

NORTH CENTRAL FLORIDA  
ECONOMIC DEVELOPMENT DISTRICT

PROPOSED AMENDMENTS TO  
COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY  
2008-2012

**COMMENTS:**

**Comments should be received no later than December 7, 2009 by 5:00 p.m. and should be submitted either by emailing [thomas@ncfrpc.org](mailto:thomas@ncfrpc.org) or writing to: Bryan Thomas, Economic Development Director, North Central Florida Regional Planning Council, 2009 NW 67 Place, Gainesville, Florida 32653.**

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**COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY  
2008-2012  
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## L. INFRASTRUCTURE

The Florida Department of Transportation has identified its Strategic Intermodal System for Florida which includes I-75, I-10, US Highway 19 and Highway 301, State Roads 26, 100 and the Gainesville Regional Airport within the region. There are also freight rail corridors and one greyhound bus terminal in Gainesville that are part of the Strategic Intermodal System.

**Enterprise Zones.** There are four enterprise zones within the region: An urban enterprise zone in Alachua County (Gainesville’s downtown and East Gainesville zones), and rural enterprise zones in Hamilton, Madison and Taylor Counties. The zones were re-authorized through 2010. The Florida Enterprise Zone Program offers various tax incentives to businesses located within the designated enterprise zones. In addition, local governments may also offer their own incentives. There is not an opportunity to add additional state Enterprise Zones at this time.

**Existing Industrial Zoned Land.** Alachua County’s economic development organization has noted that there is a lack of available commercial and industrial zoned land within the county. The existing industrial park near the airport is fully occupied, the regional business incubator is also fully occupied. They have made plans to purchase land for additional business park development by the year 2012 (estimate).

There are eight industrial parks with land available for development at this time in the region. The largest industrially zoned parcel available is 900 acres in Alachua County.

Table II-14: Industrial Zoned Land by County 2005

	Total Zoned Acres	Largest available contiguous parcel	Industrial Park?	Acres in Park
Alachua	2131	900	Yes	1390
Bradford	NA	NA	Yes	400
Columbia	1500	300	Yes	600
Dixie	600	242	Yes	160
Gilchrist	NA	NA	No	0
Hamilton	50	35	Yes	110
Lafayette	NA	60	No	0
Madison	1700	NA	Yes	690
Suwannee	480	97	Yes	132
Taylor	NA	27	Yes	27
Union	NA	NA	NA	NA
Regional Totals (available data)	6461	900	8 parks	3509

Source: Enterprise Florida County profiles 2006.

In many instances, areas lack adequate public utilities and the basic framework for economic development. Recent examples include Lake City’s lack of wastewater treatment which has hampered the growth of their industrial areas, and Gainesville Regional Utility (GRU) is currently looking to expand its electrical generation capacity.

There are 33 incorporated municipalities in the Economic Development District. Twelve of the 33 do not have a municipal wastewater treatment facility.

**Gainesville Regional Utilities**

GRU’s generating capacity is currently 611 megawatts (MW), with a peak demand to date of 465 MW. For planning purposes, and in cooperation with the other Florida utilities that are connected to a statewide grid, it maintains a 15% reserve margin represented by the difference between capacity and demand, divided by demand. Based on 88,992 total customers during 2006, the demand per customer at time of peak (maximum hour) was approximately 5.2 kilowatts per customer. On an average hourly basis, per customer demand was 2.7 kilowatts. Over the course of the next 20 years, Gainesville’s electrical system demand is expected to increase, and its generation fleet will experience retirements, such that Gainesville Regional Utilities expects to fall below the 15% reserve margin threshold by 2018. The five-year snapshots show the projected available generation capacity, summer peak demand, and system reserve margin (without generation additions).

Gainesville Regional Utility Long Range Demand Estimates:

Year	Available Capacity (MW)	Summer Demand (MW)	Reserve Margin
2010	612	492	24%
2020	547	518	6%
2025	464	546	(15%)

Source: Gainesville Regional Utilities. 2007.

As indicated above, the main utility in the region is expected to be unable to meet demand in the region sometime shortly after the year 2020. Gainesville is expected to construct a new power plant in the next few years and has recently voted to focus on biofuels as a means for power creation.

Table II-15 and Table II-16 identify permitted levels of water and wastewater use for select cities in the region. The permitted amounts are based upon peak daily uses. For many of the smaller municipalities in the region, the lack of **water and** wastewater treatment is ~~an~~ **a significant** impediment to growth. Many of the larger municipalities have peak loads that would preclude large industrial users from moving to a location within the region. **Therefore, increasing water and wastewater infrastructure, both in plant capacities as well as water distribution and wastewater collection lines, will be of increasing importance to the success of economic development efforts throughout the region.**

Table II-15: Water Capacity  
for selected North Central Florida municipalities

Municipality:	Permitted Water Plant Capacity (based on peak gallons per day usage):	Water Plant Average Daily Use (gallons per day):	Reserve Capacity:	Residual Capacity:	Projected Avg. Daily Water Use in Year 2030
Fanning Springs	630,400	106,973	60,774	462,653	192,807
Gainesville	54,000,000	26,000,000	2,000,000	26,000,000	NA
Hawthorne	1,728,000	204,546	-	1,523,454	NA
Jasper	1,400,000	636,000	-	764,000	NA
Jennings	200,000	102,480	-	97,520	185,367
<b>Lake City</b>	<b>9,000,000</b>	<b>3,500,000</b>	<b>-</b>	<b>5,500,000</b>	<b>NA</b>
Lee	864,000	60,743	-	803,257	83,131
Live Oak	2,500,000	1,184,701	4,028	1,311,271	1,156,417
Madison	1,800,000	1,170,000	25,985	604,015	
Mayo	1,728,000	217,868	3,630	1,506,502	250,891
Perry	3,940,000	1,850,000	-	2,090,000	
Starke	2,400,000	911,000	-	-	1,376,205
Trenton	1,800,000	222,704	3,485	1,573,811	368,184

Source: North Central Florida Regional Planning reporting from governmental service contracts.

Table II-16: Wastewater Capacity  
for selected North Central Florida municipalities

Municipality:	Permitted Wastewater Plant Capacity (gallons per day):	Wastewater Plant Average Daily Use:	Reserve Capacity:	Residual Capacity:	Projected Avg. Daily Wastewater Use in Year 2030:
Fanning Springs	-	-	-	-	None
Gainesville	22,400,000	15,300,000	1,530,000	5,570,000	NA
Hawthorne	150,000	118,000	18,003	13,994	NA
Jasper	1,200,000	686,000	-	514,000	NA
Jennings	200,000	112,560	-	87,440	158,567
Lake City	<b>3,000,000</b>	<b>2,300,000</b>	<b>200,000</b>	<b>86,000</b>	<b>&gt;3,000,000</b>
Lee	-	-	-	-	None
Live Oak	1,250,000	770,997	3,089	475,914	NA
Madison	1,370,000	845,000	18,608	506,392	NA
Mayo	150,000	110,000	2,783	37,217	126,673
Perry	1,250,000	764,000	-	486,000	NA
Starke	1,650,000	885,000	-	-	1,336,928
Trenton	200,000	90,160	2,638	107,202	116,187

Source: North Central Florida Regional Planning reporting from governmental service contracts.

Increased infrastructure, **especially** including water, wastewater, and road capacity enhancement, has been identified as one of the key areas of focus for the Rural Area of Critical Economic Concern that encompasses most of the region. Many fixed costs for capital facilities needed to be

incurred to provide the **necessary** needed infrastructure. Feasibility studies or market analyses are needed to help prevent uninformed investment decisions and to determine the appropriate level of public works necessary to stimulating economic growth.

Directly associated with the lack of existing infrastructure was the lack of local financial resources with which to finance the cost of infrastructure improvements. Local communities did not have the financial capacity to purchase sites suitable for industrial development or to extend the necessary utilities to those sites. Nor did they have the monetary resources to finance community facilities such as recreation facilities or cultural centers. These types of facilities, while not absolutely necessary to enhance economic development, make a community more attractive to private investors.

## M. FINANCIAL RESOURCES

On average, the state’s counties generate 31.4% of their revenue from taxes and impact fees. None of the counties in the region (with the exception of Alachua and Gilchrist Counties) have impact fees at this time. Most rural counties in Florida do not rely on impact fees because of their relatively low growth rates. However, many heavily rely on Special Assessments to provide needed infrastructure and other services.

The following table identifies the debt service per capita for each county in the region.

Table II-17: County Finance: Expenditure by function of County Governments  
FY 2003-2004 in thousands of dollars

	Total	General Government	Public Safety	Physical & Economic	Transportation	Human Services, Culture & Recreation	Debt Service and other uses and interfund transfers	Debt Service Per Capita
Alachua	273005	40314	76726	19588	8739	10105	117532	\$ 488.16
Bradford	27828	4639	5406	1960	2161	870	12791	\$ 454.90
Columbia	67299	6638	15197	8346	11649	3543	21925	\$ 356.70
Dixie	20083	2379	5899	1812	2036	716	7240	\$ 470.83
Gilchrist	16415	3503	3274	555	3452	501	5128	\$ 316.13
Hamilton	20789	2482	5346	2003	2791	1039	7127	\$ 497.87
Lafayette	8702	1292	1867	1004	783	684	3072	\$ 385.40
Madison	23331	2115	5827	1941	3448	1295	8704	\$ 441.92
Suwannee	40156	5226	8947	4234	7402	3671	10675	\$ 279.64
Taylor	31577	3577	6568	2264	5607	1390	12171	\$ 571.14
Union	11044	1452	2659	1017	1083	473	4360	\$ 289.78
Florida	34800662	4424668	6544232	5558528	4006260	4289212	9977762	\$ 556.85

Source: Florida Statistical Abstract. 2006.

## **V. IDENTIFYING PRIORITY PROJECTS**

### **CRITERIA FOR PROJECT SELECTION**

As projects or programs in the District are developed, there should be a set of criteria based on the goals and objectives of the Comprehensive Economic Development Strategy (CEDS) with which to assess the proposals. The proposed projects will be examined in the light of the following criteria:

- Promotes economic development and opportunity
- Fosters effective transportation access
- Enhances and protects the environment
- Maximizes effective development and use of the workforce consistent with any applicable State or local workforce investment strategy
- Promotes the use of technology in economic development, including access to high-speed telecommunications
- Balances resources through sound management of physical development
- Obtains and utilizes adequate funds and other resources

However, the ultimate test of whether to include a project in CEDS planning is based upon its ability to achieve the objective performance measures as identified by the U.S. Economic Development Administration:

- Number of jobs created after implementation of the CEDS
- Number and types of investments undertaken in the region
- Number of jobs retained in the region
- Amount of private sector investment in the region after implementation of the CEDS
- Changes in the economic environment of the region

These criteria were used by the CEDS Strategy Committee to identify and prioritize regional projects for the CEDS Report. Furthermore, the list of priorities will try to balance projects so that a fair share of projects come from each of the counties in the Economic Development District.

## **CEDS STRATEGY COMMITTEE PRIORITY PROJECTS 2007-2008**

1. Enterprise Florida/Rural Economic Development Initiative Catalyst Sites - Among Enterprise Florida's eight priorities to support economic diversification, The Roadmap to Florida's Future: 2004-09 Strategic Plan for Economic Development calls for implementation of an economic stimulus strategy for three Rural Areas of Critical Economic Concern (RACECs). Since their designation by Governor Jeb Bush, the RACECs (North Central, Northwest, and South Central Florida) have identified a significant number of overlapping agendas, including broadband, infrastructure and education, and produced a seven-point plan to support improvement in overall competitiveness. This plan included the need to conduct industry research, build regional teamwork around a catalytic economic opportunity, and go-to-market with a regional site.

On May 7, 2007, two regional sites were chosen to focus on prospects in the building/construction and distribution center market segments. Those were:

- a. Columbia County—~~Phillips site 504 acres~~ **Plum Creek Site 500 acres**
- b. Suwannee County – Harrell Site 500 acres

**The Plum Creek site in Columbia County will be located within an Inland Port Site that Lake City/Columbia County is developing to handle the expected increased imports to Florida via Jacksonville Port. The 2,500-acre site located east of the Lake City Airport on U. S. 90 will provide complete cross docking facilities receiving bulk products from the port and cross docking them for shipment to end users. The Inland Port will have access to Interstates 10, 75, 95 and 295 along with rail service from CSX Railroad. The site also has access to Florida's Intermodal System including U. S. 90, U. S. 41, U. S. 441 and State Road 100 that provides additional outlets to service Florida as well as the Southeast United States. The Lake City Airport will provide future ability to include air cargo as a part of the port system.**

Both projects will need infrastructure improvements to be developed.

Timeline: immediate. Sites are selected, the group can begin marketing and identifying infrastructure needs immediately.

Primary responsibility: North Central Florida Regional Planning Council provides staff for the organization that is comprised of volunteers from member counties that work together to develop these catalyst sites.

2. Original Florida Tourism Task Force - The North Central Florida Regional Planning Council's Economic Development staff assists local governments through sustainable economic development organization called The Original Florida Tourism Task Force. The group brings together the region and conducts marketing for 14 counties to increase tourism, but also entrepreneurial capacity development for the hospitality industry.

- Marketing and FAM trips through the region generate over \$800,000 in advertising equivalency for the region annually.

Return on Investment is > \$225 generated for each \$1 of dues to Original Florida (on average)

■ Visitor Numbers (Source: VISIT FLORIDA)	2003: 1,663,200 visitors
	2004: 2,311,300 visitors
	2005: 2,006,160 visitors

This represents approximately \$180,505,000 injected into regional economy in 2005 (using average spending per party per day in our region).

Timeline: Ongoing

Primary responsibility: North Central Florida Regional Planning Council provides staff for the organization that is comprised of volunteers from member counties.

3. Healthcare and Life Science Professionals – There is a shortage of healthcare and life science industry workers in the region, and nationwide. Santa Fe Community College, Lake City Community College, and possibly North Florida Community College are proposing a project that deals with workforce development, but may qualify for a U.S. Economic Development Administration planning grant to increase the number of healthcare and life science professionals in the region. This represents well over 1,000 jobs needed in the region.

The U.S. Economic Development Administration indicates that planning grants are possible for plans/curriculum creation, and for a “marketing” strategy for getting young people into health professions. A construction grant could also be given for a project that helps build a facility which will cater to educating people in this field.

Timeline: The first regional symposium was held June 16, 2007. A regional planning process is underway and funding to help create an economic development strategy could start immediately.

Primary responsibility: The regional community colleges are taking the lead on this initiative. Council staff will aid the community college consortium whenever appropriate.

4. Regional Business Incubators and Research Parks - An integral ingredient in successful regional economic development is small business start-ups. Given the high failure rate of new businesses (80 percent collapse within five years), both the entrepreneur and the region have a vested interest in any initiative that has the potential to improve the success rate of new entrepreneurial initiatives.

The region wishes to support the expansion of business incubators and research parks which support high-tech business startups. Specific projects within the region include:

a. “GTEC” is a business incubator in Gainesville is full and is in need of expanded facilities and services. The center is currently fully occupied and has a waiting list. The facility could be expanded onsite, but could also provide a hub and spoke system of incubators throughout the region, building on the experience of the incubator manager and sharing best practices with new incubators.

b. Plan East Gainesville would like to acquire a building that would provide permanent office space for various non-profit organizations; meeting space for others (state of the art

conference rooms for a fee), office/development space for emerging companies (i.e. a general small business incubator and temporary or permanent office space for non-incubated entities), and technology space (staffed computer center) offering revenue producing opportunities for all involved while serving as a center of commerce and pride for the community and emerging company and non-profit participants.

c. The Sid Martin Biotech park Wet labs, office space, conference rooms, a pilot fermentation facility, a small animal facility plus a climate controlled greenhouse and extensive scientific and business equipment and support services combine to create an unparalleled setting for biotech startups. To date, resident Client Companies have raised \$81 million in equity investment.

d. The TechCom and Advanced Food Nutrition research park proposed near Newberry Florida. This facility will utilize patents from a small biotech firm in Gainesville, to create a value-added agricultural business park with an estimated initial investment of \$140 million and over 150 jobs.

Timeline: Depends upon the availability of an existing building and funding.

Primary responsibility: Individual counties or cities operate individual incubators and business parks. The GTEC facility is operated by the City of Gainesville.

5. **Multi-modal Infrastructure Improvements near I-75 and I-10 interchanges to improve facilitate economic development.** I-75 is the gateway into Florida, with over 6.4 million vehicles traveling into Florida using I-75 each year. This Corridor is a portal to the communities of North Central Florida, and the interchanges from the state line through Gainesville are critical to the prosperity of the region. **Interstate 75 and Interstate 10 have both been included in the Florida Department of Transportation's Strategic Intermodal System. Therefore, the 14 interchanges on I-75 and nine interchanges on I-10 located in the region are all potential economic development sites with regional impacts.** ~~Furthermore, the Florida Department of Transportation has identified its Strategic Intermodal System for Florida which includes I-75 and I-10.~~

**Broadband capabilities are playing an increasingly vital role in the location decision process, especially for high-tech projects and technology dependent businesses. The rural areas of the North Central Florida region are currently lacking in broadband capabilities, and are thus at a competitive disadvantage with other areas. Therefore, in addition to the traditional transportation, water, and wastewater infrastructure, broadband infrastructure expansion to potential economic development sites is a priority in the region.**

Therefore, specific economic development projects which increase infrastructure and the ability to attract businesses to this area are desirable for the Comprehensive Economic Development Strategy Committee. Specific possible projects include:

a. State Road 6 and I-75 interchange in Hamilton County. Businesses have considered this location, but utilities need to be extended to the area to open it up for a series of both retail and industrial improvements. Therefore, the business locating here will leverage

significant investment for the whole region. Timeline: 12-36 months.

b. Ellisville site is 294 acres off I-75 at U.S. 41 intersection ¼ mile in Columbia County. This is a good location for logistics and distribution related industries (a RACEC target industry). Columbia County officials note there is interest in the site and timeline could be immediate with appropriate business/job identification. **A key element for the success of this site for economic development will be the expansion of water and wastewater infrastructure.**

**c. The U.S. 41 and I-10 interchange area is well suited for economic development, with close access to I-75. Water and wastewater infrastructure improvements to this area would open it to industrial as well as retail improvements.**

**d. Madison County has recently extended water and wastewater infrastructure to the I-10/State Road 53 interchange area, which runs east to the I-10/County Road 255 interchange. The extension of additional water distribution lines and wastewater collection lines and other infrastructure may be required for new economic development projects locating in the area.**

**e. The I-75/U.S. 441 interchange is located in a rapidly growing commercial area of Alachua County. Expansion of additional water distribution lines and wastewater collection lines and other infrastructure will be required to attract economic development projects to the area.**

Primary responsibility: Individual counties will work with prospective businesses that are looking to locate in the area and increase job creation through these projects.

## **LONG RANGE PRIORITIES**

In addition to the priority projects listed above, the region will support the following long range projects.

1. Regional Energy Facilities: As the state grows, there will be a continued need for energy. A proposed energy facility in Taylor County would provide critical energy for growing communities in north and central Florida, and would provide approximately 180 high paying jobs. Additionally, a recent \$20 million bio-fuel plant development grant through the University of Florida is another example of a potential energy generating facility that may be located within the region. Bio-fuels and energy industry classifications are target industries identified by Enterprise Florida and by the Rural Area of Critical Economic Concern.

2. Regional Airport Facilities: **The development of the region's airport facilities is an important element of the overall economic development strategy for the North Central Florida region.** The Gainesville Regional Airport is part of the state's Strategic Intermodal System and is a key component to economic development in the region. **Likewise, the Lake City airport is slated in the Florida Department of Transportation master plan for new**

**terminal and hangar facilities, which will enhance the region's ability to attract** Aviation Services and Products **which** is also a target industry of the **North Florida** Rural Area of Critical Economic Concern. **Therefore**, ~~Thus~~, **expansion of municipal** and rural airparks and the Gainesville Regional Airport's business park ~~expansion~~ in the next few years are long range priorities for the region.