Comprehensive Economic Development Strategy

DRAFT

7.13.09

DOCUMENT SUBCOMMITTEE

Prepared for the Economic Development Administration By the Northeast Florida Regional Council

DRAFT
7.13.09
DOCUMENT SUBCOMMITTEE

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Introduction

Upon approval of this Comprehensive Economic Development Strategy (CEDS), the Northeast Florida Regional Council (NEFRC) will be designated by the US 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 is 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 Strategy Committee comprised of community leaders, public officials, economic development professionals, educators, labor unions, and private individuals representing the diverse population of the region. The SWOT (Strength, Weaknesses, Opportunities, and Threats) analysis, and the development of the goals and objectives, the list of programs and projects, performance measures, and background / supporting data was developed and approved by the Strategy Committee.

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

The CEDS was adopted by the Strategy Committee on August X, 2009. The Northeast Florida Regional Council Board adopted the CEDS on XX X, 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.

Tier 1 projects are those that were identified as being the most regionally significant projects that best address a particular goal or objective. Tier 1 projects are incorporated into the body of this initial CEDS. Tier 2 projects are included as an appendix (Appendix ‘A’) to the CEDS. A Tier 2 project may become a Tier 1 project upon regular updating of the CEDS, or if by promotion if determined by the Strategy Committee to be crucial in responding to a change in the market, an economic development opportunity, or other unforeseen circumstance.

Overarching Theme

The Strategy Committee chose "Regional Cooperation" as the ***overarching theme*** of the CEDS. (more dialogue)

Goals

Strategic Initiatives

Tier 1 Projects

Tier 2 Projects

Tier 3 Projects

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

Background Data

During the development of the CEDS, a great deal of valuable data, maps, and other information concerning the Northeast Florida region was obtained. In order to manage the information, and in the spirit of creating a reader-friendly document, only a portion of the information is incorporated into the body of the CEDS. Appendix ‘A’ contains all of the information gathered during the formation of the CEDS.

Four of our seven counties are coastal communities, having eastern boundaries being the Atlantic Ocean. Nearly three-quarters of our region continues to be undeveloped. Today, Northeast Florida has a substantial amount of undeveloped lands that have Comprehensive Plan entitlements for residential development.
Inexpensive undeveloped land accompanied by a boom in the housing market fueled the conversion of agriculture and industrial lands to residential.

Demographics

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 only 9 percent of the state’s total population. The region is 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 difference between immigrants and emigrants to of an area, is the most significant source of population growth in the region.

Table 1
Historic Regional Population Growth

Year	County							Total
	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	5~~,~~0,549	51,303	**799,003**
1990	18,486	105,986	672,971	28,701	43,941	6~~,~~5,070	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%	1,119%	280%	193%	397%	**187%**

Source: US Census

Table 2
Projected Regional Population Growth

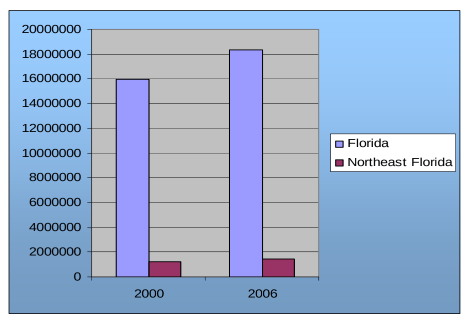
County	2006	2010	2020	2030	2060**
Baker	25,000	26,900	30,900	34,100	40,620
Clay	176,900	201,100	255,600	300,900	417,090
Duval	879,200	944,500	1,084,400	1,199,900	1,587,860
Flagler	89,100	113,100	168,000	215,100	323,800
Nassau	68,200	75,800	92,700	106,900	151,600
Putnam	74,400	77,000	82,700	87,500	104,300
St. Johns	165,300	193,400	256,800	310,500	479,160
Region Totals	1,480,106	1,633,810	1,973,120	2,256,930	3,104,430

Source: Bureau of Economic and Business Research (BEBR), University of Florida
*** Calculation using 1000 Friends of Florida projection methodology*

Population wise, Northeast Florida's counties range from being the 52nd most populated of Florida's 67 counties to 7th. It is projected that the region will grow to approximately 2.2 million by year 2030.

Between 2000 and 2006, Northeast Florida grew by approximately 19%. During this same time period, Florida grew in population by approximately 13%. South and Central Florida grew at a faster rate than both Florida as a whole and Northeast Florida as a region. Although not as populous as other Counties in Florida, Flagler County was the fastest growing county in the nation in 2006 (based on rate of population growth).

Figure 1
2000 – 2006 Population Growth

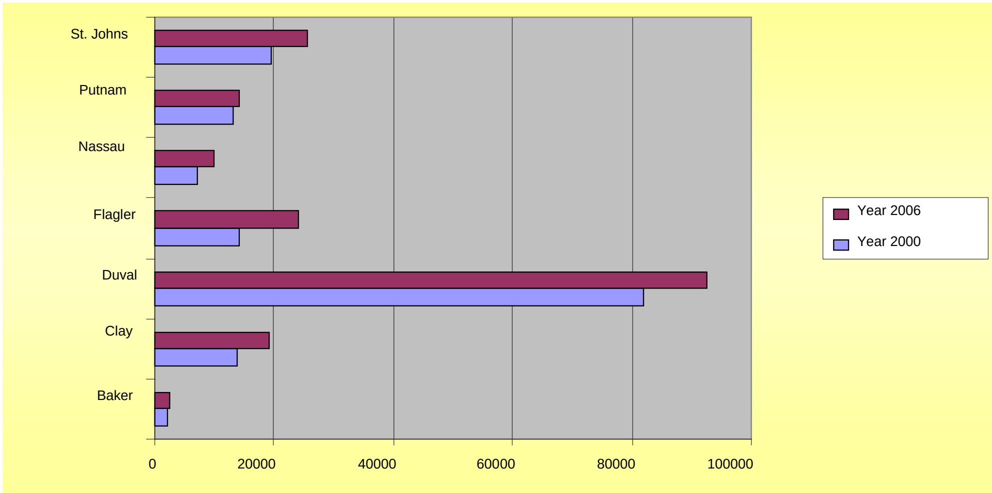


Source: BEBR, University of Florida

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.

Figure 2
Persons 65 Years of Age and Older



Source: BEBR, University of Florida

The ethnic and racial composition of Northeast Florida's population is not as diverse as South and Central Florida. Nearly three-quarters (72%) of the region's population today is white. Approximately 22% of the population is Black, and only 6% of the population is Hispanic. State-wide, approximately 68% of the population is white, 15% black, and 17% Hispanic.

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. However, this still only represents 7% of the projected 2030 population for the Northeast Florida region.

From an educational attainment perspective, Northeast Florida is consistent with the Florida as a whole. State wide, 49.9% of households have a high school degree or less educational attainment rate; 42.2% attained a bachelor's degree; and 6.7% hold a graduate degree[1]. 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[2].

Strategic Findings

Income

[1] Florida Department of Education, 1989-1999 thru 2005-2006 Graduation / Drop Out Rates
[2] Florida Department of Education, 1989-1999 thru 2005-2006 Graduation / Drop Out Rates

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 person 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.

Northeast Florida had total earned income in 2006 of $32 billion, which was approximately 8.5% percent of Florida's total earned income of $373 billion. 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.

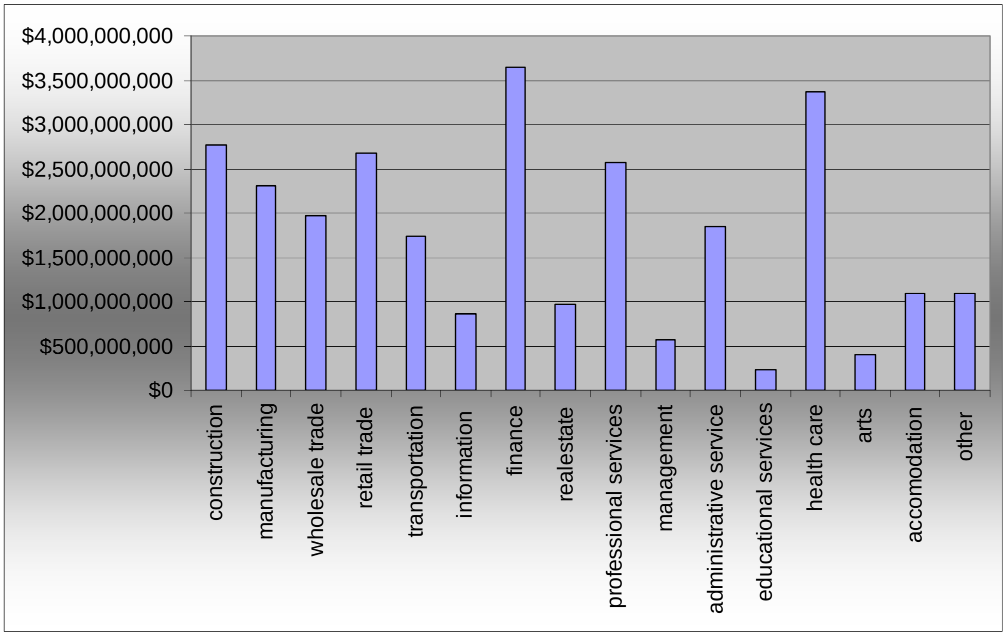
Table 3 below separates earned income by employment sector.

Table 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

Figure 3
Earned Income by Employment Sector



Source: BEBR, University of Florida

Strategic Findings

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" with a median rate of pay of $15.72 an hour. The median desired pay of this same group is $17.58[3].

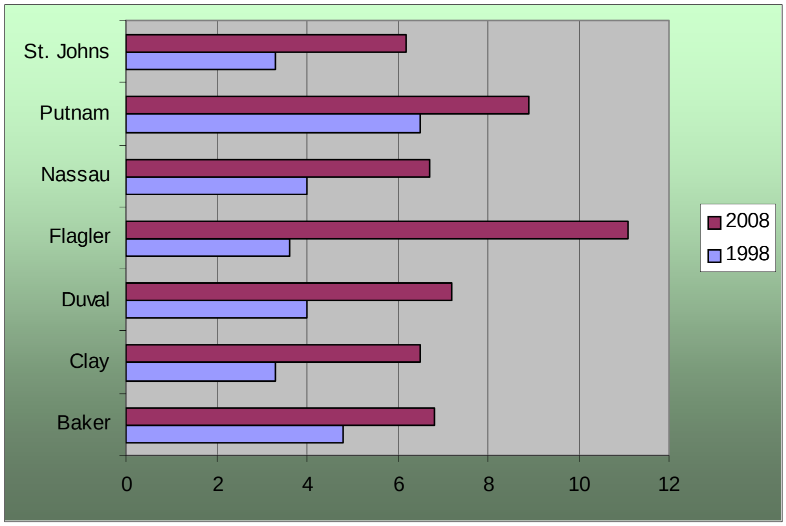
Northeast Florida had a labor force of 729,873 in 2007, which is approximately 8% of Florida's 9.3 million person labor force[4]. Unfortunately, the unemployment has seen a substantial increase between 1998 and 2008.

Figure 4 shows that the unemployment rates for the seven counties in the Northeast Florida region have all experienced substantial increases in their unemployment rates.

---

[3] The Jacksonville, Florida Area Labor Availability Report, May 2008, The Pathfinders
[4] U.S. Bureau of Labor Statistics (www.bls.gov)

Figure 4
Unemployment Rates January 1998 and November 2008 Comparisons



Source: BEBR, University of Florida

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."

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% percent of Florida's total earned income of $373 billion.

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.

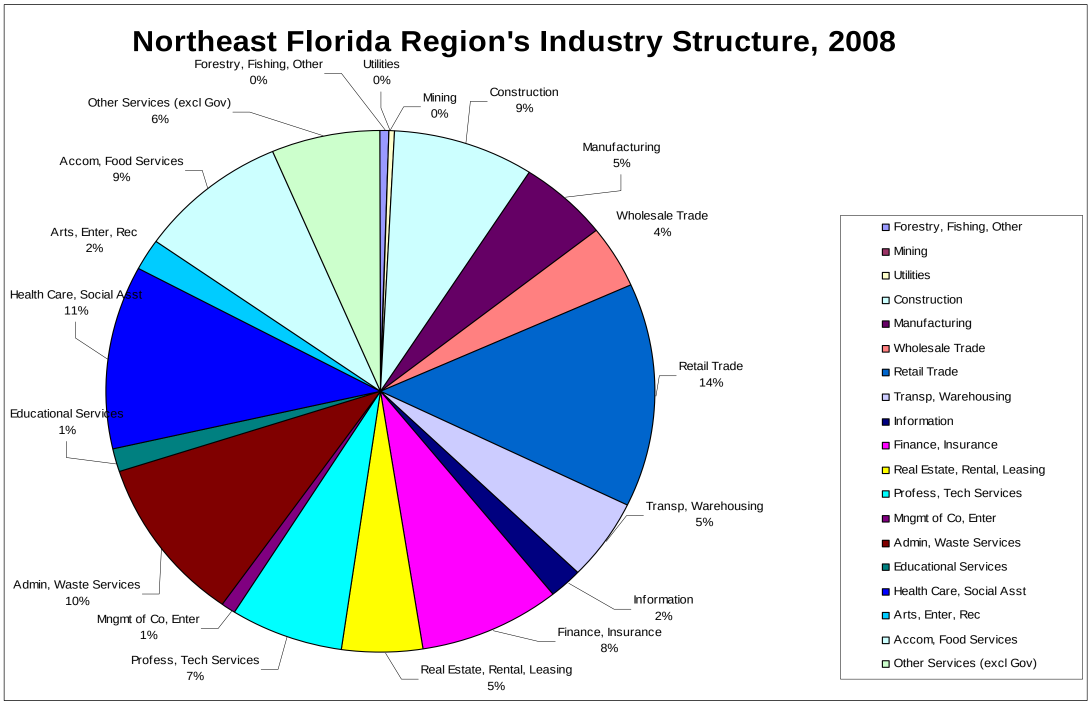
Table 4
Earned Income by Employment Sector

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

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.

Figure 5



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

Table 5
Value Added of Goods / Services (2002)

	Baker	Clay	Duval	Flagler	Nassau	Putnam	St. Johns	Region
Manufacturing	W	W	$7.01B	$378.83M	$552.74M	$714.73M	$341.32M	**$8.97B**
Wholesale Trade	W	$28.37M	$826.31M	$4.1M	W	$2.85M	$63.65M	**$925.28M**
Retail Trade	$129.76M	$1.535B	$10.18B	$342.36M	$422.95M	$498.26M	$1.34B	**$14.448B**
Professional Services	W	W	$2.45B	$47.3M	$47.31M	$49.63M	$209.74M	**$2.8B**
Healthcare	$85.16M	$421.31M	$4.24B	$94.12M	$96.5M	$96.51M	$353.85M	**$5.29B**
Accommodations / Food	$14.06M	$149.73M	$1.18B	$65.59M	$180.12M	$37.43M	$330.65M	**$1.96B**

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

<u>Location Quotient</u>

The Location Quotient Technique is the most commonly utilized economic base analysis method. This technique compares the local economy to a reference economy, in the process attempting to identify specializations in the local economy. The location quotient technique is based upon a calculated ratio, as shown below, between the reference economy and another (state, nation). The corresponding ration is referred to as the “location quotient.”

$$\text{Location Quotient} = \frac{\text{Regional Employment in Industry I in Year T}}{\text{Total Regional Employment in Year T}} \Big/ \frac{\text{National (or State) Employment in Industry I in Year t}}{\text{Total National Employment in Year T}}$$

For ratios less than 1.0, the local economy must import goods within that industry to meet demand.

For ratios greater than 1.0, the industry exports goods produced because the supply exceeds the local economy’s demand.

The location quotients for all sectors in the region are below national averages.

Table 6
Employment as of national level

Variable	2008	2009	2010	2011	2012	2013	2014	2015	2016
Forestry, Fishing, Other	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Mining	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Utilities	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Construction	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Manufacturing	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Wholesale Trade	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.4	0.4
Retail Trade	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Transportation, Warehousing	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Information	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Finance, Insurance	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Real Estate, Rental, Leasing	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Profess, Tech Services	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Management of Co, Entertainment	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Admin, Waste Services	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.6	0.6
Educational Services	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Health Care, Social Asst	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5
Arts, Enter, Recreation	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Accommodation, Food Services	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Other Services (excl Gov)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5

Source: REMI Policy Insight 9.0

The following table identifies the cost of production ratio of within the region compared with the cost of production for similar goods at a national level. A ratio of less than 1.0 shows that the industry has a relatively low cost of production when compared to the nation. Conversely, a ratio of greater than 1.0 shows that it is relatively more expensive to produce that good or service.

Table 7
Production Costs

Variable	2008	2009	2010	2011	2012	2013	2014	2015	2016
Forestry, Fishing, Other	1.034	1.037	1.039	1.041	1.044	1.046	1.048	1.047	1.047
Mining	1.02	1.019	1.018	1.018	1.017	1.016	1.015	1.014	1.013
Utilities	0.961	0.962	0.962	0.961	0.961	0.961	0.961	0.961	0.96
Construction	0.973	0.972	0.971	0.969	0.968	0.967	0.966	0.966	0.965
Manufacturing	1.001	1	1	0.999	0.999	0.998	0.998	0.998	0.997
Wholesale Trade	0.981	0.98	0.98	0.98	0.979	0.979	0.979	0.978	0.978
Retail Trade	0.962	0.961	0.961	0.96	0.959	0.959	0.958	0.958	0.957
Transportation Warehousing	0.961	0.961	0.961	0.961	0.961	0.961	0.96	0.96	0.96
Information	0.907	0.907	0.906	0.905	0.905	0.904	0.903	0.903	0.903
Finance, Insurance	0.889	0.889	0.89	0.89	0.891	0.891	0.892	0.892	0.891
Real Estate, Rental, Leasing	0.889	0.891	0.892	0.893	0.894	0.895	0.895	0.896	0.896
Professional and Technical Services	0.93	0.93	0.93	0.929	0.929	0.928	0.928	0.927	0.927
Management of Companies and Enterprise	0.858	0.858	0.858	0.857	0.857	0.857	0.857	0.857	0.856
Administrative and Support and Waste Services	0.953	0.953	0.952	0.952	0.951	0.95	0.95	0.949	0.948
Educational Services	0.899	0.898	0.897	0.895	0.894	0.893	0.892	0.891	0.89
Health Care, Social Asst	0.993	0.992	0.992	0.991	0.99	0.989	0.988	0.987	0.986
Arts, Entertainment and Recreation	0.974	0.974	0.973	0.973	0.972	0.972	0.971	0.971	0.97
Accommodation and Food Services	0.979	0.978	0.978	0.977	0.976	0.975	0.975	0.974	0.973
Other Services (excluding Gov)	0.958	0.957	0.956	0.955	0.954	0.953	0.951	0.951	0.95

Source: REMI Policy Insight 9.0

Strategic Findings

Education

From an educational attainment perspective, Northeast Florida is consistent with the Florida as a whole. State wide, 49.9% of households have a high school degree or less educational attainment rate; 42.2% attained a bachelor's degree; and 6.7% hold a graduate degree[5]. Region wide, 51% of households have a high school degree or less educational attainment rate; 43.3% attained a bachelor's

[5] Florida Department of Education, 1989-1999 thru 2005-2006 Graduation / Drop Out Rates

degree; and 5.2% hold a graduate degree[6].

There are 67 school districts, not including the Florida School for the Deaf and Blind district, in the state of Florida. School districts in Northeast Florida vary in their state-wide rankings from number 4 (Nassau County) to number 59 (Duval County).

The following table shows the drop-out rate and school district ranking (state).

Table 8
Drop-Out Rates and School District Rankings

	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

Infrastructure and Utilities

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

[6] Florida Department of Education, 1989-1999 thru 2005-2006 Graduation / Drop Out Rates

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

Table 9
Water Usage - 2007

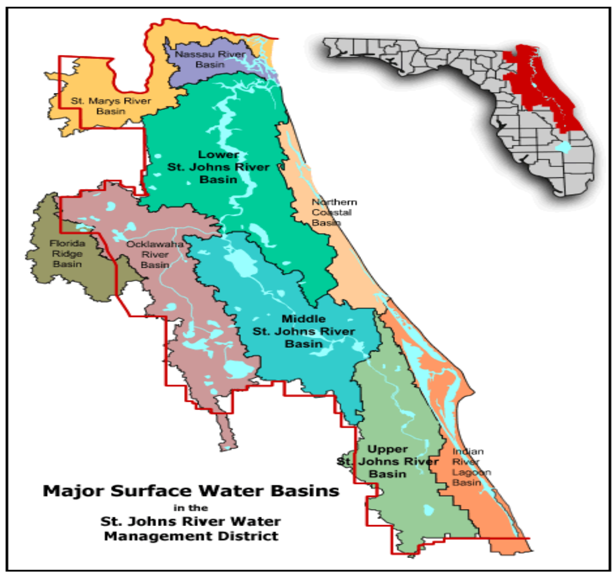
	Population	Water Usage (mgd)
Baker	4,162	5.85
Clay	128,106	28.23
Duval	289,300	178.99
Flagler	10,212	41.38
Nassau	27,085	53.01
Putnam	11,456	50.86
St. Johns	132,848	60.81
Total		**419.13**

Source: St. Johns River Water Management District

The St. Johns River Water Management District issues consumptive use permit (CUP) 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.

Figure 6



Source: SJRWMD

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. 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 states total. The permitted capacity for discharge is 26.56 mgd or 2 percent of the State's total flow.

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

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

Consumption of gas (non-vehicle consumption) and electricity as determined by capital stock is reflected in Table 10 below:

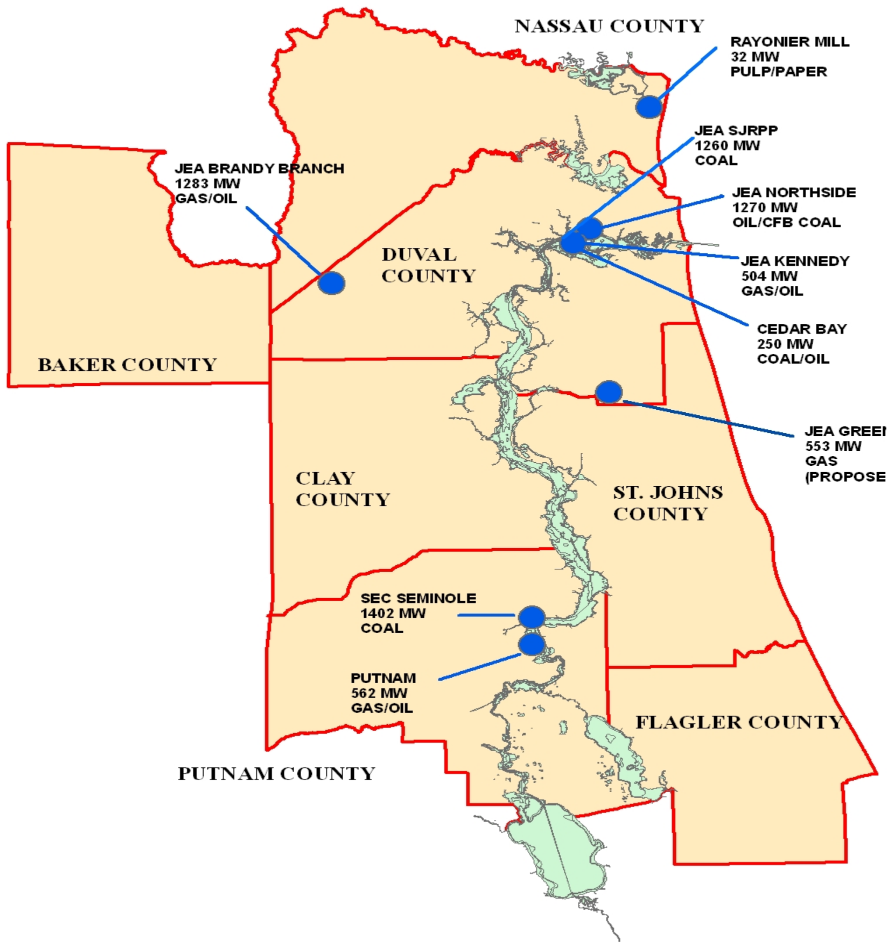
Table 10
Gas and Electric Stock

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 following map on the following page is derived from the Florida Department of Environmental Protection, Division of Air Resource Management's October 2008 *Florida's Power Generating Facilities*. Listed on the following page are the electricity producing facilities, their output capabilities, and their fuel types.

Figure 7



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

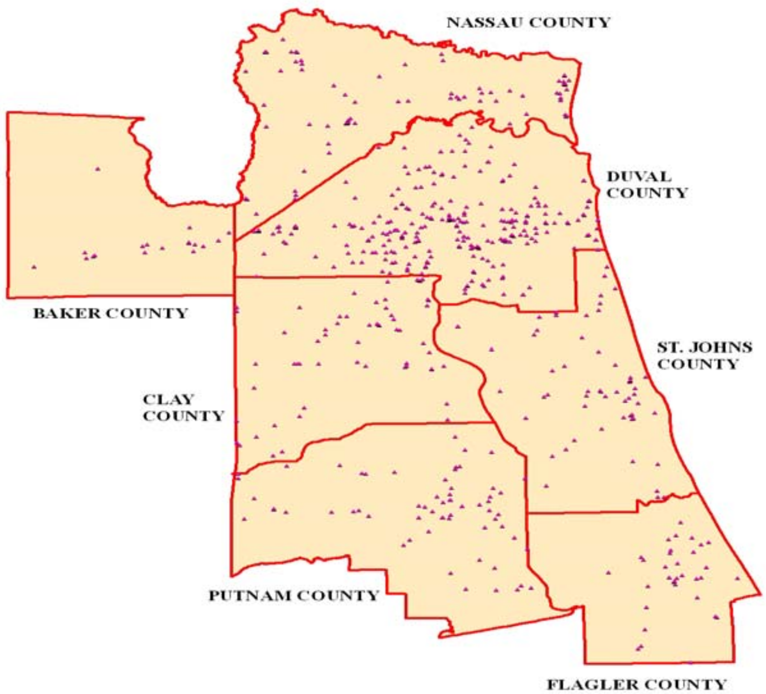
TECO Peoples Gas provides natural gas to residential, commercial and industrial customers in Northeast Florida. Natural gas provides clean energy for a wide range of uses, including home heating, vehicles, and electric generation. Natural gas is the cleanest-burning fossil fuel.

Florida is part of the Southeast Region interstate pipeline network which include: 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 following map 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.

Figure 8



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

<u>Strategic Findings</u>

Military Instillations

Northeast Florida has three primary active military instillations: Naval Air Station at Jacksonville (NAS Jacksonville), Naval Station at 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 (Source: Enterprise Florida, *Florida Defense Factbook)*. 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.

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 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. (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. (Source: Enterprise Florida, *Florida Defense Factbook)*.

Strategic Findings

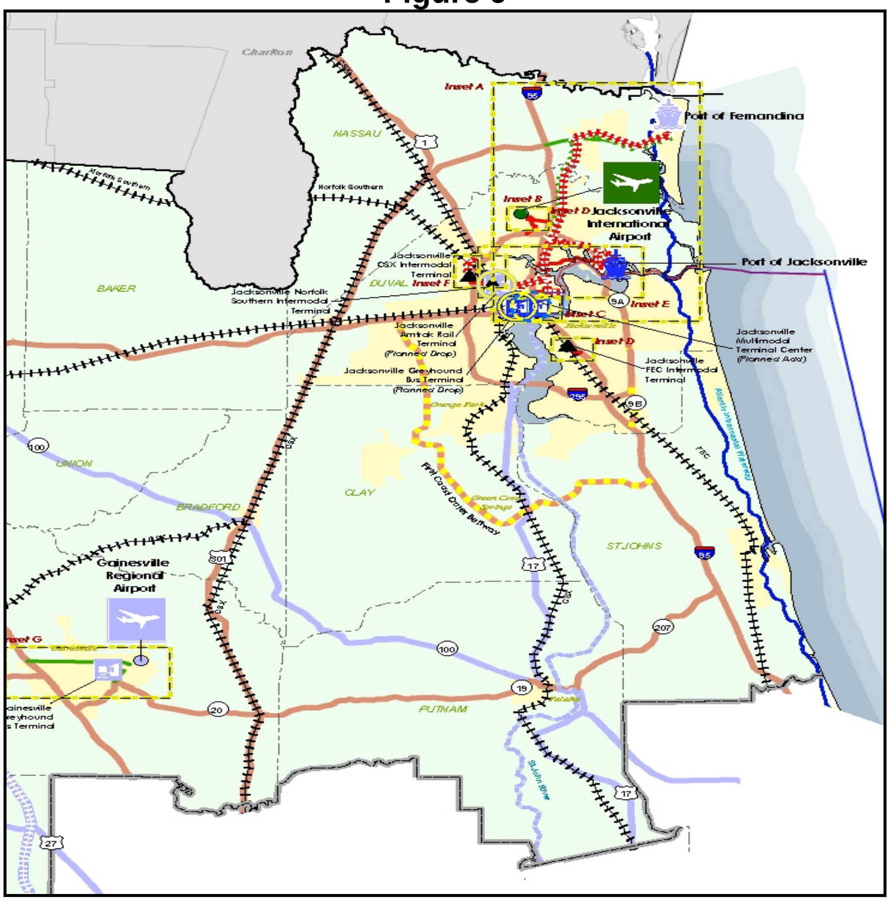
Strategic Intermodal System (SIS) Facilities

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, including the state's largest and most significant commercial service airports, spaceport, deepwater 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, and 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.

Figure 9



Source: Florida Department of Transportation

Strategic Findings

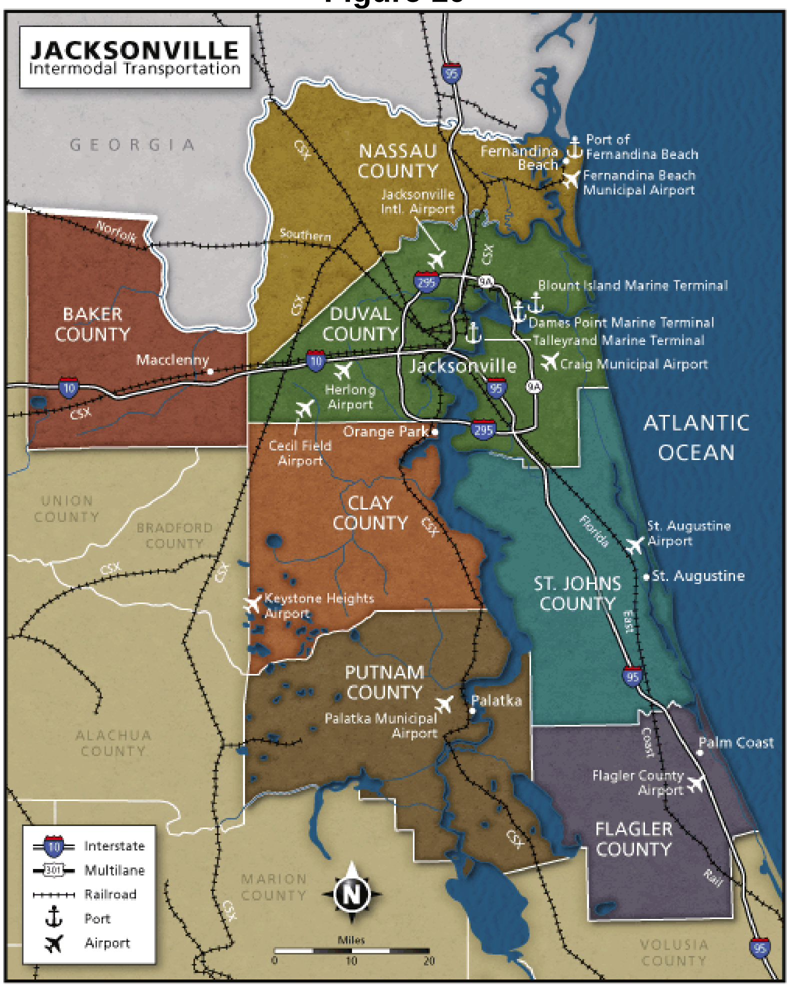
Ports

This region is served by eight airports and seven seaports. JIA is the only commercial facility in the region. All other aviation facilities in the region are classified as general aviation operations as follows.

- 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

The following figure depicts the location of all aviation and seaport activities in the region.

Figure 10



Source: Cornerstone Jacksonville

Jacksonville and Fernandina Beach both contain natural deepwater 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.

Table 11
Twenty-foot Equivalent Units (2006)

	TEU	Percent of United States
Canaveral	1,047	Less than 1/100 of 1%
Everglades	864,030	1.95%
Fernandina	37,906	0.9%
Fort Pierce	11,600	0.3%
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	0.00
St. Joe	0	0.00
St. Petersburg	0	0.00
Tampa	24,253	0.05%

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