florida has several 4-year universities including the University of North Florida, Jacksonville University, Florida State College at Jacksonville, Flagler College, and the University of Phoenix. In addition to these, the Region is within proximity to the University of Florida, Florida State University, the University of Central Florida, Embry-Riddle University, and Florida A & M. In addition to under-graduate and graduate degrees, the Region's community colleges and universities also provide career and technical education and continuing education programs. In order to meet the needs of employers, both certificate and degree programs in high-demand skill sets and occupations are offered.

There are many colleges and universities that are either within the Northeast Florida Region or are within proximity to it, including: Jacksonville University, the University of North Florida, Florida State College at Jacksonville, Edward Waters College, the University of Florida, the University of Central Florida, Florida State University, Bethune-Cookman University and Flagler College. The University of North Florida, the University of Florida, the University of Central Florida, the University of Florida, and Jacksonville University all offer engineering as well as MBA programs.

Northeast Florida is fortunate to have specific programs that are designed to develop a competitive workforce. This includes the Aviation Center of Excellence, a leading training center for aviation-related skills established by Florida State College at Jacksonville.

The Florida Department of Education operates Florida's Workforce Education Program, which provides "career and technical education as well as other educational services to help students attain those skills that enable them to become or remain economically self-sufficient." Workforce programs are designed to serve people entering the workforce for the first time; those who desire to enhance or improve their skill sets; and retraining workers so that their skill sets match those needed by future industries and employers.

Florida's Workforce Education Program provides occupational training through certificate, apprenticeship, and associate degrees in applied science. Services provided in Florida's Workforce Education Program include:

- **Adult Education** includes basic education for adults
- **Adult Certificate Programs** train persons in job-specific competency areas including family and consumer science, industrial education, marketing and public service occupations
- **Apprenticeship Programs** partner employers with local educators

- **Associate in Applied Science** and **Associate in Science** are offered at community colleges throughout the Region
- **Continuing Education** improves the skill sets of those already employed

Workforce Florida, Inc. is Florida's partnership program for workforce training and provides "…programs such as Quick Response Training and Incumbent Workforce Training to help existing and new companies recruit, train and maintain cutting-edge skills and keep pace with new technologies."[13] Workforce Florida maintains Banner Centers, which "…are designed to serve as a statewide, go-to resource for cutting-edge training for entry-level and experienced workers who need to upgrade their skills in high-value sectors such as biotechnology, aviation/aerospace, health sciences, logistics and distribution, construction, energy, alternative energy, digital media and manufacturing."[14] Banner Centers are operated in conjunction with Florida's community colleges and universities, and partner with targeted industry sectors.

In addition to the aforementioned programs, the following workforce development programs are offered:

- **Quick Response Training (QRT)**[15]
  The intent of this program is to provide specialized training to new workers or retraining for current employees to meet changing skill requirements caused by new technology or new product lines and to prevent potential layoffs. This program provides customized employee training grants for new and expanding businesses that produce exportable goods and services. The QRT program is administered by WorkSource, the Jacksonville Region's workforce board, and can utilize local educational resources such as University of North Florida and Florida State College at Jacksonville.

- **Incumbent Worker Training Program**[16]
  This is a customized training program available for Florida companies that have been in operation for at least one year and demonstrating financial viability. Special preference is given to companies with 25 employees or less in distressed inner-city areas or whose grant proposals represent a significant upgrade to employee skills or a lay-off avoidance strategy.

Through workforce development efforts such as increased business and education partnerships, an educated, skilled, and desirable workforce is being created. This

[13] Source: Enterprise Florida
[14] Source: Workforce Florida
[15] Source: Workforce Florida
[16] Source: Workforce Florida

valuable workforce is positioning Northeast Florida as an attractive place for industries to expand and to relocate.

Workforce Development Strategic Findings

An asset to Northeast Florida is the growing and developing workforce: Northeast Florida has a regional labor force of more than 700,000, with a median age just under 37. Of this workforce, over 137,000 are available for emerging industries.

There are many colleges and universities that are either within the Northeast Florida Region or are within proximity to it, including: Jacksonville University, the University of North Florida, the University of Florida, and the University of Central Florida. Two of these universities, the University of Florida and the University of Central Florida, are part of the Florida High-Tech Corridor Council, which focuses on implementing a strategic approach to high-tech economic development.

Northeast Florida is privileged to have specific programs that are designed to develop a competitive workforce. This includes the Aviation Center of Excellence, a leading training center for aviation-related skills established by Florida State College at Jacksonville and Florida's Workforce Education Program, which provides occupational training through certificate, apprenticeship, and associate degrees in applied science.

Although there are existing workforce development programs and access to continued and higher education, the relationship between industries and colleges/universities needs to be strengthened so that: (1) the education system is producing high-skilled and high-valued future employees; and (2) existing employees can continuously augment their skill sets to remain relevant to emerging technologies.

The existence of a substantial military presence in the Region is a strategic advantage. The military provides the Region with a pool of highly trained, disciplined employees skilled in targeted industries such as aviation.

Regional Strengths

In terms of promoting economic development and accommodating new and expanding industries, Northeast Florida's strengths are extensive. The geographic location and physical infrastructure of the Region alone make Northeast Florida an ideal area for new and expanding industries. In addition to the strategic geographic location of the Region and the physical infrastructure, there are the quality of life factors, the availability of land, the existing workforce, and lack of a state income tax, which further the attractiveness of Northeast Florida for economic develop.

Intermodal Transportation

The Region is located on the Atlantic Ocean and has two deep-water ports: the Port of Fernandina and JaxPort. With the Region's existing roadways, rail lines, ports, and airports the Region has the existing multimodal infrastructure necessary for both receiving and exporting large amounts of freight. Interstate 95, the primary north-south highway along the eastern seaboard, and Interstate 10, the primary east-west highway along the southern United States, converge within the Region.

Availability and Affordability of Land

Northeast Florida has relatively large, inexpensive swaths of undeveloped land. According to the 2005 Florida land Value Survey performed by the University of Florida, the average price of "transition land"[17] in Northeast Florida ranged from $10,500 to $32,286 per acre; in Central Florida transition land ranged from $23,575 to $36,472 per acre; and in Southeast Florida transition land ranged from $66,667 to $137,500 per acre. In addition to affordability, because of the availability of large areas of land, large industrial development can still occur without the fear of impacting residential areas, thereby reducing the likelihood of NIMBY (Not In My Back Yard)ism.

Quality of Life

Increasingly, employers are making decisions in regards to expanding or relocating based on the quality of life within an area or region, and not exclusively on financial advantages. Northeast Florida offers a warm, sunny climate without the typical trappings, such as congestion and higher costs of living, associated with other areas of Florida (i.e., Orlando, Tampa and Miami).

Geography

Northeast Florida is situated on the Atlantic Ocean and has nearly 100 miles of coastline. Additionally, the St. Johns River, which at over 300 miles in length is the

[17] "Transition Land" is land that may be used for agricultural purposes, but is either being converted, or is likely to be converted, to nonagricultural uses.

longest river in the State of Florida, extends throughout the Region. In 1998, the St. Johns River was named one of 14 American Heritage Rivers.[18] These water bodies offer the potential of waterborne transportation of both cargo and passengers. Additionally, the St. Johns River and its lakes and tributaries offer world-class fresh water fishing, as well as canoeing and kayaking.

Sports

In addition to offering many outdoor opportunities for nature lovers, Northeast Florida has world-class golf courses—TPC (Tournament Players Club) Sawgrass and its Stadium Course have been home to the PGA Players Championship since 1974, world-class fresh- and salt-water fishing, professional football (Jacksonville Jaguars) and is in close proximity to several Division I college sports teams—the University of Central Florida Golden Knights, the Florida State Seminoles and the University of Florida Gators.

Trained/Skilled Workforce

The Northeast Florida workforce is substantially trade oriented as both retired and former military personnel stay within the Region. Military men and women are trained by the world's largest system of technical training facilities—those operated by the Department of Defense, in emerging industries such as aerospace.

According to a May 2008 Jacksonville, Florida Area Labor Availability Report prepared by The Pathfinders, there is a civilian labor force of over 700,000 people in Northeast Florida, 137,300[19] are available for new or expanding businesses. According to the May, 2008 Jacksonville, Florida Area Labor Availability Report, of these 137,300 people, at least 7,000 have experience in the aviation field; at least 20,900 have experience in manufacturing/assembly/fabrication; at least 22,900 have experience in medical/health sciences; and at least 27,800 have experience in financial services. All of the aforementioned worker experience is within growing, desirable industry clusters or targeted industries for Northeast Florida.

Hurricanes

Northeast Florida is susceptible to hurricanes. However, there is a mistaken belief that Northeast Florida is less vulnerable to hurricanes than the remainder of the State of Florida. Although referred to as strength, this is also a misconception.

[18] American Heritage Rivers are designated by the US Environmental Protection Agency as water bodies that, because of their importance, are targeted for increased strategies for natural resource and environmental protection, economic development, and histories/cultural preservation.

[19] Includes unemployed, underemployed, and those who are not actively seeking employment, but would consider re-entering the workforce.

Health Sciences

Northeast Florida is home to several world-renowned hospitals, including Nemours Children Hospital, Shands (affiliated with the University of Florida), and the Mayo Clinic. Additionally, there are two medical schools near the Region: the University of Central Florida, College of Medicine in Orlando and the University of Florida, College of Medicine in Gainesville.

Homestead Exemption

Florida is a homestead exemption state, meaning that every person(s) that own(s) a home in Florida and occupies it as their permanent residence automatically receives an exemption. Florida's homestead exemption reduces the assessed value (i.e., taxable value) of their primary residence by $50,000.[20] Beginning in 1994, the assessed (taxable) value of a homesteaded property in Florida can only rise by 3% a year or less. With the passing of Amendment 1 in 2008, the homesteaded value savings of a home can transfer to a new property in Florida, thereby affording people the opportunity to upgrade their homes without substantially increasing their tax burden.[21]

Regional Cooperation

Regionalism focuses increasing the strength of a region through intergovernmental coordination and cooperation: the philosophy of regionalism is essentially that "all ships rise on a rising tide." The Northeast Florida Region is at a competitive advantage due to collaboration and coordination of many regional organizations and local governments within Northeast Florida, such as Cornerstone Partners (a regional chamber of commerce), the Northeast Florida Regional Council (a regional planning agency), and the North Florida Transportation Planning Organization (the regional transportation organization).

Lower Cost of Living

Affordability is another quality of life indicator. In 2008, the Jacksonville area was listed on the Forbes list of 10 best cities to buy a home. For the first quarter of 2009, Jacksonville had a National Association of Home Builders (NAHB) Housing Affordability Ranking of 80.5, meaning that 80.5% of the homes were affordable to those making at least the median income level of the area.

The Northeast Florida Region has other cost of living advantages: first, there is no state income tax in Florida; second, according to a report by the American Chambers of

[20] The first $25,000 applies to all property taxes, including school district taxes. The additional exemption up to $25,000, applies to the assessed value between $50,000 and $75,000 and only to non-school taxes.

[21] For assessment purposes, the tax liability of a homesteaded property does not carry over; rather, the difference between the assessed and appraised value of a homesteaded property carries over (i.e., is portable).

Commerce Research Association, Jacksonville has the lowest cost of living of any major city in Florida; and, third, the cost of living in Northeast Florida is 8.67% less than the national average.

Tourism

In addition to miles of beaches, golfing, professional and college sports, and other outdoor activities such as fishing, kayaking, canoeing, and boating, Northeast Florida is home to the nation's oldest city: St. Augustine. Founded in 1565, St. Augustine is the oldest, continuously occupied city within the United States.

Northeast Florida is also within proximity to major attractions outside of the Region such as Disney World and Sea World in Orlando, Savannah (Georgia) and Jekyll Island (Georgia).

Cecil Commerce Center

Cecil Commerce Center, formerly a military airbase, has 17,000 acres of land available for development. It is located 23 miles from a deep-water port (JaxPort's Dames Point Marine Terminal), has a commercial airstrip, is directly accessible to Interstate-10, and is both entitled and master planned for industrial development.

Regional Weaknesses

Although couched as “weaknesses”, many of the issues discussed in this section of the CEDS could be more accurately described as competitive disadvantage factors. Portions of these factors, or weaknesses, are not specific to Northeast Florida; rather, they are statewide. Other weaknesses are specific to the Region, and place Northeast Florida at both a competitive disadvantage to other regions within the State as well as at a national disadvantage.

Development Costs

The relatively high cost of development in Florida, as compared with adjoining states such as Georgia, is felt in both time and money. Florida has an extensive range of growth management laws and regulations. For large, regionally significant developments, the entitlement process can take years and result in tens of millions of dollars in mitigation fees (i.e., new or expanded roadway construction, land dedication for schools, emergency services, and right-of-way, etc.)

Primary and Secondary Education

In 2008, Florida the education system in Florida ranked 36th out of 51 (includes Washington, DC).[22] In 2006, Florida graduated 59.4% of its high school students, which is far below the 70.2% national high school graduation rate. For ACT and SAT scores, Florida was in the bottom 12% and 17% respectively. In terms of expenditures per student, Florida ranked 40th out of 51 (includes Washington, D.C.) during the 2006/2007 school year.

Compared with the rest of the State, Northeast Florida has two of the worst school districts in the State: Putnam County is ranked 58th and Duval County is ranked 59th out of 74 districts. Dropout rates range from a low of 1.9% in Flagler County to a high of 6.6% in Duval County.

Percentage wise, the Region’s bachelor degree attainment level is higher than the State average. The Region’s graduate degree attainment rate of 5.2% is less than the State’s 6.7% graduate degree attainment rate.

Infant Mortality

According to the National Vital Statistics System, in 2002 the southern United States generally had higher infant mortality rates than the national average. Between 2000 and 2002, Florida exceeded the national average of infant deaths per 1,000 live births: the

[22] Source: American Legislative Exchange Council

national average was 6.9 infant deaths per 1,000 live births; Florida averages between 7.0 and 7.9 infant deaths per 1,000 live births.

According to the State of Florida Department of Health, in 2007 the statewide infant mortality rate in Florida was 7.06 deaths per every 1,000 live births. Both Duval and Putnam Counties slightly exceeded the state-wide infant mortality rate.

Crime

In 2007, the Regional crime rate was 3,755 incidents of crime per every 100,000 persons. This is less than the statewide average of 4,632 incidents of crime per every 100,000 persons. However, both Putnam and Duval Counties have higher incidents of crime than the statewide average (Duval = 6,081 incidents per every 1000,000 persons; Putnam = 5,486 incidents per every 100,000 persons). Of the 1,129 murders committed in Florida in 2007, 144 occurred in Northeast Florida.

Digital Divide

The term “digital divide” refers to the inequities between people with ready access to digital technology and those with no, or very limited, access. Digital divide refers to not only the physical accessibility to technology, but also to the inequities in knowledge and skills needed to capitalize, if not participate, in the digital world. Specifically, the following illustrates the digital divide in Florida:

- 70% of households in Florida earning less than $15,000 per year do not own a computer compared to 39% of all Florida’s households and 38% of all households nationally.[23]
- 78% of households in Florida earning less than $15,000 per year do not use the Internet at home compared to 44% of all Florida’s households and 45% of all households nationally.[24]
- 8% of households in Florida earning less than $15,000 per year have broadband compared to 20% of all Florida’s households and 20% of all households nationally.[25]
- Among the 50 states and the District of Columbia, Florida ranks 29th in percentage of households with a computer, 22nd in percentage of households with Internet access and 19th in percentage of households with broadband access.[26]

[23] US Census Bureau, Current Population Survey: Computer and Internet Use 2003, special tabulation by the US Department of Commerce. Calculation by The Children’s Partnership. 2003 represents the most recent data available.
[24] Ibid. Calculation by The Children’s Partnership.
[25] Ibid. Calculation by The Children’s Partnership.
[26] Ibid. Rankings calculated by The Children’s Partnership. A ranking of #1 represents the best state; a ranking of #51 represents the worst.

Water Availability

Currently, Flagler County is in a Water Resource Caution Area (WRCA), meaning that projected demand for water may exceed its availability. It is expected that the remainder of Northeast Florida will be within a Water Resource Caution Area within the next few years. In addition to water availability, there is a lack of Region-wide potable water distribution systems. While individual well systems may accommodate low-density residential development, it is not conducive for supporting industrial growth throughout the Region.

Property Insurance

Florida has been hit by nine of the ten most expensive hurricanes in U.S. history[27] and our homeowner and flood insurance rates reflect that. Behind Texas, Florida is the most expensive state for homeowner premiums in the country with an average premium of approximately $1,400 dollars.[28]

Lack of Support for Small Business

With the exception of programs through entities such as the Small Business Administration, in Northeast Florida, there is a lack of access to capital and a lack of other resources and support for small business development, such as business incubators, small business mentoring, and other small business support systems. Additionally, there is a lack of help for successful small businesses transitioning to medium or large businesses.

Lack of High Tech Incubators

Northeast Florida is readily accessible to large state universities (the University of Florida, the University of North Florida, and the University of Central Florida), numerous private colleges, and community colleges; however, the Region does not have a high tech business incubator to take advantage of the technological advances being made at these institutes. Despite being contiguous to the Florida High Tech Corridor, there is not Region-wide organization designed to foster the transition of technological advances from the research and design phase to commercialization.

The *Florida High Tech Corridor Council (FHTCC)* is a consortium of more than 20 local and regional economic development organizations, three universities (the University of Central Florida, the University of South Florida, and the University of Florida), and 14 community colleges operating within a 23 county region of Florida. The FHTCC focuses on implementing a strategic approach to "high tech economic development that involves matching funds research, workforce development, and a marketing program leveraging

[27] Source: Insurance Information Institute; based on insured losses for property coverage in 2007 dollars.
[28] Source: 2009 National Association of Insurance Commissioners

governmental, academic, economic development organizations, and corporate budgets on a regional rather than local basis."[29]

Worker Compensation Costs

Nationally, private industry employee compensation costs are rising. Between June 2008 and June 2009, private industry compensation costs rose 1.5%.[30] Behind California and Hawaii, Florida has the third highest worker compensation costs in the nation.[31]

Art and Culture

Northeast Florida is not known as a cultural hub. Unlike South Florida, the Region is not heavily influenced by other cultures such as Latin America; and unlike Chicago and New York, the Region is generally not associated with world class museums, music or theater. In part, this contributes to the "second city" perception of the Region.

Not a Philanthropic Region

This regional weakness is borne by the State of Florida as a whole. According to Forbes Magazine, the State of Florida ranks 41st out of 50 states in terms of generosity of volunteer time and donation of personal wealth.[32] While the national average for percent of personal wealth and assets donated in 2006 for those making $200,000 and over was 0.7%, Florida averaged .57%.[33] In terms of volunteering, only 22.7% of Floridians volunteered their time in 2006[34]. As a comparison, in Georgia 26.1% of the population volunteered their time; and in Alabama 31.7% of the population volunteered.[35]

[29] Source: Florida High Tech Corridor, www.floridahightech.com
[30] Source: Bureau of Labor Statistics
[31] Source: The National Federation of Independent Business
[32] Source: Forbes Magazine, America's Most Generous States, October 24, 2006
[33] Source: Forbes Magazine, America's Most Generous States, October 24, 2006
[34] Source: Forbes Magazine, America's Most Generous States, October 24, 2006
[35] Source: Forbes Magazine, America's Most Generous States, October 24, 2006

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Goals and Objectives—Building the Pillars

The Goals and Objectives developed by the CEDS Committee reflect Northeast Florida's aim to reach a balance between economic development and quality of life; develop a highly marketable workforce; and create an equitable distribution of employment and the infrastructure necessary to support it throughout the Region. The CEDS Committee, through accumulating and analyzing large amounts of state and regional data, developed a broad and thorough understanding of the Region's Strengths and Weaknesses. With this analysis, the CEDS Committee developed Goals and Objectives that:

- Use the strengths of the Region to their full potential, while overcoming Northeast Florida's weaknesses
- Capitalize on opportunities, while minimizing the threats facing Northeast Florida

Talent Supply & Education—Goals

Goal 1—Improve Education in Northeast Florida

- **Objective 1.1**—Decrease dropout rates
- **Objective 1.2**—Increase graduation rates
- **Objective 1.3**—Ensure that education curriculum is preparing children for high-tech jobs.
- **Objective 1.4**—Increase school district rankings within the state

From an educational perspective, the Northeast Florida Region is on par with state averages in terms of high school degree attainment levels. Percentage wise, the Region's bachelor degree attainment level is higher than the State average. The Region's graduate degree attainment rate of 5.2% is less than the State's 6.7% graduate degree attainment rate.

In order to be competitive in attracting tomorrow's industries; the Region needs to be above state-wide education averages. Northeast Florida is competing against other regions in Florida, such as the Tampa Bay Region, that have higher four-year high school graduation rates, lower dropout rates, and higher percentages of college graduates.

Innovation & Economic Development—Goals

Goal 2—Create Regional Employment Centers in Northeast Florida

- **Objective 2.1**—Create regional "mega sites" as regional employment centers

- **Objective 2.2**—Entitle property owners within regional employment centers to create "shovel ready" projects
- **Objective 2.3**—Create expedited permitting procedures for development within regional employment centers

Cecil Commerce Center is the Region's largest industrial and business park site at 17,000 acres. Although it is directly accessible to I-10, the primary east-west corridor in the southern United States, it may not be the optimal site for every industry. By creating strategically located, shovel-ready "mega sites", increased site selection opportunities within Northeast Florida is advantageous for the Region.

The land entitlement process in Florida for large-scale developments can take years to complete, and require review and approval by various local, state, and Federal governing bodies and agencies. Once entitled, developers must permit the lands for development, which can take months. Although these requirements serve to ensure safe, orderly development, the large amount of time they require can discourage companies from locating or expanding in the Region.

Infrastructure & Growth Leadership—Goals

Goal 3.1—Improve and Expand Infrastructure throughout Northeast Florida

- **Objective 3.1.1**—Completion of Route 9B
- **Objective 3.1.2**—Completion of the "Outer Beltway"
- **Objective 3.1.3**—Develop and fund a commuter rail line throughout the Region
- **Objective 3.1.4**—Increase availability of centralized water and sewer throughout the Region
- **Objective 3.1.5**—Increase availability of natural gas throughout the Region

Northeast Florida is fortunate in that it has the convergence of a national north-south/east-west connector. Interstate 95 (I-95) is the primary north-south connector within the Region and extends from Maine to South Florida; Interstate 10 (I-10) extends from Santa Monica, California to Jacksonville, Florida. These two highways, which converge in Jacksonville, form the skeleton for interstate, and intrastate, movement of goods.

In order to capitalize on these interstate highways, the Region's challenge is to create a regional roadway network that allows for the quick and efficient movement of freight within the Region. Creating an environment for the quick and efficient movement of freight will require both roadway and rail expansions and improvements, as well as decreasing roadway demand by commuters and single-occupancy, non-commercial vehicles.

The Region is currently at a competitive disadvantage because of the lack of Region-wide potable water, sanitary sewer, and natural gas availability. The lack of these systems is an impediment to creating and expanding large-scale industrial and business centers throughout the Region.

Goal 3.2—Create a Regional Land Use Plan

- **Objective 3.2.1**—Develop a user-friendly regional land use, roadway, utility, railway, seaport and protected lands map
- **Objective 3.2.2**—Identify preferred and potential large-scale industrial, business, and commercial sites
- **Objective 3.2.3**—Increase intergovernmental coordination in local government land use decisions

Northeast Florida has a very diverse geographic landscape. Much of the southwestern portion of the Region is rural and used for agricultural and timberland uses. The north and northeastern portions of the Region have urban and suburban development. The eastern portion of the Region has urban coastal communities along with undeveloped marshes, barrier islands, and protected lands.

The Region differs in physical development and access to infrastructure as well as geographic diversity. Consequently, specific areas of the Region may be more suitable for certain industries. Consequently, a user-friendly and interactive tool for industrial, business and commercial site-selection, such as a regional land use and infrastructure map, would be beneficial to business desiring to expand or locate in Northeast Florida.

Northeast Florida has 7 counties and 27 municipalities. Therefore, large-scale land use and entitlement decisions often result in cross-jurisdictional impacts. Coordinated land use decision making throughout the Region would mitigate cross-jurisdictional impacts.

Business Climate & Competitiveness—Goals

Goal 4—Make Northeast Florida Conducive For Small Business Success

- **Objective 4.1**—Promote the successful development of entrepreneurial companies and small businesses through development of Northeast Florida business incubators
- **Objective 4.2**—Increase access to capital for small business
- **Objective 4.3**—Increase access to shared services
- **Objective 4.4**—Further relationships with colleges and universities

- **Objective 4.5**—Ensure that prioritization is given for small businesses in government contracts

Creating an environment that is conducive to small businesses requires resource and support services such as business development, access to capital, marketing assistance, links to strategic partners, etc. Northeast Florida is fortunate to have the Small Business Development Center (SBDC) at the University of North Florida (UNF). The SBDC sponsors more than 100 workshops each year, and serves 18 Florida counties. However, the CEDS committee has identified a need for Region-wide business incubators.

Business incubators are designed to help entrepreneurs develop successful businesses by providing resources and support to small and emerging businesses. In 2005, business incubator programs helped over 27,000 companies, which in turn employed 100,000 workers, and had revenues of $17 billion.[36] In addition to business incubators and small business development initiatives, small businesses and entrepreneurs can benefit from the Region's universities.

There are several universities within the Region, including University of North Florida, Jacksonville University and Florida State College at Jacksonville. In addition, the University of Florida and the University of Central Florida are both within proximity to the Region. Through fostering stronger ties between the business community and the university system, products and services can more readily be taken from research and design to commercialization.

Small businesses are often dependent on government contracts. In part, thanks to small business advocacy organizations such as the U.S. Small Business Administration, federal agencies are required to bid at least 23% of their purchasing of goods and services to small businesses. The State of Florida, through the Department of Management Services and Florida Administrative Rule 60A.9002, Minority Business Assistance Utilization Plan, requires that state agencies develop a plan for procurement that includes targeting bid solicitations from minority-owned businesses. Additionally, many of our counties and municipalities have provisions within their purchasing and procurement award criteria that give priority to small and minority owned businesses.

Civic & Governance Systems—Goals

Goal 5—Increase regional awareness

- **Objective 5.1**—Inventory and market regional assets
- **Objective 5.2**—Create a regional image
- **Objective 5.3**—Create a regional marketing effort

[36] Linda Knopp, 2006 State of the Business Incubation Industry. Athens, Ohio: *National Business Incubation Association*, 2007

By and large, when non-Floridians think of Florida they think of either Miami Beach or Orlando (i.e., Disney World). All of Florida is inaccurately categorized by these two specific places. The challenge for Northeast Florida is to exploit its positive similarities with Miami Beach and Orlando, while at the same time disassociating itself with the negatives. Northeast Florida has the Florida sunshine, miles of coastline and beautiful beaches, as well as no state income tax. Northeast Florida does not have the congestion and costliness of either Miami Beach or Orlando.

Regions are often associated with, and referred to by, the largest city within them. For the Northeast Florida Region, the largest city is Jacksonville. Jacksonville, although more widely known since obtaining a National Football League franchised team (Jacksonville Jaguars) and hosting of the Super Bowl in 2005, is still viewed on the national scale as a "second tier" city. The challenge for the Region is to rebrand itself, not as a parallel city to Chicago or New York, but as an alternative to them.

Unlike other regions within Florida, Northeast Florida contains a wealth of diversity all within a relatively short distance of each other. Downtown Jacksonville, the urban core of the Region, is within 45 minutes of downtown historic St. Augustine, the nation's oldest city. Additionally, the Region contains dense, as well as sparsely, developed coastal communities, fresh-water fishing, golf, and other outdoor activities, and both fresh- and salt-water boating.

Northeast Florida is clearly a family and business friendly environment, and has the aspects of Florida people desire, without the negative attributes associated with other, better-known areas of Florida.

Quality of Life & Quality Places—Goals

Goal 6—Create a Sustainable, Full-Service Community

- **Objective 6.1**—Create a job/home balance within the individual counties
- **Objective 6.2**—Ensure there is equitable distribution of infrastructure and support facilities—such as schools, hospitals, and libraries—throughout the Region
- **Objective 6.3**—Promote alternatives to single-occupancy vehicle commuter trips

Historically, much of the Region has served as bedroom communities to the City of Jacksonville. To a great extent, this is still true today. In all probability the City of Jacksonville will remain the business and industrial hub; however, long-term sustainability within the Region is dependent on distribution of both jobs and housing throughout the Region. In cost of providing services alone, it is widely recognized that residential land demands more money spent on services than it supplies through taxes. Conversely, commercial, industrial and agricultural lands require less money to be spent on services than they contribute in tax dollars.

Increasingly, quality of life indicators are being incorporated into business location decision making processes. Employers recognize that employees make life decisions based on a variety of criteria, such as the quality of a school district, access to parks and open space, affordability, access to the arts, average commute times, access to public transit, etc. Ensuring that these services and facilities are of high-quality and distributed throughout the Region will serve to make Northeast Florida an attractive location for employers.

Plan of Action

Each Pillar Becomes a Target Area in the Plan

The plan of action, as described in the CEDS, implements the goals and objectives of the CEDS.

Talent Supply & Education

Maximizes effective development and use of the workforce consistent with any applicable State or local workforce investment strategy

- **Goal**—Create regional employment centers in Northeast Florida
- **Goal**—Improve education in Northeast Florida
- **Program**—Create business incubators and increase small business access to capital

Actions to achieve Goal:

- Promote workforce development
- Enhance relationships between industry and education institutions to:
  - ensure curriculums are catering to the current and future needs of industries
  - promote workforce development through continued education
  - include “on-the-job” training as part of a curriculum
- Prioritize those projects that have been identified as within the targeted industries and industry clusters by Enterprise Florida

Innovation & Economic Development

Obtains and utilizes adequate funds and other resources

- **Program**—Create business incubators and increase small business access to capital

Actions to achieve goal:

- Effectively leverage public dollars and maximize private investment
- Create industry and business incubators
- Expand small and emerging business access to support services
- Increases the purchasing power of small businesses through joint and cooperative efforts

Infrastructure & Growth Leadership

Fosters effective transportation access, promotes the use of technology in economic development, including access to high-speed telecommunications

- **Goal**—Improve and expand infrastructure throughout Northeast Florida
- **Program**—Increase and improve regional infrastructure and technological and high-speed interconnectivity

Actions to achieve Goal:

- Increase roadway capacity when needed
- Provide for alternative transportation (i.e., transit)
- Promote multi-modal movement of freight

- **Program**—Establish Northeast Florida as a research, development and design center; as a center of research and development applications for sustainable initiatives; and establish links between research, design and commercialization

Actions to achieve Goal:

- Expand or enhance the infrastructure necessary for high-speed telecommunications, and increase accessibility to the internet
- Further the objective of making Northeast Florida a hub for high-tech industries
- Increase accessibility to high-speed telecommunications
- Prioritize those projects that promote research to market relationships

Business Climate & Competitiveness

Promotes economic development and opportunity

- **Goal**—Make Northeast Florida conducive for small business success
- **Goal**—Create regional employment centers in Northeast Florida
- **Program**—Create business incubators and increase small business access to capital
- **Program**—Increase industrial park entitlements and shovel-ready lands
- **Program**—Establish and enhance intermodal system for the movement of freight; encourage development and enhancement of inland ports; increase airport passenger and freight capacity; and increase access to public transportation, rail, etc.

Actions to achieve Goal:

- Create or enhance resources and support for small business development and expansion
- Increase small business access to capital
- Expand the amount of shovel-ready industrial and business park land
- Prioritize those projects relating to targeted industries
- Actively put forth efforts to reduce land entitlement time and costs while retaining mechanisms to ensure the protection of the environment and natural resources

Civic & Governance Systems

Balances resources through sound management of physical development.

- **Goal**—Create a regional land use plan
- **Program**—Establish Northeast Florida as a research, development and design center; as a center of research and development applications for sustainable initiatives; and establish links between research, design and commercialization

Actions to achieve Goal:

- Inventory lands suitable for industrial and business park development, infrastructure (i.e., roadways, potable water, sewer, natural gas, fiber optics, etc.) and lands not suitable for industrial or business park development to create a regional land use map
- Create a regional alternative energy master plan
- Promote green development
- Protect agricultural lands

Quality of Life & Quality Places

Enhances and protects the environment.

- **Goal**—Create a sustainable, full-service community
- **Program**—Establish Northeast Florida as a research, development and design center; as a center of research and development applications for sustainable initiatives. Establish links between research, design and commercialization

Actions to achieve Goal:

- Focus on alternative energy supplies
- Create a housing-jobs balance
- Reduce demand for resources (i.e., energy)

In developing the Plan of Action, the CEDS Committee categorized the Goals and Objectives and the Programs and their corresponding Projects into one of the six pillar areas identified above. Using a Program and Project Subcommittee, the Committee vetted through over a dozen suggested Programs and over eighty suggested Projects. The result of this process was the identification of five vital Programs and four suggested Projects.

As part of the Plan of Action, the CEDS Committee will meet on an as needed basis to identify new, or modify existing, Programs and Projects. The actions of the CEDS Committee will result in a CEDS amendment that will be forwarded to the Northeast Florida Regional Council Board for approval. After a required 30-day public comment period, a CEDS amendment will be forwarded to EDA.

The Plan of Action demonstrates how the Goals and Programs address the full range of requirements of the CEDS Strategy. The Actions are long and short-term strategies that the region needs to consider in decision making in order to achieve the Goals and address the Programs.

State Economic Development Priorities

In developing the CEDS and assessing the Goals, Objectives, Programs and Projects, the CEDS Committee remained cognizant of the statewide economic development efforts of Enterprise Florida. The result is a CEDS that is consistent with, and furthers the efforts of, Enterprise Florida's *Roadmap to Florida's Future*, 2007-2012 Strategic Plan for Economic Development.

As illustrated by the Programs and Projects adopted as part of the CEDS, Northeast Florida's economic development objectives parallel the State's goals to: attract and retain globally competitive businesses; create and retain high-paying jobs; and maintain a high quality of life throughout Florida.

The CEDS Plan of Action to accomplish the Region's economic Goals and Objectives builds upon the following six priorities identified in the *Roadmap to Florida's Future*:

- Build World-Class Talent
- Ensure Business Climate Competitiveness
- Promote Sustainable Development to Ensure Florida's Superior Quality of Life
- Invest in Florida's Innovation Economy
- Establish Florida as a Pre-eminent Global Hub
- Accelerate Florida's Economic Diversification

In addition to being coordinated with Florida's economic development priorities and programs, the CEDS was coordinated with the existing economic development initiatives with the Region's economic development organizations and initiatives. Through maintaining an ongoing relationship with the Cornerstone Regional Development Partnership, the Region's economic development initiative, implementation of the CEDS with continued coordination will be ensured.

Strategic Projects, Programs and Activities

Priority Projects under Each Pillar

The Comprehensive Economic Development Strategy must contain a section that identifies regional projects, programs, and activities designed to implement the Goals and Objectives of the Comprehensive Economic Development Strategy. This section should identify and describe:

Vital Projects

A prioritization of vital projects, programs, and activities that address the region's greatest needs or that will best enhance the region's competitiveness, including sources of funding for past and potential future investments. These can be overarching "themes" for regional economic development success and is expected to include components. Funding sources should not be limited to EDA programs.

- Talent Supply & Education
- Innovation & Economic Development
- Infrastructure & Growth Leadership
- Business Climate & Competitiveness
- Civic & Governance Systems
- Quality of Life & Quality Places

Suggested Projects

All suggested projects, programs and activities, and the projected number of jobs to be created as a result.

Lead organizations responsibilities for execution of the projects.

Talent Supply and Education

Suggested Projects

Green Business/Energy Study

A number of incentives and other regulatory tools are being employed in Florida to promote the use of renewable energy sources, and promote innovation in the clean energy field. Florida has several clean-energy and alternative fuels research centers that have expertise in clean energy technologies as well as in supporting fields like nanotechnology, biochemistry, and engineering. Ultimately, Northeast Florida has to capitalize on the research being done, and take that knowledge from design to commercialization. The first step is for the Region to understand where its competitive advantages lie, and how to employ those advantages.

The study will include, at a minimum, analysis of the existing green fuel types, such as methane gas, municipal solid waste (MSW), water, solar, and solid-fuel (biomass) sources such as paper and lumber industry waste (e.g. wood pellets).

In a report published by the *Renewable Energy Policy Project*, there is high potential for Florida to supply the green energy infrastructure necessary for a nation-wide 15% reduction in greenhouse gas emissions. Twenty counties in Florida were identified as having the greatest potential for producing this infrastructure. Included in these 20 counties were Duval, Putnam, and St. Johns Counties, all of which are within the Region.

According to the report, the following are Florida's green energy types and their corresponding manufacturing jobs;

Exhibit 17 – Green Energy & Manufacturing Jobs

TYPE	# MANUFACTURING JOBS (WITHIN THE STATE OF FLORIDA)
Wind	8,467
Solar	7,718
Geothermal	1,070
Biomass	1,449
Total	18,704
Costs (for the study)	$250,000
Jobs	1,626 (regional, long term manufacturing)[37]
Funding sources	Federal, grants, universities, industrial trade groups

Innovation and Economic Development

Suggested Projects

Industrial Lands Study

The First Coast Region has large swaths of undeveloped land that is both inexpensive (relative to other regions in Florida), and accessible by both rail and roadway. However,

[37] Source: Renewable Energy Policy Project (REPP); REPP is funded, in part, by both the US Department of Energy and the US Environmental Protection Agency.

much of the Region does not have ready access to potable water, sanitary sewer, and natural gas. The purpose of this Industrial Lands Study will be to identify, based on a set of criteria that will include environmental constraints, proximity to rail, potable water, sanitary sewer, natural gas, and major north-south/east-west arterial roadways, those properties most suitable for industrial development.

Ultimately, the study will be used for two purposes: first, as a basis for prioritization of public infrastructure and funding; and, second, as the foundation for a regional marketing plan.

Exhibit 18 – Industrial Land Study

Costs	$500,000
Jobs	10 (near term) *note: it is estimated that industrial development due to the expansion of JaxPort will result in 7,200 jobs (see previous Suggested Project)*
Funding sources	Grants, chambers of commerce, industrial trade groups

Agriculture Impact and Strategy Study

Agriculture continues to play a large and important part in the economies of both Florida and the Region. According to the Florida Department of Agriculture and Consumer Services, in 2005:

- Florida had 42,500 commercial farms, utilizing 10 million acres to continue to produce a variety of food products;
- Florida ranked first in the United States for sales of snap beans, fresh market tomatoes, cucumbers for fresh market, cucumbers for pickles, bell peppers, squash and watermelons;
- Florida ranked first in the United States in the value of production of oranges, grapefruit, tangerines, and sugarcane for sugar and seed; and
- Florida ranked second in the United States in sales of greenhouse and nursery products, sweet corn and strawberries;

Additionally, Florida accounted for:

- 56 percent of the total U.S. value of production for oranges ($843 million);
- 52 percent of the total U.S. value of production for grapefruit ($208 million);
- 53 percent of the total U.S. value of production for tangerines ($68.4 million);
- 53 percent of the total U.S. value of production for sugarcane for sugar and seed ($433 million as of 2004);
- 49 percent of the total U.S. value of sales for fresh market tomatoes ($805 million);
- 44 percent of the total U.S. value of sales for bell peppers ($213 million);

- 31 percent of the total U.S. value of sales for cucumbers for fresh market ($73.7 million);
- 31 percent of the total U.S. value of sales for watermelons ($127 million)

The table on the following page shows the net cash income of farms in 2002 and 2007. As a Region, net income for farm operators decreased by over 29 million dollars between 2002 and 2007.[38]

Exhibit 19 – Net Cash Income (Farms)

	NET CASH INCOME (OF FARM[39] OPERATORS)		NET CASH INCOME DIFFERENCE BETWEEN 2007 AND 2002
	2002	2007	
Florida	$1,652,232,000	$2,268,275,000	$616,043,000
Baker County	$4,943,000	-$1,361,000	-$6,304,000
Clay County	$13,879,000	-$3,091,000	-$16,970,000
Duval County	-$3,650,000	-$3,136,000	$514,000
Flagler County	$7,044,000	$11,289,000	$4,245,000
Nassau County	$2,385,000	-$1,410,000	-$3,795,000
Putnam County	$19,663,000	$13,328,000	-$6,335,000
St. Johns County	$17,636,000	$17,269,000	-$367,000
Region	$61,900,000.00	$32,888,000.00	-$29,012,000

Source: USDA 2007 Census of Agriculture

Note: Net cash income = (total sales + government payments + other farm related income) – total farm expenses

The total market value of agricultural products for the Region cannot be determined because several Northeast Florida counties did not disclose the information. However, according to the USDA 2007 Agricultural Census, for those counties within the Region that did report, the total market value of agricultural products exceeded $130 million.[40] In addition to income, in 2007, of the 379 farms within Northeast Florida that reported as having employees, total payroll exceeded 27 million dollars.[41] In 2002 and 2007, farmers in several counties in the region experienced negative net cash income.

The purpose of the Agriculture Impact and Strategy Study (Agriculture Study) is not to duplicate the USDA Agricultural Census. Rather, the purpose of the Agriculture Study is to develop a guiding document for agriculture. The Agriculture Impact and Strategy Study will have multiple goals, including:

- To understand the long-term viability of agriculture in the Region based on historical trends;

[38] 2007 USDA Agricultural Census
[39] Does not include silviculture
[40] 2007 USDA Agricultural Census
[41] 2007 USDA Agricultural Census

- To determine the long-term cost/benefit to the Region of continued conversion of agricultural lands for non-agriculture uses, which shall include economic, environmental, sustainability, and preservation analysis; and
- To develop a long-term strategy for agriculture in the Region, including: a list of strategic crops, including food and non-food crops; a marketing plan; and a plan to increase value-added process within the Region (e.g. canneries)

Exhibit 20 – Agriculture Study

Costs (for the study)	$500,000
Jobs	1,000 full-time equivalents (long term)
Funding sources	State and Federal grants, trade associations

Increased Agricultural Production and Diversification Project[42]

This project will provide planning, startup, and implementation for a Regional 501(c)(4) not-for-profit business entity whose goal is to create a business model to revitalize and sustain small and medium farms in our Region, and share this model with other regions throughout the United States. It is intended to supply high-quality, locally grown fresh fruits, vegetables, and meat products to institution customers in Northeast Florida. The project will provide and facilitate, through a central hub, production, processing, and delivery of locally sourced food products to private and public institutional consumers.

Through technology infrastructure, it will be easy for large institutional customers to do business with small farmers through a single web-based user interface. This project and its technology infrastructure overcomes the difficulties of other Farm to Table programs that are well intended, but difficult to execute. It will create an entity to be the aggregator of fresh produce and beef to serve customers in the Region and beyond. It will add value to our community by increasing farm incomes and farm related jobs; providing ancillary jobs in the Region; promoting healthy lifestyles with better nutrition and access to high quality foods; developing sustainable agriculture practices; and creating a business model for reproduction throughout the United States.

This initiative will provide the opportunity to develop a project to create more jobs in our community, and improve farmers' livelihoods, while providing healthy, safe food to the citizens in our Region. Further, every aspect of this project is being designed so that this model may be replicated in "franchise" fashion in other regions throughout the United States and can serve as a catalyst to restore vitality to the American farming industry.

[42] Amended February, 2012 and adopted by the NEFRC Board

The project will provide for sorting, washing, light processing and packaging of fruit, vegetables, and meat products, as well as cold storage. An agri-tourism center will provide tours and training, an R&D kitchen, café and retail outlet for local fresh food products.

The project will aggregate regional crops, as well as meat products, and make them available for sale through a robust and scalable technology infrastructure and electronic catalog hosted in a secure environment on the internet.

The project will provide regular deliveries of fresh fruits, vegetables and meat products to customers within a 100 mile radius. Linking customers to locally grown and processed commodities is an eco-friendly model that will dramatically reduce the transportation component of the supply chain, thereby minimizing fossil-fuel consumption.

The project business model will address many other priorities in our economy and society today that include:

- Improving the quality of life of our military service men, women and retired veterans living on or near bases in the Region,
- Improving healthy food consumption of children in public school systems,
- Promoting healthy lifestyles through better nutrition, education and research and development,
- Lowering long term health care costs,
- Reducing childhood obesity, and
- Promoting sustainable agricultural practices, responsible land stewardship, and a green farm economy

Exhibit 21 – Agriculture Study 2

Costs:	$16,000,000 (over a 5 year period)
Jobs:	5,000 long-term
Funding Sources:	State and Federal Grants, Philanthropic Grants, Private

Infrastructure and Growth Leadership

Vital Programs

- **Program**—Increase and improve regional infrastructure and technological and high-speed interconnectivity.

Economic development efforts within the Region are, in large part, contingent upon improving, and in the case of potable water, sanitary sewer, and natural gas distribution expanding, infrastructure throughout the Region. Much of the Region is not serviced by either potable water or sanitary sewer. By expanding the availability of these throughout the Region, expanded site selection options, combined with the relatively large availability of inexpensive, developable lands, will place the Region in at a competitive advantage.

Suggested Projects

Outer Beltway

The First Coast Outer Beltway is a proposed four-lane limited access toll facility that will provide an additional connecting roadway between I-95 in St Johns County and I-10 in Duval County. A total of 13 new interchanges and a major bridge structure across the St. Johns River are also proposed. The total length of the proposed roadway is approximately 46.5 miles.

The First Coast Outer Beltway is to be constructed using a financing mechanism called a Public Private Partnership (PPP). The Federal Highway Administration (FHWA) has defined a PPP as follows:

> "Public-private partnerships" (PPP) refer to contractual agreements formed between a public agency and private sector entity (private business) that allow for greater participation by the private business in the building of transportation projects.

Exhibit 22 – First Coast Outer Beltway

Costs	$1.3-1.8 billion
Jobs	35,000 *(note: many will be temporary construction related jobs)*
Funding sources	Public-private partnership bond issuance; tolls to service the debt

Business Climate and Competitiveness

Vital Programs

- **Program**—Establish and enhance intermodal system for the movement of freight; encourage development and enhancement of inland ports; increase airport passenger and freight capacity; and increase access to public transportation, rail, etc.

Geographically, Northeast Florida is well suited for the importing and exporting of goods, both nationally and abroad. Both small business development and the creation of regional employment centers within the Region will greatly benefit from a strong system of deep-water ports, of which there are two in the Region; inland ports and other points of distribution; and a thorough multimodal transportation system. In order to maximize the efficiency of roadway distribution of freight, single-occupancy commuter trips, which are the primary mode of non-freight travel within the Region, need to be shifted to transit.

- **Program**—Create business incubators and increase small business access to capital.

As previously identified in the Strengths and Weaknesses section of the CEDS, there are existing small business development and support systems within the Region. However, in order to both increase the small business success rate in the Region and to maximize funds and resources, business incubators and access to capital needs to be expanded.

- **Program**—Increase industrial park entitlements and shovel-ready lands.

More fully discussed in the Strengths and Weaknesses section of the CEDS, the entitlement process for large development in Florida is both time consuming and expensive—more so than in other southeastern states such as Georgia. This creates not only a financial disincentive to relocate or expand in Florida, but makes the Region less able to respond to time sensitive development. By increasing the amount and availability of industrial and business park entitled lands within the Region, Northeast Florida more effectively capitalizes on its land supply.

Civic and Governance Systems

See Outer beltway, above

Quality of Life and Quality Places

Vital Programs

- **Program**—Establish Northeast Florida as a research, development and design center; as a center of research and development applications for sustainable initiatives; and establish links between research, design and commercialization.

Capitalizing on the Region's access to research and design facilities, and the agricultural base is vital in promoting long-term sustainability of the Region, both in terms of resources and economic prosperity. As previously identified in the Strengths and Weakness section of the CEDS, Northeast Florida has access to several major universities and research facilities, and is contiguous to the Florida High Tech Corridor. The active agriculture and silviculture operations provide a foundation for biomass and biofuel production. The challenge for the Region is to position itself, both in terms of infrastructure and partnerships, as an attractive location for the commercialization of technological advances, green technology or otherwise.

Appendix

Technical Report

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Analysis of Economic Development Problems and Opportunities—Filtered Through the Lens of the Six Pillars

Talent Supply & Education

Average Annual Wages

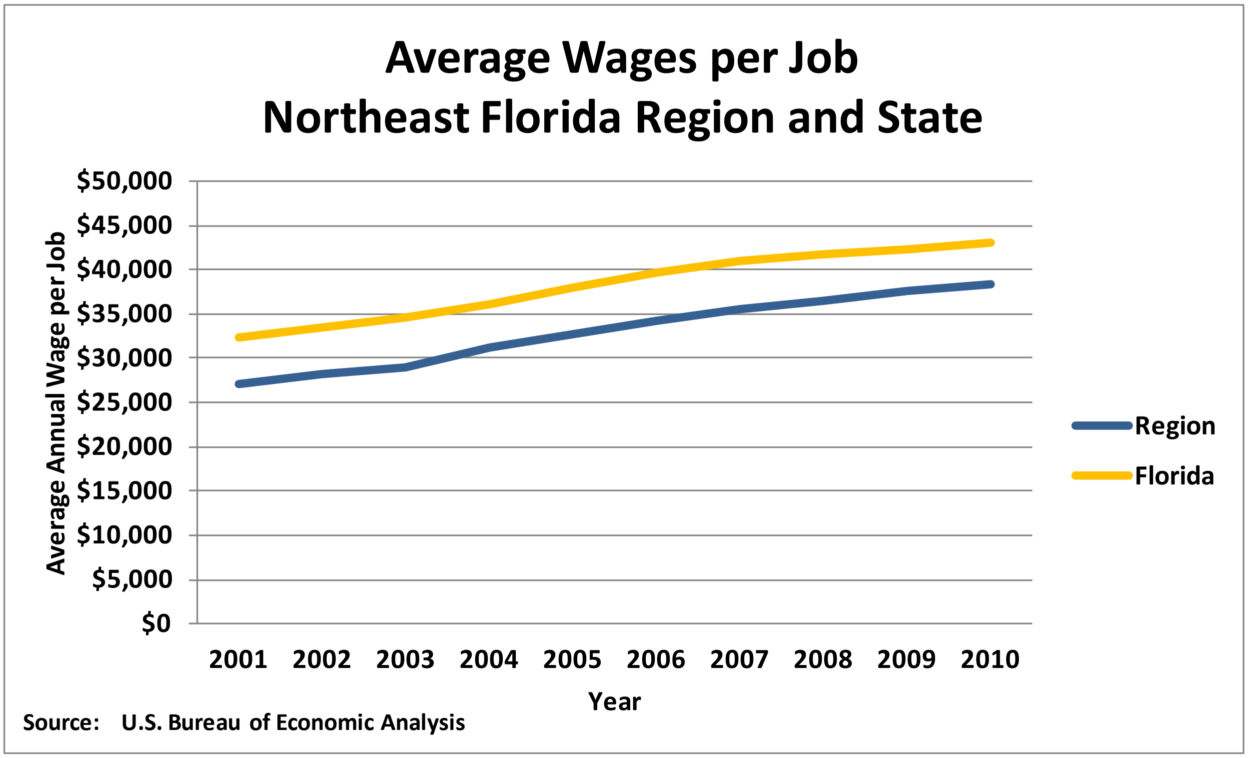
Exhibit 23 – Average Wages per Job
Northeast Florida Region and State
2001 to 2010

	YEAR									
AREA	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Baker	$27,190	$28,445	$29,216	$31,690	$33,439	$35,056	$36,468	$37,469	$38,745	$39,517
Clay	$27,289	$28,244	$29,022	$30,370	$31,114	$31,204	$32,138	$32,889	$33,051	$33,075
Duval	$26,586	$27,019	$27,739	$29,139	$30,718	$31,787	$32,818	$33,375	$34,296	$35,511
Flagler	$24,882	$25,662	$25,343	$26,900	$28,413	$28,399	$28,736	$29,651	$29,544	$30,266
Nassau	$23,970	$24,242	$24,754	$26,858	$27,666	$28,529	$28,861	$30,568	$31,380	$31,709
Putnam	$31,693	$30,839	$32,547	$35,532	$37,306	$37,424	$37,149	$38,488	$43,565	$41,250
St Johns	$21,957	$22,166	$23,631	$24,964	$26,007	$27,462	$28,380	$29,336	$30,420	$30,536
Region	$27,068	$28,120	$28,893	$31,162	$32,799	$34,192	$35,447	$36,407	$37,641	$38,364
Florida	$32,416	$33,406	$34,534	$36,148	$37,951	$39,663	$41,029	$41,818	$42,228	$43,033

Source: U.S. Bureau of Economic Analysis website www.bea.gov/iTable/iTable.cfm?reqid=70&step=1>

Note: The employment estimates used to compute the average wage are a job, not person, count. People holding more than one job are counted in the employment estimates for each job they hold. All state and local area dollar estimates are in current dollars (not adjusted for inflation).

Exhibit 24 – Average Wages per Job
Northeast Florida Region and State
2001 to 2010



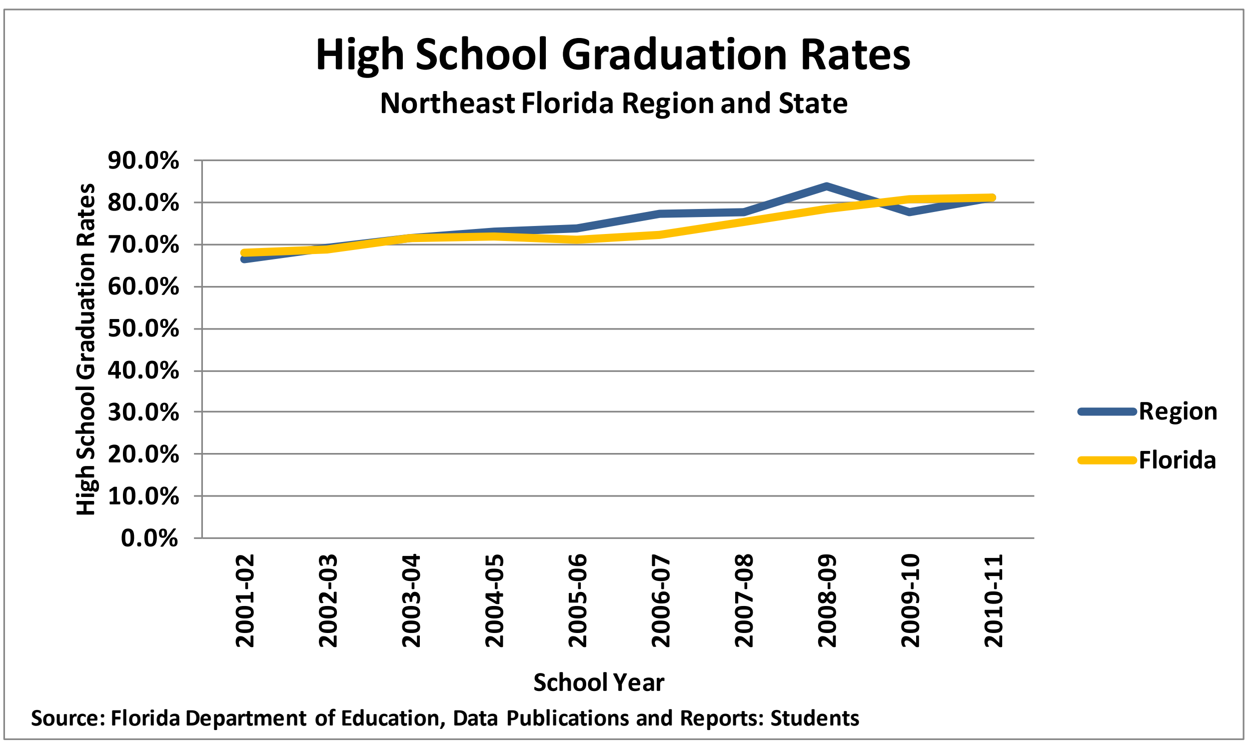
High School Graduation Rates

Exhibit 25 – High School Graduation Rates
Northeast Florida Region and State
School Years 2001-02 to 2010-11

	SCHOOL YEAR									
AREA	**2001-02**	**2002-03**	**2003-04**	**2004-05**	**2005-06**	**2006-07**	**2007-08**	**2008-09**	**2009-10**	**2010-11**
Baker	60.8%	67.3%	68.2%	72.2%	73.1%	77.9%	77.5%	87.5%	77.3%	82.8%
Clay	70.9%	75.4%	73.8%	75.1%	73.8%	75.3%	77.6%	81.7%	85.9%	89.6%
Duval	75.1%	63.8%	72.8%	66.5%	70.4%	75.3%	76.6%	74.0%	66.4%	64.7%
Flagler	69.9%	64.9%	71.3%	73.2%	74.8%	75.2%	75.7%	77.8%	78.8%	76.9%
Nassau	76.7%	79.5%	81.1%	85.2%	81.8%	80.7%	81.1%	84.8%	91.8%	95.1%
Putnam	71.1%	79.5%	80.2%	78.1%	76.4%	78.6%	78.0%	78.4%	82.0%	78.4%
St Johns	76.1%	78.2%	78.3%	76.8%	76.7%	78.3%	89.4%	90.8%	92.6%	93.3%
Region	66.6%	69.2%	71.4%	73.1%	73.7%	77.4%	77.7%	83.7%	77.9%	81.1%
Florida	67.9%	69.0%	71.6%	71.9%	71.0%	72.4%	75.4%	78.6%	80.7%	81.2%

Source: Florida Department of Education, Data Publications, and Reports: Students
www.fldoe.org/eias/eiaspubs/pubstudent.asp

Exhibit 26 – High School Graduation Rates
Northeast Florida Region and State
School Years 2001-02 to 2010-11



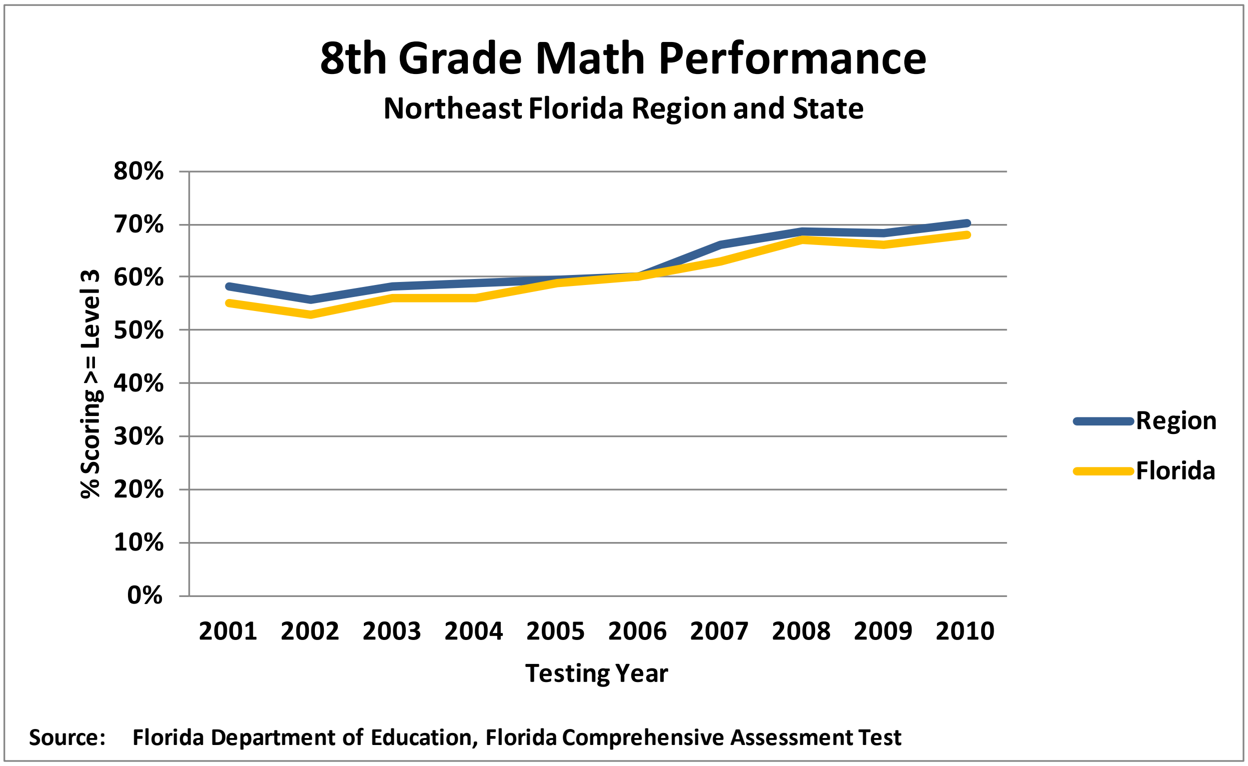
8th Grade Math Performance

Exhibit 27 – Eighth Grade Math Performance
Percent of Students Scoring at or Above Level 3 of 5 on
Florida Comprehensive Assessment Test
Northeast Florida Region and State
2001 to 2010

	YEAR									
AREA	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Baker	53%	57%	57%	56%	59%	58%	67%	72%	73%	69%
Clay	64%	65%	67%	64%	64%	66%	71%	72%	72%	73%
Duval	43%	46%	35%	46%	55%	53%	57%	73%	67%	69%
Flagler	54%	48%	51%	50%	48%	48%	57%	61%	59%	61%
Nassau	61%	61%	63%	64%	65%	67%	68%	73%	72%	77%
Putnam	44%	42%	45%	49%	50%	55%	54%	55%	54%	56%
St Johns	67%	64%	67%	73%	76%	73%	78%	78%	79%	80%
Madison	41%	22%	34%	31%	39%	40%	38%	46%	32%	41%
Region	58%	56%	58%	59%	59%	60%	66%	69%	68%	70%
Florida	55%	53%	56%	56%	59%	60%	63%	67%	66%	68%

Source: Florida Department of Education, Florida Comprehensive Assessment Test <https://app1.fldoe.org/FCATDemographics/Selections.aspx?reportTypeID=1&level=District&subj=Math>

Exhibit 28 – Eighth Grade Math Performance
Percent of Students Scoring at or Above Level 3 of 5 on
Florida Comprehensive Assessment Test
Northeast Florida Region and State
2001 to 2010



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Innovation & Economic Development

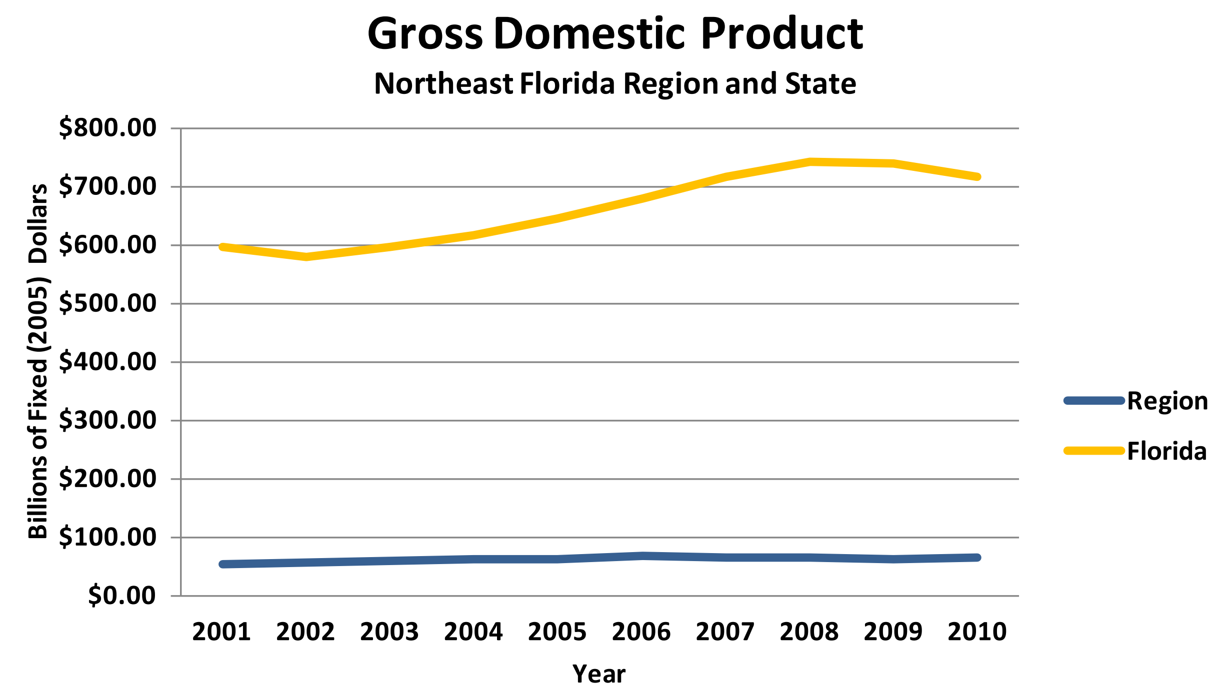
Gross Domestic Product

Exhibit 29 – Gross Domestic Product
Northeast Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010

	YEAR									
AREA	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Baker	$0.29	$0.31	$0.34	$0.39	$0.42	$0.42	$0.43	$0.40	$0.39	$0.40
Clay	$2.42	$2.56	$2.78	$2.89	$3.11	$3.49	$3.53	$3.48	$3.37	$3.49
Duval	$44.98	$46.01	$48.31	$50.61	$51.60	$54.16	$53.22	$51.72	$49.57	$52.18
Flagler	$1.13	$1.35	$2.01	$1.70	$1.80	$1.73	$1.49	$1.39	$1.38	$1.42
Nassau	$1.17	$1.22	$1.27	$1.31	$1.38	$1.46	$1.48	$1.44	$1.38	$1.43
Putnam	$1.18	$1.27	$1.38	$1.38	$1.45	$1.42	$1.40	$1.36	$1.36	$1.39
St Johns	$2.94	$3.16	$3.34	$3.70	$4.12	$4.57	$4.55	$4.37	$4.21	$4.39
Region	$54.12	$55.87	$59.42	$61.99	$63.88	$67.25	$66.10	$64.14	$61.64	$64.70
Florida	$596.72	$579.57	$596.72	$616.75	$644.25	$680.00	$717.59	$742.52	$737.83	$716.05

Source: Regional Economic Modeling, Inc. Policy Insight Plus, Florida Counties v1.3.5, Historical Data

Exhibit 30 – Gross Domestic Product
Northeast Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010



Source: Regional Economic Modeling, Inc. Policy Insight Plus, Florida Counties v1.3.5, Historical Data

Tourism Development Tax Collections

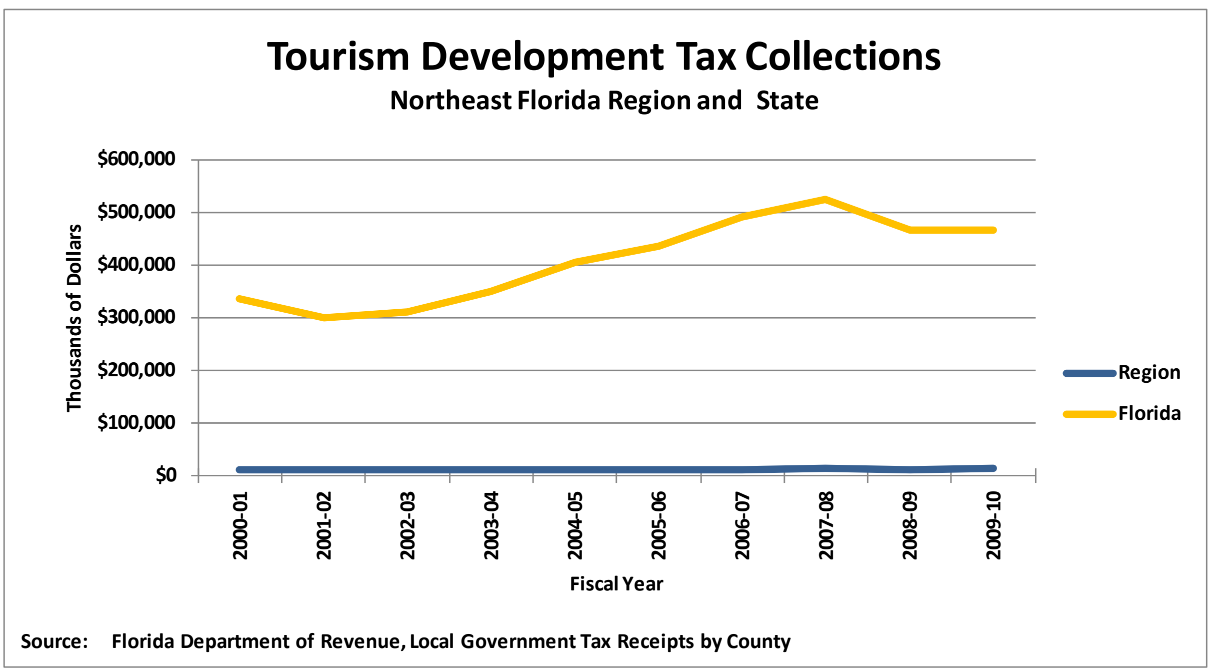
Exhibit 31 – Tourism Development Tax Collections
Northeast Florida Region and State
Thousands of Dollars
2000-01 to 2009-10

	YEAR									
AREA	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Baker	$29	$32	$26	$30	$34	$32	$35	$27	$24	$20
Clay	$384	$364	$339	$358	$373	$379	$387	$439	$475	$434
Duval	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Flagler	$3685	$4141	$4483	$5077	$5132	$4524	$4760	$5449	$5302	$5457
Nassau	$1451	$1325	$1354	$1383	$1523	$1560	$1630	$1744	$1764	$2349
Putnam	$114	$97	$101	$109	$117	$112	$114	$185	$217	$188
St Johns	$4004	$3679	$4173	$4416	$4954	$5239	$5437	$5540	$4332	$4796
Region	$9666	$9638	$10476	$11373	$12134	$11846	$12363	$13383	$12114	$13244
Florida	$335845	$300594	$310386	$350471	$405155	$436165	$489307	$524341	$466657	$466707

Source: Florida Department of Revenue website, Local Government Tax Receipts by County, <http://dor.myflorida.com/dor/taxes/colls_to_7_2003.html>

Note: Values presented in thousands of dollars.

Exhibit 32 – Tourism Development Tax Collections
Northeast Florida Region and State
Thousands of Dollars
2000-01 to 2009-10



Trade Exports and Imports

Exhibit 33 – Trade Exports
Northeast Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010

	YEAR									
AREA	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Baker	$0.17	$0.21	$0.24	$0.32	$0.36	$0.37	$0.38	$0.34	$0.34	$0.36
Clay	$1.86	$1.96	$2.07	$2.17	$2.32	$2.61	$2.63	$2.61	$2.51	$2.64
Duval	$32.70	$32.83	$33.82	$35.59	$36.70	$37.82	$38.03	$37.07	$35.49	$37.80
Flagler	$1.12	$1.34	$2.02	$1.56	$1.58	$1.42	$1.15	$1.02	$1.01	$1.04
Nassau	$1.19	$1.29	$1.26	$1.31	$1.44	$1.43	$1.44	$1.37	$1.31	$1.39
Putnam	$1.30	$1.42	$1.48	$1.56	$1.63	$1.55	$1.52	$1.46	$1.49	$1.55
St Johns	$2.30	$2.44	$2.57	$2.76	$2.99	$3.18	$3.16	$2.95	$2.82	$3.02
Region	$40.64	$41.48	$43.46	$45.25	$47.02	$48.39	$48.30	$46.82	$44.96	$47.81
Florida	$431.06	$440.19	$454.90	$477.68	$507.90	$513.80	$517.27	$494.13	$478.74	$507.02

Source: Regional Economic Modeling, Inc. Policy Insight Plus, Florida Counties v1.3.5, Historical Data

Exhibit 34 – Trade Exports
Northeast Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010

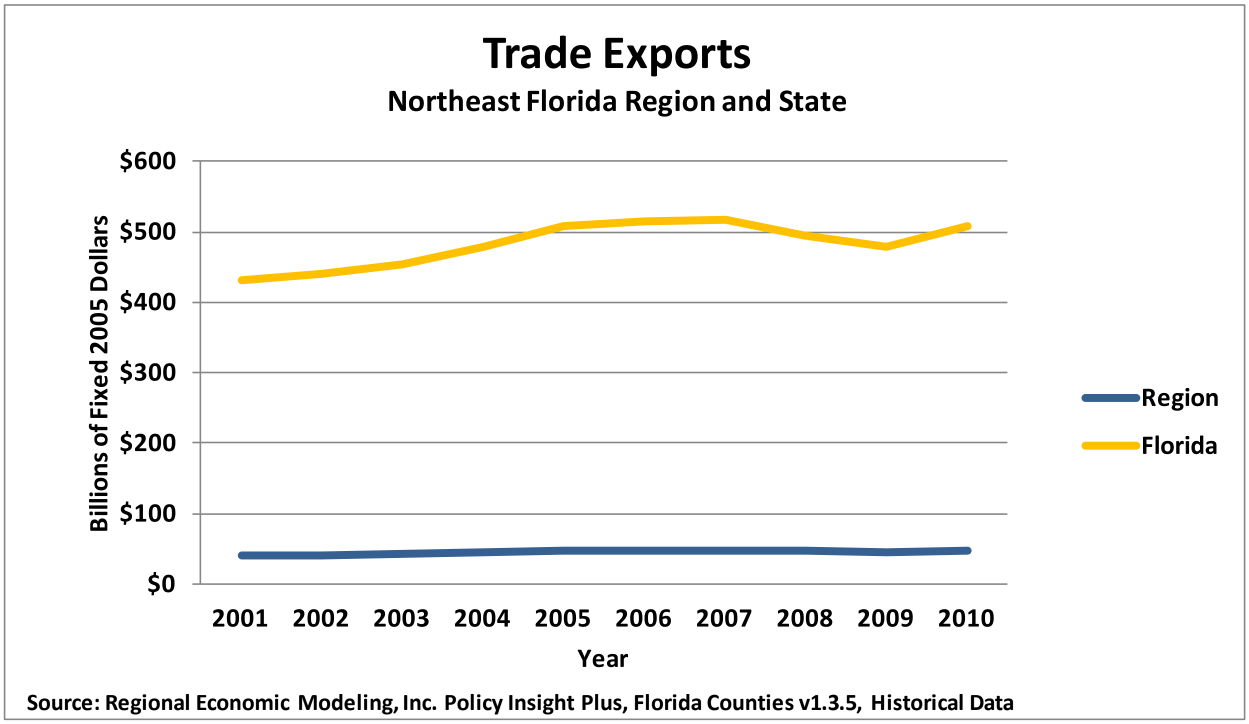
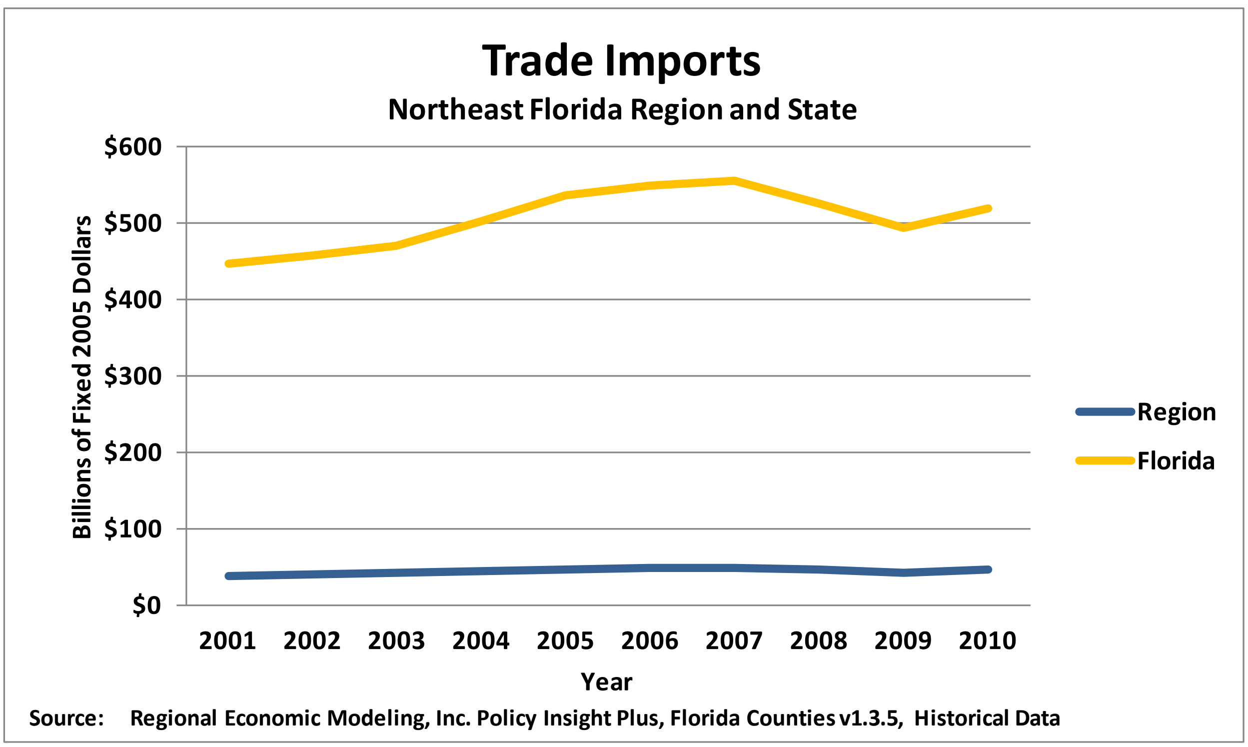


Exhibit 35 – Trade Imports
Northeast Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010

	YEAR									
AREA	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Baker	$0.59	$0.61	$0.66	$0.71	$0.78	$0.81	$0.85	$0.79	$0.76	$0.80
Clay	$3.96	$4.14	$4.40	$4.65	$5.03	$5.24	$5.24	$5.05	$4.75	$5.00
Duval	$24.62	$25.20	$26.14	$27.66	$28.78	$29.16	$29.48	$27.78	$25.73	$27.63
Flagler	$1.48	$1.60	$1.84	$1.96	$2.21	$2.32	$2.35	$2.27	$2.17	$2.26
Nassau	$2.24	$2.34	$2.36	$2.56	$2.69	$2.78	$2.86	$2.77	$2.64	$2.78
Putnam	$2.02	$2.01	$2.13	$2.08	$2.18	$2.18	$2.16	$2.07	$2.03	$2.14
St Johns	$4.59	$4.74	$5.04	$5.58	$5.97	$6.34	$6.59	$6.42	$5.98	$6.28
Region	$39.50	$40.64	$42.55	$45.20	$47.64	$48.84	$49.52	$47.15	$44.06	$46.89
Florida	$447.40	$458.37	$470.73	$503.30	$537.11	$550.05	$555.19	$526.57	$493.46	$520.94

Source: Regional Economic Modeling, Inc. Policy Insight Plus, Florida Counties v1.3.5, Historical Data

Exhibit 36 – Trade Imports
Northeast Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010



Infrastructure & Growth Leadership

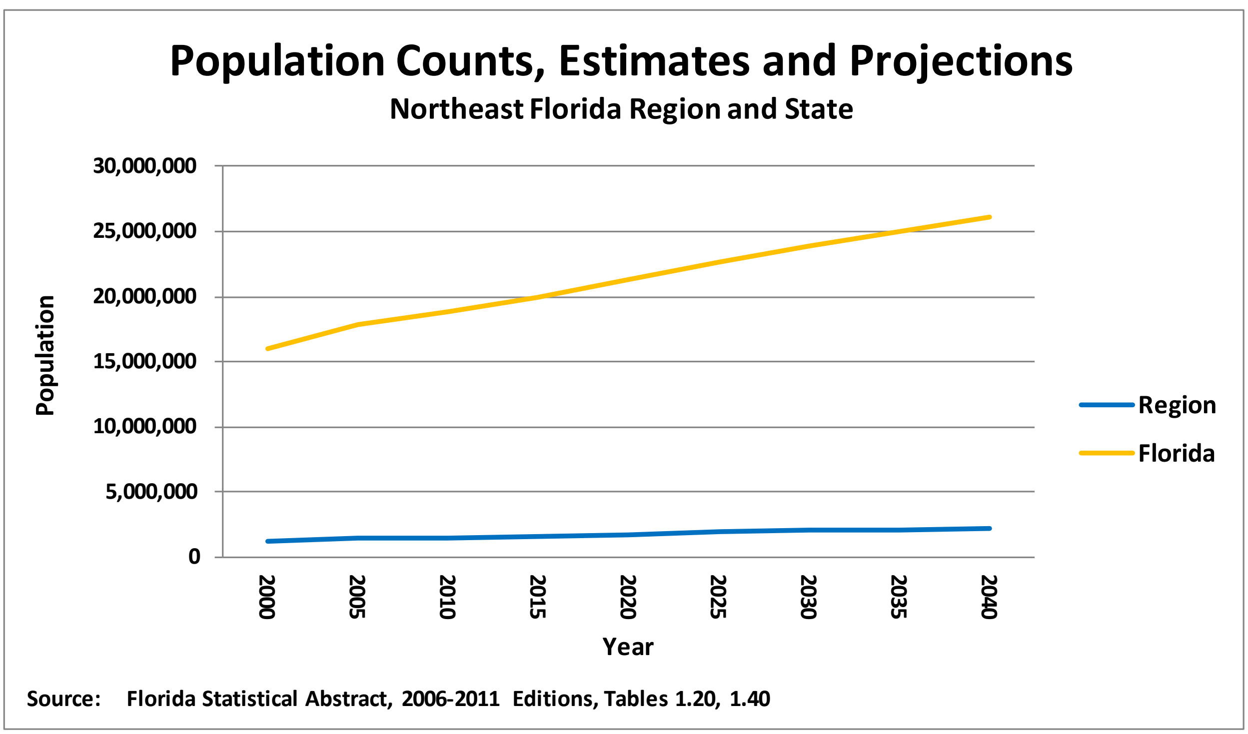
Population Counts, Estimates and Projections

Exhibit 37 – Population Counts, Estimates, and Projections
Northeast Florida Region and State
2000 to 2040

	CENSUS	ESTIMATE	CENSUS	PROJECTIONS					
AREA	**2000**	**2005**	**2010**	**2015**	**2020**	**2025**	**2030**	**2035**	**2040**
Baker	22,259	23,953	27,115	29,600	32,000	34,300	36,500	38,600	40,600
Clay	140,814	169,623	190,865	212,700	237,400	261,500	284,400	305,800	325,900
Duval	778,879	861,150	864,263	901,000	943,900	985,500	1,024,700	1,060,600	1,094,100
Flagler	49,832	78,617	95,696	115,000	136,900	158,300	178,600	197,500	215,400
Nassau	57,663	65,759	73,314	80,600	88,700	96,800	104,600	112,000	119,100
Putnam	70,423	73,764	74,364	75,700	77,300	78,900	80,400	81,700	82,900
St Johns	123,135	157,278	190,039	220,200	254,200	288,100	320,000	349,700	377,600
Region	1,243,005	1,430,144	1,515,656	1,634,800	1,770,400	1,903,400	2,029,200	2,145,900	2,255,600
Florida	15,982,400	17,865,737	18,801,310	19,974,400	21,326,800	22,641,300	23,877,900	25,017,100	26,081,800

Source: Florida Statistical Abstract, 2006-2011 Editions, Tables 1.20, 1.40

Exhibit 38 – Population Counts, Estimates, and Projections
Northeast Florida Region and State
2000 to 2040



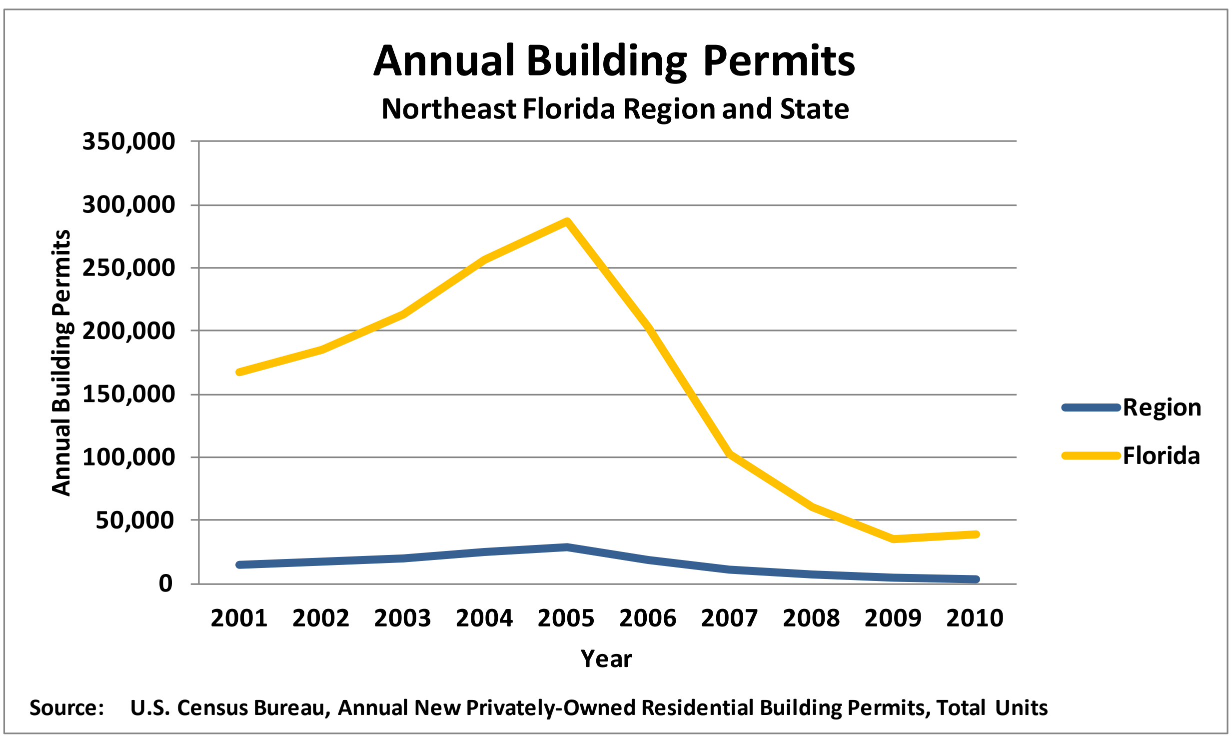
Annual Building Permits

Exhibit 39 – Annual Building Permits
Northeast Florida Region and State
Residential Units
2001 to 2010

	YEAR									
AREA	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Baker	112	144	149	206	279	226	165	92	46	35
Clay	2,611	2,139	2,553	3,148	4,113	2,412	1,033	745	532	551
Duval	6,767	8,261	8,399	9,661	13,507	10,083	6,330	4,271	2,694	1,501
Flagler	1,677	2,319	4,305	5,208	3,985	1,839	567	648	168	278
Nassau	789	799	799	1,287	1,471	1,236	938	485	252	251
Putnam	312	208	337	232	294	339	54	58	36	36
St Johns	2,471	3,018	3,921	5,024	5,718	3,010	2,462	1,370	1,142	1,268
Region	14,739	16,888	20,463	24,766	29,367	19,145	11,549	7,669	48,70	3,920
Florida	167,035	185,431	213,567	255,893	287,250	203,238	102,551	61,042	35,329	38,679

Source: U.S. Census Bureau, Annual New Privately-Owned Residential Building Permits, Total Units, for Counties in Florida. http://censtats.census.gov/bldg/bldgprmt.shtml

Exhibit 40 – Annual Building Permits
Northeast Florida Region and State
Residential Units
2001 to 2010



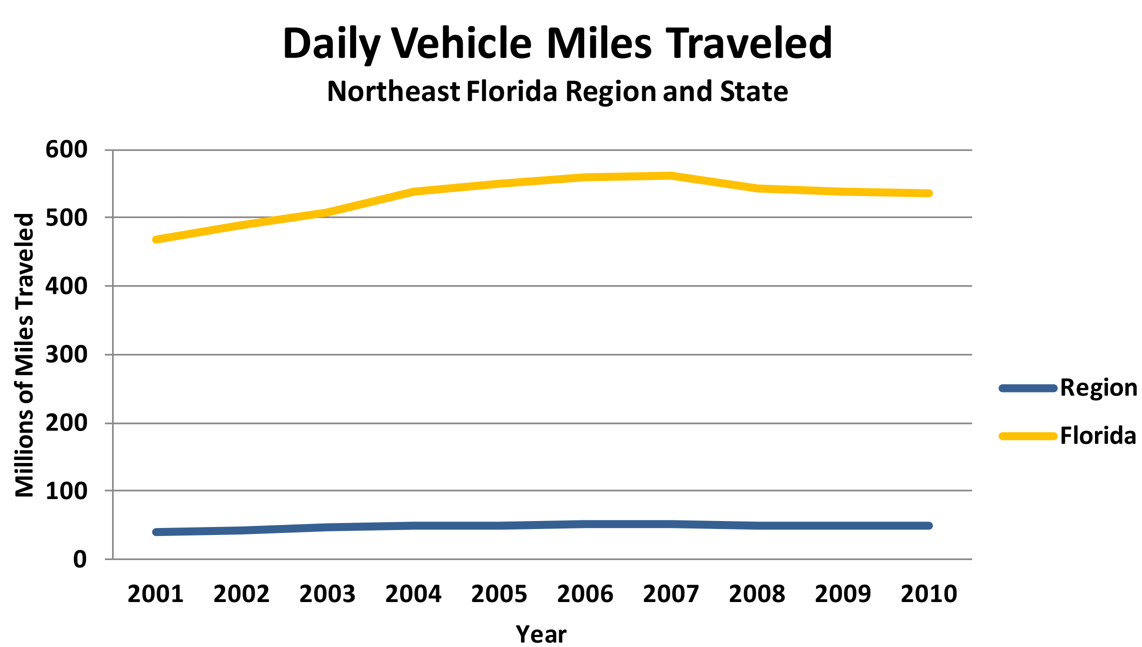
Vehicle Miles Traveled

Exhibit 41 – Daily Vehicle Miles Traveled
Northeast Florida Region and State
Millions of Miles
2001 to 2010

	YEAR									
AREA	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Baker	1.36	1.41	1.56	1.64	1.64	1.70	1.60	1.57	1.61	1.61
Clay	3.26	3.65	3.98	4.50	4.65	4.60	4.60	4.53	4.40	4.37
Duval	25.14	25.90	28.14	28.89	29.12	30.56	30.45	29.16	28.84	28.72
Flagler	2.25	2.34	2.47	2.73	2.80	3.43	3.12	2.91	3.00	2.91
Nassau	2.43	2.65	2.73	2.72	2.76	2.95	2.89	2.86	2.87	2.77
Putnam	2.62	2.73	2.83	2.91	2.95	2.87	2.87	2.75	2.72	2.76
St Johns	4.28	4.41	4.54	5.61	5.62	5.68	5.62	5.34	5.45	5.58
Region	41.33	43.09	46.24	48.99	49.54	51.78	51.17	49.12	48.88	48.71
Florida	468.57	489.54	508.61	537.49	550.61	558.31	562.80	542.33	538.09	536.32

Source: Florida Department of Transportation, Florida Highway Mileage and Travel Report, Summary since 1990. <http://www.dot.state.fl.us/planning/statistics/mileage-rpts/public.shtm>

Exhibit 42 – Daily Vehicle Miles Traveled
Northeast Florida Region and State
Millions of Miles
2001 to 2010



Source: Florida Department of Transportation, Florida Highway Mileage and Travel Report, Summary since 1990

Business Climate & Competitiveness

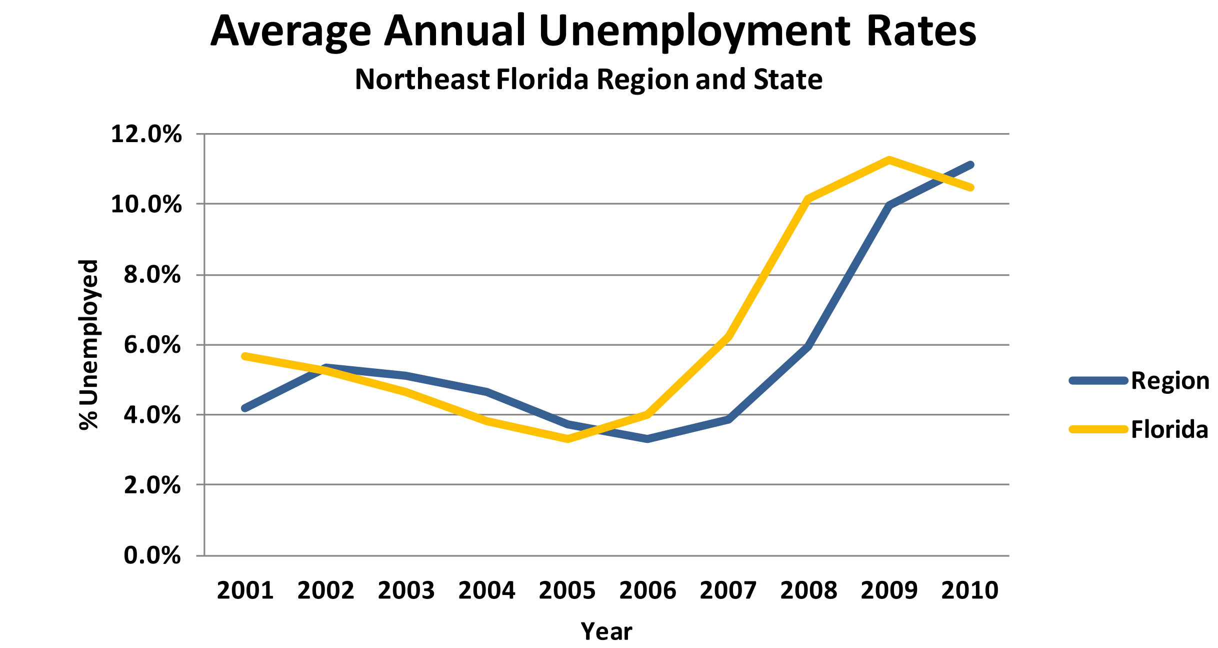
Average Annual Unemployment Rates

Exhibit 43 – Average Annual Unemployment Rates
Northeast Florida Region and State
2001 to 2010

	YEAR									
AREA	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Baker	4.1%	4.7%	4.7%	3.9%	3.2%	2.8%	3.5%	5.6%	9.8%	10.5%
Clay	3.8%	4.9%	4.5%	4.2%	3.4%	2.9%	3.4%	5.2%	9.0%	10.1%
Duval	4.2%	5.5%	5.3%	4.9%	3.9%	3.5%	4.0%	6.1%	10.2%	11.5%
Flagler	4.6%	5.9%	5.6%	5.1%	4.3%	4.4%	6.3%	9.5%	14.3%	15.1%
Nassau	4.0%	4.8%	4.8%	4.0%	3.3%	2.8%	3.2%	5.3%	9.3%	10.4%
Putnam	5.4%	6.5%	5.6%	5.2%	4.2%	3.6%	4.6%	7.3%	11.4%	12.4%
St Johns	3.7%	4.4%	4.2%	3.6%	3.0%	2.7%	3.1%	4.9%	8.1%	9.2%
Region	4.2%	5.4%	5.1%	4.6%	3.7%	3.3%	3.9%	6.0%	10.0%	11.1%
Florida	5.7%	5.3%	4.7%	3.8%	3.3%	4.0%	6.2%	10.2%	11.3%	10.5%

Source: Florida Department of Economic Opportunity Local Area Unemployment Statistics. <http://www.floridajobs.org/labor-market-information/data-center/statistical-programs/local-area-unemployment-statistics>

Exhibit 44 – Average Annual Unemployment Rates
Northeast Florida Region and State
2001 to 2010



Source: Florida Department of Economic Opportunity Local Area Unemployment Statistics

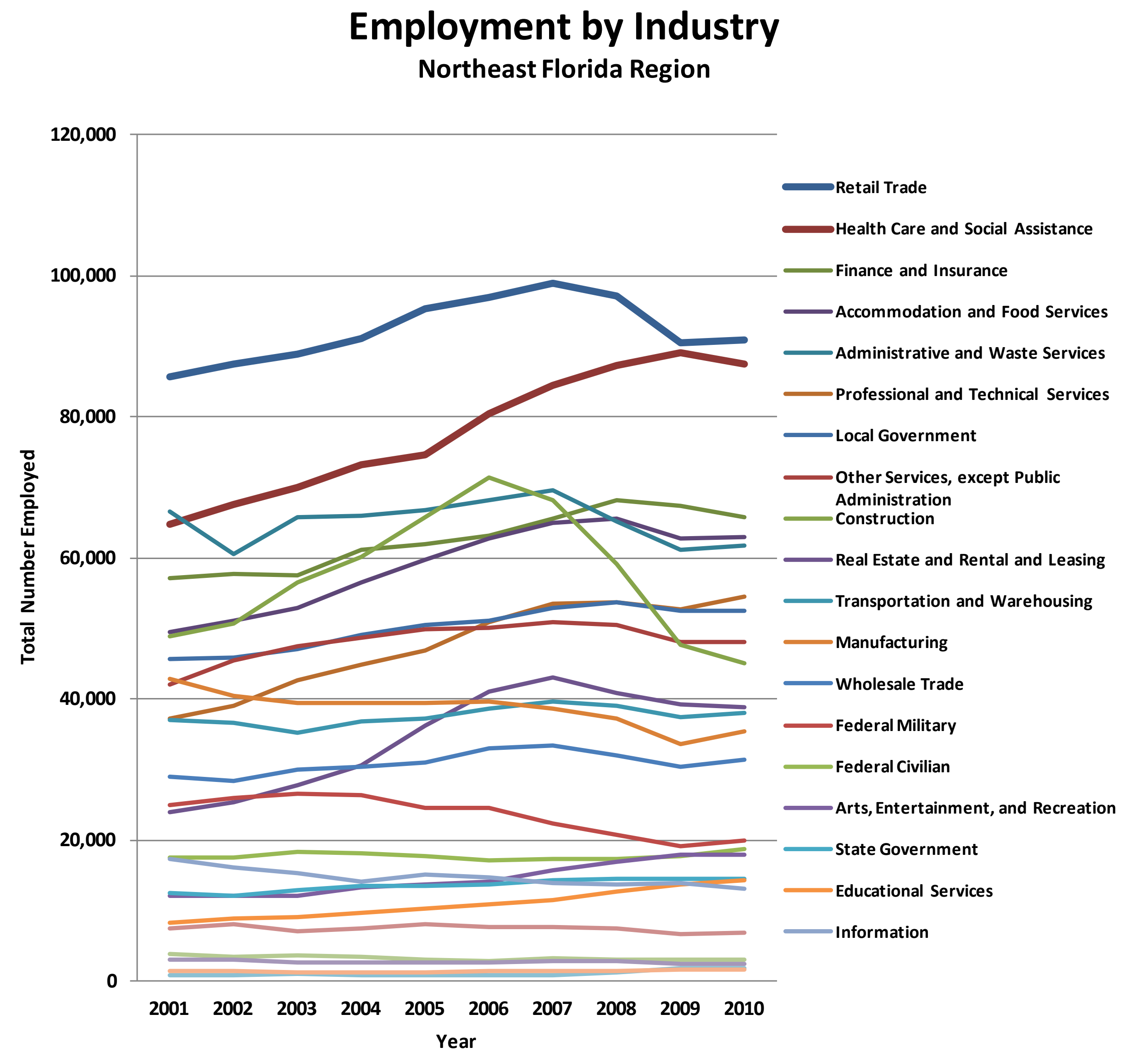
Employment by Industry

Exhibit 45 – Employment by Industry
Northeast Florida Region
2001 to 2010

	YEAR									
INDUSTRY	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Retail Trade	85,717	87,562	88,904	91,108	95,412	97,043	98,963	97,232	90,620	90,936
Health Care and Social Assistance	64,809	67,574	70,027	73,212	74,580	80,423	84,442	87,323	89,093	87,594
Finance and Insurance	57,188	57,718	57,525	61,277	61,926	63,122	65,586	68,337	67,443	65,922
Accommodation and Food Services	49,592	51,233	53,033	56,531	59,871	62,728	65,070	65,547	62,757	63,057
Administrative and Waste Services	66,569	60,665	65,880	66,112	66,825	68,242	69,618	65,245	61,258	61,707
Professional and Technical Services	37,220	39,004	42,662	45,004	47,010	51,050	53,470	53,773	52,684	54,632
Local Government	45,631	45,856	47,228	49,129	50,534	51,213	52,996	53,859	52,544	52,591
Other Services, except Public Administration	42,134	45,508	47,523	48,704	49,870	50,236	50,943	50,641	48,202	48,168
Construction	48,938	50,657	56,625	60,113	65,757	71,471	68,180	59,249	47,804	45,064
Real Estate and Rental and Leasing	23,969	25,470	27,858	30,610	36,345	41,168	43,119	40,964	39,231	38,947
Transportation and Warehousing	37,122	36,695	35,356	36,844	37,294	38,790	39,759	39,151	37,427	38,085
Manufacturing	42,849	40,512	39,417	39,454	39,509	39,746	38,640	37,190	33,696	35,478
Wholesale Trade	29,137	28,393	30,019	30,503	31,051	33,089	33,529	32,088	30,393	31,544
Federal Military	24,973	26,093	26,581	26,337	24,694	24,600	22,490	20,772	19,266	19,914
Federal Civilian	17,508	17,557	18,385	18,134	17,743	17,244	17,351	17,454	17,867	18,721
Arts, Entertainment, and Recreation	12,232	12,228	12,225	13,354	13,688	14,167	15,791	16,892	18,035	18,050
State Government	12,519	12,072	13,016	13,495	13,571	13,745	14,333	14,579	14,607	14,636
Educational Services	8,371	8,947	9,118	9,655	10,301	10,883	11,523	12,807	13,821	14,327
Information	17,457	16,214	15,432	14,189	15,267	14,836	13,972	13,684	14,000	13,108
Management of Companies and Enterprises	7,625	8,216	7,222	7,464	8,059	7,699	7,837	7,439	6,751	6,913
Farm	3,882	3,607	3,795	3,549	3,059	3,001	3,271	3,166	3,016	3,081
Forestry, Fishing, Related Activities, and Other	3,068	3,158	2,724	2,660	2,720	2,719	2,852	2,959	2,454	2,569
Mining	855	840	1,023	878	856	959	968	1,352	1,902	1,956
Utilities	1,421	1,553	1,370	1,357	1,360	1,495	1,537	1,593	1,692	1,650

Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties v1.3, U.S. Bureau of Economic Analysis Data

Exhibit 46 – Employment by Industry
Northeast Florida Region
2001 to 2010



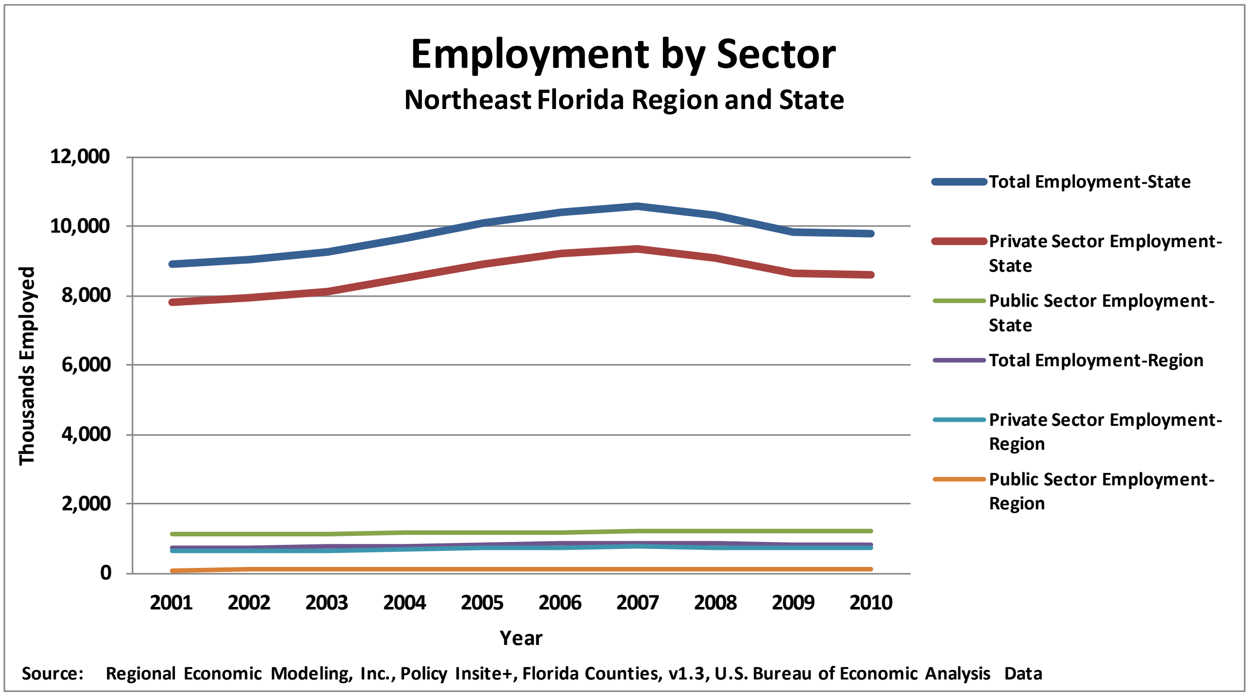
Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

Exhibit 47 – Employment by Sector
Northeast Florida Region and State
2001 to 2010

	YEAR									
SECTOR	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Employment - Region	741	747	773	800	827	860	876	863	827	829
Total Employment – State	8,915	9,054	9,284	9,660	10,086	10,407	10,577	10,304	9,840	9,796
Private Sector Employment – Region	640	646	668	693	721	753	769	757	722	723
Private Sector Employment – State	7,803	7,929	8,143	8,499	8,909	9,211	9,363	9,085	8,636	8,588
Public Sector Employment – Region	101	102	105	107	107	107	107	107	104	106
Public Sector Employment – State	1,112	1,125	1,141	1,161	1,178	1,195	1,214	1,220	1,204	1,208

Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties v1.3, U.S. Bureau of Economic Analysis Data

Exhibit 48 – Employment by Sector
Northeast Florida Region and State
2001 to 2010



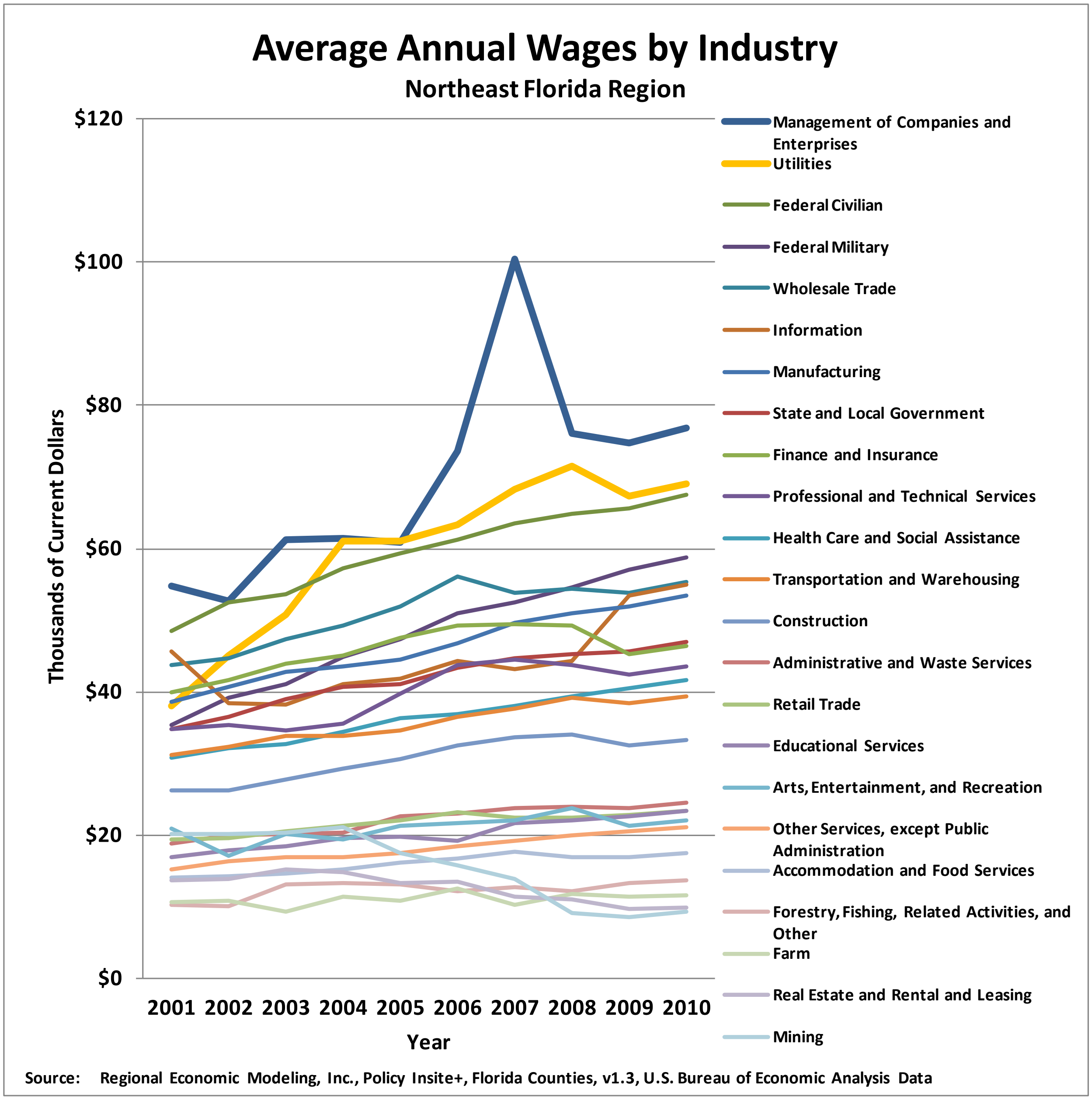
Wages by Industry

Exhibit 49 – Average Annual Wages by Industry
Northeast Florida Region
Thousands of Current Dollars
2001 to 2010

	YEAR									
INDUSTRY	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Management of Companies and Enterprises	$54.8	$52.6	$61.2	$61.4	$60.8	$73.6	$100.5	$76.1	$74.7	$76.8
Utilities	$38.1	$45.1	$50.9	$61.0	$61.2	$63.3	$68.3	$71.5	$67.3	$69.1
Federal Civilian	$48.5	$52.4	$53.6	$57.2	$59.4	$61.3	$63.6	$64.8	$65.5	$67.4
Wholesale Trade	$43.8	$44.7	$47.3	$49.2	$51.9	$56.1	$53.9	$54.5	$53.9	$55.4
Information	$45.6	$38.4	$38.3	$41.2	$41.9	$44.3	$43.2	$44.4	$53.4	$55.0
Manufacturing	$38.7	$40.8	$42.7	$43.6	$44.5	$46.8	$49.6	$51.0	$51.9	$53.4
State and Local Government	$34.9	$36.6	$39.0	$40.8	$41.2	$43.3	$44.8	$45.3	$45.7	$47.0
Finance and Insurance	$40.0	$41.6	$43.9	$45.1	$47.6	$49.3	$49.5	$49.2	$45.2	$46.5
Professional and Technical Services	$34.7	$35.4	$34.6	$35.6	$39.7	$43.8	$44.5	$43.7	$42.4	$43.6
Health Care and Social Assistance	$30.8	$32.2	$32.7	$34.4	$36.3	$36.9	$38.0	$39.5	$40.5	$41.7
Transportation and Warehousing	$31.1	$32.4	$33.8	$34.0	$34.7	$36.5	$37.7	$39.1	$38.3	$39.4
Construction	$26.2	$26.3	$27.7	$29.3	$30.6	$32.5	$33.7	$34.0	$32.5	$33.3
Administrative and Waste Services	$18.9	$20.0	$20.1	$20.5	$22.7	$23.0	$23.7	$23.9	$23.8	$24.5
Retail Trade	$19.3	$19.7	$20.5	$21.2	$22.2	$23.3	$22.5	$22.5	$22.8	$23.5
Educational Services	$16.9	$17.8	$18.4	$19.6	$19.8	$19.2	$21.7	$22.0	$22.7	$23.4
Arts, Entertainment, Recreation	$21.0	$17.1	$20.2	$19.4	$21.3	$21.7	$22.1	$23.8	$21.4	$22.0
Other Services, except Public Administration	$15.1	$16.3	$17.0	$16.9	$17.4	$18.5	$19.3	$19.9	$20.5	$21.1
Accommodation and Food Services	$14.1	$14.2	$14.7	$15.2	$16.3	$16.7	$17.7	$17.0	$17.0	$17.5
Forestry, Fishing, Related Activities, and Other	$10.3	$10.1	$13.1	$13.4	$13.2	$12.3	$12.7	$12.2	$13.2	$13.6
Farm	$10.6	$10.8	$9.2	$11.4	$10.8	$12.6	$10.3	$11.8	$11.3	$11.6
Real Estate and Rental and Leasing	$13.7	$13.8	$15.2	$14.8	$13.3	$13.6	$11.4	$11.1	$9.6	$9.9
Mining	$20.2	$20.1	$20.3	$21.1	$17.6	$15.7	$13.9	$9.2	$8.7	$9.4

Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

Exhibit 50 – Average Annual Wages by Industry
Northeast Florida Region
Thousands of Current Dollars
2001 to 2010

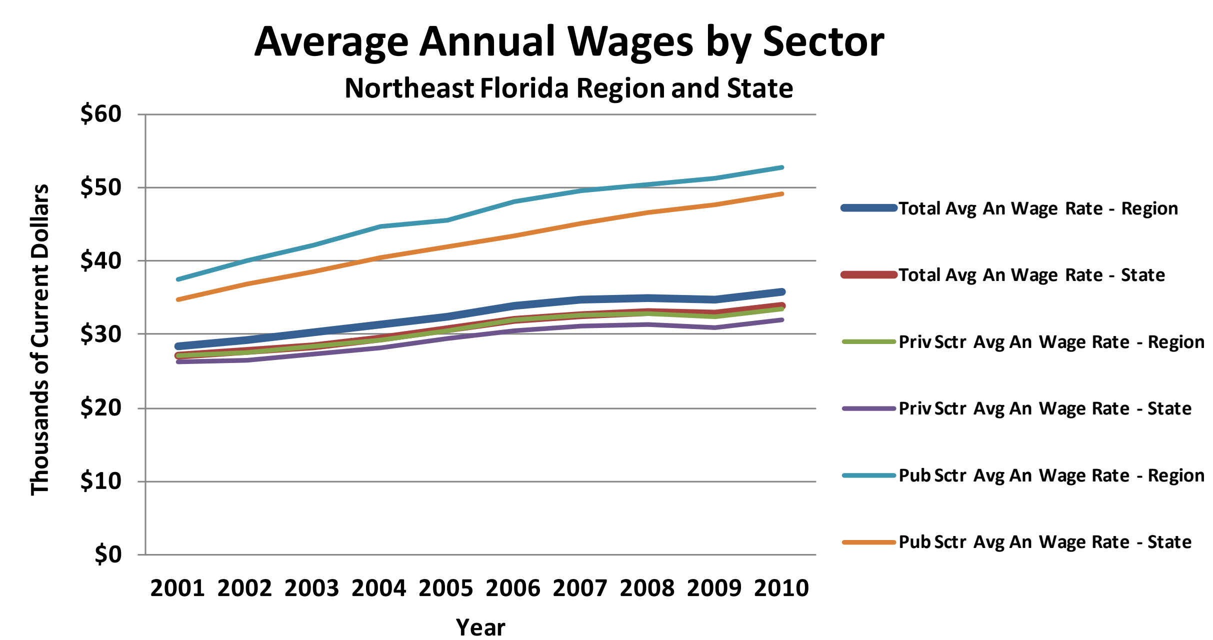


Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

Exhibit 51 – Average Annual Wages by Sector
Northeast Florida Region
Thousands of Current Dollars
2001 to 2010

	YEAR									
SECTOR	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Avg Annual Wage Rate - Region	$28.4	$29.2	$30.2	$31.2	$32.4	$33.9	$34.6	$34.9	$34.7	$35.8
Total Avg Annual Wage Rate - State	$27.1	$27.7	$28.4	$29.5	$30.7	$32.0	$32.5	$33.0	$32.8	$33.9
Private Sector Average Annual Wage Rate - Region	$27.1	$27.6	$28.5	$29.3	$30.5	$32.0	$32.7	$32.8	$32.5	$33.4
Private Sector Average Annual Wage Rate - State	$26.2	$26.6	$27.2	$28.2	$29.4	$30.6	$31.1	$31.4	$30.9	$31.9
Public Sector Average Annual Wage Rate - Region	$37.4	$40.0	$42.1	$44.6	$45.6	$48.0	$49.5	$50.3	$51.2	$52.8
Public Sector Average Annual Wage Rate - State	$34.8	$36.7	$38.4	$40.5	$42.0	$43.5	$45.2	$46.6	$47.7	$49.1

Exhibit 52 – Average Annual Wages by Sector
Northeast Florida Region and State
Thousands of Current Dollars
2001 to 2010



Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

Civic & Governance Systems

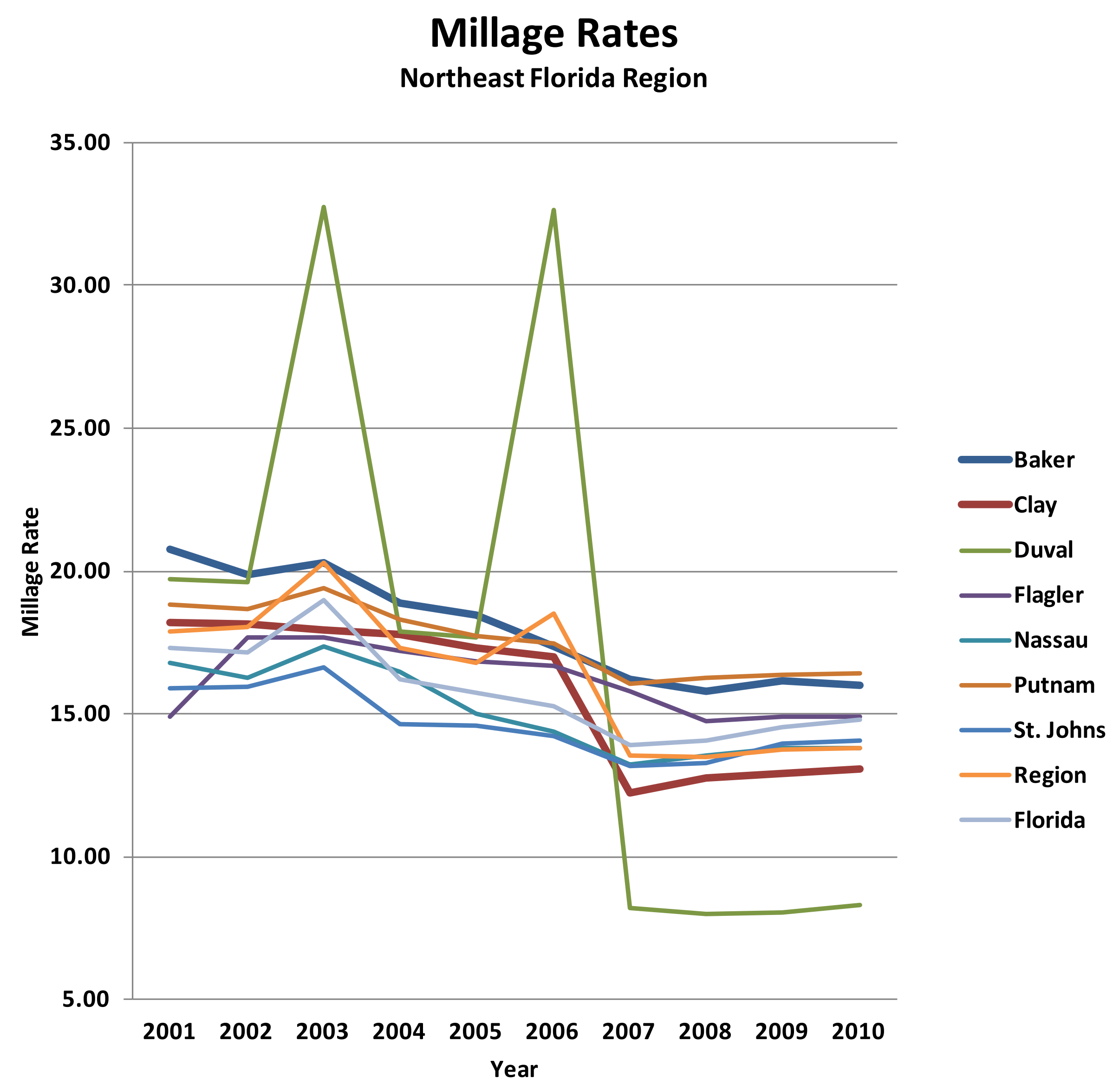
Millage Rates

Exhibit 53 – Millage Rates
Northeast Florida Region and State
2001 to 2010

	YEAR									
AREA	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Baker	20.75	19.85	20.29	18.87	18.44	17.37	16.18	15.81	16.14	15.99
Clay	18.22	18.16	17.95	17.80	17.29	16.99	12.21	12.73	12.91	13.09
Duval	19.74	19.60	32.74	17.91	17.67	32.65	8.21	8.01	8.03	8.29
Flagler	14.91	17.69	17.69	17.22	16.84	16.70	15.78	14.74	14.88	14.88
Nassau	16.81	16.27	17.36	16.46	15.01	14.36	13.22	13.56	13.83	13.83
Putnam	18.82	18.67	19.42	18.31	17.73	17.47	16.07	16.28	16.39	16.44
St Johns	15.89	15.96	16.65	14.64	14.58	14.20	13.18	13.30	13.96	14.07
Region	17.88	18.03	20.30	17.31	16.80	18.54	13.55	13.49	13.73	13.80
Florida	17.31	17.12	18.96	16.20	15.75	15.25	13.93	14.05	14.53	14.77

Source: Florida Department of Revenue, Property Tax Analysis, Millage, Levies and Collections; Florida Ad Valorem Valuation and Tax Data 2001 to 2010; Millage and Taxes Levied Report. <http://dor.myflorida.com/dor/property/resources/data.html>

Exhibit 54 – Millage Rates
Northeast Florida Region and State
2001 to 2010



Source: Florida Department of Revenue, Millage and Taxes Levied Report

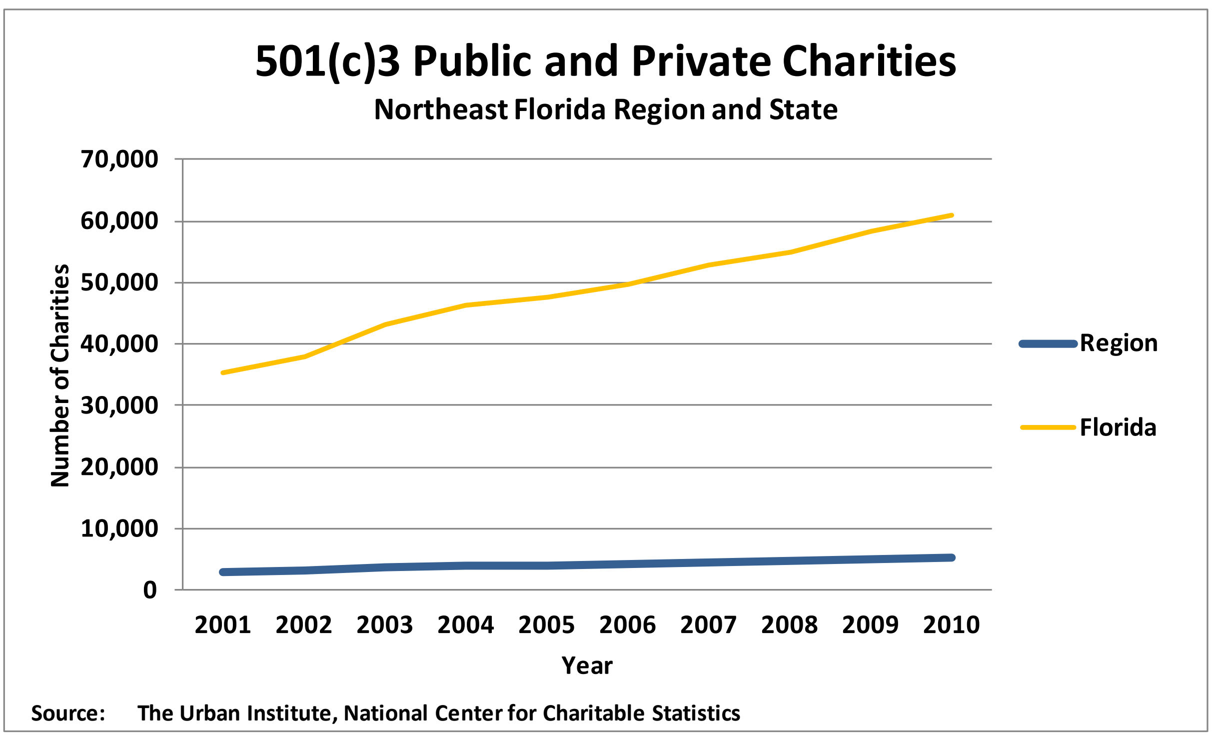
Registered Nonprofit Organizations

Exhibit 55 – Registered 501(c)3 Organizations
Public and Private Foundation Charities
Northeast Florida Region and State
2001 to 2010

YEAR										
AREA	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Baker	30	27	36	40	41	39	41	41	48	54
Clay	183	204	258	287	294	312	33	361	381	415
Duval	2,007	2,176	2,461	2,598	2,649	2,757	2,913	3,193	3,334	3,549
Flagler	75	87	105	120	131	130	144	168	198	226
Nassau	128	145	169	186	184	209	221	240	257	275
Putnam	147	154	168	181	184	190	202	207	222	228
St Johns	328	367	440	475	496	510	548	582	645	683
Region	2,898	3,160	3,637	3,887	3,979	4,147	4,402	4,792	5,085	5,430
Florida	35,368	37,894	43,176	46,191	47,690	49,817	52,756	55,048	58,209	61,047

Source: Internal Revenue Service, Exempt Organizations Business Master File, (501(c)(3) Charities
The Urban Institute, National Center for Charitable Statistics, <http://nccsdataweb.urban.org/tablewiz/pc.php> ©2012

Exhibit 56 – Registered 501(c)3 Organizations
Public and Private Foundation Charities
Northeast Florida Region and State
2001 to 2010



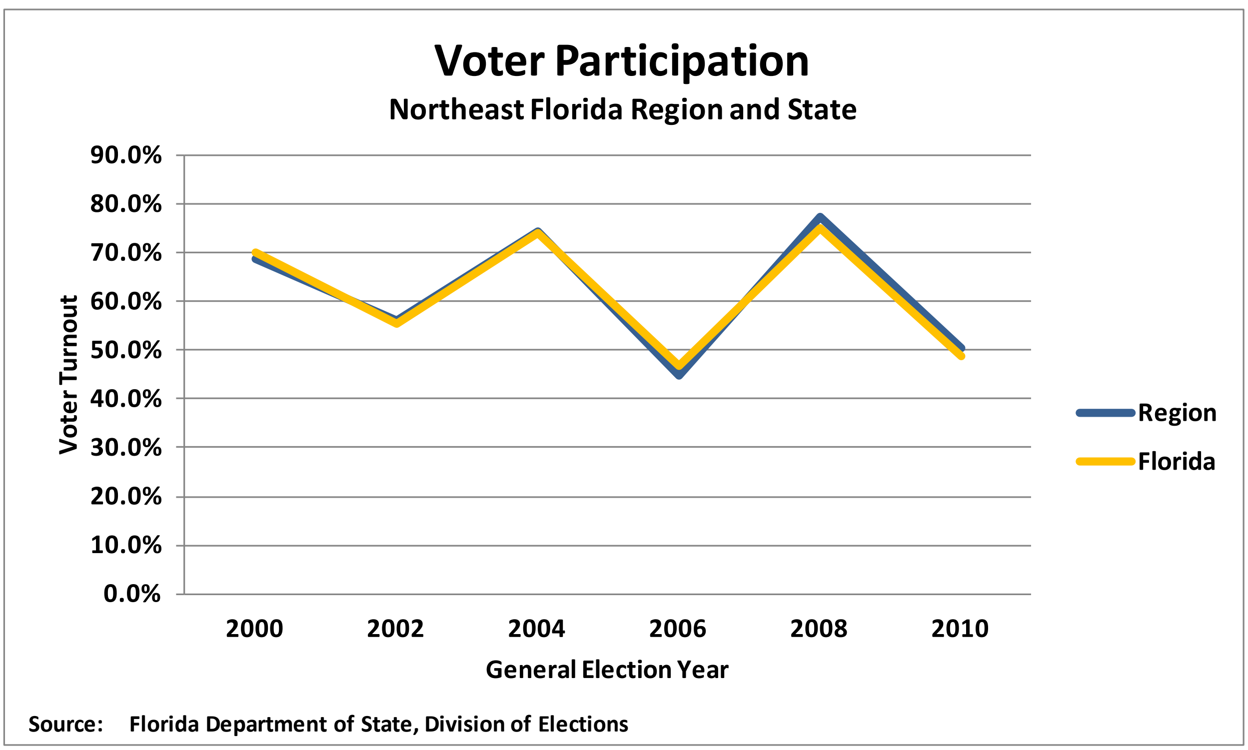
Voter Participation

Exhibit 57 – Voter Participation
Northeast Florida Region and State
Biennial General Elections
2000 to 2010

YEAR						
AREA	**2001**	**2002**	**2004**	**2006**	**2008**	**2010**
Baker	67.2%	57.0%	78.0%	49.1%	78.7%	58.2%
Clay	66.5%	60.8%	76.8%	46.0%	78.6%	52.9%
Duval	68.8%	54.6%	74.1%	42.3%	77.8%	50.4%
Flagler	81.3%	66.7%	81.9%	60.1%	82.2%	52.1%
Nassau	72.2%	56.4%	79.4%	51.4%	81.2%	54.9%
Putnam	65.4%	54.9%	68.5%	47.1%	71.9%	49.5%
St Johns	65.2%	53.9%	70.0%	43.4%	71.4%	45.1%
Region	68.6%	56.0%	74.4%	44.6%	77.4%	50.5%
Florida	70.1%	55.3%	74.2%	46.8%	75.2%	48.7%

Source: Florida Department of State, Division of Elections.
<https://doe.dos.state.fl.us/elections/resultsarchive/Index.asp?ElectionDate=11/2/2004&DATAMODE=>

Exhibit 58 – Voter Participation
Northeast Florida Region and State
Biennial General Elections
2000 to 2010



Quality of Life & Quality Places

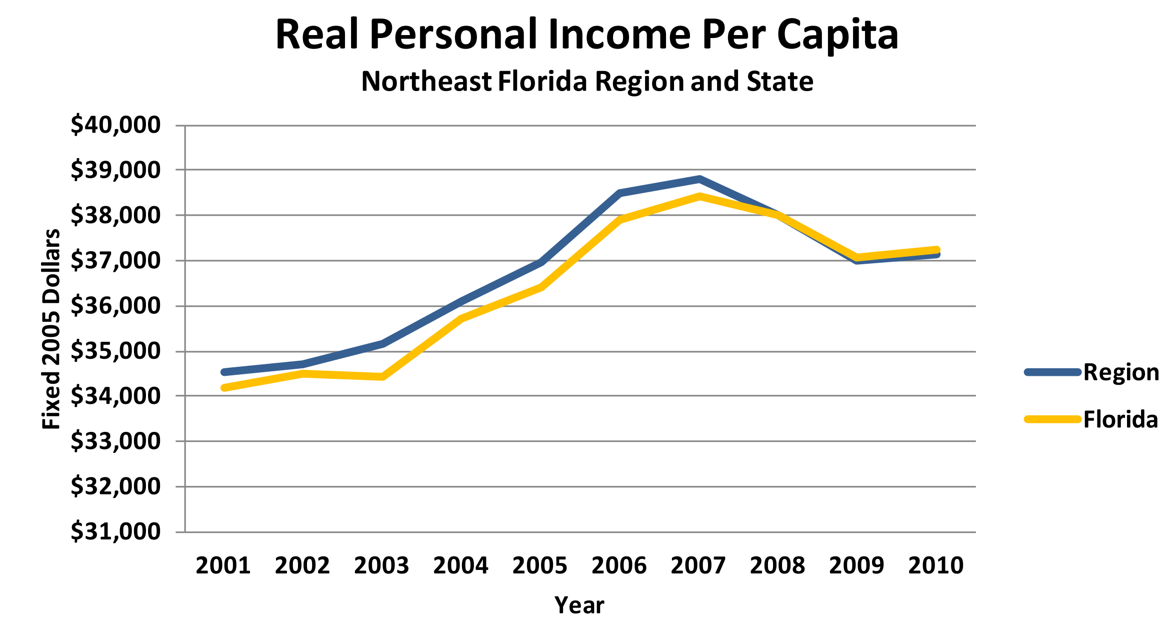
Per Capita Income

Exhibit 59 – Real Personal per Capita Income
Northeast Florida Region and State
Fixed 2005 Dollars
2001 to 2010

	YEAR									
AREA	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Baker	$23,136	$23,409	$24,054	$24,933	$24,855	$25,482	$26,238	$25,394	$25,113	$25,387
Clay	$31,954	$32,055	$32,249	$32,254	$33,196	$33,334	$33,361	$32,513	$31,807	$32,015
Duval	$35,533	$35,870	$36,551	$37,249	$38,157	$39,983	$40,198	$39,344	$38,376	$38,655
Flagler	$26,909	$26,868	$27,156	$27,968	$28,862	$29,883	$30,204	$30,391	$30,267	$29,970
Nassau	$36,238	$36,550	$36,489	$39,357	$40,854	$42,889	$44,047	$43,167	$42,103	$42,311
Putnam	$22,164	$22,501	$23,108	$23,159	$23,574	$23,954	$24,373	$24,826	$25,412	$25,646
St Johns	$42,394	$41,631	$41,125	$44,093	$44,945	$47,199	$47,734	$46,354	$43,373	$42,940
Region	$34,533	$34,713	$35,155	$36,089	$36,970	$38,495	$38,788	$38,020	$36,993	$37,138
Florida	$34,195	$34,509	$34,416	$35,708	$36,408	$37,905	$38,413	$38,016	$37,063	$37,235

Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

Exhibit 60 – Real Personal per Capita Income
Northeast Florida Region and State
Fixed 2005 Dollars
2001 to 2010



Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

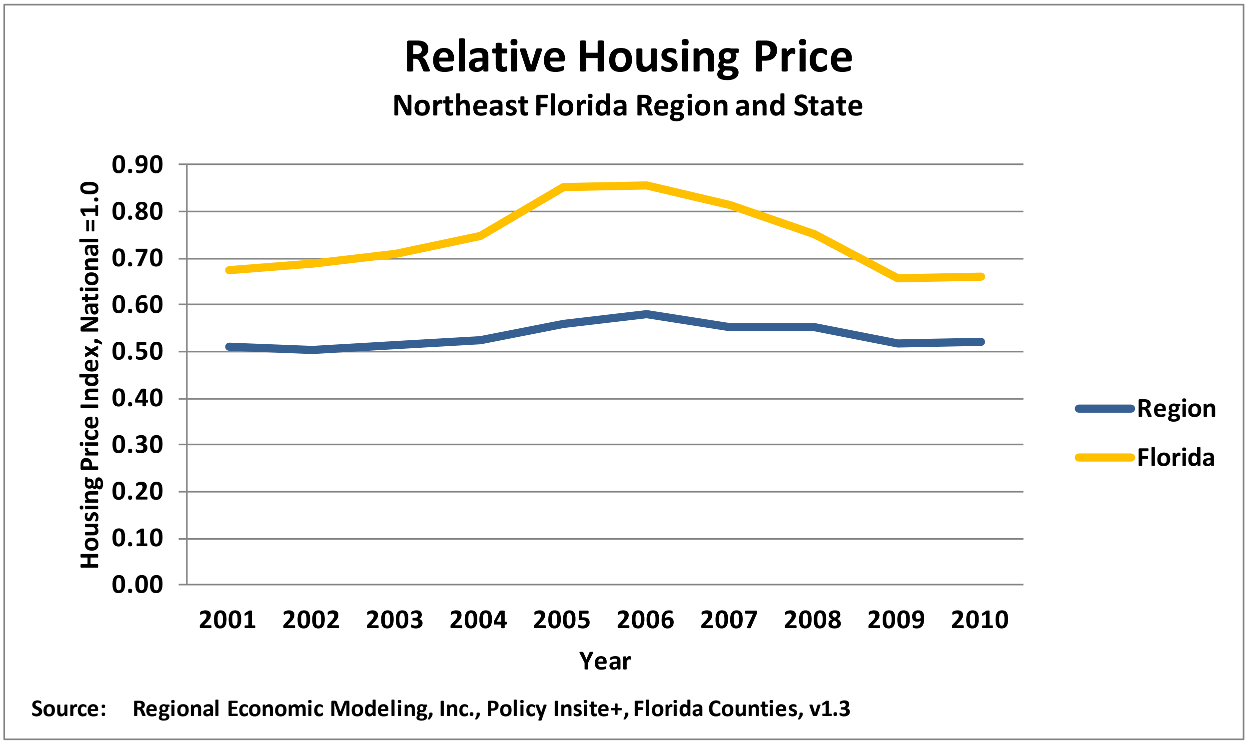
House Price Cost Index

Exhibit 61 – Relative Housing Price
Northeast Florida Region and State
National Index = 1.0
2001 to 2010

	YEAR									
AREA	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Baker	0.47	0.47	0.48	0.50	0.57	0.58	0.54	0.49	0.46	0.46
Clay	0.70	0.68	0.69	0.69	0.70	0.73	0.73	0.78	0.73	0.74
Duval	0.32	0.32	0.33	0.35	0.39	0.40	0.37	0.34	0.32	0.32
Flagler	0.59	0.59	0.60	0.63	0.71	0.73	0.67	0.61	0.57	0.58
Nassau	0.70	0.68	0.70	0.69	0.71	0.74	0.73	0.79	0.74	0.74
Putnam	0.39	0.39	0.40	0.42	0.47	0.48	0.44	0.41	0.38	0.38
St Johns	1.01	0.98	1.00	1.00	1.02	1.06	1.05	1.13	1.06	1.07
Region	0.51	0.50	0.51	0.52	0.56	0.58	0.55	0.55	0.52	0.52
Florida	0.68	0.69	0.71	0.75	0.85	0.86	0.81	0.75	0.66	0.66

Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3

Exhibit 62 – Relative Housing Price
Northeast Florida Region and State
National Index = 1.0
2001 to 2010



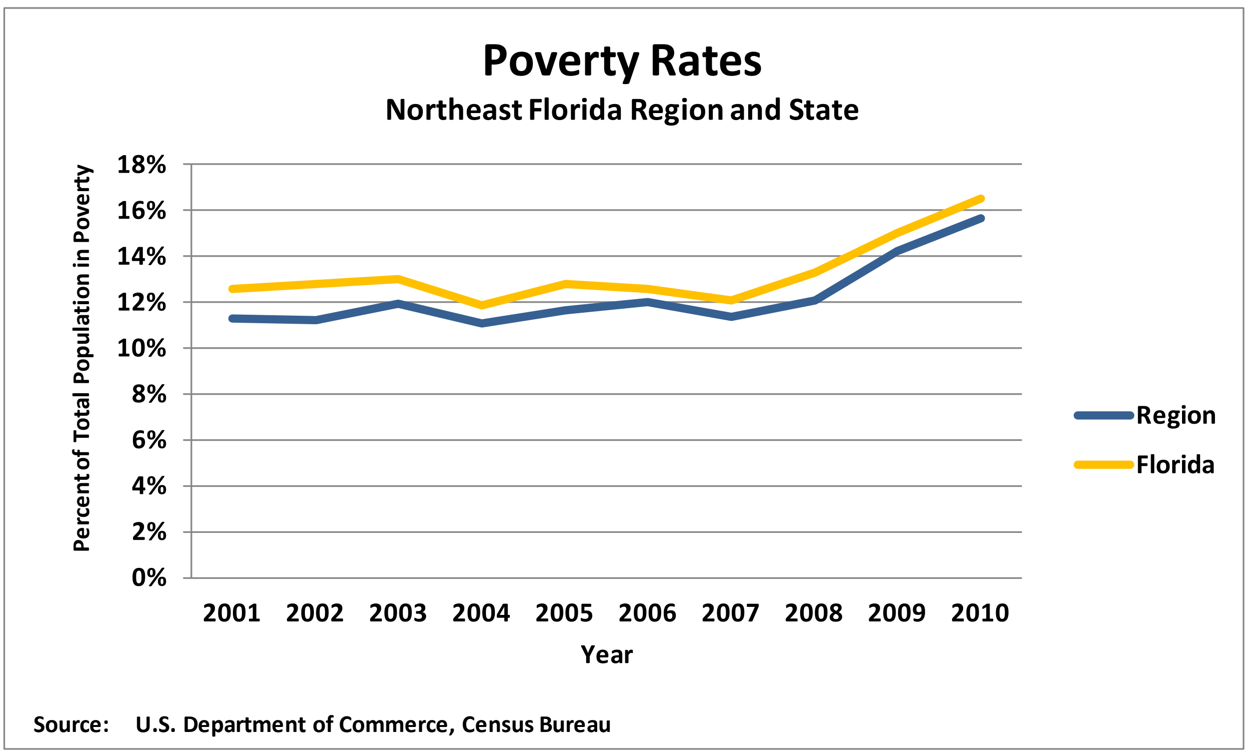
Persons Living in Poverty

Exhibit 63 – Percent of Persons Living in Poverty
Northeast Florida Region and State
2001 to 2010

	YEAR									
AREA	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Baker	13.7%	13.3%	13.7%	12.7%	14.5%	14.7%	14.4%	15.3%	17.2%	17.5%
Clay	7.3%	6.7%	7.4%	7.1%	8.1%	6.8%	8.0%	8.3%	9.2%	11.3%
Duval	11.3%	11.6%	12.8%	11.7%	12.1%	13.7%	12.4%	12.1%	15.3%	16.6%
Flagler	9.4%	9.0%	8.2%	7.8%	9.6%	8.2%	10.1%	9.8%	11.3%	15.5%
Nassau	8.8%	8.3%	8.9%	8.3%	9.2%	9.4%	8.9%	8.9%	11.5%	11.3%
Putnam	13.9%	13.6%	14.0%	13.2%	13.9%	13.4%	12.8%	15.3%	16.8%	17.5%
St Johns	7.8%	7.5%	8.2%	7.5%	7.5%	7.6%	6.7%	7.9%	8.7%	12.0%
Region	11.3%	11.2%	12.0%	11.1%	11.7%	12.0%	11.4%	12.1%	14.2%	15.7%
Florida	12.6%	12.8%	13.0%	11.9%	12.8%	12.6%	12.1%	13.3%	15.0%	16.5%

Source: U.S. Department of Commerce, Census Bureau, <http://www.census.gov/>

Exhibit 64 – Percent of Persons Living in Poverty
Northeast Florida Region and State
2001 to 2010

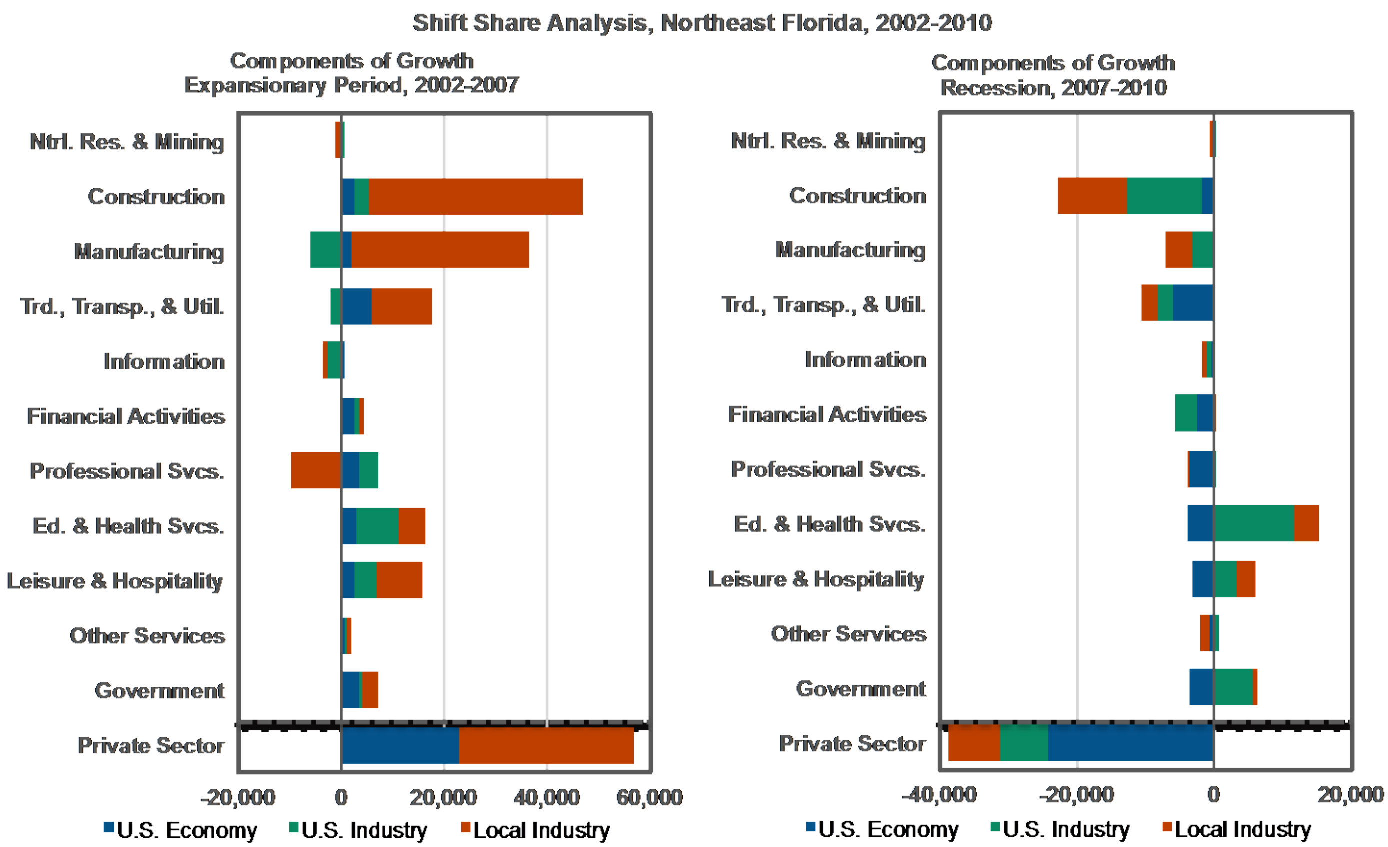


Shift-Share Analysis

The shift-share analysis in the following charts displays the positive and negative growth effects of the three components for Northeast Florida. *The orange bars are the most important part of the analysis, indicating the Local Industry Share and when job changes are due to local performance.*

Due to significant economic shifts related to the national recession, the Shift-Share Analysis was broken into two periods: the five years of growth leading up to the U.S. recession (2002-2007) and the recessionary period (2007-2010).

Exhibit 65 – Shift Share Analysis



For the pre-recession period (left chart above), we notice that local effects (orange bars) have had a significant effect on positive job growth in many industries, accounting for 60% of private sector job creation from 2002-2007. Construction and Manufacturing had the largest share of locally competitive job creation, followed by Trade, Transportation & Utilities, and Leisure & Hospitality. Regional strengths in Manufacturing stand out in particular, where local competitive advantage accounted for

95% of jobs created. Professional Services was the industry most negatively affected by job losses due to local performance.

During the recession period (2007-2010), only three sectors saw positive job gains, and most industry losses were more attributable to U.S. effects than local performance. The Construction industry lost the most jobs during this period and was most negatively affected by poor local performance. Education (Private) & Health Services and Leisure & Hospitality both enjoyed job growth due to positive U.S. trends and improved local performance.

In summary, Northeast Florida performed extremely well across nearly all industries leading up to the recession, but has fallen faster than the U.S. overall. A telling statistic underscores this point: Northeast Florida's private sector raced ahead pre-recession by creating 35,000 more jobs than U.S. trends would dictate (improving local competitiveness), but lost 10,000 more jobs during the recession due to underperformance

Location Quotient Analysis[43]

Location Quotients (LQs) compare the relative concentration of an industry in a local economy with the average concentration seen at the national level. An LQ of 1.5 indicates that the local economy has 50% more jobs per capita in that industry than witnessed at the national level. An LQ of 1.0 indicates parity, and an LQ below 1 indicates a below-average concentration. The "bubble chart" on the following page shows LQ by industry on the vertical axis. The horizontal axis shows historic growth rates for the industry, and the size of the bubble indicates the employment base of the sector.

While the shift-share analysis above examined Northeast Florida's major sectors in terms of their jobs growth, location quotients give us a quick snapshot of which industries are concentrated in the region. The bubble chart below shows the LQ of each of the major sectors on the vertical axis, the 5-year % growth for the industry on the horizontal axis, and the relative employment of the industry in the size of the bubble. This bubble chart will be seen again in the next phase's more detailed cluster and sub-cluster analysis.

The graph's four quadrants each tell a different story for the industry sector. While sectors in the top-right quadrant are viewed as competitive and should be priorities for talent development, sectors to the bottom-right (which are growing, but have below-average concentrations) are emerging sectors for the region. These sectors typically

[43] Source: Innovate Northeast Florida: Economic Development Strategic Plan, Competitive Analysis, 2012

require special attention such as entrepreneurial assistance or new workforce training programs. We characterize each quadrant as follows:

- **Top-Right (Strong, Advancing)**—A sector in the upper right quadrant is more concentrated in the region than average and also is becoming more concentrated over time due to above-average growth rates. These industries are standouts that distinguish the regional economy and are typically doing better every year. They represent immediate opportunities for economic development (a "build on your strengths" strategy). They are especially important if they are also large in terms of sheer number of jobs. Large industries in this quadrant are both important and high performing, which means they will have increasing workforce demand. Small industries in this quadrant are emerging, may have high-potential regional export capabilities, and should be developed further.

- **Bottom-Right (Weak, Emerging)**—The lower right quadrant contains industries that are not yet as concentrated in the region as they are at the national level, but they are becoming more concentrated over time. If they continue this trend, they will eventually move across the horizontal axis into the upper right-hand quadrant (You can imagine a counter-clockwise swirl as emerging sectors become strong and then lose their strength as the economy shifts into another stage of the business cycle for the industry). Industries in the lower-right quadrant can also be called "emerging" industries, having the potential to contribute more to the region's economic base in the mid-term and long-term. They can be new sectors of the economy, or support sectors that are historically under-represented in the region. These sectors require special attention from economic developers, such as entrepreneurial assistance and new workforce training programs.

- **Top-Left (Strong, Declining)**—The upper left quadrant contains industries that are more concentrated in the region than average, but whose concentration is declining due to below average or negative growth rates. If a mid-size or large industry or cluster is in this quadrant, this is an important warning that the region is losing a major part of its export base and should form planning and investment priorities accordingly, or even consider providing assistance (provided there is a reasonable expectation of long-term success). If the region does not bolster these industries or replace them with other export industries, then it will likely suffer significant job losses. A large industry in this quadrant usually indicates that layoffs are occurring and worker-transitioning programs will be needed.

- **Bottom-Left (Weak, Declining)**—Finally, the lower left quadrant contains industries that are less important regionally than nationally and are also declining in employment. Industries here may represent warning signs that the region needs to attract more businesses in those industries in order to maintain an economy that is sufficiently balanced and diversified in comparison to the national economy. Often, support industries can be found here that are under-represented in a community, such as Professional Services and Engineering. If industries in this quadrant offer high wages, then the community may be facing a situation where new jobs are not replacing jobs at the salaries required to sustain household income levels. In general, industries in this quadrant indicate a lack of competitiveness and should not be targeted.

Financial Activities is the most concentrated cluster (highest LQ) in Northeast Florida. This sector has the 6th highest employment in the region, but the greatest concentration relative to the US. Like the US, Financial Activities employment has declined over the past five years. The fastest growing industries are Education & Health Services; Leisure & Hospitality; Professional & Business Services; and Government. Despite the large military presence in Northeast Florida, Government is less concentrated locally, with an LQ of 0.83, but employment in this sector has been growing.

Manufacturing, a sector with strong local effects as demonstrated by the shift-share analysis, has a low concentration in Northeast Florida and has seen the greatest employment declines regionally after Building & Construction.

Regional Economic Clusters

State Industry Clusters

According to Enterprise Florida, "Florida's leading industry clusters play a key role in the State's continued economic success and competitiveness. Innovative organizations in key Florida industries, such as life sciences and aerospace, find the nurturing environment here for developing state-of-the-art technologies, while sophisticated financial and professional services firms prosper thanks to Florida's skillful workforce and the State's business-friendly environment."

Florida continues to find success in building science, technology, and professional industry clusters. Enterprise Florida has determined that Florida's strengths and future lie within the following industry clusters:

Clean Energy

Because of its geography, climate, and strong agricultural sector, Florida offers significant solar, biomass, and ocean energy resources. Additionally, with education and workforce training programs throughout the State's universities and colleges, the State is educating the workforce necessary for a competitive advantage. Florida has several clean energy research and development centers throughout the State, including: the Center of Excellence in Ocean Energy Technology (Florida Atlantic University); the Clean Energy Research Center (University of South Florida); the Florida Institute for Sustainable Energy (University of Florida); the Florida Solar Energy Center (University of Central Florida); and the Sustainable Energy Science & Engineering Center (Florida State).

Within the clean energy cluster are the following industries: solar energy, biomass energy, biofuels, fuel cells and hydrogen and ocean energy.

Life Sciences

There are over 600 biotech, pharmaceutical and medical device companies, and nearly 40,000 healthcare establishments in Florida.[44] Florida's life sciences cluster continues to gain critical mass around the State. Due to the State's research capabilities and collaborative efforts, life sciences businesses are thriving.

Education and research centers throughout the State include the Center of Excellence in Regenerative Health Biotechnology (University of Florida); the Center of Excellence in Biomedical and Marine Biotechnology (Florida Atlantic University); the Center of Excellence for bio molecular Identification and Targeted Therapeutics (University of South Florida); and the Center of Excellence for Nano-Bio Sensors (University of Florida). Additionally, Florida's areas of life sciences excellence, which includes cancer, diabetes and heart disease, have attracted six esteemed biomedical research outfits to the State in the last five years: the Burnham Institute for Medical Research, Scripps Florida, the Max Planck Institute of Bioimaging, the Miami Institute for Human Genomics, the Torrey Pines Institute for Molecular Studies, and the Vaccine and Gene Therapy Institute.

Within the life sciences cluster are the following industries: biotechnology, medical device manufacturing, pharmaceuticals, and health care.

Information Technology

Florida has more than 245,000 persons employed in the Information Technology field.[45] Florida's Information Technology companies have a total payroll of $16 billion

[44] Source: Enterprise Florida
[45] Source: Excerpted from Bureau of Labor Statistics

and an average wage of approximately $65,405.[46] Florida has several information technology clusters that have formed because of strong, ongoing cooperation between research institutions, businesses, and industry organizations. A prime example of this is the Florida High Tech Corridor Council, which is a partnership among the University of Central Florida, the University of South Florida, and the University of Florida, principals of top high-tech companies, and economic development organizations that help promote the growth of the high-tech industry in the 23-county region served by the three universities.

Within the information technology cluster are the following industries: modeling, simulation and training; photonics and optics; digital media; software and computer systems design and integration; computer products, microelectronic and precision device manufacturing; and telecommunications.

Aviation and Aerospace

Florida ranks as 3rd in the nation for employment in the Aviation & Aerospace industry.[47] There are approximately 1,900 aviation and aerospace companies employing nearly 84,600 workers in the Florida. NASA and the Cape Canaveral Spaceport, as well as Florida's many U.S. military and air force bases are the key industry assets. Within Florida are several state of the art flight facilities and launch complexes for space exploration.

Florida has several notable research and design centers within the fields of aviation and aerospace, including: the Florida Center for Advanced Aero-Propulsion; Florida Technological Research and Development Authority; the NASA-KSC/Florida Dual-Use Technology Partnership; and Embry-Riddle Aeronautical University.

Homeland Security and Defense

Florida has a large homeland security and defense cluster, which varies from the manufacturing of satellites and tanks to vaccines. In 2006, Florida companies generated nearly $11 billion in Department of Defense Prime Contract awards, ranking the State 4th in the nation.[48] Florida has 12 major military installations and 3 command centers. Due to the military presence in Florida, the State is home to a large pool of highly skilled workers.

Florida has several notable research, design, and education facilities concentrating on homeland security. Among these are the Center for Biological Defense (University of South Florida); the Center of Excellence in Security and Assurance in Information

[46] Source: Excerpted from Bureau of Labor Statistics
[47] Source: Excerpted from Governor's Commission on the Future of Space and Aeronautics in Florida, 2006
[48] Source: Excerpted from Enterprise Florida

Technology Lab (Florida State University); the Center for Infrastructure Protection and Physical Security (University of Florida); the Institute for Human Machine Cognition; the Institute for Simulation and Training (University of Central Florida); the National Center for Maritime and Port Security; and Scripps Pandemic Research and Synthetic Vaccine Development.

Within the homeland security and defense cluster are the following industries: information analysis and security; threat detection and prevention; and emergency preparedness, response and recovery.

Finance/Professional Services

A primary economic driver in Florida is the finance and professional services industry. In total, almost one million people are employed by Florida's Financial and Professional Services companies that have a combined payroll of close to $59 billion.[49]

Manufacturing

The manufacturing industry employs close to 400,000 workers in Florida[50] representing approximately 5% of the total state employment.[51] In 2007, the manufacturing industry accounted for approximately 5% of Florida's *Gross State Product* (GDP). The manufacturing industry in Florida produces a variety of products, including plastics and medical devices.

Regional Industry Clusters

Northeast Florida's Regional industry clusters parallel those identified by Enterprise Florida for the State as a whole. The Regional industry clusters identified within the Comprehensive Economic Development Strategy parallel those identified by AngelouEconomics in a 2006 Duval County Target Market Report, which was undertaken on behalf of the Cornerstone Regional Development Partnership.

An "industry cluster" is an economic development term defined as a concentration of interconnected companies and industries within a region. The companies and industries are interconnected not only by their particular markets, but also by their products, suppliers, workforce skill-sets, etc.

In terms of supply chain logistics, Northeast Florida is ideal for companies that depend on logistics and intermodal capacity. There are three major interstates (I-95, I-75 and I-10); three railroads (CSX, Norfolk Southern and Florida East Coast); two deep-water ports—JaxPort, which has three separate marine terminals, and the Port of Fernandina;

[49] Source: Bureau of Labor Statistics
[50] Source: Bureau of Labor Statistics
[51] Source: Florida TaxWatch Special Report, March 2009

and an international airport. There are 45 million people within an eight-hour drive of Jacksonville and 60 percent of the U.S. population (approximately 179 million people) is within a 24-hour truck drive.

Northeast Florida includes a growing number of industry clusters, specifically aviation, financial services, and biomedicine.[52]

The finance and insurance services industry cluster is centered in Jacksonville. There are several large companies located in Northeast Florida, including: Bank of America, Blue Cross/Blue Shield, CitiBank, Fidelity National Financial, Inc., Merrill Lynch, Prudential and Wachovia. The table below lists the ten top headquartered companies in Jacksonville:

Exhibit 66 – Top Ten Headquartered Companies in Jacksonville

COMPANY	TYPE OF HEADQUARTERS	EMPLOYEES
Blue Cross & Blue Shield of Florida	Regional	7,000
CSX	Division	4,400
Citibank	Division	4,200
Bank of America	Regional	4,000
Wachovia	Corporate	3,500
Winn-Dixie	Corporate	2,500
Everbank Financial	Division	2,249
Aetna U.S. Healthcare	Regional	1,700
Everbank and Everhome Mortgage Comp.	Corporate	2,249
Fidelity Information Services	Corporate	1,700

Source: Jacksonville Economic Development Commission, 2009

Northeast Florida is home to several military bases, including the Naval Air Station at Jacksonville (NAS Jax). The Aviation/Aerospace Center of Excellence at Florida State College at Jacksonville is dedicated to meeting the future local educational needs in that sector. Several financial services giants have major offices in Jacksonville. The Florida Space Authority and the Jacksonville Airport Authority are creating a commercial spaceport at Cecil Commerce Center.

Thousands of patients travel from across Florida and the southeast each year for the excellent biomedical services provided at the Mayo Clinic and Shands Jacksonville.

Adding to the attractive business environment is a growing concentration of high-tech businesses, and Northeast Florida has been ranked among the Milken Institute's[53] list of metro areas for top high-tech capacity.

[52] Source: Duval County Target Market Report, August 2006, AngelouEconomics
[53] The Milken Institute is an "independent economic think tank whose mission is to improve the lives and economic conditions of the people of the United States." www.milkeninstitute.org

Regional Target Industries

The Jacksonville Chamber of Commerce in collaboration with the Cornerstone Regional Economic Development Partnership and other agencies hired Whittaker Associates to create a 5-year target marketing strategy for the First Coast Region. The study identified eight target industry sectors for the Region:

- Aviation and Aerospace
- Distribution and Logistics
- Electronics and Semiconductors
- Financial and Insurance Services
- Headquarters
- Business Information Technology Services
- Medical Products, Services, and Research
- Advanced Manufacturing

The following is a synopsis of the 2006 Whittaker Study's findings for the above target industries:

- The Financial and Insurance Services industry saw the greatest growth
- The expansion of Cecil Commerce Center will continue to drive the aerospace and aviation fields
- With the expansion of technology commercialization (Mayo Clinic) and the Proton Therapy Institute (Shands Jacksonville), the Region is poised as a hub in medical services
- With the Mitsui OSK Lines and other port related-expansions, Northeast Florida is "on the national radar as a destination hub for distribution and logistics facilities."[54]

Based on the findings, the AngelouEconomics report identified the following regional target industries:

[54] Source: Duval County Target Market Report, August 2006, AngelouEconomics

Advanced Manufacturing

- Original Equipment Manufacturers
- Automotive Supplies
- Pharmaceutical Manufacturing

Aviation and Aerospace

- Aircraft MRO
- Defense Manufacturing
- Component Manufacturing

Distribution and Logistics

- Assembly/Distribution
- Warehousing
- Logistics Software Development

Finance and Insurance Services

- Integrated Service Centers
- Fire Software Development

Life Sciences

- Medical Device Manufacturing
- Life Sciences Research & Design
- Health Services

Information Technology

- Security and Intelligence Software/Computer and Network Security Systems
- Data Centers
- FIRE Applied Software

Headquarters

- Regional Financial Services
- Defense Manufacturing
- Medical Devices

Rural Target Industries

Several of the counties in Northeast Florida are in rural areas. Prepared by Fairfield Index, Inc. for Enterprise Florida, the 2004 report titled *"Creating Economic Opportunities for the North Central Florida Rural Area of Critical Economic Concern: Priorities and Leadership Capacity"*, Rural Forum in Lake City identifies five Rural Target Industries, which have been adopted into this CEDS. These five industries are:

- Distribution/Transportation
- Transportation and Machinery Manufacturing
- Avionics
- Manufacturing of Component Parts for the Construction Industry
- Information Services

Emerging Technology

The following emerging technology areas have important implications for the economic development strategy of Northeast Florida.

Materials Science

Materials science and engineering involves the properties and applications of matter. "The multidisciplinary research needed to advance materials science is a great fit for

Florida's collaborative R&D climate. The State is particularly strong in materials research for aerospace, information technology and biomedical applications."[55]

Nanotechnology

According to Enterprise Florida, there are at least 36 companies in Florida that are working in the drug development, bio-sensor, nano-sensor, advanced materials, and electronics fields. The State of Florida university system has several notable research and design facilities in the nanotechnology fields, including: the Motorola nanofabrication Research Facility (Florida International University); the NanoScience Technology Center (University of Central Florida); the Nanoscience Institute for Medical Engineering Technology (University of Florida); the High-performance Materials Institute (Florida State University); the Center for Nano-Bio Sensors (University of Florida); and the Nanomaterials and Nanomanufacturing Research Center (University of South Florida).

Marine Science

Florida has over 1,200 miles of coastline and another 12,000 miles of inland rivers and streams. The marine sciences include a wide-range areas, including conservation, climate and atmospheric studies, marine biodiversity, aquaculture, marine resource management, coastal management, marine chemistry, and marine biotechnology. The total value of waterborne trade in 2005 alone was close to $63 billion.[56] According to the Marine Industry Association of Florida, in 2005 the marine recreation industry (i.e., boats) had a total output value of over $18 billion and employed over 220,000 people.

According to the Florida Fish and Wildlife Conservation Commission, in 2004 Florida's commercial fishing industry generated $534 million in economic impacts for Florida.

Florida is home to many research and design facilities including: the Center of Excellence in Biomedical and Marine Biotechnology (Florida Atlantic University); the Harbor Branch Oceanographic Institution; the University of Miami Rosenstiel School of Marine and Atmospheric Studies (University of Miami); the Mote Marine Laboratory; the Whitney Laboratory for Marine Bioscience in St. Augustine (University of Florida); and the Nova Southeastern University Oceanographic Center (Nova Southeastern University).

The Region is home to the Jacksonville University Marine Science Research Institute (MSRI), which is an interdisciplinary facility that provides teaching and research opportunities on issues relating to the St. Johns River, as well as the overall marine

[55] Source: Enterprise Florida
[56] Source: Enterprise Florida

environment. Research performed by MSRI includes the Fisheries Independent Monitoring Program and the High School Marine & Environment Education Program.

State and Local Economic Development Plans Affecting the Region

The success of CEDS is dependent on coordination and cooperation with the ongoing State economic development efforts that affect the Region, including:

- **Rural Economic Development Initiative**

  Administered by the Governor's Office of Tourism, Trade, and Economic Development (OTTED), the Rural Economic Development Initiative (REDI) serves Florida's rural communities by providing a more focused and coordinated effort among state and regional agencies that provide programs and services for rural areas.

  There are currently three REDI counties in the Region: Baker County, Flagler County, and Putnam County.

- **Rural Areas of Critical Economic Concern**

  Rural Area of Critical Economic Concern (RACEC) means a rural community, or a region composed of rural communities, designated by the Governor that has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster or that presents a unique economic development opportunity of regional impact. The Governor has designated three areas within the State as RACEC; two of the Region's counties, Baker County and Putnam County, are RACEC areas. The economic benefits of being designated a RACEC community are:

  - Certain criteria, requirements, or similar provisions of a economic development incentive are waived
  - Access to incentives such as: the Qualified Target Industry Tax Refund Program; the Quick Response Training Program; the Brownfield Redevelopment Bonus Refund Program; and the rural job tax credit program

- **Targeted Industry Incentives**

  The Qualified Target Industry Tax Refund incentive is available for companies that create high wage jobs in targeted high value-added industries. This incentive includes refunds on corporate income, sales, ad valorem, intangible personal property, insurance premium and certain other taxes.

- **Qualified Defense and Space Contractor Tax Refund**

  Florida is committed to preserving and growing its high technology employment base by giving Florida defense, homeland security and space business contractors a competitive edge in consolidating contracts or subcontracts, acquiring new contracts or converting contracts to commercial production.

- **Capital Investment Tax Credit (CITC)**

  The Capital Investment Tax Credit is used to attract and grow capital-intensive industries in Florida. It is an annual credit, provided for up to twenty years, against the corporate income tax.

- **High Impact Performance Incentive Grant (HIPI)**

  The High Impact Performance Incentive is a negotiated grant used to attract and grow major high impact facilities in Florida. Grants are provided to pre-approved applicants in certain high-impact sectors designated by the Governor’s Office of Tourism, Trade, and Economic Development (OTTED).

- **Quick Response Training Program (QRT)**

  Quick Response Training (QRT) is an employer-driven training program designed to assist new value-added businesses and provide existing Florida businesses the necessary training for expansion. A state educational facility—community college, area technical center, school district or university—is available to assist with application and program development or delivery. The educational facility will also serve as fiscal agent for the project.

- **Incumbent Worker Training Program (IWT)**

  Incumbent Worker Training (IWT) is a program that provides training to currently employed workers to keep Florida’s workforce competitive in a global economy and to retain existing businesses.

- **Economic Development Transportation Fund**

  The program is available to all Florida businesses that have been in operation for at least one year prior to application and require skills upgrade training for existing employees. Priority is given to businesses in targeted industries, Enterprise Zones, HUB Zones, Inner City Distressed areas, Rural Counties and areas and Brownfield areas.

- **Economic Development Transportation Fund**

  The Economic Development Transportation Fund, commonly referred to as the “Road Fund,” is an incentive tool designed to alleviate transportation problems that adversely impact a specific company’s location or expansion decision.

- **Enterprise Zone Incentives**
  Tax credits include a sales and use tax credit, tax refund for business machinery and equipment used in an enterprise zone, sales tax refund for building materials used in an Enterprise Zone, and a sales tax exemption for electrical energy used in an enterprise zone.

- **Brownfield Incentives**
  The Brownfield Redevelopment Bonus Refund is available to encourage Brownfield redevelopment and job creation. Approved applicants receive tax refunds of up to $2,500 for each job created.

Past, Present, and Projected Future Economic Development Investments (as of 2009)

- Recent Economic Development Investments
- Current Economic Development Investments
- Anticipated Economic Development Investments

Performance Measures (as of 2009)

Number of Jobs Created After Implementation of the Comprehensive Economic Development Strategy

- 729,873 Year 2009
- Total Employment in Subsequent Years

Number and Types of Public Sector Investments Undertaken in the Region

- Zero
- Significant State and Local Investments

Baseline = Zero Dollars

Number of Jobs Retained in the Region

- Base year 2009: 729,873 jobs
- Number of Jobs Retained as a Result of Select State and Local Investments

Amount of Private Sector Investment in the Region after Implementation of the Comprehensive Economic Development Strategy

Exhibit 67 – Taxable Property
As reported by the State of Florida Dept of Revenue

COUNTY	2008 TAXABLE VALUE (LAND)
Baker County	$297,864,672
Clay County	$4,401,401,596
Duval County	$19,750,929,407
Flagler County	$3,322,900,791
Nassau County	$2,473,347,069
Putnam County	$711,233,548
St. Johns County	$9,923,376,543
Region	$40,881,053,626

Source: 2008 Florida Property Valuations & Tax Data (for real property), April 2009, State of Florida Department of Revenue

Changes in the Economic Environment of the Region (Changes to Taxes & Fees, New Incentive Programs, etc.)

The CEDS will annually monitor significant economic activity variables such as:

- Job creation or losses by sector (REMI)
  Base year 2008

Exhibit 68 – Estimated Employment by Sector

SECTOR	2008 EMPLOYMENT
Forestry, Fishing, Other	3,277
Mining	885
Utilities	1,589
Construction	64,221
Manufacturing	38,658
Wholesale Trade	28,916
Retail Trade	105,034
Transportation and Warehousing	38,120
Information	13,682
Finance, Insurance	63,266
Real Estate, Rental, Leasing	36,445
Professional Tech Services	49,164
Management of Companies and Enterprises	7,324
Admin, Waste Services	76,420
Educational Services	11,108
Health Care, Social Asst	85,081
Arts, Entertainment and Recreation	15,142
Accommodation and Food Services	65,926
Other Services (excluding Gov)	48,755
TOTAL Non-Farm Private Sectors	**753,013**

Source: REMI 9.0

- Unemployment rates (Bureau of Labor Statistics)
  Base year July 2008 – June 2009
  Region Unemployment Rate: 7.0%

- Per capita and median household (BEBR or IRS)
  Base year 2006
  Per capita income: $33,647
  Median household income: $51,302

- Per capita income characteristics (BEBR or IRS)
  Base year 2006
  Total personal income: $52,059,254,000
  Total earnings from salaries and wages: $26,152,831,000

- High school graduation rates and school district ranking (Florida Department of Education)
  Base year 2006-2007

Exhibit 69 – High School Graduation Rates and School District Rankings

COUNTY	2006-07 GRADUATION RATE	DISTRICT RANKINGS
Baker County	68.2%	17
Clay County	75.3%	10
Duval County	64.3%	59
Flagler County	77.1%	36
Nassau County	80.7%	4
Putnam County	78.6%	58
St. Johns County	78.3%	7

Source: Florida Department of Education

- Land use amendments by acre designated industrial or commercial (NEFRC)
  Base year 2009
  Baseline = Zero acres

- Number of new or improved infrastructure projects (FDOT, TPO and local five year work programs or LRTPs).
  Base year 2009

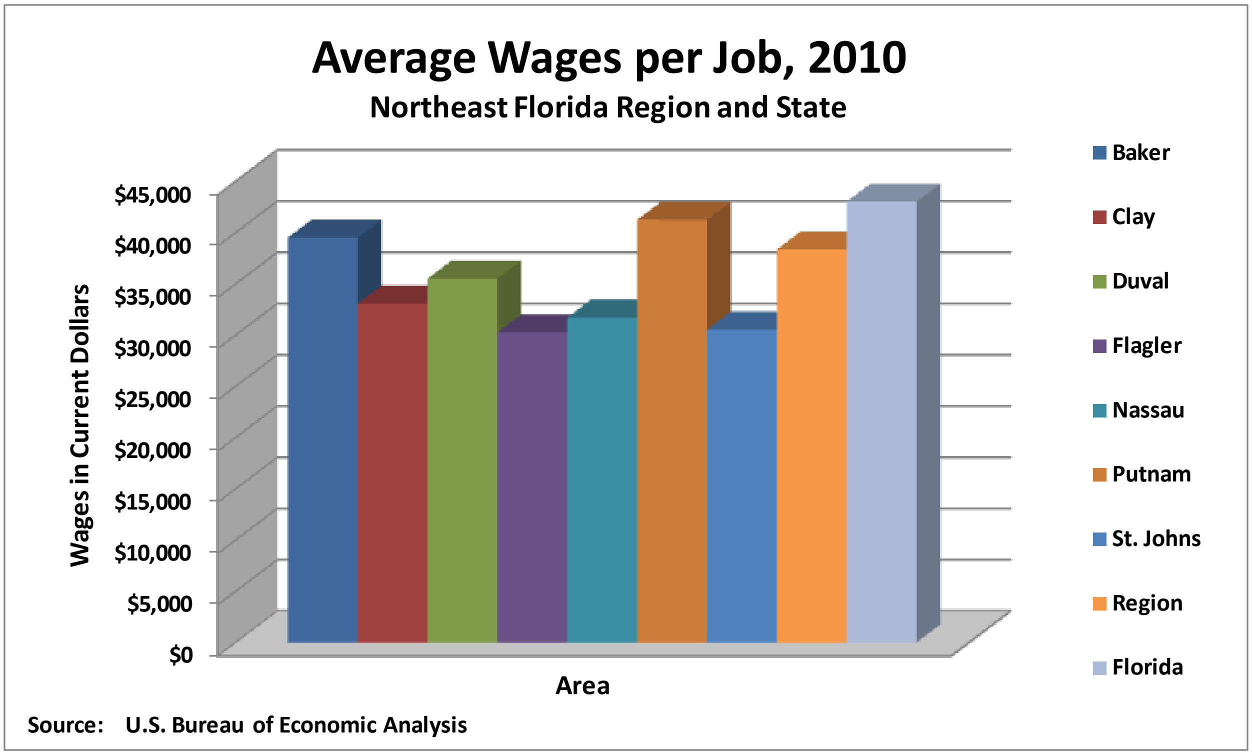
Source: FDOT and JTA Projects. The projects included reflect landscaping, capacity improvements and resurfacing projects only. Projects listed below are recently completed, imminent projects and on-going projects

Six Pillars Measures

Talent Supply & Education

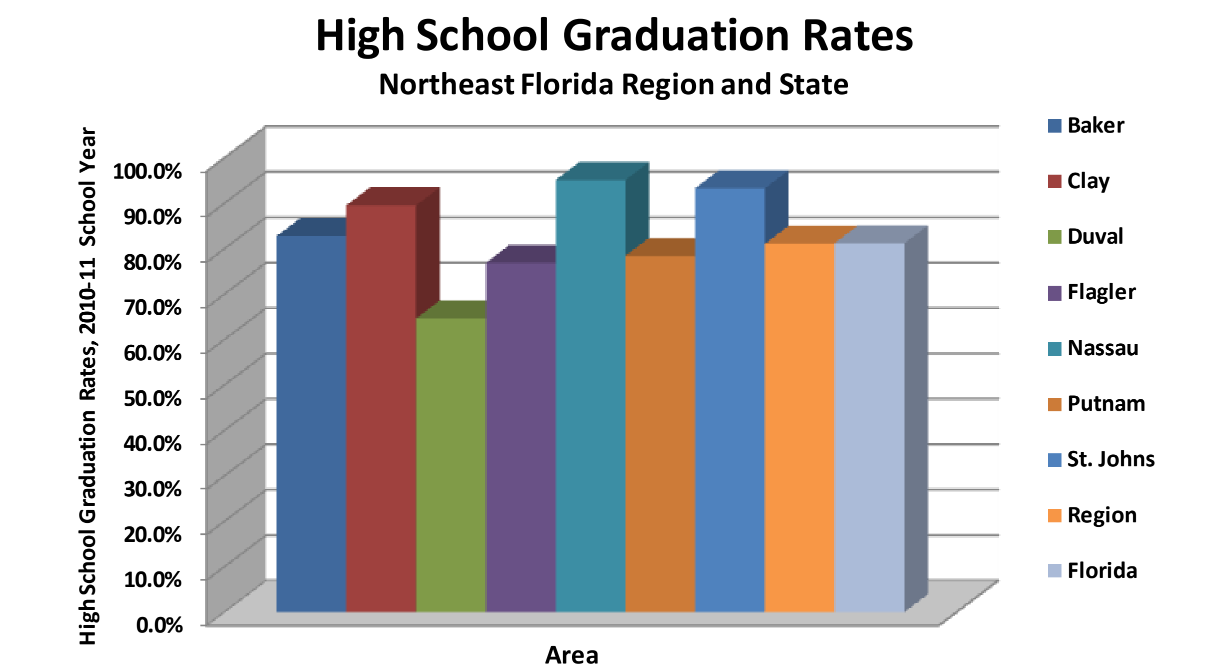
Average Annual Wage

Exhibit 70 – Average Annual Wages per Job
Northeast Florida Region and State
Current Dollars
2010



High School Graduation Rates

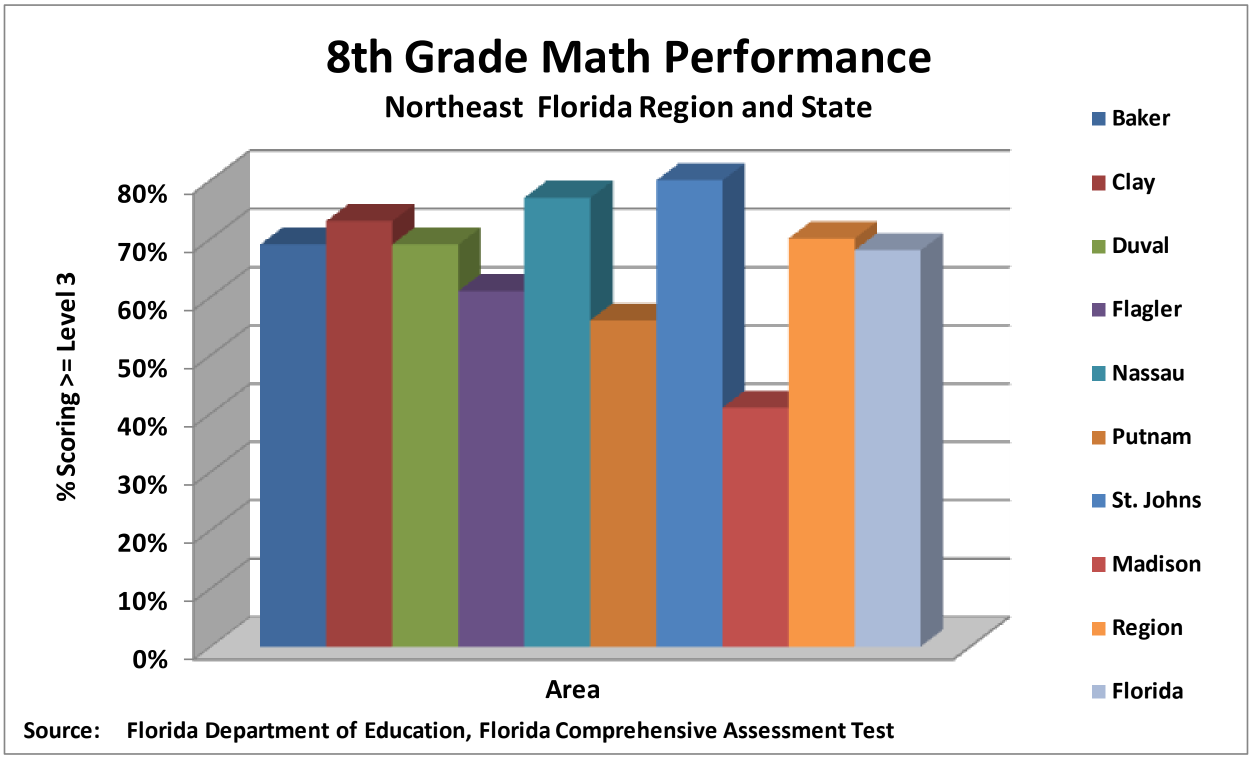
Exhibit 71 – High School Graduation Rates
Northeast Florida Region and State
School Year 2010-11



Source: Florida Department of Education, Data Publications and Reports: Students

8th Grade Math Performance

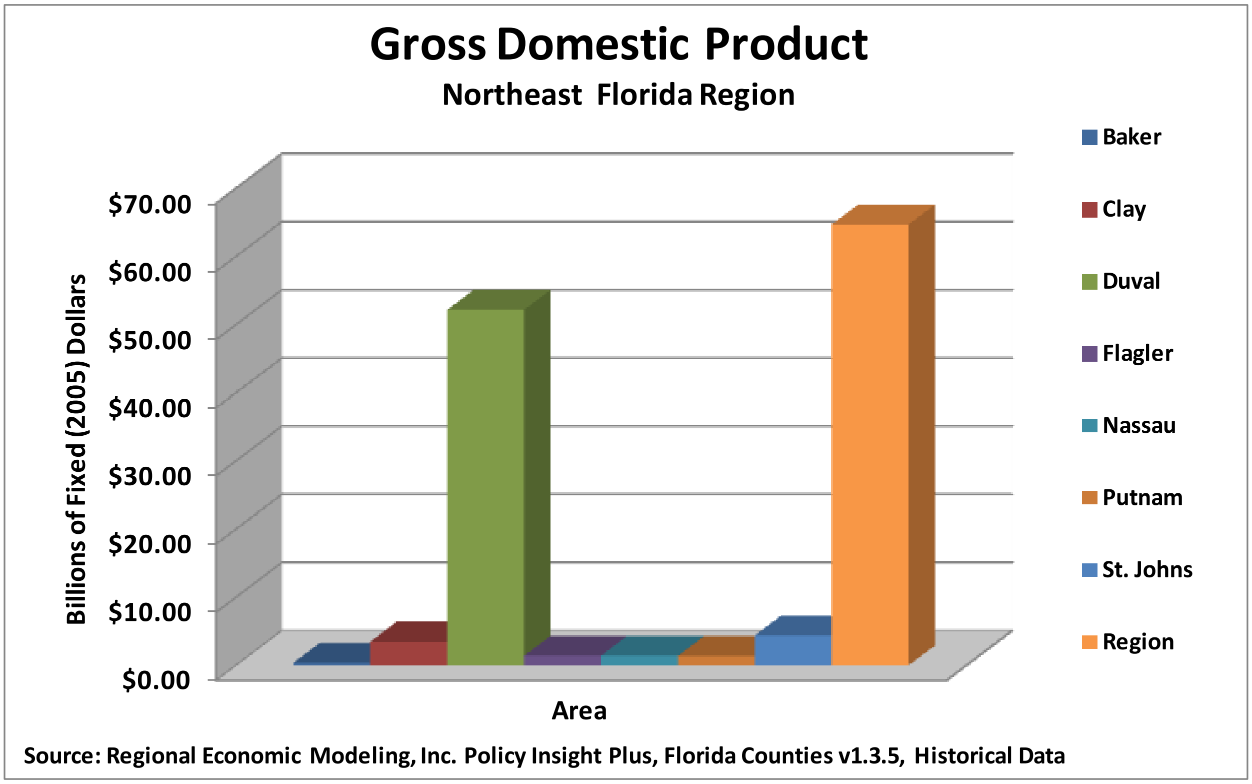
Exhibit 72 – 8th Grade Math Performance
on the Florida Comprehensive Assessment Test
Percent Scoring >= Level 3 of 5
Northeast Florida Region and State
2010



Innovation & Economic Development

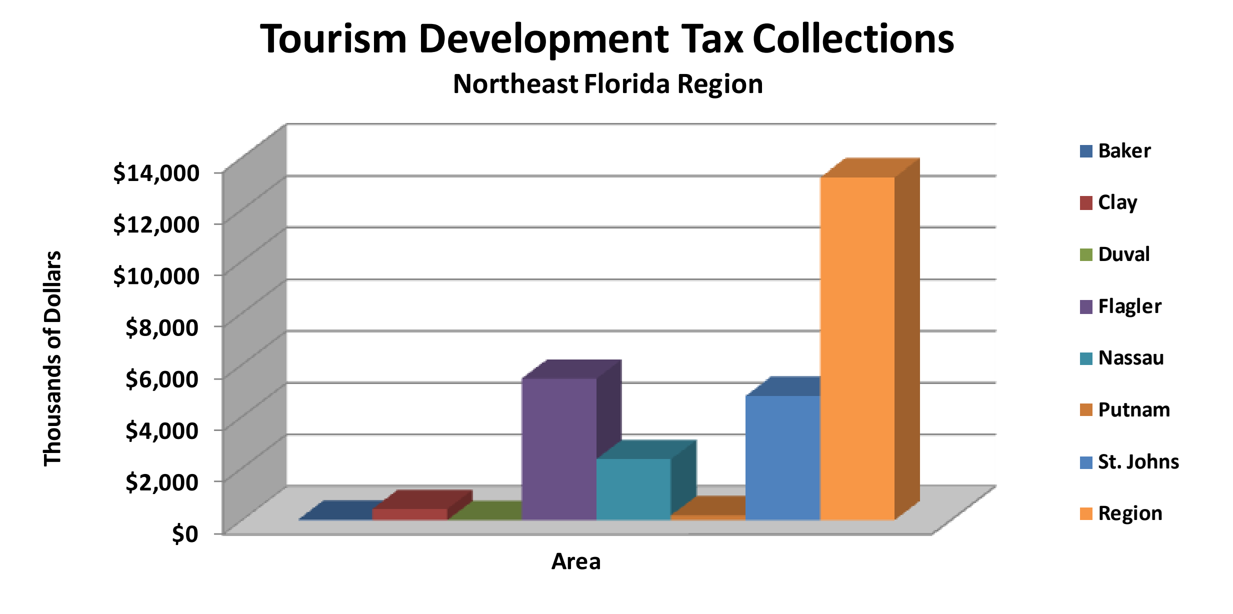
Gross Domestic Product

Exhibit 73 – Gross Domestic Product
Northeast Florida Region
Billions of Fixed 2005 Dollars
2010



Bed Tax Collections

Exhibit 74 – Tourism Development Tax Collections
Northeast Florida Region
Thousands of Dollars
Fiscal Year 2009-10



Source: Florida Department of Revenue, Local Government Tax Receipts by County

Trade Exports and Imports

Exhibit 75 – Trade Exports
Northeast Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010

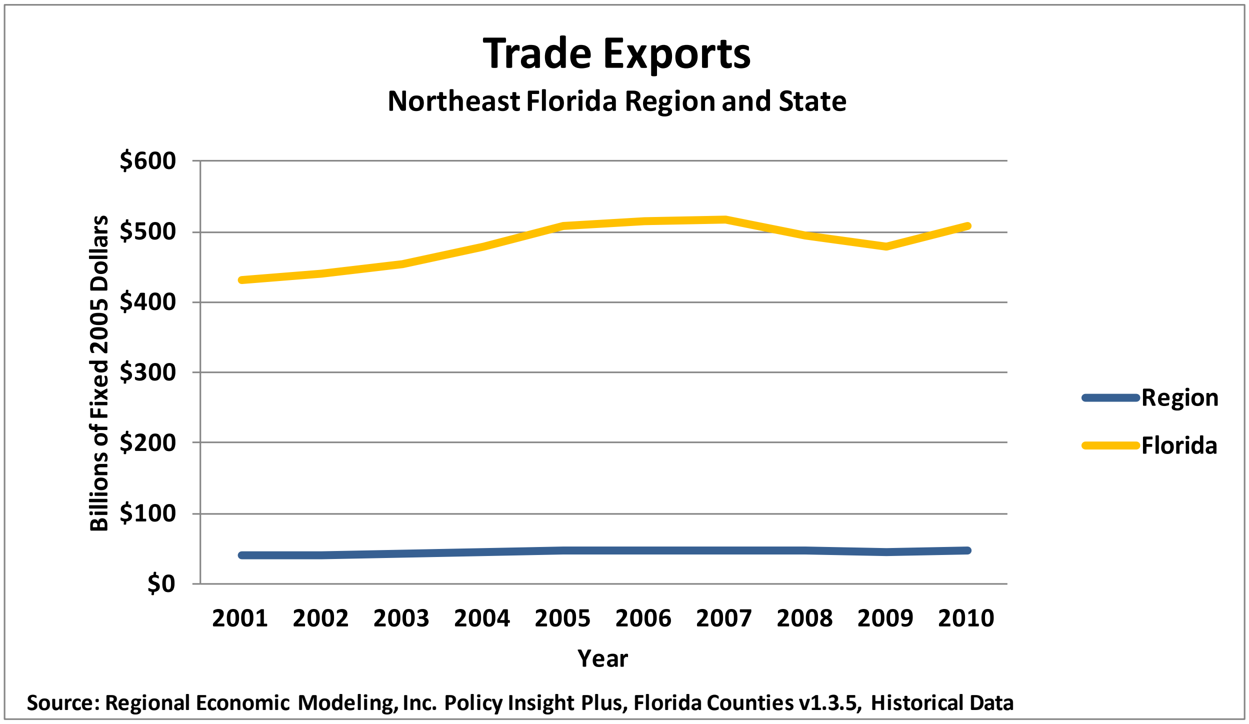
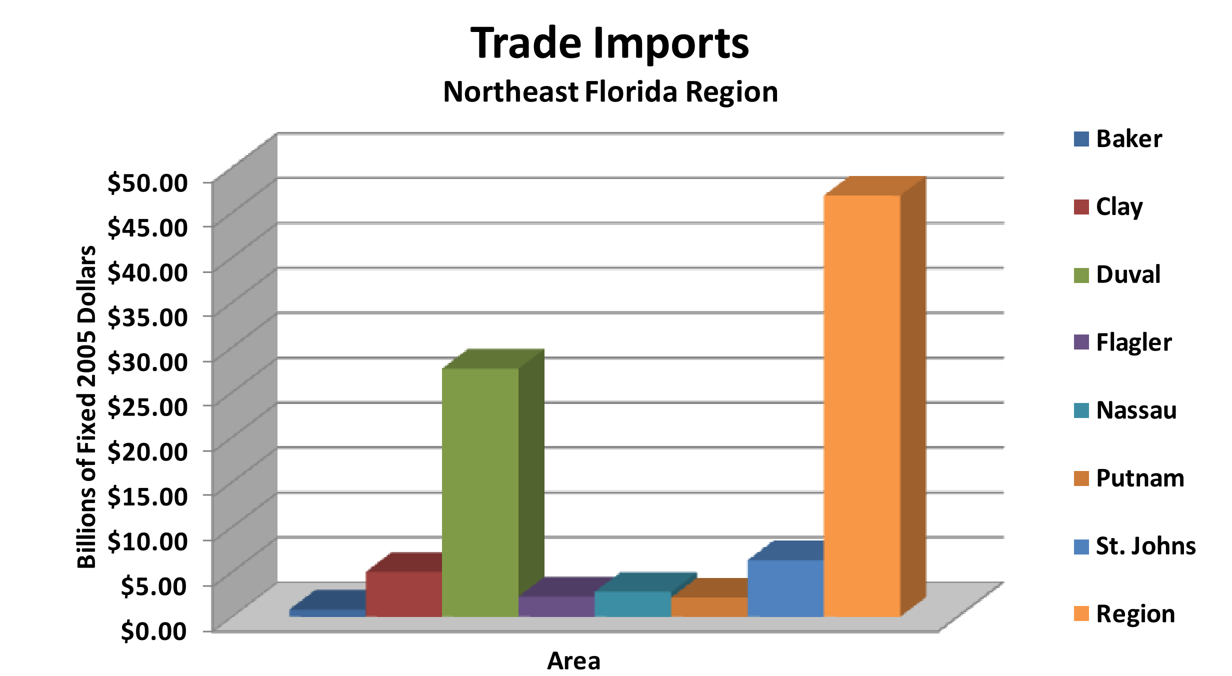


Exhibit 76 – Trade Imports
Northeast Florida Region
Billions of Fixed 2005 Dollars
2010

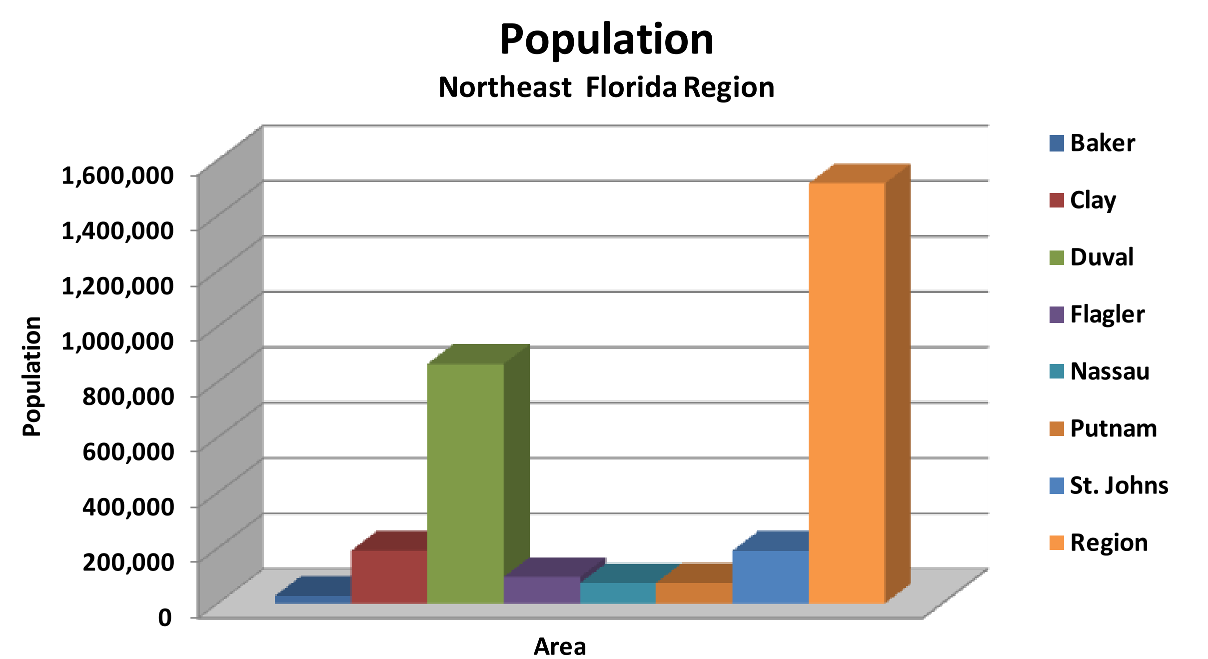


Source: Regional Economic Modeling, Inc. Policy Insight Plus, Florida Counties v1.3.5, Historical Data

Infrastructure & Growth Leadership

Population Counts, Estimates and Projections

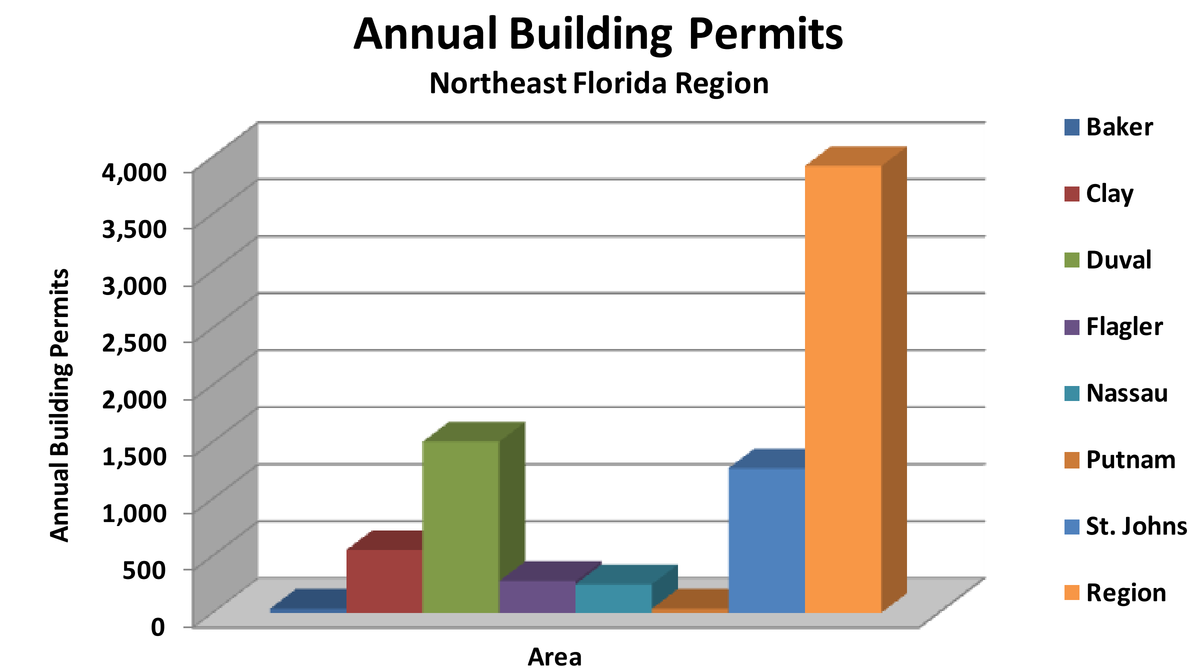
Exhibit 77 – Population Counts, Estimates and Projections
Northeast Florida Region
2010



Source: Florida Statistical Abstract, 2011 Editions, Tables 1.20, 1.40

Building Permits

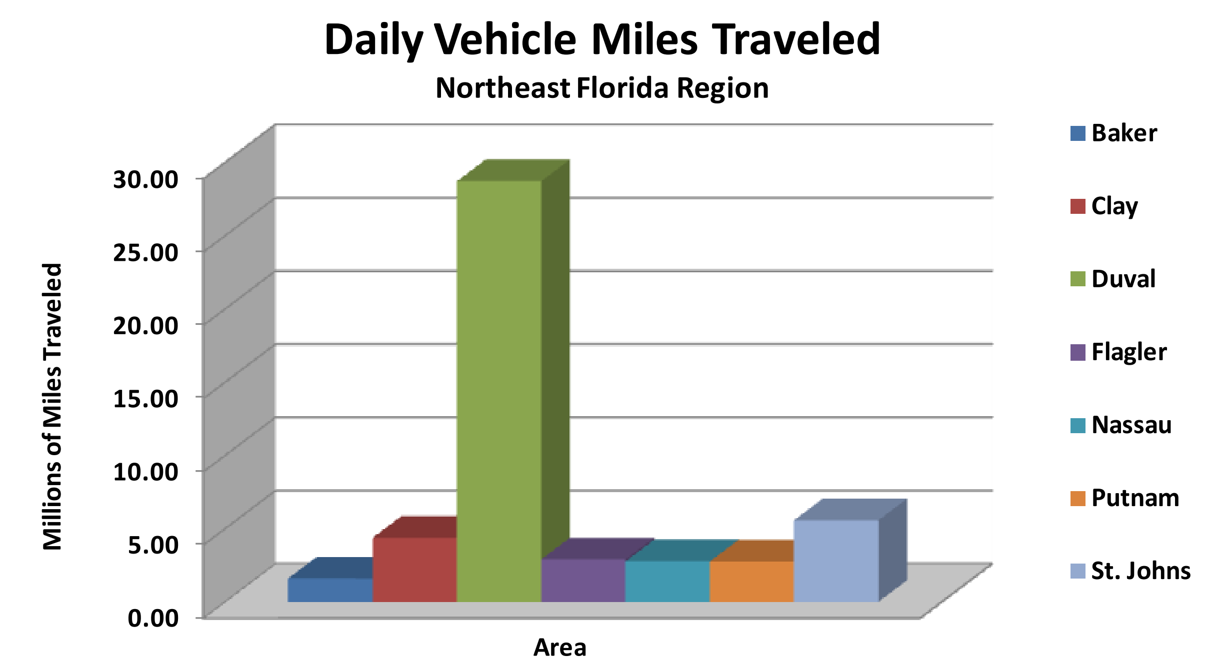
Exhibit 78 – Annual Building Permits
Northeast Florida Region
Residential Units
2010



Source: U.S. Census Bureau, Annual New Privately-Owned Residential Building Permits, Total Units

Vehicle Miles Traveled

Exhibit 79 – Daily Vehicle Miles Traveled
Northeast Florida Region
Millions of Miles
2010

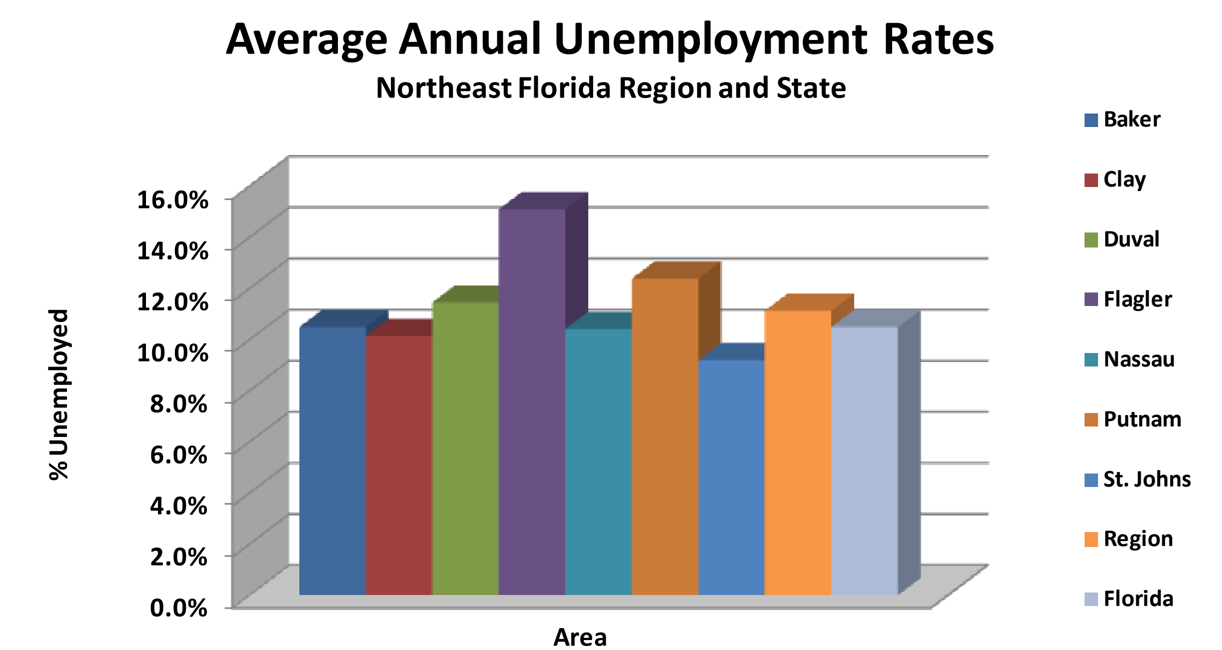


Source: Florida Department of Transportation, Florida Highway Mileage and Travel Report, Summary since 1990

Business Climate & Competitiveness

Average Annual Unemployment Rates

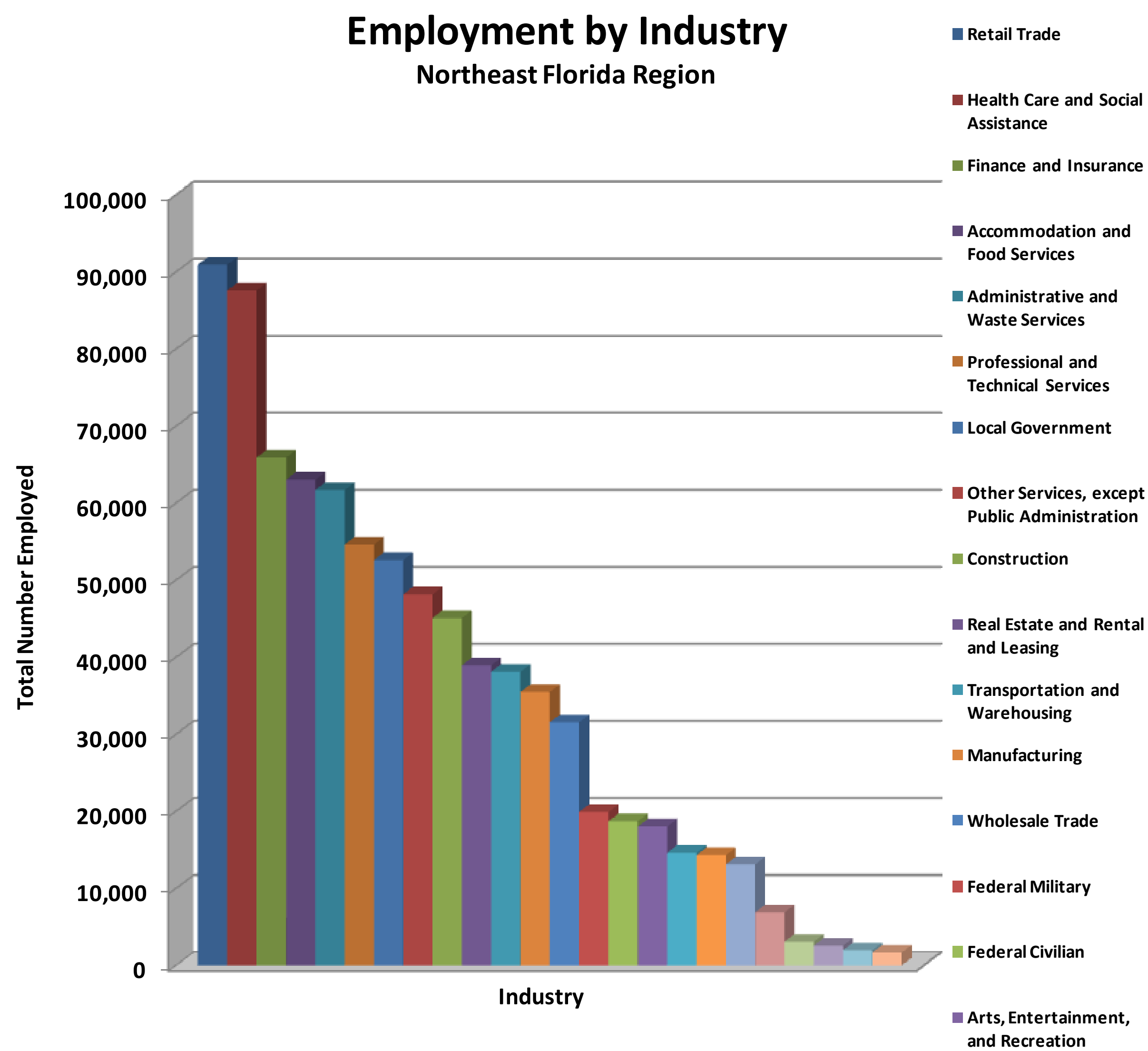
Exhibit 80 – Average Annual Unemployment Rates
Northeast Florida Region and State
2010



Source: Florida Department of Economic Opportunity Local Area Unemployment Statistics

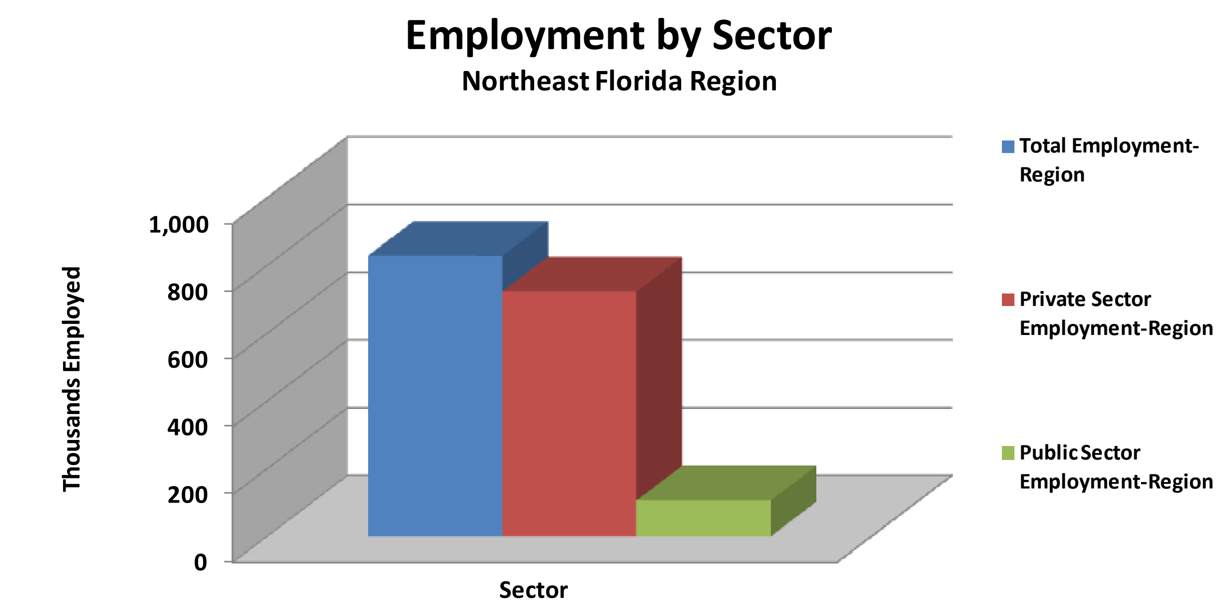
Employment by Industry

Exhibit 81 – Employment by Industry
Northeast Florida Region
2010



Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

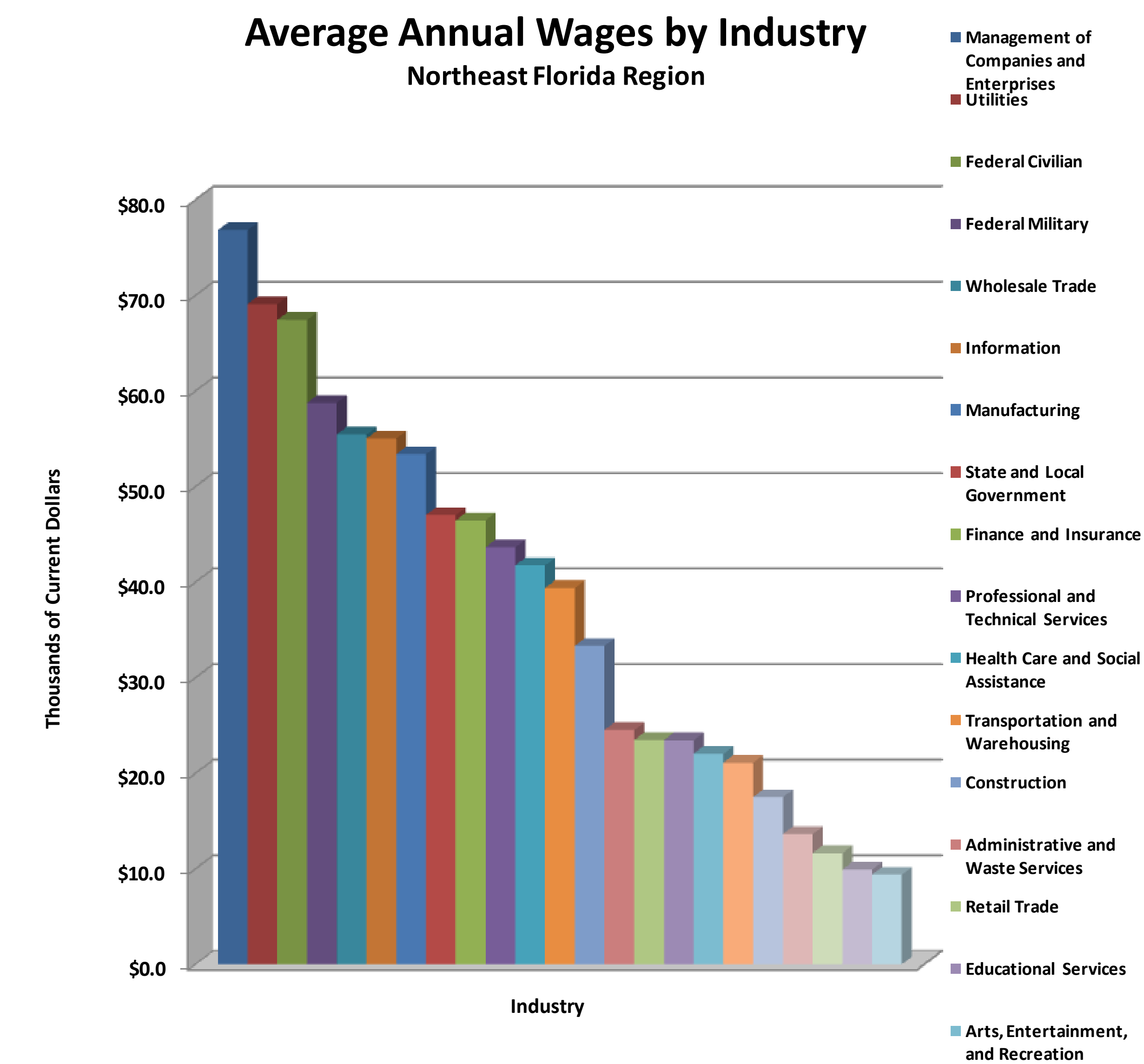
Exhibit 82 – Employment by Sector
Northeast Florida Region
2010



Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

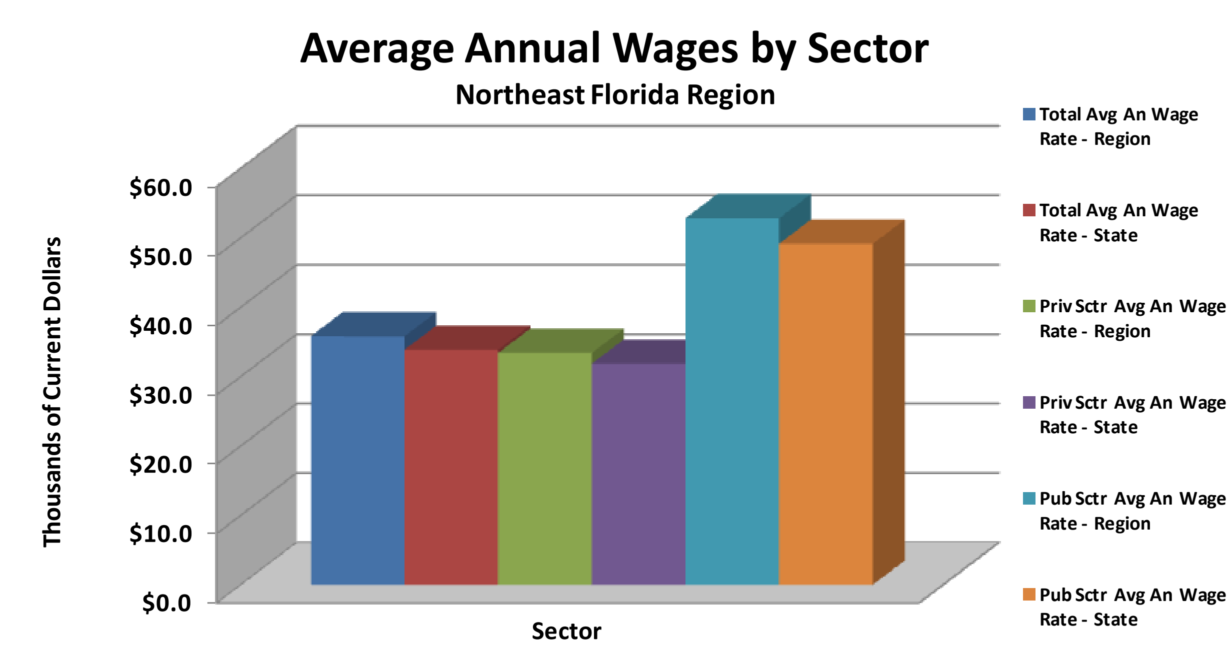
Wages by Industry

Exhibit 83 – Average Annual Wages by Industry
Northeast Florida Region
Thousands of Current Dollars
2010



Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Dat

Exhibit 84 – Average Annual Wages by Sector
Northeast Florida Region
Thousands of Current Dollars
2010

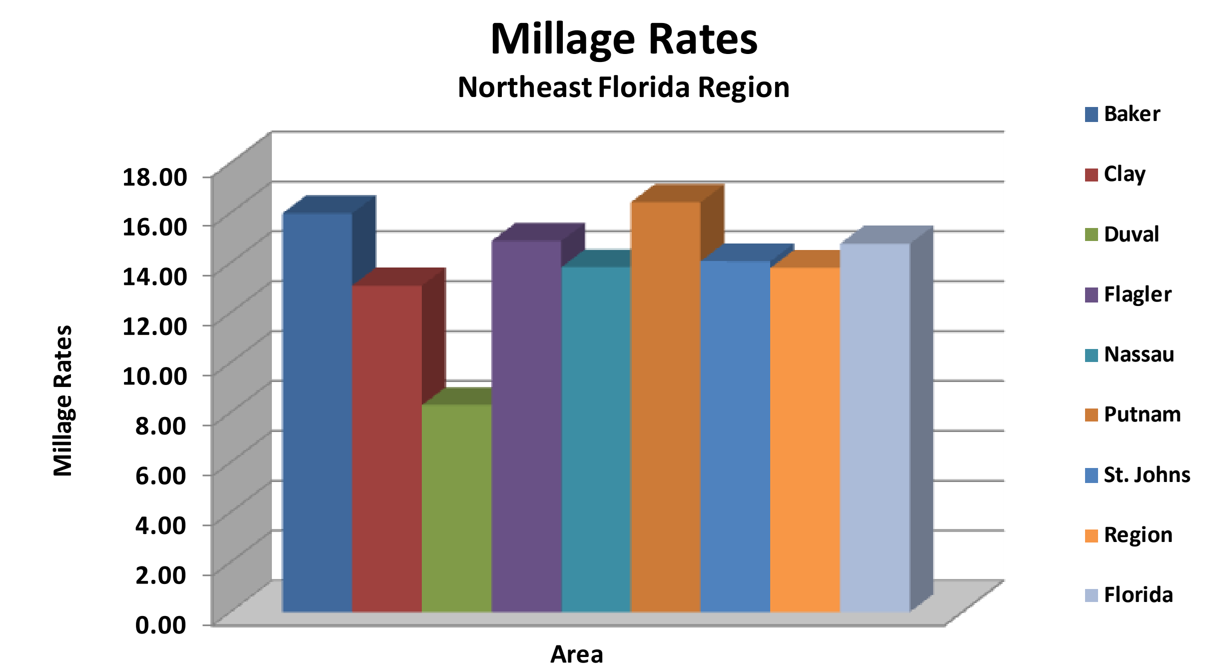


Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

Civic & Governance Systems

Millage Rates

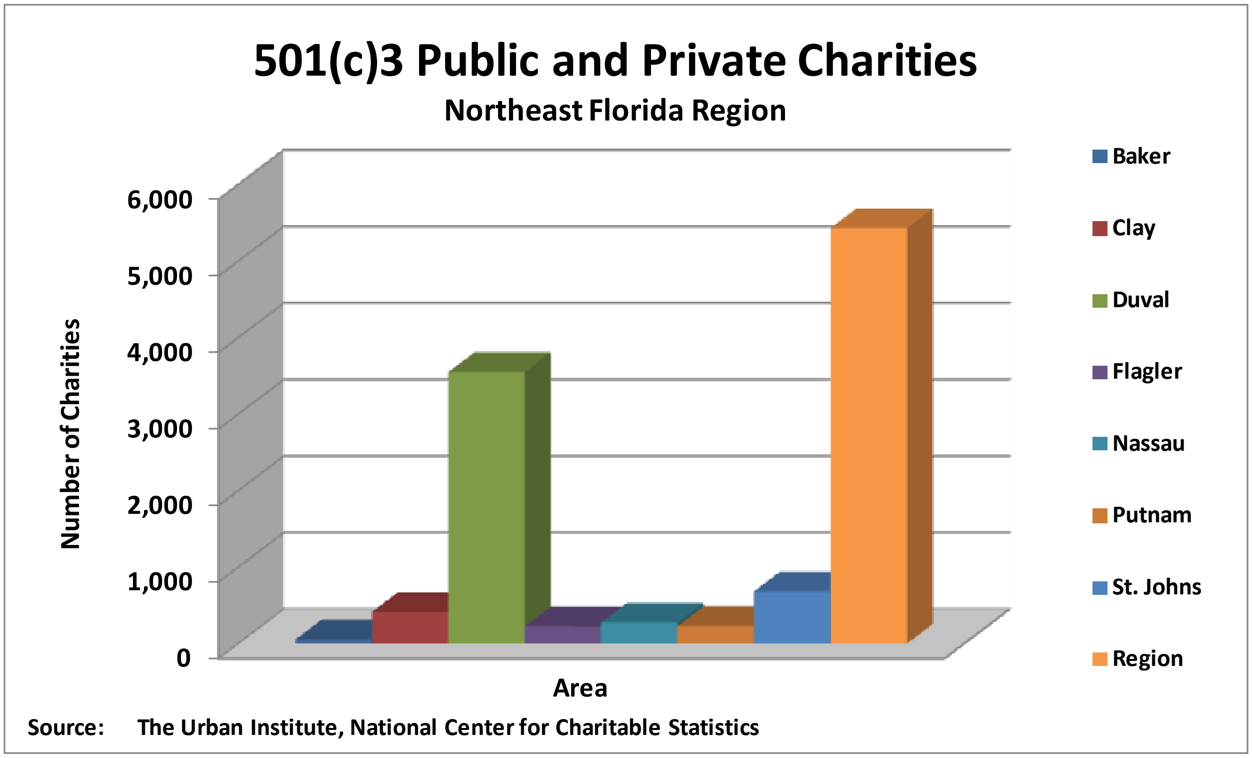
Exhibit 85 – Millage Rates
Northeast Florida Region and State
2010



Source: Florida Department of Revenue, Millage and Taxes Levied Report

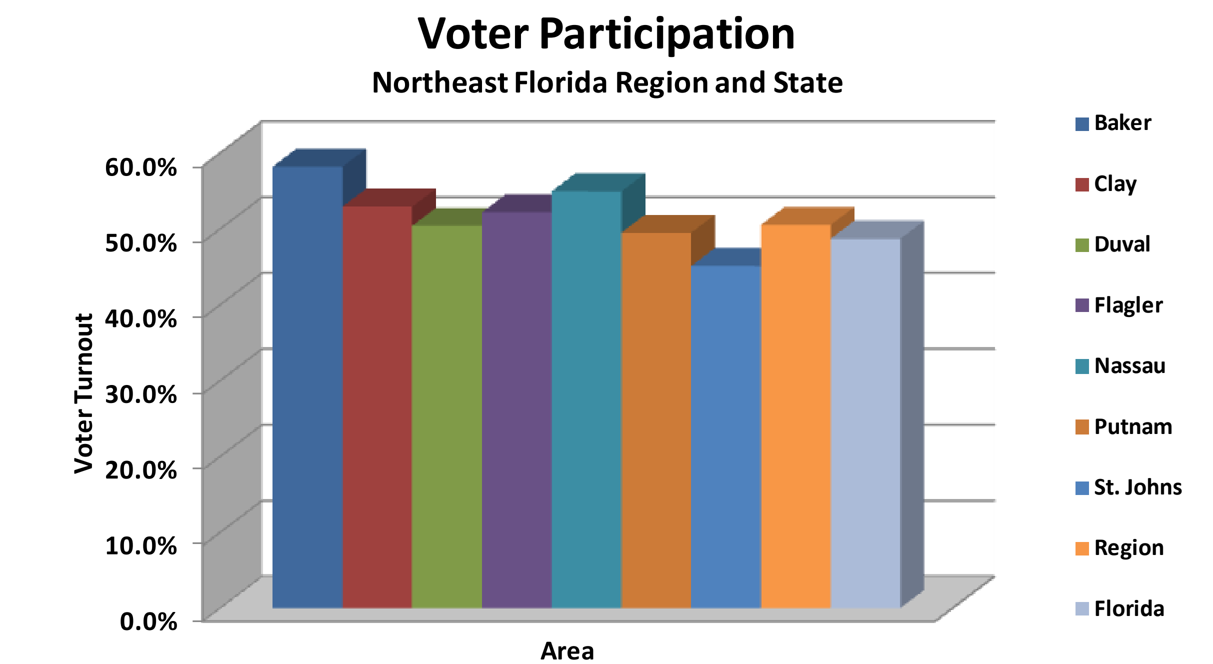
Registered Nonprofit Organizations

Exhibit 86 – Registered 501(c)3 Organizations
Public and Private Foundation Charities
Northeast Florida Region
2010



Voter Participation

Exhibit 87 – Voter Participation
Northeast Florida Region and State
Biennial General Elections
2010

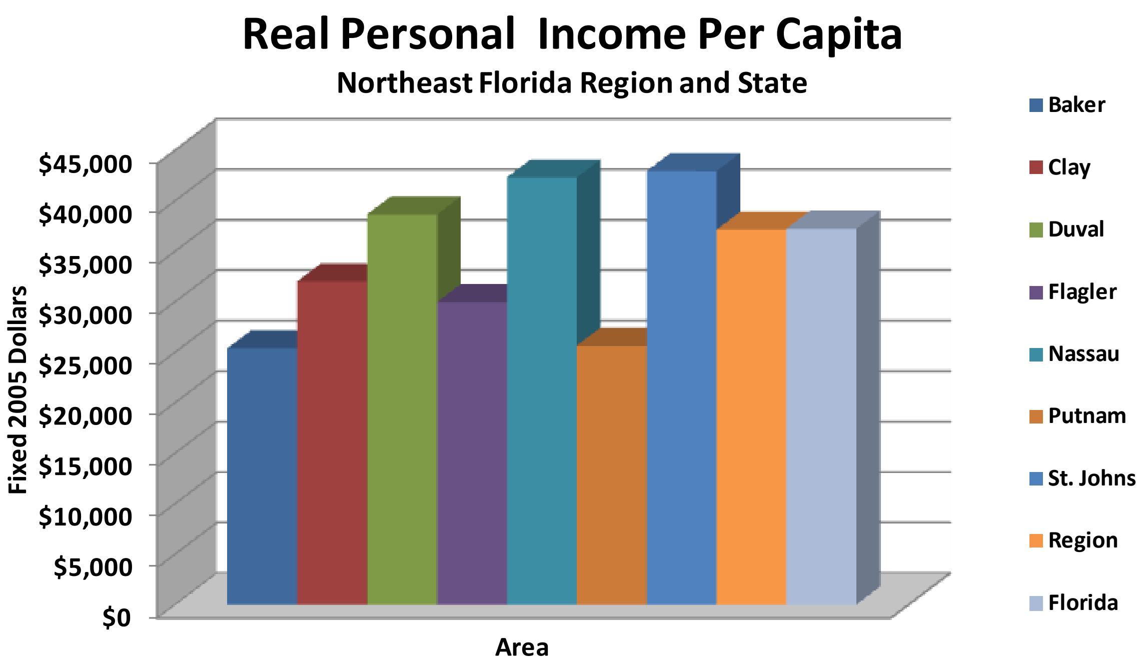


Source: Florida Department of State, Division of Elections

Quality of Life & Quality Places

Per Capita Income

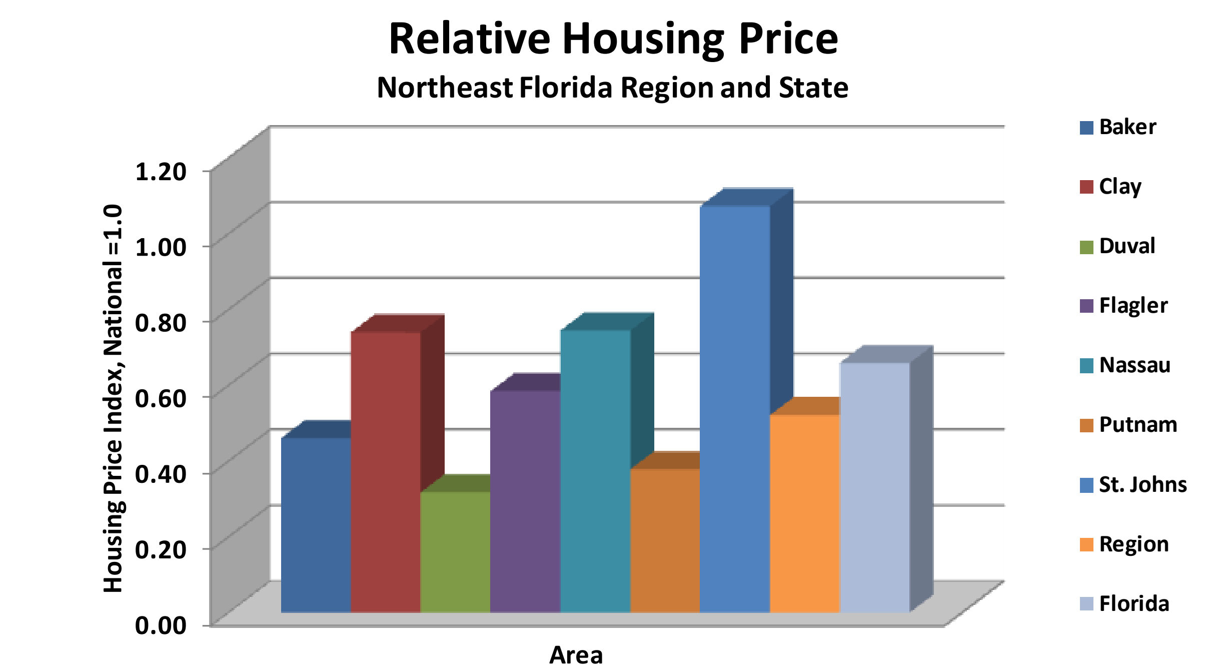
Exhibit 88 – Real Personal Per Capita Income
Northeast Florida Region and State
Fixed 2005 Dollars
2010



Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

House Purchase Price and Cost Index

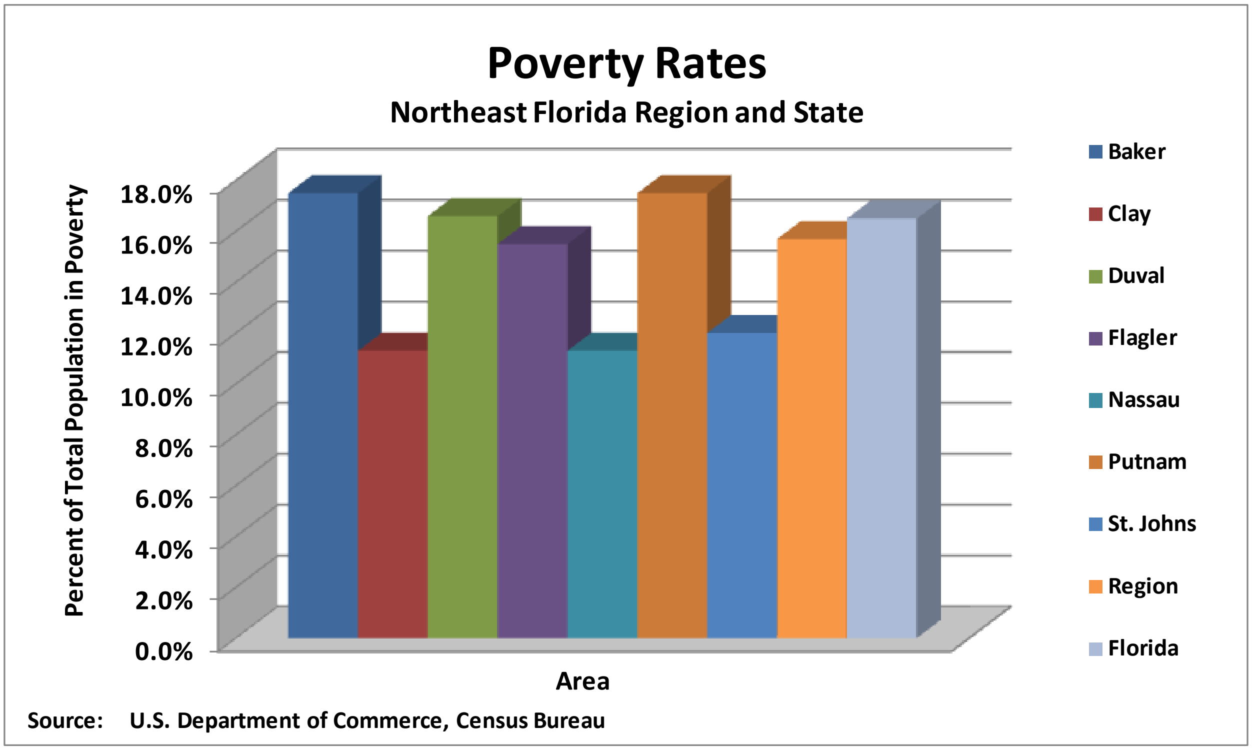
Exhibit 89 – Relative Housing Price
Northeast Florida Region and State
National Index = 1.0
2010



Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3

Persons Living in Poverty

Exhibit 90 – Percent of Persons Living in Poverty
Northeast Florida Region and State
2010



Community and Private Sector Participation and Comprehensive Economic Development Strategy

The Northeast Florida Regional Council ensured that there was public participation, comment, and review throughout the entire CEDS development process. This section identifies the public participation and involvement steps undertaken throughout the development of the CEDS. The members of the CEDS Committee perform the policy guidance function of a Six Pillars Caucus.

- On August 14, 2009, a draft of the Comprehensive Economic Development Strategy was posted for public review and comment on the CEDS web site (www.regi.biz\economic development), a link to which was included on the Northeast Florida Regional Council's website (www.nefrc.org).
- The final draft CEDS report was presented for approval at the August 21, 2009, CEDS Committee meeting. Action at this meeting authorized the final draft report to be forwarded to the Northeast Florida Regional Council Board for adoption.
- Public Notice was provided to the Florida Administrative Weekly stating that the CEDS report will be available for public comment prior to submission to the U.S. Economic Development Administration.
- On August 25, 2009, a final draft was posted on the CEDS website for public review and comment. A final draft was sent to the State of Florida Office of Tourism, Trade, and Economic Development (OTTED) for their review and comment.
- The Northeast Florida Regional Council Board adopted the CEDS on September 3, 2009. The Board President made available time for public comment at this meeting.

CEDS Committee

The Northeast Florida Regional Council (NEFRC) invited members to join the CEDS Committee based on recommendations from economic development professionals in each of the seven counties comprising Northeast Florida. NEFRC staff ensured that more than 50% of the CEDS Committee included business community representatives. Overall, the CEDS Committee included community leaders, public officials, workforce development board representatives, higher education specialists, minorities, labor union representatives, and other private-side individuals.

The following table identifies the public meetings of the CEDS Committee and the subject matter covered.

Exhibit 91 – CEDS Committee Meeting Schedule and Agenda

20-Feb-09 9am – 11am	Current state of the region; background data and analysis
27-Mar-09 9am – 11am	Analysis of regional strengths and weaknesses; development of goals and objectives
24-Apr-09 9am – 11am	Suggested and vital programs and projects
24-Jul-09 9am – 11am	Program and project finalization and ranking
21-Aug-09 9am – 11am	Draft CEDS Report and metrics

In order to maximize the use of the CEDS Committee's time, two subcommittees were created: a Program and Project Subcommittee to identify and vet through programs and projects, and a Document Subcommittee to help guide the structure and layout of the CEDS Report.

The following table identifies the public meetings of the Program and Project Subcommittee and the subject matter covered.

Exhibit 92 – Program and Project Subcommittee Meeting Schedule and Agenda

14-Apr-09 9am – 11am	Programs and Projects for Baker County, Duval County, Putnam County and St. Johns County
20-Apr-09 9am – 11am	Programs and Projects for Clay County, Flagler County, and Nassau County
03-Jun-09 9am – 11am	Recommendations for Programs and Projects to CEDS Committee

The Document Subcommittee reviewed sections of the CEDS Report as they were produced, and communicated via e-mail. Sections were posted for public review as well.

The appendix includes meeting agendas and minutes for the CEDS Committee and the Program and Project Subcommittee, as well as details on the CEDS website.

Northeast Florida Regional Council

Comprehensive Economic Development Strategy Team

Brian D. Teeple, AICP, Executive Director

Primary Responsibility

Secondary Responsibility