

Apalachee Region Comprehensive Economic Development Strategy

2013-2017



Apalachee Regional Planning Council



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2013-2017

Adopted, July 25, 2013

Current Grant Period: January 1, 2011 through December 31, 2013
This document has been prepared with financial assistance from
the U.S. Economic Development Administration

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Executive Summary

The Apalachee Region shared in the economic turmoil of the 2007-8 recession but has exhibited a somewhat slower recovery than in many areas. Overall, outward signs of recovery are becoming apparent, especially in Leon County as new construction, primarily in the commercial sector is improving or filling in long dormant properties. Although housing starts are still lagging far behind 2007 levels. Building permits in Leon County for March Of 2013 were valued at \$15.1M compared to \$8.9 in 2010¹. This is a very positive trend that is indicative of increased confidence in the durability of the rebound by the commercial sector.

The State of Florida made substantial steps at removal of obstacles in its regulatory framework. Over the last several years, beginning with the creation of a dedicated cabinet post and the creation of the Department of Economic Development state government backed away from increasingly rigid growth regulation and became more focused on enabling expansion, relocation from out of state and increasing the attractiveness of Florida's business climate.

This report has been reformatted from previous editions. There is far less examination of the geology and setting and a purposeful restructuring to align this report with the Florida Chamber Foundation's Six Pillars of Economic Development. This effort has been followed by most of the eleven Regional Planning Councils to reflect Florida's adoption of the Six Pillars framework for discussion, measurement, and comparison of key indicators of growth and community and economic health.

Following that format, the Apalachee Region's Goals and Objectives have been revised as well. Based on input from the economic community and the CEDS committee, the ARPC's policy statements include not only key portions of the Council's Strategic Regional Policy Plan, SRPP, but also input from the region's economic development community. We have stricken restrictive policy statements from the SRPP and focused on positive statements and goals. These are summarized on the following 'One-Sheet' summary of the ARPC's redefined goals as strategies to meet our Goals within the six pillars context. For more information on the Six Pillars Strategy, please see the Florida Chamber's website: <http://www.flchamber.com/six-pillars/six-pillars-plan/>

There are ongoing projects that may have substantial impact on the region if they come to fruition. Some of these may require EDA involvement in addition to assistance from State and Regional institutions. Most promising are the Port of Port St. Joe, a mega-site certification in Jackson County and a new pellet mill in Liberty County that will, if completed, will revive a fading shortline railroad and energize Port St. Joe. Other projects are expected to arise from Franklin County's Long-term Diversification Strategy and solar farms planned for Gadsden and Liberty County.

¹ <http://censtats.census.gov/cgi-bin/bldgprmt/bldgdisp.pl>



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Apalachee Regional Planning Council – Statements and Strategies 2013-2018 Comprehensive Economic Development Strategy

Vision: The Apalachee Region will develop a broader economic base for sustainable economic growth and prosperity.

- Goals:**
- Leverage locational assets and amenities to attract new companies / industries
 - Provide a well trained and ready workforce to meet the needs of new and expanding businesses
 - Increase standard of living for citizens in the ARPC region

Cross Cutting Strategies

- 1) Strengthen collaboration and alignment among state, regional and local entities toward common Economic Development Strategies
- 2) Develop and implement statewide strategies to develop regional talent and innovation clusters using industry accepted best practices
- 3) Connect economic development talent, infrastructure, housing, partnerships to ensure North Florida’s partnership in Florida’s ascendance to global competitiveness.

Area Specific Strategies

These strategies align with the pillar specific Goals contained in the report, See page 7.

Talent Supply and Education	Innovation and Economic Development	Infrastructure and Growth Leadership	Business Climate and Competitiveness	Civic and Governance Systems	Quality of Live and Quality Places
<ol style="list-style-type: none"> 1) Develop a strong talent supply chain encompassing education, training and workforce development programs. 2) Greater coordination between emerging business sectors and career training or vocational education institutions. 3) Provide vocational curricula that reflects the current and projected needs for training in the Region. 4) Coordinate with the Job Training Partnership Act programs and other vocational and education programs in the Region to develop and implement training programs that will complement economic diversification efforts. 	<ol style="list-style-type: none"> 1) Increase growth in the number of firms and employment in sectors or industries where the Region has little employment. 2) Promote private sector investment in commercial start-ups and expansion, early stage investments, seed funding and venture capital for expansion. 3) Grow intellectual capital in rural areas. 4) Assist small businesses in obtaining capital for start-up and expansion. 	<ol style="list-style-type: none"> 1) Ensure adequate transportation exists to effectively develop market access 2) Increase access to broadband internet access in underserved areas. 3) Provide economic development leadership training and coordination to maximize the limited resources of local economic development organizations. 	<ol style="list-style-type: none"> 1) Streamline permitting. 2) Develop better understanding of market weakness and threats. 3) Increase efforts to develop international markets and contacts for businesses in the Apalachee Region. 4) Increase the flow of capital aimed at assisting entrepreneurs with job creation. 5) Improve the flow of information to businesses and industries inside and outside the Region to better inform them of the opportunities for startup, expansion, or relocation in the Region. 6) Integration of Comprehensive Planning and Economic Development Programs. 	<ol style="list-style-type: none"> 1) Educate leadership on what is needed to promote healthy economic development. 2) Incentivize growth directed at areas that seek responsible, sustainable development. 	<ol style="list-style-type: none"> 1) Ensure the economic development strategies are sustainable and that they protect the environment and the quality of life. 2) Support development of Tourism as an economic development fundamental. 3) Sustainable use of the Region’s natural resources: Develop initiatives to increase and promote ecotourism as an alternative use of natural resources. 4) Promote the Region’s unique natural features and tourism activities to areas of the state and nation most likely to send visitors. 5) Develop employment opportunities and improve their accessibility households living in poverty.



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Florida's Apalachee Region

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY



Apalachee Region

Comprehensive Economic Development Strategy

A. Background

The Comprehensive Economic Development Strategy (CEDS) is an ongoing, participatory planning process which includes input from a steering committee. Where possible, the committee should represent the major interests of the community. The Apalachicola Regional Planning Council, ARPC, invited leaders of organizations that represent the different social and economic conditions in the region to participate in the creation of the regional CEDS. These included economic development and planning organizations, employment and training groups, business organizations, and community organizations representing minority groups and the elderly. The CEDS is designed to guide economic growth by fostering a more stable and diversified economy, assisting in the creation of jobs, and maintaining our unique sense of place and quality of life in our member counties. It also provides a mechanism for coordinating the efforts of individuals, organizations, local governments, and private industry concerned with economic development.

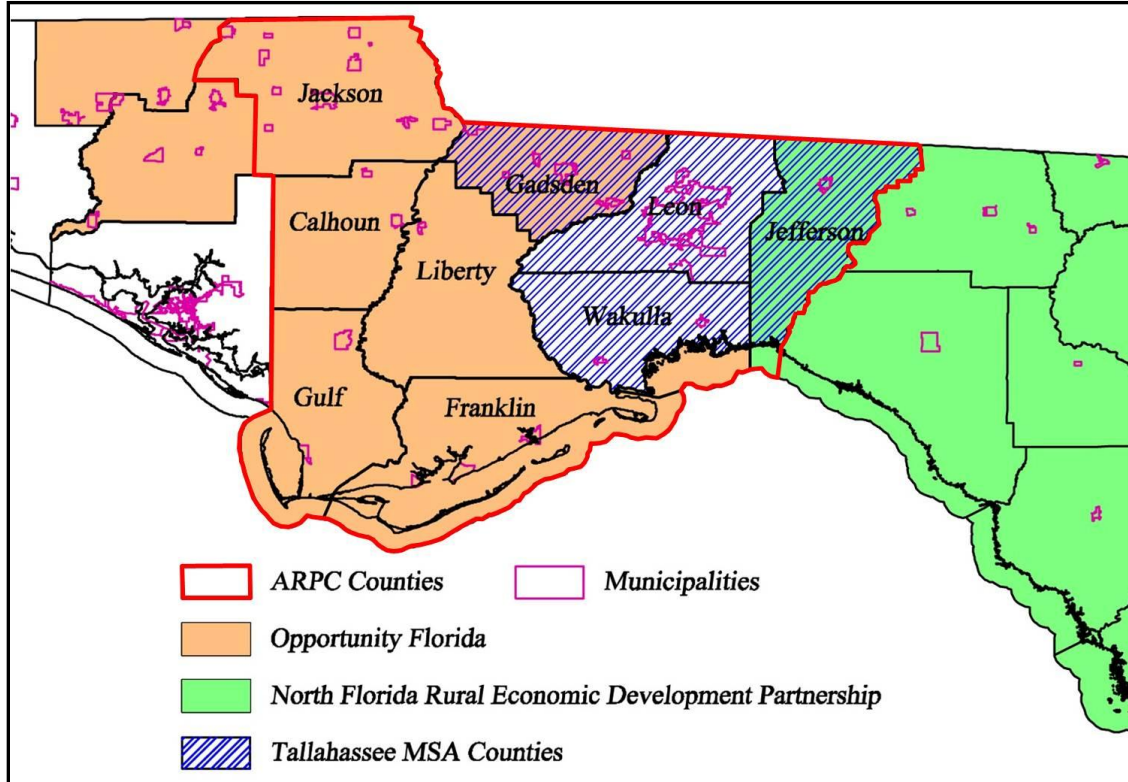
Developing a CEDS is a prerequisite for most Economic Development Administration (EDA) planning programs, including the Economic Development District designation. The ARPC was designated by the Economic Development Administration as an Economic Development District in October, 1979. The EDD designation increases access to additional federal funding such as disaster preparedness and recovery, brownfield mitigation, and revolving loan funds. The CEDS provides a framework for improving regional development partnerships, while the EDD designation provides extra funding for implementing the goals and objectives outlined in the CEDS. The primary functions of the EDD include, but are not limited to, the preparation and maintenance of a CEDS, to assist in the implementation strategies identified in the CEDS and provide technical assistance to local economic development organizations throughout the region.

The Apalachee Region encompasses the Counties of Calhoun, Franklin, Gadsden, Gulf, Jackson, Jefferson, Leon, Liberty and Wakulla. Within these counties we also coordinate with and serve their included municipalities. By county alphabetic order, they are: Altha, Blountstown, Apalachicola, Carrabelle, Monticello, Chattahoochee, Greensboro, Gretna, Havana, Midway, Quincy, Port St. Joe, Wewahitchka, Alford, Bascom, Campbellton, Cottdale, Graceville, Grand Ridge, Greenwood, Jacob City, Malone, Marianna, Sneads, Tallahassee, Bristol, St. Marks and Sopchoppy.

The Apalachee Region is encompassed in the larger ED organization, Florida's Great Northwest, which overlays the counties included in the ARPC and the West Florida Regional Planning Council. There are also numerous workforce boards comprised

usually of three or four counties that do not share boundaries but do share the ARPC's service area.

Figure 1 – Apalachee Region and Regional Economic Development Organizations



The Region has one Metropolitan Statistical Area, the Tallahassee MSA, which includes Leon, Gadsden, Wakulla, and Jefferson counties. The one other major developing economic center in the region is the City of Marianna, Jackson County. Except for the significant coastal development in Gulf and Wakulla Counties, (and to a lesser extent

Wakulla)² a majority of the region is a typically rural agrarian and silvicultural southern pattern economy. While the region has experienced some growth in the last five years, with a 4.3% change in the region's population since the decennial census, the state of Florida has grown by 11.5%.³ The region does not share all of the traditional population attractors of south and central Florida, but has still seen substantial growth with a 2000-2010 decennial census change in population of 13.6% compared to 17.6% for the state.

² Wakulla had been growing rapidly in the 1990s, but it could not be characterized as coastal development as the rest of Florida experiences it. Once, Florida's fastest growing county, it has since sought and received RACEC status.

³US Census 2010

Leon is the only county that could be considered an urban or urbanizing County. The other eight are considered rural by statutory definition and aspect. All eight rural counties are included in one of the Governor's designated Rural Areas of Critical Economic Concern, (RACEC). Jackson, Calhoun, Gulf, Gadsden, Liberty, Franklin, and Wakulla are in the Northwest RACEC, also known as Opportunity Florida. Jefferson County is included in the North Central RACEC, which is organized as the North Florida Rural Economic Development Partnership. Wakulla was recently granted RACEC status as an act of the 2011 Florida Legislature. Counties located in Rural Areas of Critical Economic Concern receive certain priorities in grant applications, waivers or relief from some state level regulatory thresholds, and other advantages that may assist in their economic development initiatives such as expedited permitting and pre-application agency review

Recent Economic Changes - The Region is undergoing economic change from the outside and from within. No economic report could fail to discuss the extreme duress the nation is going through as a result of the 2007-8 banking and real estate collapse. Although TARP softened the blow in some sectors and the ARRA gave a temporary boost to utility and construction sectors, that impact has faded. All sectors including government are being affected. Locally, adding misery to the national downturn, the last two large manufacturing firms left the Port of Port St Joe leaving the shortline AN Railroad without customers. The State of Florida, in reaction to sharply reduced revenues for three years running cut over a thousand jobs from the capital city workforce with other reductions in regional offices and departments.

The many facets of change will be discussed in detail later in the report, but no introduction should be concluded without mention of some of the notable factors changing the economic shape of the Region's future. The St Joe Companies have shifted to land sales and development operations with far reaching effects. As one of the major non-governmental land owners in the region, its efforts to divest itself of real estate either by wholesale transfer of timber tracts or redevelopment into commercial and residential projects is transforming the region. Two of the company's flagship projects, Summer Camp in Franklin County and WindMark in Gulf County have stalled due to the housing crash.

The final plant closings in Port St Joe had dramatic impacts on Gulf County particularly, but multiple closings can have similar disastrous impacts on a local economies. As a result of the crash in home building, a major Gulf County employer, Taunton Truss had to temporarily shutter its building products and truss factory in the Gulf County Industrial Park near Wewahitchka for a job loss of 150 and loss of payroll of almost \$5 million to Gulf and Liberty Counties.⁴

⁴ Interview with Ms. Taunton, Nov. 2012

The hurricane impacts to the state over the 2004 and 2005 hurricane seasons not only caused severe physical damage along the Region's coastal counties, but it is a distinct possibility that the seafood industry will not ever fully recover from the loss of coastal businesses involved in processing, packaging and shipping. Many of the seafood houses in Franklin and Wakulla Counties remain closed eight years after that disastrous season. The value-added seafood operations were vital segments of the economies of Gulf, Franklin and to a lesser extent, Wakulla Counties. Those storms also temporarily impacted the coastal tourism and real estate markets. Although St Joseph Peninsula and St George Island State Parks have reopened; the storms' impacts on property insurance rates put an additional strain on the coastal property real estate market.

Ongoing low rainfall conditions in the watershed of the Apalachicola River combined with aggressive water impound policies in Georgia reduced the flows in that river to impassable depths in 2011-2012. Low flows have also resulted in higher than normal salinity levels in Apalachicola Bay and estuary with resulting losses to the oyster harvest and incalculable losses to shrimping, crabbing and spawning rates for offshore sport and other fin fish.

Although NAFTA has not had a significant economic effect on Regional agriculture, ongoing lawsuits between Florida producer organizations and South American suppliers are ongoing and do effect the price at market in certain seasons. Fast air freight deliveries from remote import markets are making some truck farming operations marginal. Similarly, it has become economically competitive to fly in frozen seafood to area markets, diminishing demand for Florida fresh seafood produced within the region. To continue to compete, local agricultural and seafood producers are going to need to work on synergistic solutions and develop value added processes and components to their raw crop products.

Public and private initiatives to promote viable economic change are likely to bring change to the Region's rural and urban centered economies. The Governor's Office of Tourism, Trade and Economic Development (OTTED) and Enterprise Florida, are now contained within the new Department of Economic Opportunity (DEO). Those personnel are continuing to spearhead the "Catalyst" project, a program planned to create one large new development project in the Northwest Florida Rural Area of Critical Economic Concern, (RACEC). Under the framework of the Catalyst initiative, all local governments within the RACEC can participate in the investment required to implement a jobs producing project within the rural area and share in additional revenues generated by the project. The initial Catalyst project has been selected and constructed, although State level marketing of the site is lagging. DEO also oversees the Rural Economic Development Initiative that provides coordination, pre-application services and fast track permitting efforts for supported projects. Opportunity Florida, the operating entity charged with economic development within the RACEC, is assisting in this project.

New developments are taking place throughout the region which could point to new directions in economic focus. Jackson County has just secured the relocation of a linen and fabrics plant that signals a return to textile manufacturing in the south. Gadsden County and Liberty County will become the development centers for two large acreage solar farms. Jackson County is also in the final stages of securing mega-site certification for one of its five large acreage sites that are suitable for future development. A second wood pellets manufacturing facility is planned for Liberty County which plans to export through the Port of Port St. Joe via the AN railroad, thereby providing revenue to the shortline RR and providing much needed throughput and impetus to the port.

Partnerships between the Tallahassee/Leon County EDC and Florida State University's professional faculty promise to provide financial and technical help to bring emerging science to products and services. The TLEDC has, in the past several years, spotlighted growing regional sectors by hosting roundtables in manufacturing, aerospace, advanced materials, health sciences, solar and renewable, transportation and others. These workshops help close the gap between allied interests with an aim to build successful collaborations and partnerships.

Florida State University in partnership with the ARPC is developing ExpertNet, a web-based development tool designed to link business needs for technical expertise with the leading researchers in the State University System. (<http://expertnet.org/>).

Recently, the Department of Economic Opportunity, and its ED partners, the Gulf Coast Workforce Board and the Apalachee Regional Planning Council have kicked off a study on what new measures should be taken in Franklin County to provide a sustainable economic base as its tourism and aquaculture sectors have both been seriously damaged. The Franklin County Long-term Diversification Study is investigating ways to ensure continuation of the seafood industry, strengthening the existing tourism base and attracting new sectors.

The four coastal counties in the region, stand to benefit from settlement funds from the BP-Deepwater Horizon settlement. Although Jefferson may gain only \$2.6M, the other three, Wakulla, Franklin and Gulf stand to bring in much more as they are considered in the Florida Settlement to be in the eight disproportionately affected counties. A cash grant to these counties, amount still to be determined, could provide needed input to support tourism and economic development along the coast.

A new report from the Florida Department of Economic Development focusing on Rural Areas⁵ makes several important suggestions for state policymakers. One important one is the inclusion of Agribusiness as a targeted sector. This status would confer additional benefits from the State's incentive program. Another is additional effort to train elected officials in the basics of economic development. The Study makes numerous other

⁵ <http://www.economicdevelopmenthq.com/blog/rural-florida-study/>

recommendations that, if adopted as policy, will permit rural Florida to be much more competitive in the global marketplace. These include:

- Incentives/Funding – Increase the credit amount available under the Rural Job Tax Credit to \$3,000 to \$5,000 per job. Provide cities and counties with the ability to enact local option sales taxes from .05% to 1.0% to fund economic development projects, including but not limited to: land acquisition; site development; local incentives; and economic development organization funding.
- Marketing and Communications – Integrate key marketing messages about Rural Florida in the new marketing brand. Regularly share information with all paid and volunteer economic development leaders in rural areas. Create a LinkedIn group, and develop a sales training program. Launch a Governor’s Summit on Rural Economic Development.
- Product Development – Resurrect the Catalyst Sites project, and market existence of Catalyst Sites to site selection consultants and targeted sectors. Support regional broadband projects, and support identification/development of a megasite in the Opportunity Florida region.
- Program Development – Increase number of training programs that align with demands of military bases in rural areas. EFI should partner with the Florida Department of Agriculture to create an export development program series designed for rural companies and deliver it within each of the three rural regions.
- Small Business/Entrepreneurship – VISIT FLORIDA should develop an entrepreneur support program for rural areas to assist fledgling entrepreneurs, and to help develop tourism infrastructure in Rural Florida. Specific incentives targeted to small business/entrepreneurs in Rural Florida should be considered.

B. Goals and Objectives - Building the Pillars

The Comprehensive Economic Development Strategy must contain a section setting forth goals and objectives necessary to solve the economic problems, or capitalize on the resources, of the region. Any strategic project, program, or activity identified in the Comprehensive Economic Development Strategy should work to fulfill these goals and objectives. In March of 2012, representatives of business, education and government as well as private citizens attended a DEO/ARPC sponsored summit to discuss the Region's priorities and aspirations for economic and community health in the framework of the six pillars. The following Goals and Objectives are a result of that collaborative discussion.

- Goals are broad, primary regional expectations.
- Generally, objectives are more specific than goals, clearly measurable, and stated in realistic terms considering what can be accomplished over the five year time frame of the Comprehensive Economic Development Strategy.
- Cross Cutting Strategies apply to more than one pillar and are broader in impact.

Cross Cutting Strategies

- 1) Strengthen collaboration and alignment among state, regional and local entities toward common Economic Development Strategies
- 2) Develop and implement statewide strategies to develop regional talent and innovation clusters using industry accepted best practices
- 3) Connect economic development talent, infrastructure, housing, and partnerships to ensure North Florida's partnership in Florida's ascendance to global competitiveness.

The Six Pillars

1. Talent Supply & Education - Goals

- a. **Goal 1**, Develop a strong talent supply chain encompassing education, training and workforce development programs.

Objective 1.1 Support the development of career training academies or programs at one or more of the region's Community or Regional Colleges, or vocational education institutions.

Objective 1.2 Assist in the identification or creation of curricula, and provide support equipment, and trainers to meet the needs of existing or future tenants of the Region's Commercial and Industrial Parks and Ports.

- b. **Goal 2**, Greater coordination between emerging business sectors and career

training or vocational education institutions.

Objective 2.1, Provide support for implementation of Science, Technology, Engineering, Math & Medicine, STEMM, in middle and high schools consistent with current or projected Regional workforce deficit.

Objective 2.2, Increased graduation rates throughout the Region.

Objective 2.3, Focused back-to-work training programs aimed at workforce shortages.

- c. **Goal 3**, Provide vocational curricula that reflects the current and projected needs for training in the Region.

Objective 3.1, Chambers of Commerce and economic development organizations will coordinate the development of vocational curricula with business representatives.

Objective 3.2, The Florida Department of Economic Opportunity will assist local governments and economic development agencies in utilizing available incentives and programs at the state level designed to diversify employment, such as the Florida Quick Response Training Program.

- d. **Goal 4**, Coordinate with the Workforce Investment Act,(the replacement for the Job Training Partnership Act) program and other vocational and education programs in the Region to develop and implement training programs that will complement economic diversification efforts.

Objective 4.1, Vocational programs should coordinate with business, industry, community development corporations, and economic development organizations in the development of vocational curricula.

Objective 4.2, Vocational programs and educational institutions should coordinate to assess the number of sites and location of available programs to determine if any service gaps exist.

Objective 4.3, Local economic development organizations should facilitate the development of new service sites or program offerings through assistance with site selection and grant development.

Objective 4.4, The ARPC will act as a clearinghouse of educational and vocational resources, including available programs, grants, and funding information.

2. Innovation & Economic Development - Goals

- a. **Goal 1**, Increase growth in the number of firms and employment in sectors or industries where the Region has little employment.

Objective 1.1, The ARPC will coordinate with local agencies to catalog the available development conditions and development incentives in the Apalachee

Region.

Objective 1.2, The Florida Department of Economic Development will assist local governments and economic development agencies in utilizing available incentives and programs at the state level designed to diversify employment, such as the Florida Qualified Industry Program.

- b. **Goal 2**, Promote private sector investment in commercial start-ups and expansion, early stage investments, seed funding and venture capital for expansion.

Objective 2.1 , Develop local or regional angel investor networks early stage investments, seed funding and venture capital for expansion.

Objective 2.2, Build on and coordinate with Enterprise Florida's capital programs.

- c. **Goal 3**, Grow intellectual capital in rural areas.

Objective 3.1, Make better use of existing IFAS infrastructure.

Objective 3.2, Develop model of GROWFL for smaller businesses through chamber organizations and EDCs.

- d. **Goal 4**, Assist small businesses in obtaining capital for start-up and expansion.

Objective 4.1, The ARPC, in coordination with local Chambers of Commerce should conduct community surveys to determine the needs of small business in the Apalachee Region.

Objective 4.2, The ARPC, FAMU Small Business Development Center, and local economic development programs should establish a working relationship with local banks and encourage bank-sponsored programs for small businesses in the Region.

Objective 4.3, Local economic development organizations should increase efforts to make information about business financing available to local entrepreneurs.

Objective 4.3, Support the development of incubator sites for small and emerging businesses throughout the region

3. Infrastructure & Growth Leadership - Goals

- a. **Goal 1**, Ensure adequate transportation exists to effectively develop market access

Objective 1.1, Support improved access from Port St. Joe to I-10 via SR71 and the Gulf Coast Parkway

Objective 1.2, Support renewed use of the AN Railway as a viable Rail link from Port St Joe and Apalachicola to the CSX trunk.

Objective 1.3, Support efforts to develop commercial and industrial sites at or near the TLH Regional Airport and the several local commercial airports in the ARPC Region.

Objective 1.4, Participate in regional and local forums seeking to coordinate economic development, water and land use, infrastructure, and natural resources.

- b. **Goal 2**, Increase access to broadband internet access in underserved areas.

Objective 2.1, Support efforts of the State of Florida's Department of Management Services to implement its Broadband Program to core institutions.

Objective 2.2, The ARPC, as an active partner of Opportunity Florida, will continue to support its rural broadband middle mile program.

- c. **Goal 3**, Provide economic development leadership training and coordination to maximize the limited resources of local economic development organizations.

Objective 3.1, Local governments should identify, establish, or designate a lead economic development organization.

Objective 3.2, The ARPC will develop and implement a regional economic development training strategy workshop for the membership of local economic development organizations.

Objective 3.3, The ARPC will make its services available to design and implement a regional marketing campaign, in cooperation with local economic development practitioners.

4. Business Climate & Competitiveness - Goals

- a. **Goal 1**, Streamline permitting.

Objective 1.1, Develop collaborative permitting strategies that will lower the wall between economic development projects and environmental review staff.

Objective 1.2, Expedited permitting should be measured in weeks rather than months.

- b. **Goal 2**, Develop better understanding of market weakness and threats.

Objective 2.1 Establish tracking system to record reasons for emigration of businesses and business failures.

- c. **Goal 3**, Increase efforts to develop international markets and contacts for businesses in the Apalachee Region.

Objective 3.1, Local officials and other agencies involved in agriculture should explore the feasibility of specialty-crop production and the development of processing enterprises to add value to agricultural production and increase the

number of products available for export.

Objective 3.2, The State of Florida should continue to provide assistance for trade development in the Region. Increase the flow of capital aimed at assisting entrepreneurs with job creation.

- d. **Goal 4**, Increase the flow of capital aimed at assisting entrepreneurs with job creation.

Objective 4.1, The ARPC will develop a Regional database of sources of capital for small business and note accessibility to entrepreneurs.

Objective 4.2, The ARPC will expand the marketing program for the ARPC Revolving Loan Fund, a source of capital for business owners who are unable to access private lender funds.

- e. **Goal 5**, Improve the flow of information to businesses and industries inside and outside the Region to better inform them of the opportunities for startup, expansion, or relocation in the Region.

Objective 5.1, ARPC staff will use its Geographic Information System to classify land and infrastructure available for development.

Objective 5.2, The ARPC will facilitate the creation of sites on the World Wide Web for economic development agencies in the Region.

Objective 5.3, Local economic development organizations will note the availability of business services in their communities and make this information available to the ARPC.

- f. **Goal 6**, Integration of Comprehensive Planning and economic development programs.

Objective 6.1, Update local Future Land Use Plans in the Region to provide economic development infrastructure in areas determined to be most suitable for commercial and industrial development based on community consensus. The ARPC will provide technical assistance to local governments in the preparation of their Evaluation and Appraisal Reports. This assistance will include, but not be limited to, assessment of land development regulations and implementation of their adopted local comprehensive plans and updates or creation of Economic Development Elements.

5. Civic & Governance Systems - Goals

- a. **Goal 1**, Educate leadership on what is needed to promote healthy economic development.

Objective 2.1, Work with Florida League of Cities and Florida League of Counties to add economic development to commissioner's training programs.

- b. **Goal 2**, Incentivize growth directed at areas that seek responsible, sustainable development.

Objective 2.1, Promote government based land use map changes based on community consensus of appropriate and desirable locations for commercial or industrial development.

Objective 2.2, Provide model language for land use map designations for interstate based or Arterial supported commercial and industrial parks.

Objective 2.3, Assist local governments in land use amendments aimed at pre-qualification for commercial – industrial areas.

6. Quality of Life & Quality Places - Goals

- a. **Goal 1**, Ensure the economic development strategies are sustainable and that they protect the environment and the quality of life.

Objective 1.1, Economic development projects should take advantage of the Florida brand and protect and enhance the Florida sense of place.

Objective 1.2, Project development should evaluate the impact of the other pillars on the quality of life.

- b. **Goal 2**, Support development of Tourism as an economic development fundamental.

Objective 2.1, Support regional tourism programs such as the Big Bend Scenic Highway, and RiverWay South A-C.

Objective 2.2, Support development of Rails-to-Trails programs where feasible.

- c. **Goal 3**, Sustainable use of the Region’s natural resources: Develop initiatives to increase and promote ecotourism as an alternative use of natural resources.

Objective 3.1, The ARPC will compile a Regional ecotourism report identifying relevant facilities and successful efforts, as well as groups involved in ecotourism.

Objective 3.2, Local economic development organizations and governments, with assistance from the ARPC, should inventory existing and potential ecotourism attractions in the Region, their ownership, and needed infrastructure.

Objective 3.3, Local governments, if feasible, should consider infrastructure improvements that support ecotourism as part of their Capital Improvements Program.

Objective 3.4, Local governments should build public-private partnerships between government and private landowners to ensure the development of ecotourism facilities is coordinated and occurs to mutual benefit.

- d. **Goal 4**, Promote the Region’s unique natural features and tourism activities to

areas of the state and nation most likely to send visitors.

Objective 4.1, The ARPC, in conjunction with local governments, Chambers of Commerce, Florida Department of State, Florida Department of Economic Opportunity, and economic development organizations, will design and implement a regional recreational facilities promotion campaign to attract visitors to the Region. The campaign should include advertisement, publications, visual aids, and presentations.

Objective 4.2, Local governments and Chambers of Commerce should consider the adoption of informal or formal agreements to participate in the promotion of the Region as a whole.

Objective 4.3, A team, consisting of representatives of local government, Chambers of Commerce, Florida Department of State, Florida Department of Commerce, business, and public land stewards, should prepare a study determining the geographic areas to target when promoting the Region's attractions.

e. **Goal 5**, Develop employment opportunities and improve their accessibility households living in poverty.

Objective 5.1, Local governments, with the assistance of local economic development organizations and the ARPC, should develop projects to assist persons living in poverty and pursue funding from programs that assist low-to-moderate-income persons, such as the Community Development Block Grant Program.

Objective 5.2, Local governments and economic development organizations should enhance relationships with non-profit organizations and government agencies serving the needs of families living in poverty, such as those provided by the Florida Agency for Workforce Innovation, to assess community needs and service gaps.

Objective 5.3, Local economic development organizations should seek to match local employers with qualified job applicants in their communities living in poverty.

C. Plan of Action - Each Pillar Becomes a Target Area in the Plan

The plan of action, as described in the Comprehensive Economic Development Strategy, implements the goals and objectives of the Comprehensive Economic Development Strategy in a manner that -

1. *Maximizes effective development and use of the workforce consistent with any applicable State or local workforce investment strategy* - Talent Supply & Education
2. *Obtains and utilizes adequate funds and other resources* - Innovation & Economic Development
3. *Fosters effective transportation access, Promotes the use of technology in economic development, including access to high-speed telecommunications* - Infrastructure & Growth Leadership
4. *Promotes economic development and opportunity* - Business Climate & Competitiveness
5. *Balances resources through sound management of physical development* - Civic & Governance Systems
6. *Enhances and protects the environment* - Quality of Life & Quality Places

The Comprehensive Economic Development Strategy must also contain a section that discusses the methodology for cooperating and integrating the Comprehensive Economic Development Strategy with a State's economic development priorities. The preceding section aligned goals and objectives with the statewide adopted six pillars framework. The following section will align the CEDS committee's adopted strategic projects list those six pillars. While some of the objectives are not actionable by the ARPC, it will be the policy of the ARPC to support those efforts by collaboration with the actionable agencies or organizations and provide pathways for communications and cooperation.

D. Strategic Projects, Programs and Activities – Priority Projects Under Each Pillar

The Comprehensive Economic Development Strategy must contain a section which 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:

Suggested Programs and 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.

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. Incorporation of the Six Pillars framework into the EDA required Vital Projects List develops the following list of investment and support opportunities. Strategic Findings derive from the technical analysis provided in the Appendix.

1. Talent Supply & Education

Strategic Finding: As a whole, the Region is performing at least as well as the State of Florida. That statement leaves much room for improvement as the State does not compare well with the rest of the US which itself, lags behind most of the developed world in terms of secondary education and workforce training. The several initiatives for STEM or STEMM training should be encouraged for workforce development as well as strong preparation for college level training in key professional fields. The CEDS committee provided strong support for regionally significant job training as well.

Career Training Academy – Wakulla Environmental Institute:

The proposed academy would be focused on providing training in the environmental, ecological, and biological assets of the Region. Florida's Big Bend area is an environmental hot spot for diversity and much of the lands are protected by Federal or State preserves which will provide the field laboratories. The Academy would also provide expanded training in green guides, hospitality services and tourism. A legislative set-aside of \$4.3M for acquisition and construction will provide basic campus amenities. It is hoped that additional

funding can provide additional campus assets that would directly support the mission. The Principal Party would be the Tallahassee Community College which supports a similar Academy in Gadsden County dedicated to law enforcement, fire safety and homeland security occupational training fields.

Outcomes:

- Development of a career training academy, in which training program curricula will result in industry recognized certification, in conjunction with the incoming industries, and the two training institutions.
- Industry Certification of 100 potential employees in the targeted industries.

The lead organizations are the Tallahassee Community College and Wakulla County.

Support STEM Education Assets – PAEC, Workforce Florida, Community Colleges:

The Region is blessed with an existing network of workforce development, continuing education and career training assets. A possible project, led by an interested investment initiative might require facilities or other physical assets to carry out higher skill training. As an example, the TCC campus in Gadsden County is constructing a solar array test bed to assist in the ongoing training of skilled labor to support a massive solar energy investment in Gadsden and Liberty Counties. A similar investment might be appropriate should the region develop solar cell manufacturing as a related industry. The lead organizations are the Workforce boards and the state college system with support from the Panhandle Area Educational Consortium.

2. Innovation and Economic Development

Strategic Finding: Many of the indicators for the decennial period 2010-2020 are up. This is encouraging. However, the Region’s deficit of \$9.5B exports vs. \$14B in imports underscores the Region’s dependence on government, education and transfer payment vs. productive sectors that are the basis of a vibrant economy. Sector analyses will follow that will document the Region’s small share in manufacturing, and value added activities. The Region needs to pursue activities that will provide underpinnings for future opportunities. Recent trends in site selection indicate that most corporate location decisions are based on the availability of shovel ready and in some cases turn-key facilities, usually with substantial tax deferrals and other financial incentives. The Region, to be competitive, must have a selection of sites of varying sizes and capabilities with appropriate utilities and transportation assets in place or planned.

Development of Site Location Assets: REDI Catalyst Site, Calhoun Co Airport Ind. Park: A continuing project of the Florida Department of Economic Opportunity (DEO), the Calhoun Co. Catalyst site has had most of its Phase I

improvements installed. Additional acreage is available by agreement with the adjacent landowners. Should the State's marketing initiatives require expansion of the site to assure an interested party's expansion concerns, this acreage would need to be permitted, prepared and have appropriate utility extensions provided. The principal party would be Calhoun County and its Industrial Development Board in cooperation with Enterprise Florida and DEO.

The Catalyst site is a ready example. However, there are other established commercial/industrial sites that may need additional infrastructure investments to expand such as the Port of Port St. Joe, the Lowry Industrial area in Liberty County, or the Jefferson County Industrial Park. Lead organizations for the Calhoun County site are Calhoun County and the FI Department of Economic Opportunity and its assistance arm, Enterprise Florida.

Certification of a Mega Site – Site TBD: The region has several sites that could serve as a location for the development and certification of a Mega Site. These sites are recognized in the Site Selection industry as having sufficient acreage and utility capacity at the ready or in the planning and permitting stages, that they could support the location of a major corporate facility. The participating party would be the local county or municipal government with authority over the real estate. It has become apparent to site selection professionals that 'if you don't build it, they won't come'. The Lead Agencies; the ARPC and either Opportunity Florida, and the selected county's BCC and EDC or IDB will work with the selected local property owner to secure land commitments, coordinate required grant writing activities, assist in professional procurement, and provide administrative services.

Significant efforts are underway to certify a Mega-Site in Jackson County in concerted cooperation with Houston County, Alabama. There are other opportunities of location that should not be overlooked, as well. In addition to four other potential large tract sites in Jackson County, the Interchange at I-10 and SR 12 in Gadsden County, the timber processing center in Liberty County and properties along the Gulf County (Intercoastal Waterway) Canal in Gulf County are examples. Lead organizations and principal partners will be identified as they step forward.

Develop Interstate Commercial/Industrial Opportunities: The Region's best transportation resource is Interstate 10. Multiple opportunities exist for expansion at undeveloped or underdeveloped interchanges.

Examples:

Cottondale, Jackson County: Industrial park expansion

Grand Ridge, Sneads, Jackson County: Initial development

Chattahoochee, Gadsden County: Initial development

Gretna/Greensboro: Initial development

Quincy, Midway, Gadsden County: Commercial expansion
Capital Circle West and East, Leon County: Commercial expansion
Lloyd, Jefferson County: Commercial re-development, expansion
Monticello, Jefferson County: Commercial expansion
Principal partners will be identified as they step forward.

Develop Alternative Energy Assets: Solar, Biofuels, Alternative Energy. The Region is on the brink of benefitting from the development of a 700MW solar PV array to generate electricity. The proposal from National Solar will use panels manufactured in the US and installed in Gadsden Liberty and Hendry Counties. With 400MW planned for Gadsden and another 100MW in Liberty, the Apalachee Region will have the largest solar energy footprint in Florida. This project underscores the need to develop a more energy independent and resilient power source for the State. Principal partners will be identified as they step forward. The ARPC will support as requested all new proposals for Solar PV, biofuels, waste-to-fuel or other alternative energy projects as a means of furthering Florida's energy assurance and resiliency. The ARPC should support development and expansion of 'Green' curricula as exemplified by Tallahassee Community College's Florida Green Academy. The Academy provides training dedicated to existing and emerging "green" occupations and industries, such as energy, construction, and transportation. Currently, FGA is focusing on the following broad areas:

1. Alternative energy
2. Energy efficiency in buildings and construction
3. Environmental management
4. Sustainability practices
5. Water management, including waste water

Alternative Fuels Processing Facility: Bio-fuels, as a value added agricultural product, can produce thousands MWH of fuel supply either as ethanol, advanced refraction and recombination for exotic fuels and petro-chemicals or as minimally processed solids as pellets to replace coal. Recent studies show that the economic model is viable and there are thousands of acres of north Florida woodland producing low return pulp that could be put to a higher use. Even as pulp, an existing regional plant is producing low ash fuel pellets for export. An additional pellet plant is under consideration at Lowry in Liberty County. Investment from USDA, EDA or CDBG might be necessary to develop an appropriate site for bio-fuel extraction. Still under consideration is the development of a 'Green Park', a regional facility that would be a full service timber products facility and bio mass conversion facility including stepped up infrastructure to support the facility from forestry operations in a 50 to 75 mile radius. Five sites were submitted from Jackson County, two from Liberty County, one from Gulf County and the Catalyst site in Calhoun. Principal partners will be

identified as they step forward. Several initiatives came forward in the last CEDS cycle but were dropped for varying reasons.

Develop Entrepreneurial and Expansion Support – GrowFL, SBA:

State and Federal programs exist that support entrepreneurial training and second tier expansion efforts. The ARPC should in its coordinating role, support these agency's programs and look for opportunities to bring those offerings to the business community. Key agencies will be the Florida Economic Gardening Institute and the Small Business Administration

Intermodal Logistics Center

Transfer of materials from bulk nor container transport to trucks for delivery to other materials transfer stations or to market in an increasing market. The region is poised to benefit from new shipping diverted from the major ports that are converting their waterfront freight handling capacity for the new mega-ships. The several miles of waterfront along the Gulf County Canal provide ample area for the development of an ILC located on a moderate draft canal, with readily expandable rail access and highway access. Planning by the Northwest Florida Transportation Corridor Authority has prioritized a connection from Gulf County to the US 231 corridor which provides 4-lane access to I-10 and points north. The AN Railway provides rail access to the CSX yard in Chattahoochee. These connections lack the developed space for an ILC which could be developed along the Gulf Canal. Key partners would be the Joe Company, the Port Authority and Gulf County.

3. Infrastructure & Growth Leadership

Strategic Finding: Population has increased as would be expected. However, two counties that had been estimated to have reached a 50,000 threshold in the decennial count did not. Gadsden and Wakulla County had anticipated that the 2010 census would find them over that mark but fell short. The drop in building permits in the latter part of the period is the tell-tale indicator. Transportation is also on the increase as a reflection of the gradual rise in population, but only two significant transportation projects have been completed in the decade, the widening of Leon County's stretch of Interstate 10 and some minor segments of Tallahassee's capital circle. Needed projects to support the region's economic development are increased volume on SR71 through Gulf, Calhoun and Jackson Counties, construction of the Gulf Coast Parkway from US 98 in Gulf County to US 231, enhancements to the AN Railway, improvements to the commercial support facilities and the Tallahassee Regional Airport and upgrades to the offshore fleet support facilities along the coast.

Port St Joe Deepwater Port Facility: The Port at Port St. Joe continues to be one of the hallmark projects for the Apalachee Region's Economic Development

Plan. The site of a former paper mill, there are extensive existing bulkheads, mid-depth access to 35' a turning basin and connections to SR71, the AN Railway, the Intracoastal Waterway, and new partnerships developing with ports on the Caribbean side of Columbia's coastline. Multiple projects are planned dependent on client needs. A new Port Master Plan 2013 has been drafted and its conclusions and recommendations are the recommended course of action for this CEDS report. Lead agencies are the City of Port St. Joe and the Port St Joe Port Authority.

Apalachicola Seafood Industrial Park: A project currently underway plans to refurbish the commercial port at Apalachicola in support of the needs of the offshore fleet. Additional food processing facilities have been planned for the Apalachicola commercial airport and industrial park which is convenient to shellfish offloading, the seafood distribution houses, and the AN Rail shortline that connects to the CSX mainline. The principal party would be either the City of Apalachicola or Franklin County and the project would likely require local State fiscal buy-in for success. There are multiple projects that may develop from an in-progress project from the Dept of Economic Opportunity. The Franklin County Long-Term Economic Diversification Strategy report may recommend tactics and initiatives that will require further inputs from the ARPC, DEO or other state and federal sources. Lead agencies will be Franklin County and DEO.

Maintenance Dredging of East Point Commercial Marina: The unincorporated community of East Point in Franklin County is a historical landing site for thousands of pounds of Apalachicola Bay Oysters. West Bay oystermen have benefited from the development of a landing site at Two Mile west of Apalachicola. East Bay oystermen are finding it more and more difficult to launch from either bayside or island side and are often cut off by low tide from launching or landing. Siltation, especially from storm activity after the 2004-5 season and ongoing has limited the traditional protected launch and landing area in East Point. Support for the restoration of this site will ensure the survival of this family traditional occupation and the continued enjoyment of bay oysters for the region and the southeast. The primary lead agency will be the USACE with lobbying effort and/or support from Franklin County, and Florida's Departments of Environmental Protection and Economic Development

Commercial Support Facilities at Tallahassee Regional Airport (TLH): The Tallahassee business hub, operated by Millionaire, is the planned site of a regional sales and maintenance facility for HondaJet. The facility has been placed on temporary hold due to the downturn in the economy. With a manufacturing facility in North Carolina, the Tallahassee site is to be the regional service hub for the southern tier states south and west of North Carolina. The hub is also the site for a planned hotel, missing from the TLH campus, and additional business

support facilities. Lead agencies are the City of Tallahassee and Millionaire, the fixed base operator at the airport.

Develop Broadband Network in Underserved Areas: Opportunity Florida, the operational arm of the North West Florida Rural Area of Critical Economic Concern is deploying a middle-mile broadband network to serve underserved rural areas. The ARPC and this CEDS support that deployment and any projects that may arise out of its final service provision to key regional installations and eventually to individual residential and business customers. The ARPC supports training and support for entry level website development for regional businesses trying to reach the web based market. Lead agencies and partners vary considerably in scale and location.

4. Business Climate & Competitiveness

Strategic Finding: The Region's two largest employment sectors are State Government and Retail Trade. The first is tax supported by the remainder of the state the second does little more than redistribute those 'transfer' payments as state wages to a larger retail service industry. The next two Health Services and Local Government provide normally stable career paths but are not in themselves basic industries. These data document the region's dependence on government and education and its lack of a manufacturing base. Although the Region's small manufacturing sector is relatively well paid at almost \$40K annually, it comprises less than 6,000 of the region's jobs.

Expansion of Existing Business Enterprises: It is well known in the ED industry that most growth comes from existing businesses already in the community. The ARPC will work with local Chamber and Economic Development organizations to find resources to assist in the expansion of existing businesses as they need to expand. The ARPC will assist by utilizing its small business loan program to assist emerging and start-up companies that meet the EDA and our own loan qualifications. In other instances, staff will assist in grant writing and administration for state and federal funding for economic development projects. Depending on scale, funding could range from \$10,000 to \$1,000,000 or more. Examples:

North Florida Child Development Center, 40 → 60 employees: \$650,000 for new access road at new location. Completed

Rex Lumber Company, 75 → 120 employees: \$700,000 for elevated water tank for fire suppression. Planned

Rusty Crum Seafood, Equipment: \$50,000

Coordination With Other Regional and Local Economic Organizations:

The ARPC, in its day to day operation, will support to the extent practicable, the mission and goals of the US Department of Commerce' Economic Development Agency, Florida's Department of Economic Opportunity and its subordinate

agencies, Opportunity Florida, Florida's Great Northwest, the Florida Regional Councils Association, and local government based industrial and commercial development boards and chambers of commerce as each might serve its jurisdiction's economic development interests. The ARPC will strive to attend these agencies' periodic meetings in order to maintain an 'overview' of regional plans and aspirations and to assist in leading project management to appropriate sources of technical and fiscal aid.

5. **Civic & Governance Systems**

Strategic Finding: The Region has an involved populace with higher than average electoral participation, and a rapidly growing participation rate for Non-Governmental Organizations of all kinds. Local governments, each facing a complex set of fiscal decisions, as the property collapse consumed most local government war chests, came to differing conclusions on how to best support their constituents needs. Some, cut taxation rates as a temporary relief to taxpayers and slashed programs, others maintained basic services and raised assessment rates to compensate for the reduced just value levels.

Economic Development Planning: Florida has an established growth management paradigm, recently maligned by the current administration that provides for managed growth according to goals and objectives confirmed by the elected body. A part of this planning paradigm permits local governments to codify their economic development plans as a way to justify investments in utility line extensions and roadway improvements, or expand urban service areas or otherwise allow for and plan for increased support capacity for economic development. This same paradigm discourages urban sprawl, but a new dynamic in leadership is finally recognizing that utility extensions to serve outlying industrial parks does not constitute urban sprawl. The ARPC will assist local governments or Economic Development Organizations in updating or adopting Economic Development Elements to support economic growth.

Support REDI Program: The State of Florida's Rural Economic Development Initiative, REDI, is a sub-cabinet level committee appointed by the cabinet officers that meets monthly to discuss Rural Issues as they relate to Economic Development and community support systems. It is a fast response agency that can meet in-situ when crises or opportunities develop and has been proven essential in responding to layoffs, fast moving development tenders, and environmental crises from hurricane damage to wildfire interruptions. The ARPC will continue to contribute to and support the REDI committee and its programs.

6. **Quality of Life & Quality Places**

Strategic Finding: The Region both benefits and is harmed by its rural aspect. Lower than standard wages and higher than average poverty rates are offset

somewhat by lower housing costs. The region does have significant natural and cultural assets that remain as reasons people move to the region and call it home. University cultural activities from fine dance to football and outdoor activities from kayaking to spelunking provide a wealth of activities that few places can match while still retaining that rural character. Making life better for all of its inhabitants, many of whom cannot afford to kayak or attend cultural functions will require higher employment in a wider economic base. Diversification into higher technical occupations, expansion of the region's medical centers, and continued diligence in protecting the natural assets we all enjoy is paramount. Several recreational assets are regional such as the Florida Scenic Byway, the developing Capital City to the Sea bike/ped trail and the Florida Birding Trail.

Regional Tourism Development: The ARPC has always supported tourism as non-traditional economic development. In its non-theme park aspect, tourism based on natural assets is complementary to place and not in spite of it. The region's white beaches, clear spring-fed rivers and natural woodlands provide ample opportunities for rest and relaxation in multiple modes. RiverWay South Apalachicola-Choctawhatchee is an organization with a mission to support and promote nature based and cultural based tourism to include agri-tourism. The ARPC shall continue to support and aid RSWAC in its mission to increase the visibility of the region's natural attractions.

River Oriented Tourist Attractions: Multiple sites along the Apalachicola River offer views and access to the river and its activities. Chattahoochee, Blountstown and Bristol all have sites that with enhancement, could be much more than boat ramps and picnic sites. Discussions and preliminary planning have shown that these sites could house overnight facilities, canoe and kayak liveries, interpretive centers and more. All would need extension of utilities and site development to become first rate attractions. Lead agencies would likely be the host community and a private partner.

One example of a regional initiative designed to enhance local quality of life and attract participation is the Capital City to the Sea Trail. The 120-mile trail corridor, beginning near the Florida Capitol and the Capital Cascades project in Leon County, extends through Wakulla County to the Carrabelle River in Franklin County.

Organized Fish, Hunt, Athletic & Lifestyle Promotions: The Region's many sporting assets are prime for external marketing of its hook and gun sporting opportunities. Becoming an annual tour site for traveling sportsman brings families who fill hotels and RV parks pursuing competition or relaxation based on their chosen outdoor passion or hobbies. Examples:
Bass tournaments on freshwater lakes and rivers

Scallop harvesting from Wakulla to Gulf Counties
Deep sea offshore fishing tournaments
Organized sports hunting
Youth and adult league Baseball/Softball/Soccer (travel team) tournaments
Warrior dash and mud runs
Mud Bogging and tractor pulls
Runner and bicycle races
BBQ and other cooking competitions

Develop Health Services Assets in Rural Counties: The ARPC has already assisted Gulf County in the development of the new Sacred Heart on the Gulf hospital in Port St. Joe. There are other locations where small and over taxed rural hospitals may be in need of enhancement or replacement. The CEDS shall be open to new locations where the ARPC can assist in developing fiscal packaging to support new rural medical facilities.

Economic Analysis - SWOT

E. Strengths, Weaknesses, Opportunities, and Threats.

The preceding sections of this report describe the Region’s economic development goals and objectives as organized by the Florida Chambers Six Pillars and outline the priority projects for economic development based on input at regional summits and an ongoing series of meetings with the CEDS Committee. The following section shall briefly outline the Apalachee Region’s Strengths, Weaknesses, Opportunities and Threats as summarized by the CEDS/SWOT subcommittee. The committee, comprised of members of the overall CEDS committee, met on two separate occasions to synthesize the findings of the report’s basic research as well as providing substantial input from local background and insight.

STRENGTHS
<p>Location: Quality of Place Recreation Opportunities FSU/FAMU Cultural Experiences Regional Historical Experiences Tri-State Distribution Hub Medical Care Facilities</p> <p>Infrastructure: I-10 and CSX Transportation routes US231 and Bayline RR from Port Panama City AN Railway from Port St Joe to Chattahoochee</p> <p>Workforce: Post Secondary Opportunities FSU/FAMU TCC Chipola College Gulf Coast Comm. College Tech training: Lively, Pat Thomas, Stable government base Low unemployment Active Workforce Boards and State agency support Competitive Worker’s Compensation Rates</p> <p>ED Initiatives: Marketing Infrastructure in place Florida Department of Economic Development, (DEO); general restructuring of ED administration and grants in support of Economic Development incorporating, Enterprise FI, Visit FI, Space FI and others. Alignment of all ED initiatives with FL Chamber’s Six Pillars framework NW RACEC. (Opportunity Florida) Florida’s Great Northwest Enterprise Zones REDI Innovation and Research Innovation Park Tallahassee/FSU Grow Florida Local ED offices established in 7 of 9 counties</p>

Big Bend Scenic Highway
WEAKNESSES
<p>Location: No developed deepwater port located in the Apalachee Region Low proposed investment by FDOT Lack of rail access to mainline Lack of available industrial park space High Insurance Cost Air Service – Few direct flight routes</p> <p>Infrastructure: Lack of piped utilities and broadband to major industrial locations and key commercial nodes. Lack of major multimodal access to most of the region’s counties (south of I-10) Inability of local governments to invest for growth with existing and/ or increasing fiscal burdens Lack of Financing Tightened Credit overall Lack of Regional Angel Investor Pool</p> <p>Workforce: Lack of Diversified base Low HS Graduation rate Low Upper division graduate retention</p> <p>Employment: Widespread under employment Prolonged unemployment leading to loss or ‘registered unemployed’ from unemployed rolls Lack of opportunities to seek living wage employment Land Use: Need visioning programs to designate and pursue land use changes to increase stock of available commercial/industrial land in appropriate locations.</p>
OPPORTUNITIES
<p>Location: Possible NWFTCA routes Port of Port St Joe Day Jet Hub Availability of Natural Resource Opportunities New Veteran’s Administration Outpatient Facility Tallahassee Regional Airport seeking International Status Sister Port designation with Columbia’s Northwestern ports Wakulla TCC Center for Eco/habitat/tourism education</p> <p>Infrastructure: Regional wastewater planning efforts Port of Port St Joe with SR71 and rail connections to CSX at Chattahoochee Opportunity Florida’s Rural Broadband project</p> <p>Workforce: Jackson Co Industrial Diversification Leon Co Industrial Diversification Gadsden Technical Institute Regional Workforce Boards</p> <p>ED Initiatives: British Petroleum Lawsuit Settlement funds RACEC Catalyst-Site Florida’s Great Northwest - <u>Marketing efforts</u></p>

<p>RiverWay South Apalachicola-Choctawhatchee County ED Initiatives: Visioning Project in Gadsden ED visioning in Wakulla Imagine Jackson Redux Visioning project in Jefferson County Marianna/Jackson Co. Industrial Park Marianna/Jackson Constr. Services. Park Jackson Co. Intermodal Park Aerospace Alliance Capital City to the Sea Trail</p>
<p>THREATS</p>
<p>Location: Lack of critical occupation housing Lack of affordable housing Conversion of seafood production and processing areas to residential Fiscal Constraints on Local Governments to Facilitate ED initiatives</p> <p>Infrastructure: Rising Construction costs of basic constr. commodities; concrete, steel, asphalt Lack of local government fiscal ability to respond to shortfalls. Proposed changes in tax law will further restrict local government capital investment. Loss of Enterprise Zone designations.</p> <p>Workforce: No. of qualified teachers will not meet demand of minimum class size amendments. Reduced Public School Budgets: More difficult to maintain basic K-12 education requirements</p> <p>Employment: Federal reporting methods consistently discount actual unemployment rates Reductions in local government employment levels will affect local employment and service provision. Florida's Great Northwest, is facing budget limitations which will curtail its effectiveness as a regional advocate.</p>

Figure IV.23 SWOT Table

E.1 Strengths

Location: The Region's quality of place provides ample impetus for some retirees and/or visitors to return on future visits and others to relocate permanently. Ample access to one of the few remaining pristine natural shorelines, variety of terrain and habitat, availability of cultural amenities all combine to make the region attractive. The region offers miles of backwoods hiking, from the easy tramways of the St. Marks National Wildlife Refuge to the rigors of the backwoods Florida Scenic Trail, boating experiences from offshore and black-water kayaking, to sailing and flats or deep sea fishing. Florida State University, Florida Agricultural and Mechanical University, and Tallahassee Community College all provide cultural activities from fine arts to NCAA championship sports teams. The region's wealth of historical sites range from the Fort at San Marcos de Apalache in St Marks, to the origins of the State Capital in Tallahassee with its State Museum.

Aside from these historical/cultural opportunities for the region's citizens to enjoy, businesses enjoy a major commercial airport and a developing Tri-state distribution hub. Business park development along I-10 from Tallahassee's Capital Circle to Gadsden's County's three major industrial parks, to the Jackson County Distribution Hub and the developing Intermodal Hub near Cottondale provide excellent access to the transportation net. The region is also represented by superb medical faculties from the two full service regional hospitals in Tallahassee to the the short stay hospitals located in the region. Since the last CEDS report, Port St. Joe has gained a 100 bed facility and medical offices building made possible by EDA funding. In the near future, Tallahassee is to receive a new Veterans Administration outpatient facility that is expected to greatly reduce travel times for regional vets who have had to travel to Valdosta or Gainesville for dialysis, MRIs, and other routine testing and treatment procedures.

Many of the areas other weaknesses and threats listed in the 2007 report continue restrict the ability of area ED offices to attract new business locations in an increasingly competitive environment. Florida's land use change regulations often limit a new location initiative's options for a quick re-location as the process can easily take from nine to 12 months.

Infrastructure: The parallel routes of Interstate 10 and the CSX railroad mainline provide heavy lift and transport capacity across the northern tier counties with shortline access to the existing deepwater port in Panama City. The AN railroad, which had served Port St. Joe and Apalachicola throughout the 20th century has lost its last bulk client and is endangered if repairs to its track and bridge crossings cannot be funded. Tallahassee's regional airport does not have a wide variety of non-stop destinations which might serve to deter firms locating a second facility in the area where business travel might take the majority of a day just to arrive and return due to the requirement of connecting flights.

For local governments seeking needed infrastructure to serve commercial or industrial projects find the costs of basic construction commodities are now impacted by the global construction boom in China, India and South America.

Workforce: Post Secondary education opportunities abound with three traditional major higher education institutions in Tallahassee, a four year college in Chipola, and advanced technical training available at Lively Technical College, and the Pat Thomas Law Enforcement Academy. Other specialized training is available at Keiser College, and through the outreach programs of Rollins College and Flagler College.

The region had enjoyed a reasonably stable government workforce subsidized by the remainder of the state that provided a secure base for local business investments. Cost cutting measures promoted by Florida's current governor have decimated state employment levels in Tallahassee's agency headquarters for all state agencies. For

many of these former agency employees, there are not ready civilian workforce opportunities and those reemployed are often working below their capacity.

Florida's Workforce training and development boards have been particularly challenged in responding to the higher unemployment levels experienced post 2007. They are actively involved in business recruitment efforts, employee occupational certifications and the newer challenges of retraining for the occupations of the future. Workforce preparation is often challenged by lower funding levels for public schools. Aggressive STEM programs are beginning to compensate for deficiencies in the middle schools if adequate funding can be obtained and maintained.

One factor that had been a challenge for competing Florida site selection advocates, was Florida's high worker's compensation rates compared to our adjacent southern states. By 2008 this was reversing and now Florida ranks lower than both Alabama and Georgia.

Economic Development Initiatives: Florida is extremely proactive at self marketing and economic development. As a result there are numerous opportunities in addition to the traditional Chamber of Commerce self-promotion outlets. These include; Opportunity Florida, (the economic development agency of the Northwest Rural Area of Critical Economic Concern), Florida's Great Northwest with its workforce development initiatives, OTTED and Enterprise Florida with the important REDI and Catalyst Project programs, and a strong workforce development initiative through the Agency for Workforce Innovation.

One very important change in Florida's economic development framework is the reorganization of the State's ED forces in the creation of the Department of Economic Opportunity which makes one-stop rule and opportunity visits possible for site selection professionals.

Strategic Finding "Strengths": The region has numerous "natural" quality of life attractions and cultural amenities that might attract new business locations and aid in retention of existing businesses. The I-10/CSX and existing and proposed rail links to the coast are strong supporting elements. Workforce training capacity should be excellent with the combined resources of the universities, colleges, and career training programs planned to be instituted in area high schools. There is a wide array of governmental agency players with capacity and talent to provide assistance in identified workforce sectors when identified. New efficiencies gained by combining the State's multiple ED agencies simplified new site selection. A new environmental studies campus being developed by Tallahassee Community College should be encouraged as it seeks to aid the area in capitalizing on its 'Natural' wealth.

E.2 Weaknesses

Location: The region does not have immediate access to its own deepwater port facility. And although, it does have a substantial link with the I-10 corridor, comparatively few future corridor investments are seen for this region. If not already served by the CSX mainline, or the little used AN Railway, there is little expectation of future rail service to Wakulla, Liberty, Calhoun, and most of Franklin County. In addition, with the exception of two counties, there is a lack of developed industrial park space with utilities. The area continues to be limited in direct flight connectivity to other than Orlando or Atlanta, although this deficit is being aggressively worked by new airport management. The region and Florida generally continues to be thwarted by a broken property insurance industry, scared initially by Hurricane Andrew and subsequently by the 2004-6 seasons which drained most Florida companies reserves. High insurance costs will continue to hurt Florida competitiveness until the financing of property hazard insurance can be rectified.

Infrastructure: There is a lack of piped utilities and / or broadband access to many major key industrial sites and commercial nodes. Opportunity Florida's Rural Broadband project is key to getting bandwidth and speed into rural service areas but it is crucial to get end providers involved. Jefferson, Gadsden, and Jackson all have key Interstate nodes with limited or no piped utility services. There is no multi-modal access to the southern tier of counties. Freight rail service to the Port of Port St Joe is threatened due to structural repair needed for the bridge crossing at the Apalachicola River. Maintenance of this bridge and continuity of service for the AN Railway from Port St. Joe to the CSX yard at Chattahoochee is vital to future viability of the Port at Port St. Joe.

Workforce: The region does not have a broad base of employment opportunity. This lack of a diversified base leads to a loss of upper division graduates. Florida lags far behind the rest of the country in high school attainment and especially retention of its lower division students through graduation. The low graduation rate combined with a service oriented economy ensures a large lower class of working poor and its commensurate social problems. Florida's Great Northwest has championed an effort to encourage Florida's ED officials to recognize that manufacturing should be included as a vital component in North Florida's officially marketed sectors.

Financing has been particularly difficult in the Apalachee Region which has seen several viable business development initiatives cancelled for lack of venture capital. These range from an architectural detailing firm to an advanced biofuels production facility, to an ADA appliance for swimming pool entry/exit feature for paraplegics, projects have languished and died due to an increased reluctance of the private sector to invest in opportunities.

Employment: The long recovery time from the 2008 crash has created a class of chronically unemployed who, have for personal reasons, not been able to or willing to relocate to areas with better employment opportunities. After expending all benefits, they drop from the unemployed roles and constitute a shadow population of 'not' unemployed persons. Some, who have found work, have joined the existing ranks of under-employed.

Economic development professionals are hindered by the response time required by Florida's growth management land use change process which can easily take more than nine months to a year or more to effect a land use change. This could be mitigated by concerted ED visioning projects resulting in ARPC assisted Land Use Map amendments to make prime sites available to their best uses based on community wide planning and decision making.

Strategic Finding "Weakness": Five of the region's counties do not have interstate access, and there is no operating in-region deep-water port facility. FDOT is not proposing significant investment in the region. Many of the region's proposed industrial growth areas do not have piped utilities ready for service. Current workforce training efforts are hampered by low high school graduation rates, and high out-migration of trained baccalaureates. Florida's high worker compensation rates are not competitive with neighboring states. Projected high growth sectors do not promise good family wages. There are few large acreage tracts, with transportation and piped utilities available for a bid for immediate relocation. The most common obstacle to most initiatives is lack of supporting infrastructure and the inability of small rural governments to supply them unassisted. Many local governments are understaffed and have minimal ad valorem support.

E.3 Opportunities

Location: There is a possibility that enhanced corridors now presently identified in the FDOT's Corridor 2050 plan may be improved based on work underway by the Northwest Florida Transportation Corridor Authority (NFTCA). The recommendations, if included in the State's planning regime, could increase capacity along SR 20 and increase the reliability of the US Hwy 98 coastal corridor. Development of the deepwater Port at Port St Joe, in Gulf County will not only serve the region as a bulk shipping point, but increase traffic and awareness of the under-utilized railway serving Gulf, Liberty and Gadsden Counties.

The region's phenomenal natural resource attractions will serve as the core of a developing nature based tourism economy which is seen as vital for development in many of the southern tier counties with limited coastal development options. A new initiative promoted by Tallahassee Community College is a new workforce training center planned for Wakulla County which will promote career opportunities that cater to

nature based tourism, education on the area's unique habitat, wildlife enjoyment and green guides.

Infrastructure: There are infrastructure planning projects underway for central water and sewer systems in Gadsden, Jackson, Jefferson, and Wakulla Counties. Although the Wakulla efforts are largely seen as responding to a residential need, the existence of capacity in this primarily unserved market will make capacity available for commercial and light industrial uses. Successful funding of the deepwater port project at Port St Joe in Gulf County will bring back needed jobs and revive the sagging railway serving the city.

Workforce: The WIRED grant administered by Florida's Great Northwest was a major coup for the Florida Panhandle allowing it to aggressively pursue connections between vocational and educational institutions and existing and proposed businesses. Florida's Great NorthWest has been an effective marketing tool reaching out to site selection professionals, their re-focused efforts have been essential in getting the Region's message out beyond our borders. As the WIRED grant expired, temporary relief came from an EDA grant that provide continuing mission funding. It is currently seeking a sustainable business model. PAEC, the Panhandle Area Educational Consortium has been recently defunded by the State of Florida. Continued support to this agency will allow it to provide GED training, occupational certifications, and other adult career education programs.

ED Initiatives: There are numerous state, federal, and local initiatives seeking to maintain and increase the local share of the world's economic pie. Listing these multiple agencies, programs, or initiatives does not do justice to the cross-pollination occurring at several levels.

The Catalyst Project will put significant state energies into the Calhoun County Industrial Park site which will be marketed to the fullest extent of the State's resources to the transportation and warehousing and / or advanced building products manufacturing industries.

The Big Bend Scenic Highway will continue to enhance and co-promote the several nature-based tourism sites in the region's southern counties.

Due to immediate impacts of developments underway, the region's local governments begin to recognize the need to plan for large scale infrastructure projects and not simply react to one project at a time. Infrastructure planning projects are underway in Gadsden, Jefferson, and Wakulla Counties.

Jefferson County is conducting a visioning project to examine its land use needs with respect to business and industrial development. Jackson County has recently received funding to retrofit a site on its industrial campus to attract a textile company.

Settlement funds from the BP oil spill are expected to have an unprecedented impact on local governments in the 'significantly affected counties'. Funding allocation at the local level is not limited and, it is hoped, many of the recipient counties will be able to fund long idled ED projects.

Modeling the success of the St Marks Bike Trail, a second route is under construction running southwest from Tallahassee to Franklin County which will bring daily visitors to the small rural village of Sopchoppy and the coastal community of Ochlocknee.

The state of Florida announced in February it has joined Alabama, Mississippi and Louisiana in the Aerospace Alliance. The Alliance recruits aerospace and aviation manufacturing in the northern Gulf region. The alliance was formed in 2009 and its efforts are to build on what is already a large aerospace and aviation region. Helicopters, ships, rockets, aircraft and spacecraft and their components are all built in the region. Although there is little military presence in the Apalachee Region, several manufacturers and research entities at FSU are likely to take part in the Alliance's future projects.

Strategic Finding "Opportunities": Although there are few prepared commercial / industrial sites, when relocation bids *are* received, there are numerous state and federal sponsored agencies in addition to the ARPC with specific targeted programs whose aim is to overcome problems in their service delivery area. The region is rich not only in designated workforce development agencies, but there are numerous parallel planning efforts at the local and regional levels with parallel but supporting Economic Development interests. Several initiatives including; the rural broadband project, the Wakulla Co TCC campus expansion, and others are working to pull the region out of its recessionary slide. The BP settlement and the Restore Act's designation of 80% of those funds to specified counties is likely to have a profound effect on local projects.

E.4 Threats

Location: There is a recognized lack of housing for critical occupations in developing coastal communities, causing displacement of population from Gulf and Franklin Counties to communities fifty miles inland where there is typically less supporting infrastructure.

The restructuring of the home financing industry has put many residential construction firms out of business.

Destroyed coastal seafood processing facilities are still not restored. The region's seafood wholesalers are seeing more international imports and less local production in their market share. In addition, displaced bay workers from the western gulf are still located in Apalachee and Apalachicola Bays contributing to overworking of weather damaged oyster beds.

Infrastructure: Rising costs of basic components on the world market have been affecting construction costs for vital services, which makes it even more difficult for fiscally strained local governments to find the matching funds needed to attract infrastructure construction grant dollars. These cost increases are even more pronounced in the current planning period as local governments attempt to meet basic repair needs and to maintain sufficient future capacity for planned growth. Fiscal constraints of the recession have accentuated this crisis in infrastructure funding.

Oyster landings at Franklin County's East Point facility are endangered each year as siltation of its protected shore decreases working depth for the shallow draft oystermen that use the facility. USACE funding that would normally have maintained depth in this basin has been diverted to repairing and improving flood control works in New Orleans.

Workforce: Loss of ad valorem assessment value following the housing crash has severely impacted the ability of local governments to meet their basic K-12 requirements. Loss of funding impacts attendance in special programs to catch lagging students, to provide workforce training classes and Advanced Placement classes. Although the State of Florida has made various efforts to increase the efficiency of its kindergarten through graduate programs, it continues to underperform on the national scale.

Employment: The Region is only very slowly recovering from impacts of the ongoing recession. Once considered recession proof, employment at state agencies or even the major universities is no longer budget proof. Fiscally conservative moves have led to a loss of 1,000 positions in government administration since 2007. Political instability and change of focus as the State has undergone regime change has left some programs without funding. The Enterprise Zone program had been considered for elimination, but survived this year's legislative session.

Strategic Finding "Threats": Some areas in the region lack sufficient affordable housing for "critical occupations" and the service and support sectors. Speculation on coastal properties has taken most of the region's seafood processing out of the market. Increasing construction costs are impacted by expected reductions in fiscal planning due to changes in Florida's tax code. The increased fiscal restraint will likely cause reduction of services and reduced employment in rural local governments.

Weaving together solutions to the above will continue to be site specific, however generic regional and state problems such as low educational performance in the public schools and habitual poverty in some sectors are not easily cured. To a certain extent problems of this nature are super regional and only make development problems more difficult, not impossible. Expansion of the region's economic base beyond dependency on State government is a principal component of the ARPC's economic development strategy.

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Appendix

Technical Report

**BENCHMARKS AND INDICES FILTERED
THROUGH THE SIX PILLARS**

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Appendix - Technical Report:

A. Analysis of Economic Development Problems and Opportunities - Filtered Through the Lens of the Six Pillars

It is widely reported that the United States is lagging behind the developed world in education at basic levels and at workforce preparation. Despite this trend, US colleges and universities continue to be sought out by the world's student body for advanced degrees and for research. This will not continue if our supporting educational systems do not rise to the challenge of meeting basic preparation and workforce training. According to the National Information Center for Higher Education Policymaking and Analysis, Florida's graduation rate⁶ increased from only 71.0% in 2005 to 81.2% in 2010. It will be seen that education and work readiness will underlie many of the problems in workforce development in the region.

1. Talent Supply & Education

a. Average Annual Wages

From 2000 to 2010, the ARPC region's salaries and wages grew only slightly less than the state average 32.7% increase. These increases were not shared in all counties however. Franklin led in increases with an increase from \$22,084 to \$30,886 but still lags behind the region and state. Wakulla, which started much closer to the 2010 regional average at \$33,527 only increased by 4.4% to an average wage of \$34,995 compared to the regional average wage of \$38,564 and the state average of 43,033. Leon County with its educational and government employment base led the region with a 32% increase over the period from \$30,731 to \$40,441. Overall, these gains were good for the region as the national Consumer Price Index rose only 23.7% for a slight gain in purchasing power. County data for average wages are presented below in Table -1. Illustration -1 following, graphically depicts the Region's parallel but lagging growth wages compared to the State of Florida average.

⁶ Number of seniors graduating from cohort of entering ninth graders, four years prior.

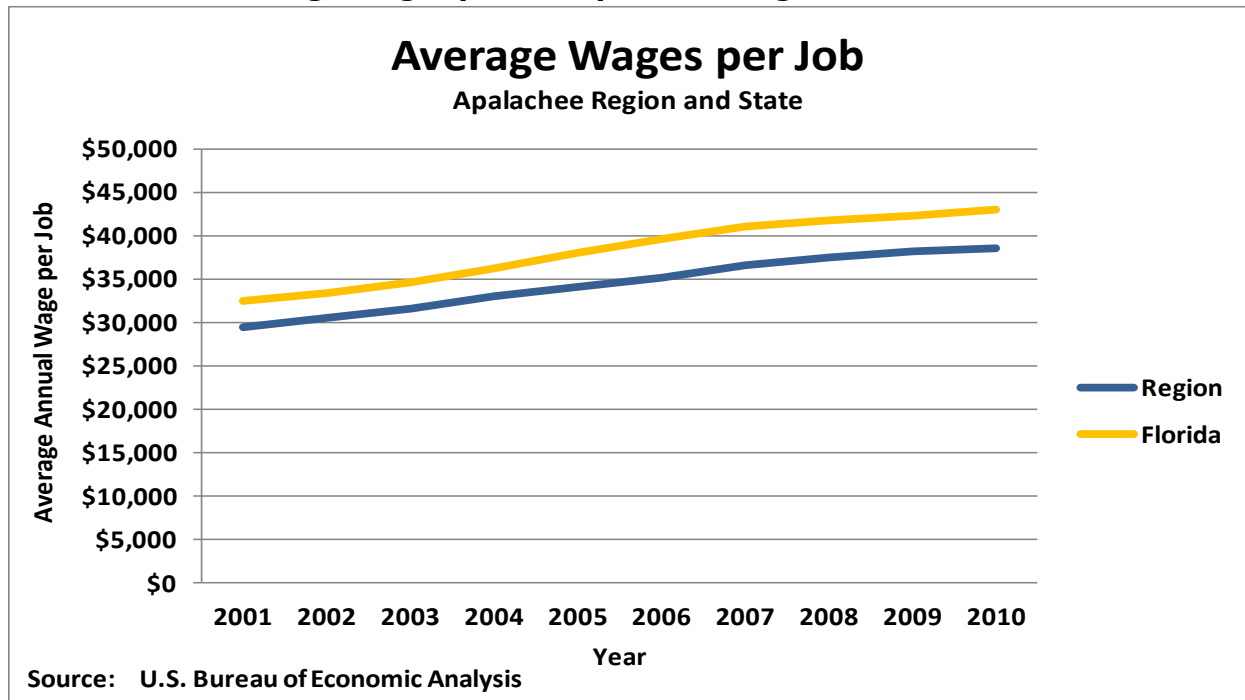
Table -1 Average Wages per Job Apalachee Region and State 2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	\$22,875	\$23,451	\$24,019	\$24,410	\$25,581	\$27,698	\$28,517	\$28,986	\$29,487	\$30,120
Franklin	\$22,084	\$22,960	\$24,041	\$25,737	\$27,446	\$29,012	\$29,784	\$30,838	\$31,112	\$30,886
Gadsden	\$24,702	\$26,257	\$26,135	\$27,275	\$28,929	\$30,419	\$32,015	\$32,911	\$33,587	\$33,383
Gulf	\$26,641	\$26,937	\$27,520	\$28,877	\$30,340	\$31,318	\$32,497	\$34,023	\$34,024	\$34,393
Jackson	\$24,546	\$24,793	\$27,429	\$26,993	\$28,808	\$29,139	\$30,582	\$31,249	\$32,436	\$32,732
Jefferson	\$22,977	\$23,833	\$24,540	\$26,009	\$27,664	\$29,255	\$30,424	\$30,480	\$31,444	\$30,689
Leon	\$30,731	\$32,284	\$33,409	\$34,986	\$35,841	\$36,976	\$38,403	\$39,263	\$39,856	\$40,441
Liberty	\$27,839	\$27,617	\$28,690	\$28,896	\$31,161	\$33,018	\$34,989	\$36,217	\$36,951	\$36,012
Wakulla	\$33,527	\$25,401	\$26,577	\$28,196	\$29,178	\$30,670	\$32,270	\$33,820	\$34,206	\$34,995
Region	\$29,419	\$30,553	\$31,621	\$32,947	\$34,014	\$35,163	\$36,586	\$37,462	\$38,106	\$38,564
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).

Illustration -1 Average Wages per Job Apalachee Region and State 2001 to 2010



b. High School Graduation Rates

In Table -2 below we see the Florida Department of Education's data for the region and its counties. Overall data for the State is approximately 10 points higher than from most national data sources. Part of the discrepancy is in differing calculation methodology. Per Florida's Dept. of Education, *"In October 2008, the U.S. Department of Education (USED) amended the Elementary and Secondary Education Act of 1965, as amended by the No Child Left Behind Act of 2001, to include new directives for graduation rates. These new regulations require each state to calculate a four-year adjusted cohort rate, which includes standard diplomas but excludes GEDs, both regular and adult, and special diplomas.* That said, there is reason for optimism as there does seem to be progress in retention of high school students.

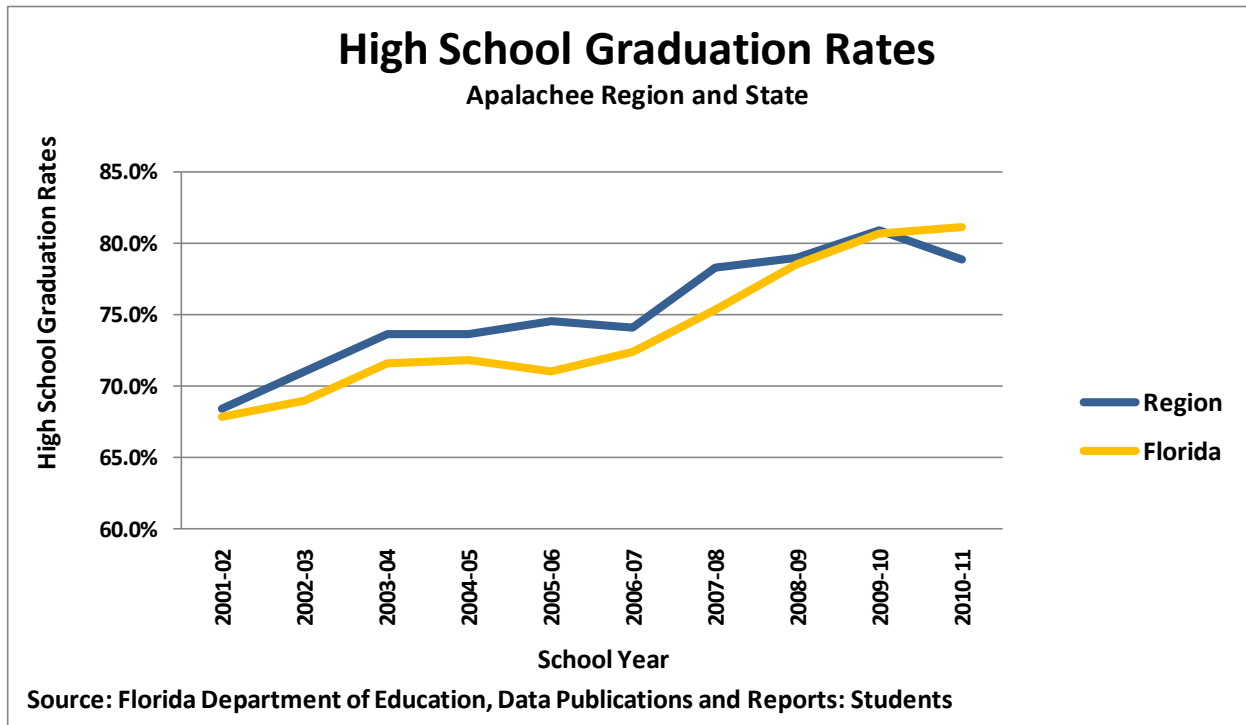
Table -2 High School Graduation Rates Apalachee Region and State School Years 2001-02 to 2010-11

Area	School Year									
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Calhoun	86.8%	87.8%	90.5%	94.3%	89.6%	82.5%	93.3%	92.2%	89.0%	90.2%
Franklin	72.2%	81.3%	79.4%	79.7%	78.4%	77.1%	80.9%	81.3%	83.5%	83.3%
Gadsden	57.9%	72.8%	71.1%	80.0%	60.7%	56.5%	57.8%	86.0%	81.6%	72.5%
Gulf	54.7%	59.4%	54.8%	67.1%	63.4%	62.3%	43.7%	63.0%	66.2%	59.2%
Jackson	78.9%	76.1%	82.1%	85.3%	84.7%	82.9%	83.5%	86.1%	87.2%	89.3%
Jefferson	59.6%	76.5%	77.1%	78.6%	87.8%	81.7%	85.7%	85.0%	87.9%	80.1%
Leon	66.0%	68.3%	70.7%	69.4%	71.5%	71.8%	77.8%	78.3%	80.6%	77.5%
Liberty	57.0%	63.5%	67.4%	64.8%	65.6%	66.4%	72.1%	67.9%	71.4%	73.9%
Wakulla	81.2%	83.6%	84.7%	85.5%	77.6%	82.5%	81.6%	84.0%	84.9%	89.3%
Region	68.4%	71.7%	74.2%	74.3%	75.2%	74.6%	79.2%	80.0%	82.0%	79.9%
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

Wakulla and Calhoun have led the region in overall performance in student retention and graduation. Jefferson and Liberty have made the most progress over the period. Gulf, Liberty and Gadsden represent struggling schools systems with diverse reasons for their low retention rates.

Illustration -2 High School Graduation Rates Apalachee Region and State School Years 2001-02 to 2010-11



c. 8th Grade Math Performance

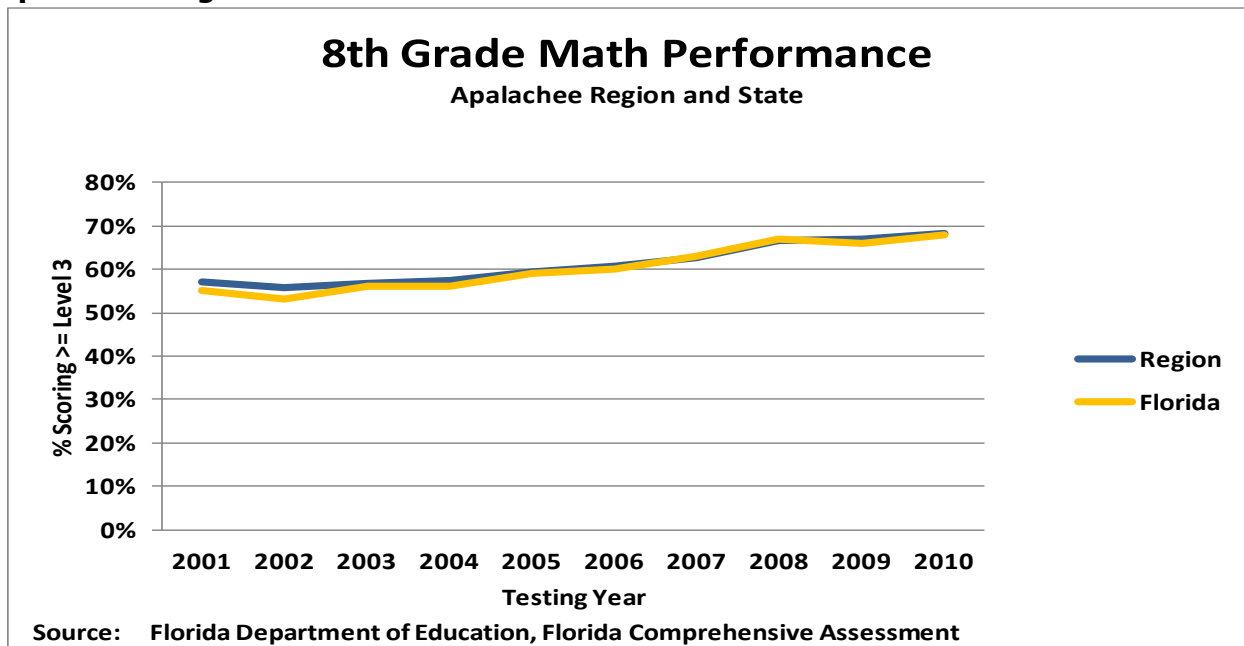
Beyond the discussion of whether teachers are 'teaching to the test', the region's counties are performing better on the FCAT Math at the 8th grade level. This is an important metric as ability to move beyond basic mathematics is a determinant of how able students are to move on into algebra, trigonometry and despite their future professional track, whether they will be able to understand and be able to use statistics in their future careers. Confidence factors and facility in basic mathematics can propel a student into science based future course work that might otherwise have been considered too challenging. With the state and regional average level three attainment at 68%, there is still room for improvement. However, looking at the data, some of the region's counties have made significant progress. Jackson and Gadsden were both at 51% passing level three or above and have both improved to the average state level in ten years. Wakulla and Calhoun, both with excellent public school systems exceed the state average by nine and ten points respectively. As seen in the graphic, Illustration -3, the region's performance in middle school math closely tracks the State's results.

**Table -3 Eighth Grade Math Performance Percent of Students Scoring at or Above Level 3 of 5 on Florida Comprehensive Assessment Test
Apalachee Region and State 2001 to 2010**

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	73%	68%	70%	72%	63%	68%	73%	79%	68%	78%
Franklin	68%	66%	64%	62%	62%	60%	63%	65%	70%	70%
Gadsden	51%	48%	43%	44%	50%	46%	51%	53%	63%	66%
Gulf	59%	65%	41%	49%	45%	46%	59%	53%	57%	71%
Jackson	51%	52%	54%	56%	62%	63%	66%	71%	69%	68%
Jefferson	59%	57%	58%	60%	57%	57%	58%	66%	66%	68%
Leon	56%	55%	57%	57%	59%	60%	62%	66%	66%	67%
Liberty	57%	55%	56%	51%	55%	60%	61%	64%	68%	69%
Wakulla	68%	57%	55%	61%	69%	74%	72%	70%	74%	77%
Region	57%	56%	57%	57%	60%	61%	63%	67%	67%	68%
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>

**Illustration -3 Eighth Grade Math Performance Percent of Students Scoring at or Above Level 3 of 5 on Florida Comprehensive Assessment Test
Apalachee Region and State 2001 to 2010**



d. *Strategic Finding* –Talent Supply and Education

As a whole, the Region is performing at least as well as the State of Florida. That statement leaves much room for improvement as the State does not compare well with the rest of the US which itself, lags behind most of the developed world in terms of secondary education and workforce training. The several initiatives for STEM or STEMM training should be encouraged for workforce development as well as strong preparation for college level training in key professional fields. The CEDS committee provided strong support for regionally significant job training as well. It is understood that education begins at Pre-Kindergarten and does not end until mid life.

2. Innovation & Economic Development

a. Gross Domestic Product

Per Miriam- Webster: Gross Domestic Product: the total value of the goods and services produced by the people of a nation during a year not including the value of income earned in foreign countries. Taken regionally, goods and services produced in the region, not including income earned outside the region. It serves in our report as an indicator of the size or success of the economic base for each county and for the combine regional economic engine. Table -4 depicts changes in GDP per county over the last decennial. Not surprisingly, there is a correspondence between the population of a county and its economic output. The smallest county, Liberty has the lowest economic output. Its major economic components are timber operations and government or education. Jefferson County is somewhat larger, but a large part of its economic base is from employment in Leon County and these economic inputs do not show up in their county data. The most productive of the rural counties, Gadsden County has fallen off slightly from its high in 2006, but shows signs of improvement. The Region's largest county, Leon dominates the region with 76% of the Region's total GDP.

Changes over the decennial also bear notice as some counties have shown very little growth while others demonstrated substantial improvement. Gulf County showed a 50% increase in GDP for that period, and Liberty County almost doubled its output, while Calhoun made only a percentage point improvement. In these cases, it should be pointed out that since the decennial measure, taken in the spring of 2009, Gulf County has lost almost all of its industrial base, Liberty County was recently selected for the site for a large finished mill which almost alone accounted for the increases. There are plans to locate nearby the region's second wool pellet plant for export. Calhoun County is only just now ready to

accept customers at its Catalyst site but renewed interest at Enterprise Florida may provide the needed marketing efforts.

Comparison with the state is almost nonsensical due to the difference in scale, so Illustration -4 depicts county GDP variation within the region.

**Table -4 Gross Domestic Product Apalachee Region and State
Billions of Fixed 2005 Dollars 2001 to 2010**

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	\$0.18	\$0.16	\$0.16	\$0.18	\$0.18	\$0.17	\$0.17	\$0.17	\$0.18	\$0.19
Franklin	\$0.26	\$0.27	\$0.33	\$0.37	\$0.37	\$0.35	\$0.34	\$0.32	\$0.33	\$0.34
Gadsden	\$0.86	\$0.85	\$0.90	\$0.95	\$0.98	\$1.00	\$0.99	\$0.95	\$0.90	\$0.91
Gulf	\$0.24	\$0.25	\$0.28	\$0.30	\$0.35	\$0.35	\$0.34	\$0.33	\$0.31	\$0.32
Jackson	\$0.74	\$0.77	\$0.80	\$0.83	\$0.88	\$0.90	\$0.92	\$0.91	\$0.90	\$0.92
Jefferson	\$0.18	\$0.18	\$0.17	\$0.20	\$0.20	\$0.21	\$0.21	\$0.21	\$0.20	\$0.20
Leon	\$9.99	\$10.03	\$10.13	\$10.47	\$10.69	\$10.92	\$10.96	\$10.99	\$10.94	\$11.22
Liberty	\$0.10	\$0.12	\$0.12	\$0.14	\$0.16	\$0.16	\$0.17	\$0.18	\$0.19	\$0.19
Wakulla	\$0.31	\$0.30	\$0.30	\$0.33	\$0.37	\$0.39	\$0.39	\$0.40	\$0.40	\$0.42
Region	\$12.84	\$12.92	\$13.18	\$13.77	\$14.18	\$14.45	\$14.49	\$14.45	\$14.34	\$14.72
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

b. Tourism Development Tax Collections

The Apalachee region had only been marginally affected by the infamous hurricane seasons of 2004-2005. By 2007 regional receipts were trending upward to a peak in 2008. The fiscal crisis of 2008 brought lower receipts that are beginning expected to return this fiscal year. Gadsden county, whose primary tourism income comes from interstate based traffic has already reached 2008 levels and should reflect increasing levels of interstate traffic with no major increases from other sectors. Franklin and Gulf Counties both have significant beach rental markets, which we would have expected to see significant drops in revenues due to the 2010 British Petroleum oil spill. Overall, that does not appear to be the case. Revenues were lower than expected at the end of the season and vacancies over the labor day weekend were staggering, but the region had benefited early on from displaced tourism from the Mississippi and Alabama coastal sites that were more severely impacted by the spill. Seen in

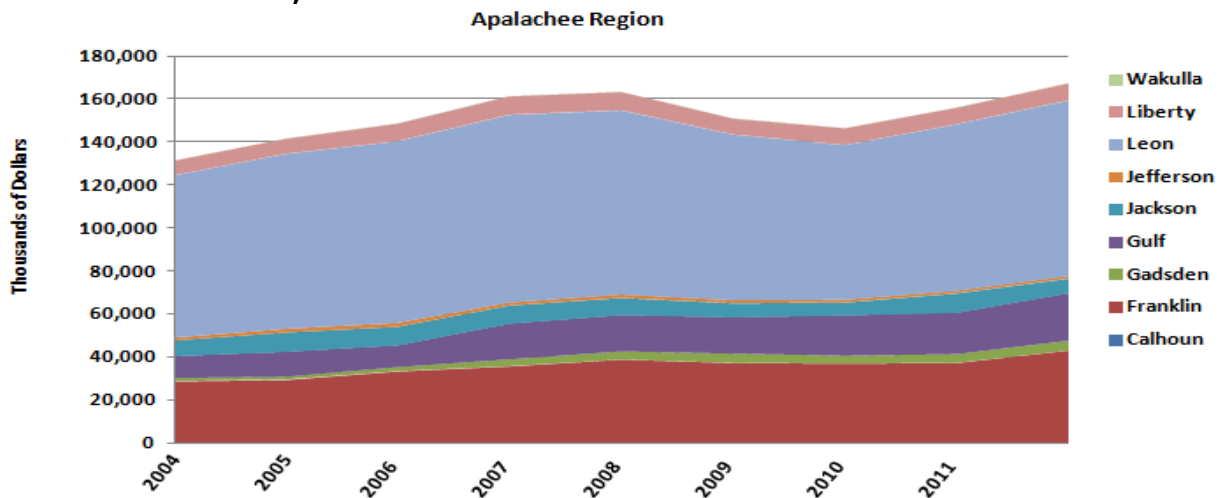
total in Illustration -4 below, the largest and most noticeable dip in revenues was from losses in overall travel reflected in reductions in bookings in Leon County. Significantly lower than all other counties' sales were those of Calhoun and Liberty which do not have Interstate exits or coastal frontage. Franklin and Gulf lead in taxable sales in short term rentals, which includes hotel/motel and vacation rentals. Leon has the year round draw of the Capital City's government operations and especially full collegiate sports weekends in football season. Illustration -4 below shows the stacked sales reported for the region from 2004, before the hurricane damages to 2012, well after any effects of the BP spill.

Table -5 Taxable Sales Reported by Transient Rental Facilities State Fiscal Years Ended June 30, 2004 – 2012 Thousands of Dollars

Area	Year								
	2004	2005	2006	2007	2008	2009	2010	2011	2012 (est.)
Calhoun	\$ 124	\$124	\$112	\$106	\$111	\$89	\$94	\$96	\$97
Franklin	\$28,910	\$29,500	\$33,492	\$35,818	\$38,941	\$37,386	\$37,048	\$37,386	\$43,137
Gadsden	\$1,485	\$1,468	\$1,961	\$3,246	\$3,844	\$4,378	\$3,692	\$4,119	\$4,667
Gulf	\$10,174	\$11,669	\$10,142	\$16,590	\$16,869	\$16,977	\$18,808	\$19,253	\$21,985
Jackson	\$7,369	\$9,032	\$8,735	\$8,506	\$7,998	\$6,502	\$6,010	\$9,063	\$6,839
Jefferson	\$1,345	\$1,721	\$1,809	\$1,432	\$1,616	\$1,409	\$1,286	\$1,220	\$1,189
Leon	\$75,231	\$81,080	\$84,209	\$86,968	\$85,372	\$76,790	\$71,710	\$77,170	\$81,430
Liberty	\$119	\$158	\$135	\$125	\$84	\$110	\$109	\$111	\$112
Wakulla	\$1,142	\$1,311	\$1,650	\$1,868	\$2,452	\$2,075	\$2,177	\$2,515	3,183
Region	\$125,899	\$136,062	\$142,246	\$154,659	\$157,287	\$145,716	\$140,934	\$150,933	\$162,639
Florida	\$9,147,958	\$10,225,060	\$10,705,179	\$11,167,068	\$11,638,533	\$10,282,440	\$10,051,282	\$10,949,584	\$12,139,331

Source: Florida Department of Revenue website, Local Government Tax Receipts by County, <http://edr.state.fl.us/Content/local-government/data/county-municipal/index.cfm>

Illustration -4 Taxable Sales Reported by Transient Rental Facilities State Fiscal Years Ended June 30, 2004 – 2012 Thousands of Dollars



The large dip in the total sales is largely due to losses of revenues in Leon County and is indicative of the general loss of tourism to the state as the economic crisis affected consumer confidence and loss of income for millions of American families who would have vacationed in Florida. Although Real Estate development at the seasonal rental sites along the coast were down for multiple reasons during the 'BP summer', displacement from Gulf beaches further west actually helped fill beds in Franklin and Gulf County through most of that season. Weekly rentals did not begin to significantly drop off until late in the season as the plume began to spread eastward.

c. Trade Exports and Imports

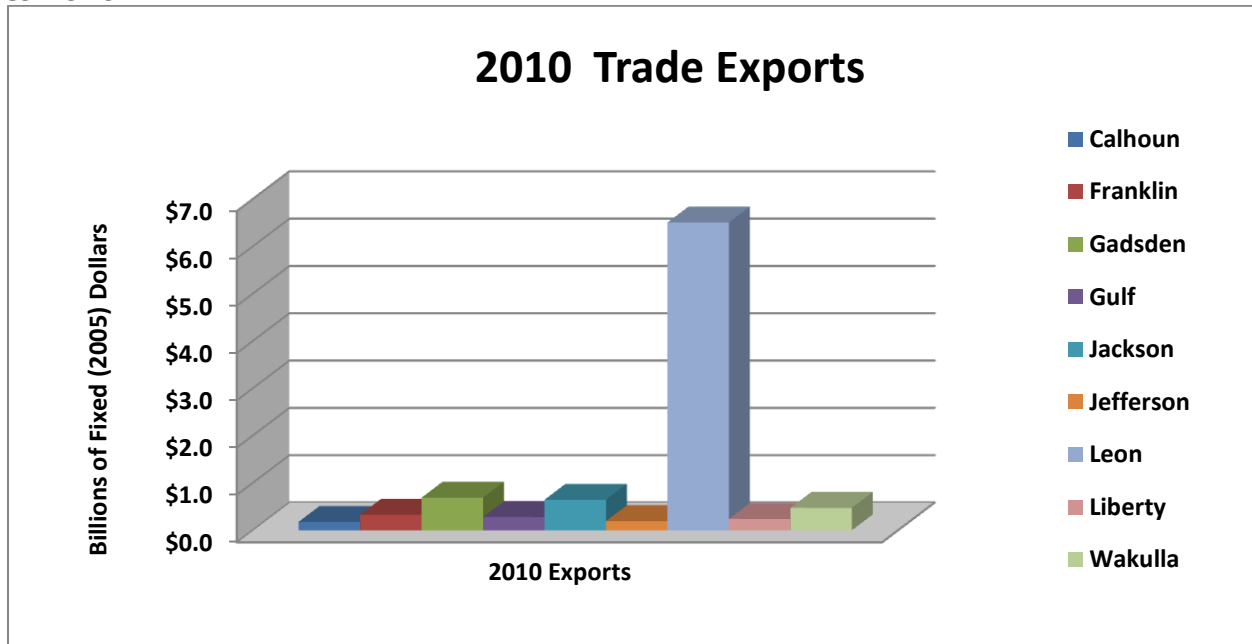
The region's dependence on government and education becomes apparent when examining the area's Trade Exports. Florida as a whole had over \$500 Billion in trade in 2010 while the nine county region only had a little over two percent of that trade. Leon County on its own had over two thirds of that small activity. Some of this low activity in reporting may actually disregard the wealth of timber taken from the rural counties if the home address of those timber companies is in other counties. This is significant to point out in reporting as most of the timber operations are owned by Plum Creek and St Joe Timber, both with home offices outside the region. One success story that becomes apparent in reading the data is the near doubling of Liberty County's export value over the decade. The completion of the Georgia Pacific and North Florida Lumber wood products plants in that county brought 250 jobs to the area which is significant for a county with a labor force of less than 4,000.

Table -6 Trade Exports Apalachee Region and State Billions of Fixed 2005 Dollars 2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	\$0.15	\$0.14	\$0.14	\$0.15	\$0.15	\$0.15	\$0.14	\$0.12	\$0.17	\$0.18
Franklin	\$0.25	\$0.26	\$0.31	\$0.37	\$0.36	\$0.31	\$0.30	\$0.30	\$0.32	\$0.33
Gadsden	\$0.62	\$0.63	\$0.65	\$0.69	\$0.74	\$0.74	\$0.76	\$0.68	\$0.68	\$0.69
Gulf	\$0.21	\$0.22	\$0.23	\$0.25	\$0.31	\$0.31	\$0.29	\$0.29	\$0.28	\$0.28
Jackson	\$0.48	\$0.52	\$0.52	\$0.57	\$0.61	\$0.63	\$0.63	\$0.62	\$0.61	\$0.65
Jefferson	\$0.16	\$0.17	\$0.15	\$0.17	\$0.19	\$0.19	\$0.19	\$0.19	\$0.19	\$0.19
Leon	\$5.11	\$5.14	\$5.18	\$5.45	\$5.64	\$5.81	\$5.99	\$6.14	\$6.20	\$6.51
Liberty	\$0.12	\$0.12	\$0.13	\$0.16	\$0.18	\$0.18	\$0.20	\$0.21	\$0.23	\$0.24
Wakulla	\$0.39	\$0.32	\$0.31	\$0.36	\$0.41	\$0.41	\$0.43	\$0.43	\$0.45	\$0.47
Region	\$7.49	\$7.50	\$7.61	\$8.15	\$8.58	\$8.72	\$8.94	\$8.98	\$9.12	\$9.54
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

Illustration -5 Trade Exports Apalachee Region Billions of Fixed 2005 Dollars 2001 to 2010



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

Table -7 Trade Imports Apalachee Region and State Billions of Fixed 2005 Dollars 2001 to 2010

	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	\$0.32	\$0.31	\$0.31	\$0.33	\$0.35	\$0.36	\$0.36	\$0.33	\$0.35	\$0.38
Franklin	\$0.30	\$0.31	\$0.33	\$0.36	\$0.38	\$0.38	\$0.37	\$0.36	\$0.36	\$0.38
Gadsden	\$1.39	\$1.41	\$1.44	\$1.53	\$1.59	\$1.61	\$1.58	\$1.53	\$1.43	\$1.48
Gulf	\$0.36	\$0.37	\$0.38	\$0.42	\$0.46	\$0.48	\$0.47	\$0.45	\$0.43	\$0.44
Jackson	\$1.15	\$1.16	\$1.19	\$1.24	\$1.30	\$1.31	\$1.32	\$1.31	\$1.27	\$1.34
Jefferson	\$0.40	\$0.40	\$0.41	\$0.43	\$0.44	\$0.46	\$0.46	\$0.45	\$0.43	\$0.44
Leon	\$7.53	\$7.62	\$7.72	\$8.06	\$8.33	\$8.36	\$8.51	\$8.18	\$7.91	\$8.20
Liberty	\$0.23	\$0.25	\$0.26	\$0.29	\$0.31	\$0.32	\$0.33	\$0.34	\$0.33	\$0.35
Wakulla	\$0.77	\$0.73	\$0.72	\$0.81	\$0.88	\$0.91	\$0.94	\$0.93	\$0.93	\$0.98
Region	\$12.45	\$12.56	\$12.75	\$13.48	\$14.04	\$14.17	\$14.34	\$13.87	\$13.43	\$14.00
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

Florida as a whole has a nearly balanced economy with slightly more imports, \$521 Billion, than exports, \$507 Billion. With no manufacturing, this is probably due to the high level of transfer payments into the state to retirees. The Apalachee Region is much more imbalanced with \$14 Billion in imports compared to only \$9.5 Billion in exports. This is due to the large employment base of government and higher education employees whose export is government services and education, neither of which have dollar value export although they serve important state and cultural functions.

d. *Strategic Findings* – Innovation and Economic Development

Many of the indicators for the decennial period 2010-2020 are up. This is encouraging. However, the Region's deficit of \$9.5B exports vs. \$14B in imports underscores the Region's dependence on government, education and transfer payments vs. productive sectors that are the basis of a vibrant economy. Sector analyses will follow that will document the Region's small share in manufacturing, and value added activities. The Region needs to pursue activities that will provide underpinnings for future opportunities. Recent trends in site selection indicate that most corporate location decisions are based on the availability of shovel ready and in some cases turn-key facilities, usually with substantial tax deferments and other financial incentives. The Region, to be competitive, must have a selection of sites of varying sizes and capabilities with appropriate utilities and transportation assets in place or planned.

3. Infrastructure & Growth Leadership

Within the umbrella of the Infrastructure and Growth Leadership column, there is a recognition that certain projects are ongoing and will have significant regional impact should they fail to grow and develop into their potential as leaders in the regional economy. Three among several of these opportunities are the Port at Port St. Joe, the Gulf seafood industry, and the regional air hub, the Tallahassee Regional Airport. Their success will have ongoing impacts to employment, housing, construction, population and overall economic prosperity.

Maintaining the health of these key sites depends on an adequate transportation network in support. Selling the advantages of those site will depend on the ability to present positive indicators in a number of different demographic areas.

Population Counts, Estimates and Projections

Population data are taken from the Florida Statistical Abstract, a research and publication effort of the Bureau of Economic and Business Research, BEBR, at the University of Florida. In this century's first decade Florida's average growth rate was

118% for an annual rate of 1.8% per year. In the next three decades that growth rate is expected slow to 1.3% annually for a projected state population of 26.1 million Floridians.

The Apalachee Region grew at an average annual rate of 1.4% from 2000 to 2010 and but is expected to grow at a faster rate than the rest of Florida and swell to a population of 567,300 from its current (2010) 467,560. Where will these additional 100,000 people live and work? According to the BEBR model, 70,000 of these new humans will live in Leon County with the remaining 30,000 distributed among the rural counties. During the last 10 years, Wakulla was the local star, growing 35% over the decade. Gadsden and Jackson counties, gained least with only 3% and 6% respectively in that period.

As a practical matter for planning, Leon County will have the greatest challenge in meeting the housing, transportation and civic infrastructure needs of its anticipated growing population. For the remaining eight counties that are only expected to gain 30,000 citizens in the next thirty years, a revised model of growth management may be in order with respect to economic development projects to encourage growth in smaller communities and help rural communities retain their younger generations to come.

Table -8 Population Counts, Estimates and Projections Apalachee Region and State 2000 to 2040

	Census	Estimate	Census	Projections					
	2000	2005	2010	2015	2020	2025	2030	2035	2040
Calhoun	13,017	13,945	14,625	15,200	15,800	16,500	17,100	17,600	18,200
Franklin	9,829	10,845	11,549	12,100	12,200	12,400	12,500	12,600	12,700
Gadsden	45,087	47,713	46,389	47,000	47,200	47,400	47,600	47,800	48,000
Gulf	14,560	16,479	15,863	15,900	16,000	16,000	16,100	16,100	16,200
Jackson	46,755	49,691	49,746	49,800	49,900	50,000	50,100	50,200	50,200
Jefferson	12,902	14,233	14,761	15,300	15,900	16,500	17,000	17,500	18,000
Leon	239,452	271,111	275,487	286,600	300,000	313,000	324,900	335,600	345,400
Liberty	7,021	7,581	8,365	9,300	9,800	10,400	10,900	11,500	11,900
Wakulla	22,863	26,867	30,776	33,300	36,200	39,100	41,800	44,300	46,700
Region	411,486	458,465	467,561	484,500	503,000	521,300	538,000	553,200	567,300
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

a. Annual Building Permits

A strong indicator of the Region’s growth is the number of building permits issued. A time series over the last ten years demonstrates the sharp decline in construction activity since the housing collapse. The Nation has experienced numerous real estate collapses on a more or less periodic basis as new generations ignore the hard lessons learned by previous generations. The collapse in 07-08 was a result of unfounded hope. Relaxation of prudent lending requirements gave thousands of aspiring home owners to acquire unaffordable mortgages on first homes and in many cases income properties. Fueled by less than scrupulous financiers, the bubble popped as futures based on bundled packages of worthless promissory notes.

Table -9 Annual Building Permits Apalachee Region and State Residential Units 2001 to 2011

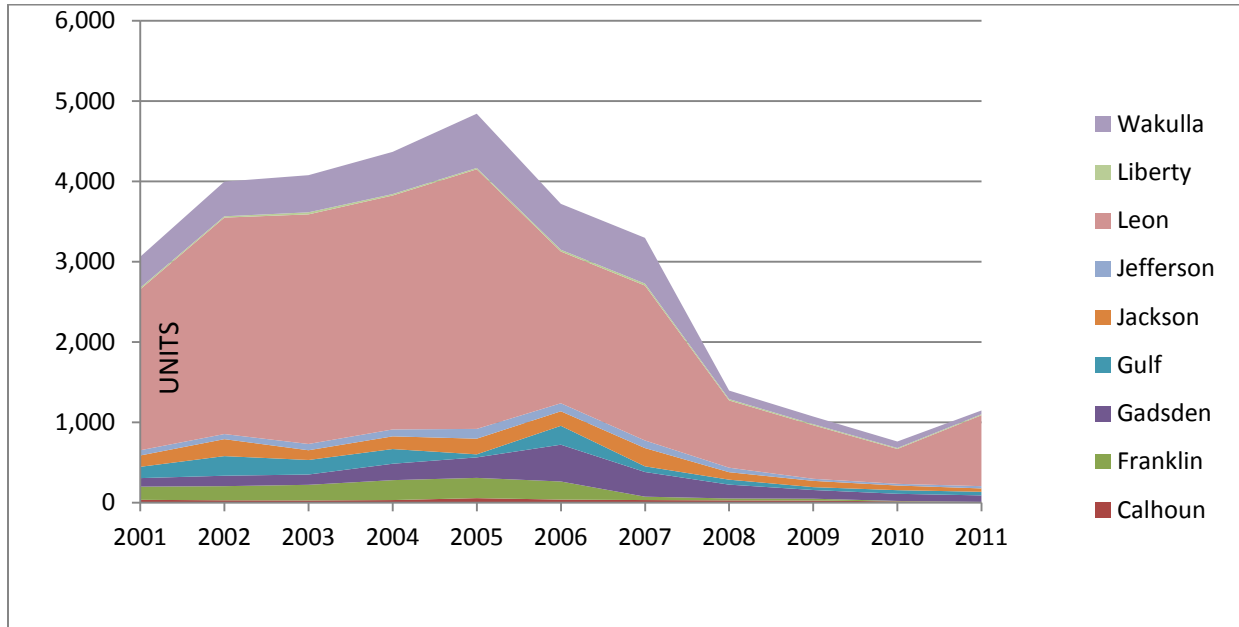
Area	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Calhoun	31	29	34	58	40	34	30	28	17	6	12
Franklin	176	195	248	252	225	42	24	23	6	5	5
Gadsden	130	128	204	255	458	307	172	108	89	81	63
Gulf	244	181	183	38	235	71	62	36	45	45	47
Jackson	211	121	158	195	181	227	93	78	58	42	49
Jefferson	64	78	86	122	100	95	56	26	21	28	21
Leon	2,694	2,858	2,912	3,231	1,889	1,928	837	666	434	883	360
Liberty	16	26	18	17	22	25	17	14	12	12	9
Wakulla	432	462	525	675	571	569	106	95	81	47	58
Region	3,998	4,078	4,368	4,843	3,721	3,298	1,397	1,074	763	1,149	625
Florida	185,431	213,567	255,893	287,250	203,238	102,551	61,042	35,329	38,679	44,043	-

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>

Locally, the collapse was not as sudden as it was for the State as a whole. However, when the crisis hit, many local banks founded on real estate speculation closed. Some units along the coast remained unfinished and exposed to the elements as construction loans were withdrawn. Several commercial building pads remained undeveloped as business confidence waned. The Statewide market was already beginning to soften in 2006 as oversupply based

on pure speculation began to fill the marketplace. By extending this data range to 2011, we see the beginnings of recovery as construction in Leon County is beginning to lead the region into positive growth. In 2011, Leon's 883 units accounted for \$103 million dollars in construction investment.

Illustration -6 Annual Building Permits Apalachee Region Total Units 2001 to 2011



US Census, Building permits for Counties in Florida, Total Units, <http://censtats.census.gov/bldg/bldgprmt.shtml>

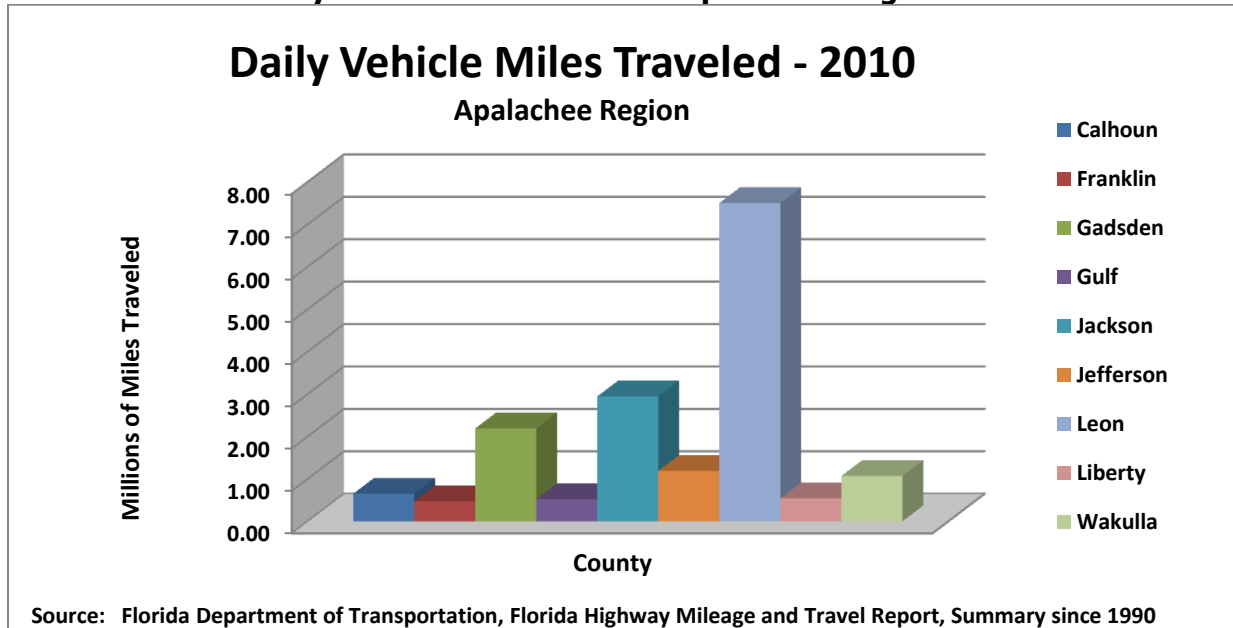
b. Vehicle Miles Traveled

Vehicle miles traveled, VMT, is a measure of both urban density as well as connectivity. The obvious highest rank for the Region is Leon County which experienced 17 million vehicle miles traveled in 2010. It is both the economic center of the region and a major hub along Interstate 10. In contrast, Franklin which is a very low density county with only US 98 as its single corridor, had less than half a million VMT. Rural counties with connections to I-10 saw the effect not only in pass through traffic but the opportunity to gain an economic boost from their businesses located along that major arterial. Jackson County has a major presence at the interchange on SR 71 but also benefits from the unrestricted arterial that connects southeastern Alabama with the coast, US231. Coordinating with FDOT, there is hope that future capacity enhancements up to and including 4-laning of SR71 will help not only the port at Port St. Joe but also improve commerce options for the communities along that corridor, Wewahitchka, Blountstown, Altha and the Calhoun County Airport Industrial Park which is the Region's Catalyst site.

Table -10 Daily Vehicle Miles Traveled Apalachee Region and State 2001 to 2010

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	565,907	675,909	700,881	681,529	692,355	682,369	682,566	669,851	670,369	650,899
Franklin	537,821	546,272	539,676	566,041	554,327	554,583	582,019	551,131	520,221	470,253
Gadsden	2,021,430	2,110,340	2,215,407	2,268,330	2,335,154	2,372,411	2,413,193	2,315,076	2,342,211	2,191,132
Gulf	471,168	501,668	535,569	517,645	573,725	559,060	573,702	546,917	542,460	523,768
Jackson	2,751,621	2,786,752	2,908,644	3,004,241	2,999,933	3,023,849	3,091,514	2,982,417	2,919,985	2,946,336
Jefferson	1,124,151	1,156,987	1,178,159	1,254,620	1,252,919	1,262,496	1,335,693	1,193,862	1,165,157	1,190,899
Leon	5,789,027	6,137,584	6,916,976	7,368,210	7,661,752	7,789,343	7,869,244	7,499,732	7,450,679	7,505,976
Liberty	523,977	546,727	593,429	562,967	570,507	547,119	571,648	558,924	545,128	543,864
Wakulla	1,061,650	1,055,364	1,051,855	1,076,490	1,102,075	1,106,557	1,122,584	1,067,286	1,098,104	1,071,669
Region	14,846,751	15,517,603	16,640,596	17,300,073	17,742,746	17,897,787	18,242,162	17,385,194	17,254,314	17,094,797
Florida	468,573,594	489,536,177	508,607,851	537,494,319	550,614,540	558,308,386	562,798,032	542,334,376	538,088,986	536,315,479

Illustration -7 Daily Vehicle Miles Traveled Apalachee Region Millions of Miles



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>

C. Strategic Findings – Infrastructure and Growth Leadership

Population has increased as would be expected. However, two counties that had been estimated to have reached a 50,000 threshold in the decennial count did not. Gadsden and Wakulla County had anticipated that the 2010 census would find them over that mark but fell short. The drop in building permits in the latter part of the period is the tell-tale indicator. Transportation is also on the increase as a reflection of the gradual rise in population, but only two significant transportation projects have been completed in the decade, the widening of Leon County’s stretch of Interstate 10 and some minor segments of Tallahassee’s capital circle. Needed projects to support the region’s economic development are increased volume on SR71 through Gulf, Calhoun and Jackson Counties, enhancements to the AN shortline railroad, improvements to the commercial support facilities and the Tallahassee Regional Airport and upgrades to the offshore fleet support facilities along the coast.

4. Business Climate & Competitiveness

The Apalachee Region would like to become and is working to become a viable relocation area for out of region businesses seeking to relocate or expand. Many of its institutions are working in concert at multiple levels to achieve this goal. The State and Regional partnerships have developed good working relationships and to the extent that silos still exist or are perceived to exist, the region’s professionals are working through personal relationships and contacts to correct that. While cooperative efforts are working to create a viable mega-site, ongoing projects are aimed at enhancing existing sites and developing our natural business resources. From ports to higher education, the region is working to increase its competitiveness with other southern destinations.

a. Average Annual Unemployment Rates

The Region’s unemployment statistics reflect the pain of the rest of the country as the economic crash took its toll on local businesses and their employees. In addition, cuts in government employment, the life blood of the Tallahassee MSA, laid off an additional 1,500 to 2,000 employees over a two year period. The region is performing better than the state as a whole and there were improvements in few counties as 2011 ended. Although final numbers are not yet available for 2012, the region appears to be rebounding with all counties experiencing 1 to 2 percent improvements over last year. Florida’s overall unemployment rate continues to hover over 10% while the Apalachee Region’s unemployment rate has dropped to 6.7%. Table -11 below provides the raw data evidencing the enviable unemployment rates reached by mid decade and the tripling of unemployment rates over the next few years. The Table portrays the

different response the region had through the crisis, but also the beginnings of the regional rebound.

Table -11 Average Annual Unemployment Rates Apalachee Region and State 2002 to 2012

Area	YEAR										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	3Q 2012
Calhoun	5.2%	4.8%	4.7%	3.7%	3.1%	3.5%	5.3%	8.3%	9.2%	9.5%	7.5%
Franklin	4.9%	4.4%	3.5%	3.6%	2.9%	3.1%	4.6%	7.2%	8.2%	7.9%	6.0%
Gadsden	5.5%	5.1%	4.6%	3.8%	3.4%	4.2%	6.0%	9.7%	10.7%	10.3%	8.7%
Gulf	5.4%	4.7%	3.8%	3.3%	3.0%	3.7%	6.2%	9.3%	10.3%	10.2%	9.0%
Jackson	4.7%	4.2%	3.9%	3.5%	3.5%	3.8%	5.1%	7.2%	7.8%	8.1%	6.5%
Jefferson	4.5%	4.3%	3.6%	3.1%	2.8%	3.2%	4.9%	7.9%	8.9%	8.9%	7.7%
Leon	4.3%	4.1%	3.7%	3.1%	2.7%	3.0%	4.4%	6.8%	7.9%	8.0%	6.4%
Liberty	4.4%	3.7%	3.5%	2.8%	2.6%	2.7%	4.1%	5.6%	8.0%	8.3%	6.2%
Wakulla	4.3%	4.1%	3.4%	2.7%	2.4%	2.9%	4.4%	6.7%	8.3%	8.3%	5.9%
Region	4.5%	4.2%	3.8%	3.2%	2.8%	3.2%	4.7%	7.2%	8.3%	8.4%	6.7%
Florida	5.7%	5.3%	4.7%	3.8%	3.3%	4.0%	6.2%	10.2%	11.3%	10.5%	10.4%

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>

b. Employment by Industry

The largest employment sector in the Apalachee Region by far is state government. For the Apalachee Region, the nearly 50,000 workforce in the government sector includes state government workers, two Universities, three community colleges, and vocational schools. There are an additional 20,000 workers included in local governments and public schools. The next two categories, Health Care and Retail Trade and the next three sectors are all service providing sectors with little actual export value. Sorted by their 2010 levels, Construction comes in eighth and Manufacturing comes in twelfth. As we will see later, the Region's manufacturing base is so low it is only recently being seen as a targeted industry sector. Table 12 and Illustration 9 present the data and the changes in the 23 sector breakdown of the Region's employment over the last decade.

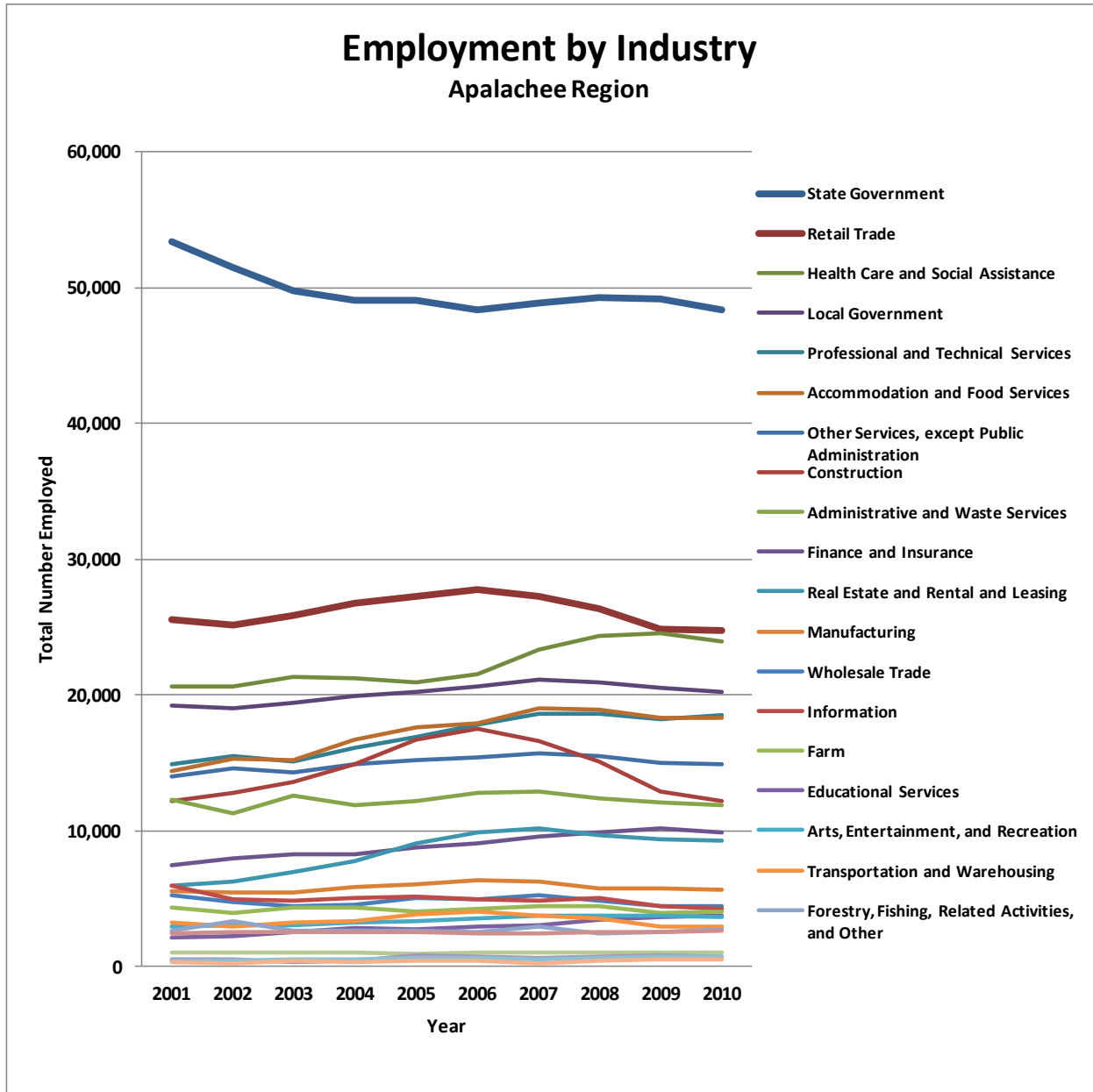
Data are from the Regional Economic Models Inc.© from data published by the BLS. Table 13 Employment by Sector Apalachee Region and State 2001 to 2010 and its accompanying graphic present the relative size of public and private employment. The illustration clearly demonstrates the stabilizing effect of the government sector employment has on overall employment. This chart does not show the effect of state layoffs that became effective in 2010 and 2011. According to the Florida Department of Economic Development's Quarterly Census of Employment and Wages, the Leon County alone lost 1,000 jobs between June and October of 2010 as cuts to state agencies began to take effect.

Table -12 Employment by Industry Apalachee Region 2001 to 2010

Industry	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
State Government	53,408	51,549	49,792	49,132	49,086	48,434	48,861	49,275	49,212	48,433
Retail Trade	25,612	25,217	25,832	26,808	27,256	27,784	27,252	26,344	24,884	24,803
Health Care and Social Assistance	20,652	20,669	21,343	21,225	20,992	21,606	23,396	24,414	24,553	24,019
Local Government	19,203	19,082	19,399	19,936	20,208	20,690	21,118	20,920	20,547	20,269
Professional and Technical Services	14,972	15,549	15,076	16,096	16,893	17,841	18,667	18,622	18,220	18,582
Accommodation and Food Services	14,468	15,342	15,229	16,686	17,622	17,984	19,034	18,947	18,384	18,382
Other Services, except Public Administration	14,027	14,585	14,321	14,903	15,184	15,468	15,751	15,521	14,980	14,881
Construction	12,258	12,850	13,577	14,968	16,747	17,560	16,675	15,128	12,933	12,177
Administrative and Waste Services	12,276	11,348	12,585	11,867	12,249	12,847	12,874	12,457	12,108	11,955
Finance and Insurance	7,482	7,943	8,327	8,253	8,821	9,108	9,599	9,930	10,151	9,947
Real Estate and Rental and Leasing	5,959	6,322	6,944	7,791	9,077	9,917	10,219	9,650	9,376	9,249
Manufacturing	5,621	5,471	5,482	5,833	6,053	6,388	6,254	5,755	5,743	5,695
Wholesale Trade	5,295	4,745	4,501	4,537	5,034	4,952	5,250	4,877	4,430	4,489
Information	6,020	4,936	4,886	5,088	5,139	4,961	4,835	5,061	4,509	4,233
Farm	4,397	4,018	4,374	4,326	4,111	4,265	4,477	4,452	4,009	4,095
Educational Services	2,121	2,238	2,568	2,821	2,753	2,980	3,090	3,460	3,702	3,814
Arts, Entertainment, and Recreation	2,917	3,021	3,092	3,262	3,399	3,527	3,734	3,803	3,765	3,693
Transportation and Warehousing	3,288	2,933	3,218	3,407	3,836	4,021	3,808	3,531	2,925	2,982
Forestry, Fishing, Related Activities, and Other	2,695	3,393	2,680	2,713	2,676	2,520	2,948	2,469	2,542	2,754
Federal Civilian	2,512	2,537	2,586	2,541	2,536	2,508	2,472	2,546	2,565	2,688
Federal Military	1,040	1,055	1,052	1,019	984	1,038	1,035	1,012	1,032	1,067
Utilities	510	533	369	462	854	748	680	751	811	782
Management of Companies and Enterprises	496	479	580	540	632	608	578	680	727	740
Mining	367	292	410	392	460	430	296	498	554	557

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

Illustration -8 Employment by Industry Apalachee Region 2001 to 2010

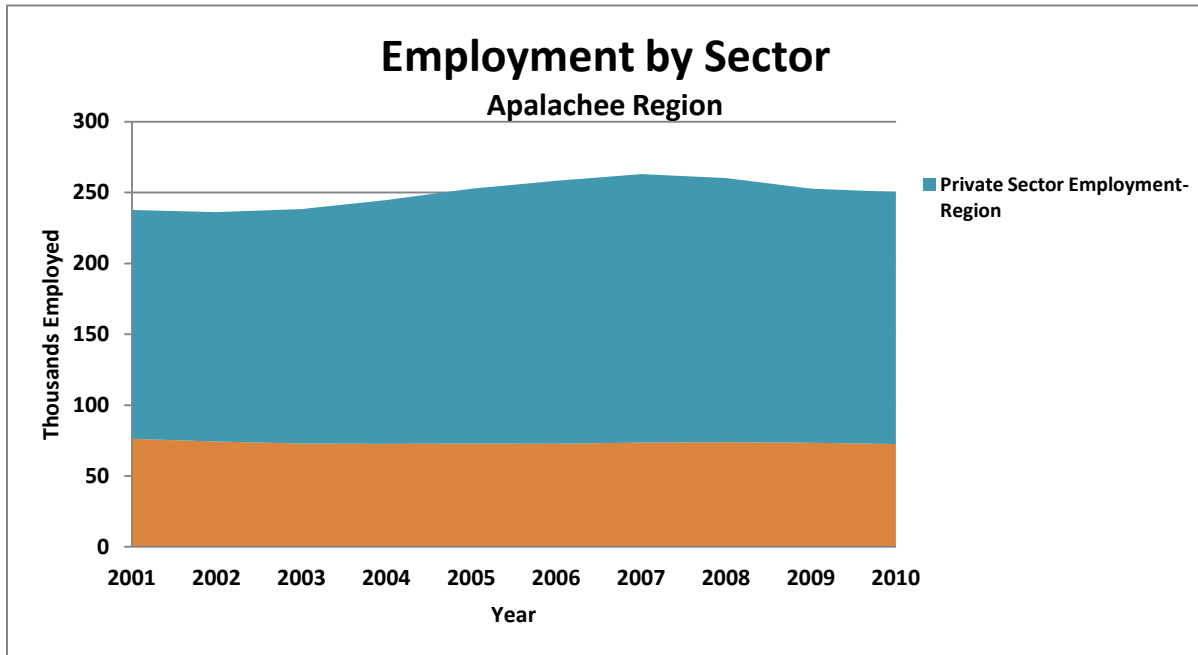


**Table -13 Employment by Public vs Private Sectors
Apalachee Region and State 2001 to 2010 - Employment in Thousands**

Sector	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Employment-Region	238	236	238	245	253	258	263	260	253	250
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	161	162	165	172	180	186	189	186	179	178
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	76	74	73	73	73	73	73	74	73	72
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

**Illustration -9 Employment by Public vs Private Sector Apalachee Region
2001 to 2010**



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

c. Wages by Industry

Regional wages have been steadily rising over the last decennial period for most industry sectors. Leading the increases with decennial increases of over 130% are Accommodation and food services (131%), Health care and social assistance (131%), Federal civilian (134%), State and Local Government (134%), Transportation and warehousing (136%), Administrative and waste services (138%), Construction (140%), and Federal Military (201%).

**Table -14 Average Annual Wages by Industry Apalachee Region
Thousands of Current Dollars 2001 to 2010**

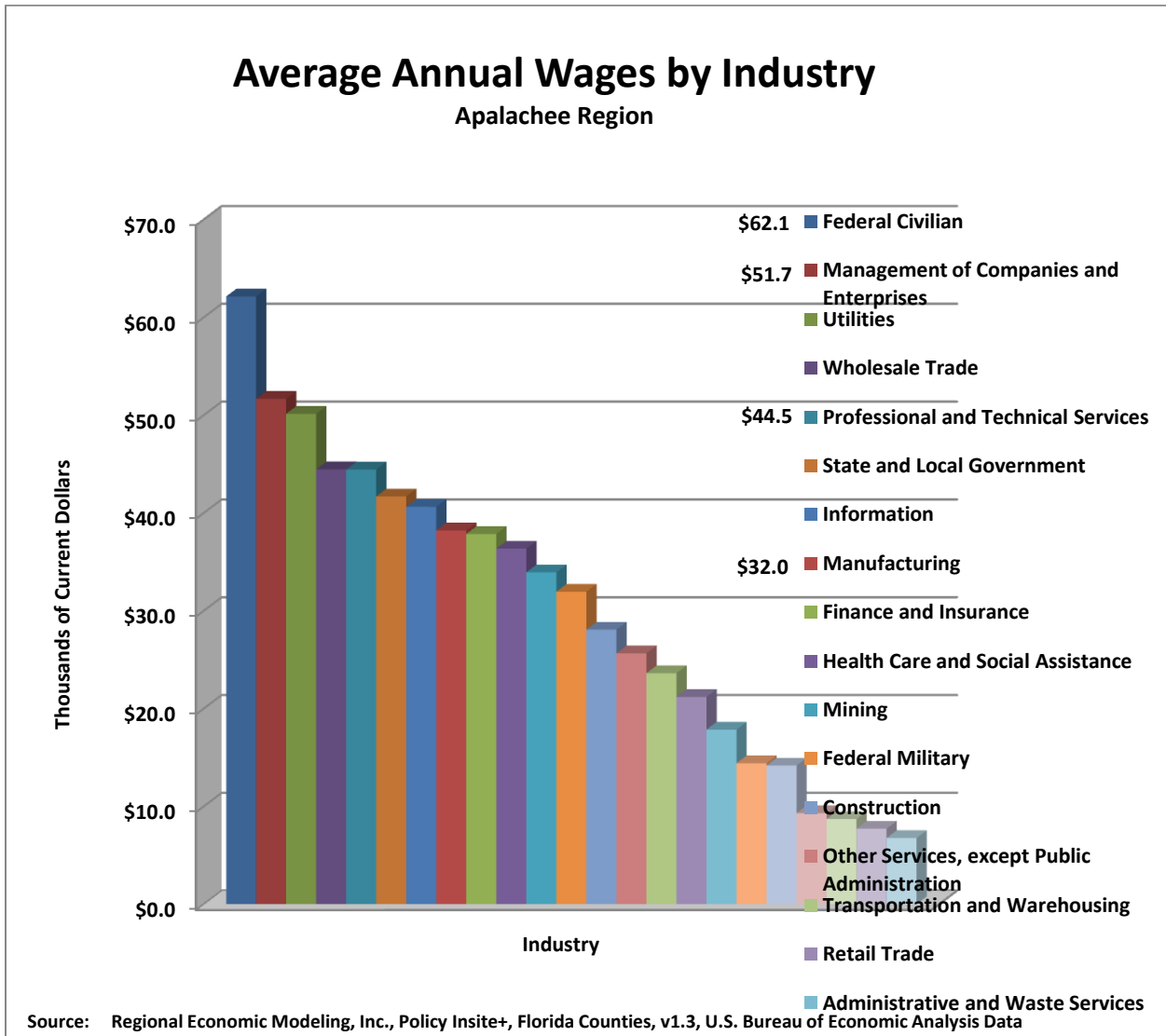
Industry	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Federal Civilian	\$46.4	\$48.5	\$50.2	\$53.5	\$55.6	\$56.1	\$58.4	\$60.2	\$60.5	\$62.1
Management of Companies and Enterprises	\$44.4	\$50.6	\$44.4	\$56.2	\$56.5	\$54.2	\$52.5	\$51.5	\$50.3	\$51.7
Utilities	\$55.4	\$59.1	\$55.6	\$70.9	\$47.2	\$50.4	\$55.8	\$53.2	\$48.0	\$50.1
Wholesale Trade	\$38.0	\$40.5	\$39.1	\$42.4	\$43.2	\$43.5	\$44.1	\$44.4	\$43.4	\$44.5
Professional and Technical Services	\$37.6	\$38.0	\$38.1	\$37.4	\$41.3	\$42.6	\$42.7	\$44.0	\$43.3	\$44.5
State and Local Government	\$31.0	\$32.8	\$34.8	\$36.0	\$36.3	\$37.7	\$39.2	\$39.4	\$40.6	\$41.7
Information	\$32.8	\$34.7	\$34.0	\$34.1	\$34.7	\$34.7	\$39.9	\$39.0	\$39.6	\$40.6
Manufacturing	\$33.1	\$28.7	\$27.1	\$31.1	\$33.1	\$34.8	\$35.4	\$34.7	\$37.0	\$38.2
Finance and Insurance	\$30.4	\$32.5	\$34.6	\$40.1	\$38.8	\$40.5	\$42.1	\$40.9	\$36.9	\$37.9
Health Care and Social Assistance	\$27.7	\$28.8	\$30.1	\$31.1	\$32.2	\$33.2	\$33.7	\$34.5	\$35.4	\$36.4
Mining	\$28.4	\$33.8	\$28.3	\$23.8	\$31.4	\$29.6	\$38.5	\$30.0	\$30.8	\$33.9
Federal Military	\$15.9	\$19.2	\$23.4	\$25.6	\$28.8	\$26.7	\$27.5	\$29.0	\$31.1	\$32.0
Construction	\$20.1	\$21.0	\$21.1	\$22.4	\$24.5	\$25.2	\$26.5	\$28.4	\$27.4	\$28.1
Other Services, except Public Administration	\$20.9	\$21.1	\$20.8	\$21.8	\$22.4	\$23.2	\$24.0	\$25.0	\$25.0	\$25.6
Transportation and Warehousing	\$17.4	\$17.7	\$16.7	\$17.6	\$17.9	\$18.3	\$20.1	\$21.4	\$23.1	\$23.6
Retail Trade	\$16.9	\$17.0	\$17.5	\$17.9	\$18.7	\$19.6	\$19.6	\$19.9	\$20.7	\$21.2
Administrative and Waste Services	\$13.0	\$13.9	\$14.0	\$14.2	\$16.8	\$16.4	\$16.3	\$17.1	\$17.4	\$17.9
Accommodation and Food Services	\$11.0	\$11.6	\$12.0	\$12.5	\$12.8	\$13.5	\$14.4	\$13.8	\$14.0	\$14.4
Educational Services	\$11.1	\$11.8	\$11.7	\$12.4	\$11.5	\$11.0	\$12.0	\$13.5	\$13.4	\$14.2
Farm	\$8.2	\$8.2	\$7.1	\$9.1	\$9.4	\$10.8	\$8.4	\$9.8	\$9.0	\$9.3
Real Estate and Rental and Leasing	\$10.7	\$10.0	\$10.1	\$9.6	\$8.9	\$8.8	\$8.5	\$8.7	\$8.5	\$8.7
Arts, Entertainment, and Recreation	\$9.0	\$8.6	\$9.3	\$8.0	\$7.1	\$8.0	\$8.3	\$8.1	\$7.5	\$7.7
Forestry, Fishing, Related Activities, and Other	\$12.0	\$9.1	\$10.4	\$9.8	\$10.5	\$10.0	\$9.7	\$6.3	\$6.6	\$6.8

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

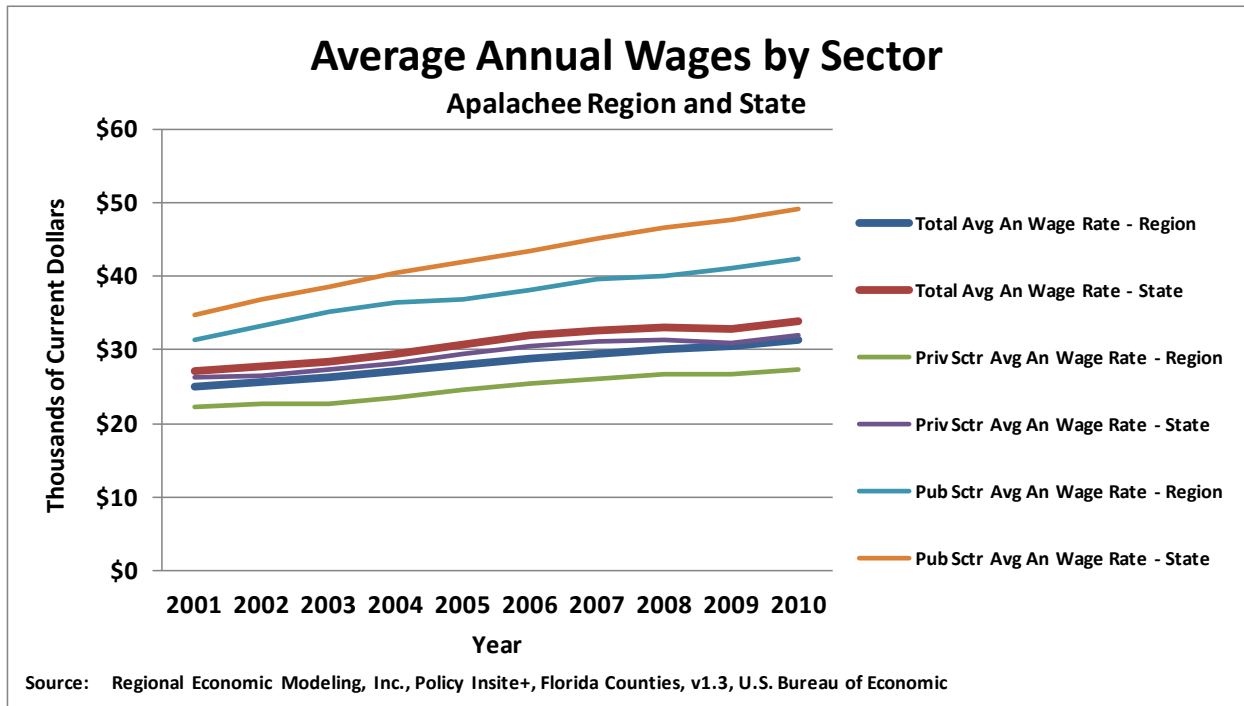
Regional wages have also decreased for some sectors with results falling off significantly in some cases. Sectors losing over the decennial are Utilities (90%), Arts, entertainment, and recreation (86%), Real estate and rental and leasing (82%), and Forestry, fishing, and related activities falling off the most at 57%. The following illustration demonstrates the impact in wages by industry in 2010. Federal civilian appears abnormally high in this graphic as there are relatively few rank and file military servicemen and women in this region and most employed are at officer levels.

Per the US Bureau of Labor Statistics, for Florida in May, 2011, the median wage for all industries was \$40,750. Leading the way were most medical professionals with incomes varying from +\$200K range to barbers at \$16,800.

**Illustration -10 Average Annual Wages by Industry Apalachee Region
Thousands of Current Dollars 2010**



**Illustration -11 Average Annual Wages by Sector Apalachee Region and State
Thousands of Current Dollars 2001 to 2010**



d. *Strategic Findings* - Business Climate & Competitiveness

As shown in Illustration 8, the Region’s two largest employment sectors are State Government and Retail Trade. The first is tax supported by the remainder of the state the second does little more that redistribute those ‘transfer’ payments as state wages to a larger retail service industry. The next two Health Services and Local Government provide normally stable career paths but are not in themselves basic industries. These data document the region’s dependence on government and education and its lack of a manufacturing base. Although the Region’s small manufacturing sector is relatively well paid at almost \$40K annually, it comprises less that 6,000 of the region’s jobs.

The prior CEDS attributed the Region’s stability to the high employment in government and education due to the State Capital and three major education institutions. Due the administration’s efforts to decrease state employment, we have lost over 3,000 government jobs since 2010. Economic belt tightening at the universities has cost additional formerly secure positions. The region must continue its efforts to attract manufacturing sector firms and diversify the economic base.

5. Civic & Governance Systems

a. Millage Rates

The Region's local governments received a large shock as property assessment values began to plummet in 2008. Florida law links assessment maximums to market value and as the real estate market faltered in 2006 and 2007 then crashed in 2008 the toll on local government budgeting became critical.

Table -15 Millage Rates Apalachee Region and State 2001 to 2010

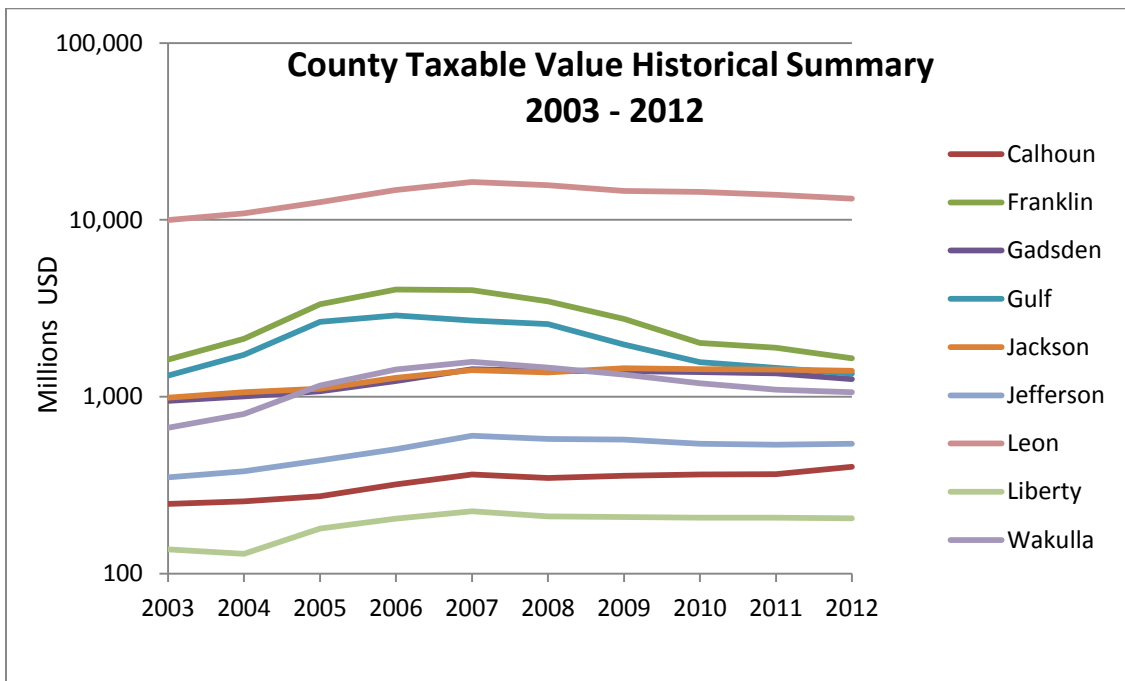
Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	15.83	15.79	16.66	16.67	15.69	15.63	17.55	17.28	17.29	17.58
Franklin	12.96	12.45	21.11	7.66	8.34	7.88	7.49	7.12	8.27	9.75
Gadsden	19.85	18.65	18.70	18.17	18.17	17.90	16.49	16.55	16.93	17.03
Gulf	13.96	13.43	15.45	12.99	11.41	9.10	9.52	9.82	12.46	13.05
Jackson	15.14	15.89	16.18	14.79	14.50	13.72	12.99	13.19	13.49	13.58
Jefferson	18.74	18.77	19.25	18.38	18.22	17.60	15.81	15.68	16.12	16.13
Leon	18.15	17.35	17.82	17.67	17.26	16.50	15.18	15.72	15.64	15.93
Liberty	17.07	16.54	17.26	16.41	16.20	17.94	17.61	17.83	17.74	18.16
Wakulla	19.94	18.83	19.42	18.76	17.01	16.58	15.75	16.19	16.64	17.34
Region	16.85	16.41	17.98	15.72	15.20	14.76	14.27	14.37	14.95	15.39
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>>

Local governments go through their annual budget hearings each August and September as they plan for their next fiscal year. It is not surprising to see annual fluctuations and even some decreases in good years as assessments go up. This is apparent through the 'good' years prior to the recession's peak as most of the Region's county's approached lows in 2007-8. The following graphic demonstrates the fluctuation in millage rates throughout the decade as the counties tried to respond to these forces. This was done in all cases after painful decisions were made as to which departments would receive cuts and which non-profits would no longer be supported. Many of the counties that do have board supported Economic Development Agencies or Chambers of Commerce reduced support for those locations.

The balancing act between assessments and taxable rates results in a spendable budget based on just value. The following graphic shows how the Region's counties fared through the crisis. All counties can be seen to be enjoying the ride toward the middle of the decade. The two coastal counties, Franklin and Gulf, with significant investor properties were hit very hard as was Wakulla with a relatively large inventory of unsold new homes. Not surprisingly, these two counties had to make the largest adjustments in ad valorem millage rates after 2008. The largest county, Leon County lost \$3.1million in taxable value from 2006 to 2012. One of the smallest, Franklin lost \$2.4 million over the same period.

Illustration -12 County Taxable Value Historical Summary 2000 - 2012



b. Registered Nonprofit Organizations

The region has seen an explosion in registered not for profit organizations in the first decade. With increases of from 64% to 175% over the period, this bodes well for citizen involvement. These issue oriented groups often raise funds for improvements to quality of life issues for their service area's citizens. Whether they are backed by religious organizations, support public activities on state or federally owned lands, or are intended to raise awareness for a particular cause, they all point to citizen participation in improvement of each individual's area for causes they believe in. The process of registering a 501(c)3 and the next step of registering as a not for profit are purposefully not simple steps.

Many of these groups take on rolls that federal, state or local governments cannot fill due to statutory or other limitations. Many provide education, civic, nutritional, or other health related functions that support government programs in times of decreasing budgets.

Table -16 Registered 501(c)3 Organizations Public and Private Foundation Charities Apalachee Region and State 2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	22	23	25	31	29	31	33	34	35	36
Franklin	25	29	35	38	41	44	44	48	50	55
Gadsden	107	111	119	128	135	136	152	157	168	188
Gulf	35	37	44	47	50	53	58	61	63	69
Jackson	119	123	138	143	147	153	157	170	181	186
Jefferson	30	33	40	43	48	52	53	48	57	66
Leon	909	969	1,076	1,138	1,149	1,191	1,275	1,314	1,390	1,479
Liberty	12	13	19	20	20	21	22	28	30	33
Wakulla	37	43	50	56	56	56	59	68	75	90
Region	1,296	1,381	1,546	1,644	1,675	1,737	1,853	1,928	2,049	2,202
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](http://nccsdataweb.urban.org/tablewiz/pc.php)> ©2012

c. Voter Participation

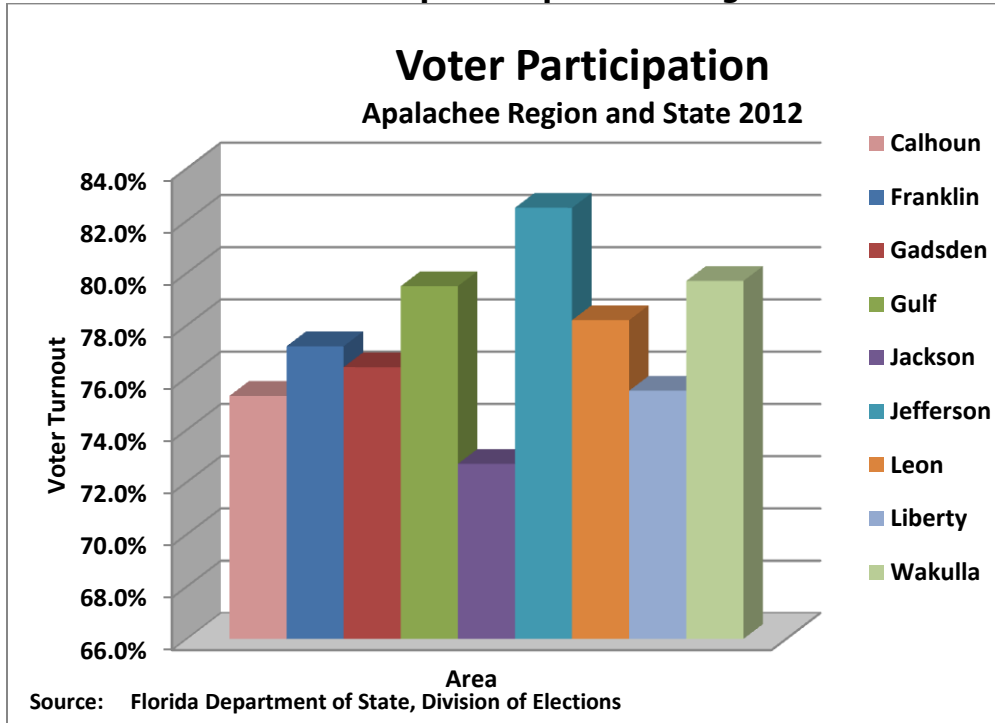
The Apalachee Region typically shows up at the polls more often than the average Florida voter. Regional voters also follow the typical pattern of lower turnout in the 'off' years, or non-presidential years with voting rates generally around 50-60%. Presidential elections have much higher stakes, due primarily to more get out the vote activities from both major parties accompanied by ride-to-the-polls campaigns. Jefferson County leads the region on percentage turnout historically and recently as well. High voter turnout is a positive indicator of citizen involvement and perception of civic responsibility.

Table -17 Voter Participation Apalachee Region and State Biennial General Elections 2000 to 2010

Area	General Election Year						
	2000	2002	2004	2006	2008	2010	2012
Calhoun	72.7%	56.6%	72.0%	48.9%	73.3%	51.8%	75.3%
Franklin	66.9%	55.0%	78.4%	49.1%	79.4%	53.8%	77.2%
Gadsden	64.0%	60.5%	78.5%	48.6%	75.1%	57.2%	76.4%
Gulf	66.2%	60.7%	76.0%	61.8%	79.8%	54.9%	79.5%
Jackson	72.9%	58.1%	73.4%	47.0%	77.4%	54.5%	72.7%
Jefferson	76.2%	70.6%	80.7%	45.2%	77.8%	64.9%	82.5%
Leon	70.6%	64.6%	79.8%	45.4%	85.5%	60.0%	78.2%
Liberty	69.2%	64.9%	74.9%	52.6%	77.5%	52.6%	75.5%
Wakulla	67.4%	62.0%	76.8%	57.8%	77.8%	62.9%	79.7%
Region	69.9%	62.9%	78.4%	58.6%	82.1%	58.9%	77.6%
Florida	70.1%	55.3%	74.2%	46.8%	75.2%	48.7%	71.2%

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

Illustration -13 Voter Participation Apalachee Region – 2012 Election



d. *Strategic Findings* – Civic and Governance Systems

The Region has an involved populace with higher than average electoral participation, and a rapidly growing participation rate for Non-Governmental Organizations of all kinds. Local governments, each facing a complex set of fiscal decisions, as the property collapse consumed most local government war chests, came to differing conclusions on how to best support their constituents needs. Some, cut taxation rates as a temporary relief to taxpayers and slashed programs, others maintained basic services and raised assessment rates to compensate for the reduced just value levels.

6. Quality of Life & Quality Places

There are several factors that contribute to how satisfying an area is to live and how attractive it is to potential new residents or companies seeking to re-locate or expand. How expensive is it to live? What are the prevailing wages? What environmental amenities are there? Are there institutions of higher learning? How successful are the schools? We have already discussed relative wage scale above and school performance. In this section, we examine personal or per capita income, the cost of housing, and poverty rates as indicators of how the region compares. The region is blessed with two large universities and the State's largest community college. It boasts the largest law enforcement academy and two state colleges.

Cultural opportunities from classical dance to the gridiron are complemented by one of the nation's highest rated bio-diverse habitats and miles of undeveloped and protected natural shorelines. Outdoor opportunities abound for hunter, hiker, angler, birder and paddler. Many of these characteristics are unmatched in the State of Florida. Some of the commonly measured statistics however demonstrate a generally lower per capita income, (which can be a positive aspect for a relocating business) and higher rates of poverty which is not a plus in any metric.

a. Per Capita Income

In the last decennial, the Region and Florida both experienced an overall growth in personal income per person or per capita income of about 9%, or a little less than 1% per year. Although inflation has been slow, the core consumer price index rose at about 21% for the period causing reductions in purchasing power. Within the region, Wakulla County did the worst with only a 1% rise in PCI over that period while Gulf and Liberty made the most headway with 21% and 18% rises respectively. Table -18 and Illustration-13 present the data and for the period and a comparison between state and regional per capita income curves.

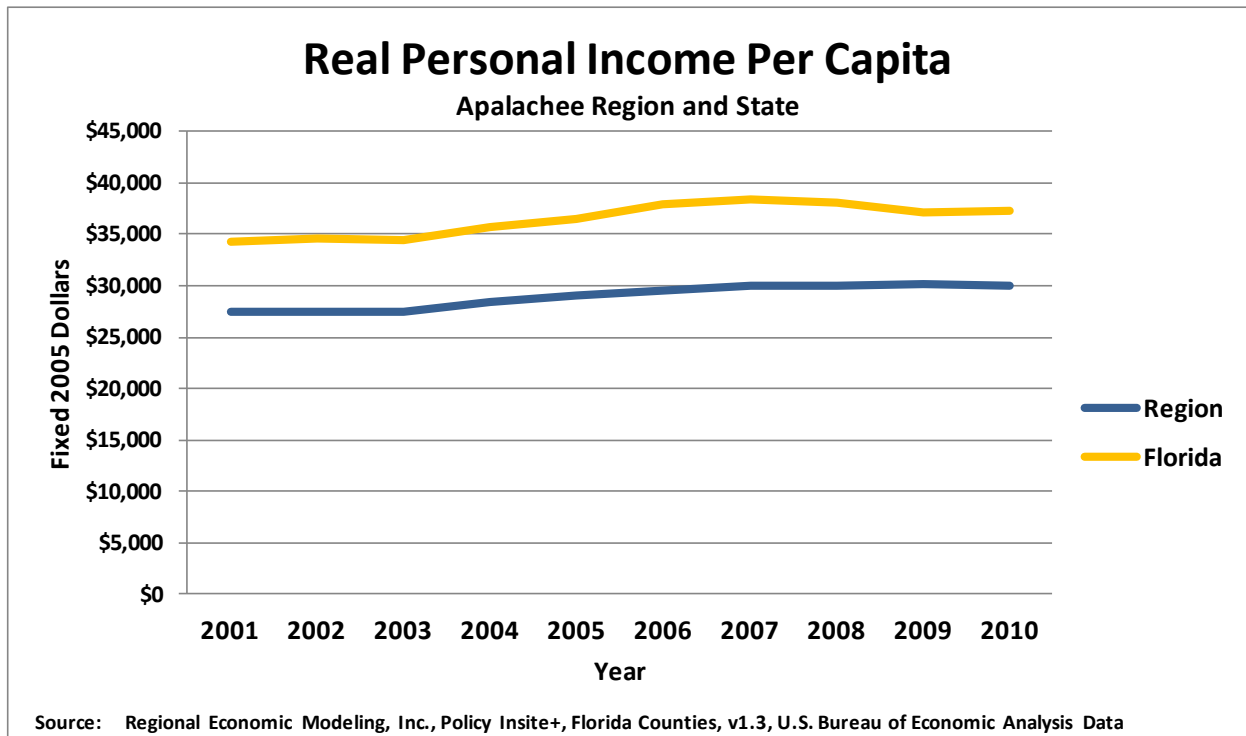
Table -18 Real Personal Per Capita Income Apalachee Region and State Fixed 2005 Dollars 2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	\$19,818	\$19,505	\$19,795	\$20,124	\$20,682	\$20,551	\$21,127	\$21,316	\$21,602	\$22,267
Franklin	\$24,024	\$24,415	\$24,278	\$26,070	\$26,913	\$26,272	\$27,121	\$26,895	\$26,770	\$27,047
Gadsden	\$22,790	\$23,262	\$23,434	\$24,680	\$25,233	\$25,678	\$25,301	\$25,144	\$25,191	\$25,353
Gulf	\$20,185	\$20,668	\$20,807	\$22,382	\$22,649	\$23,717	\$23,895	\$24,488	\$24,192	\$24,467
Jackson	\$22,110	\$22,360	\$22,913	\$22,664	\$23,415	\$22,868	\$23,920	\$23,853	\$24,466	\$24,565
Jefferson	\$27,717	\$26,618	\$26,088	\$26,792	\$26,835	\$27,579	\$28,500	\$28,256	\$28,413	\$29,307
Leon	\$30,893	\$30,791	\$30,604	\$31,767	\$32,559	\$33,151	\$33,747	\$33,816	\$33,959	\$33,646
Liberty	\$20,740	\$20,595	\$21,521	\$22,197	\$21,949	\$22,189	\$21,699	\$23,229	\$23,455	\$24,468
Wakulla	\$24,637	\$24,850	\$24,381	\$24,845	\$24,908	\$25,170	\$25,651	\$25,844	\$25,611	\$24,896
Region	\$27,502	\$27,526	\$27,491	\$28,440	\$29,073	\$29,468	\$30,003	\$30,043	\$30,173	\$30,058
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

Both the illustration below and table above point to the region's more gentle response in Per Capita Income after the fall of 2007. This is probably due to the high rate of employment in state and educational institutions as well as the fact the very often the local government is one of the two highest employers in the region's rural counties. This resiliency may only be temporary as most county and municipal governments have been reducing payrolls. The Region as a whole has a real per capita income about 80% less than the average for Florida. This statistic masks the fact that Leon's PCI rate is 90% of the State's average while for most of the rural counties, the PCI is as low as 60% of the Florida average in Calhoun to 79% in Jefferson.

Illustration -14 Real Personal Per Capita Income Apalachee Region and State Fixed 2005 Dollars 2001 to 2010



b. House Price Cost Index

The discussion above would indicate that conditions are dire in the region, but the average household's highest monthly expense is for housing. Housing in the Region is much more affordable than in the remainder of Florida. The housing bubble grew large in the Apalachee region with housing costs approaching or surpassing national rates in the run up to 2007. Leon County's rate rose to 110% of the national average with Franklin County following at 98%. This belies two very different conditions. In Leon, most of this housing was for new owner occupied housing. In Franklin County, where there is a large investment property industry in vacation homes, the average is pushed highly upward because of this industry while its workforce housing has seen little construction or improvement off the barrier island.

**Table -19 Relative Housing Price Apalachee Region and State
National Index = 1.0 2001 to 2010**

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	0.36	0.36	0.37	0.39	0.43	0.45	0.41	0.38	0.35	0.35
Franklin	0.78	0.79	0.81	0.84	0.94	0.98	0.90	0.82	0.76	0.77
Gadsden	0.53	0.54	0.55	0.57	0.64	0.67	0.61	0.56	0.52	0.52
Gulf	0.43	0.43	0.44	0.46	0.52	0.54	0.49	0.45	0.42	0.42
Jackson	0.66	0.66	0.67	0.70	0.79	0.82	0.75	0.69	0.64	0.65
Jefferson	0.42	0.43	0.44	0.46	0.51	0.53	0.49	0.45	0.41	0.41
Leon	0.75	0.78	0.79	0.87	1.10	1.04	0.98	0.69	0.45	0.45
Liberty	0.39	0.40	0.41	0.42	0.48	0.49	0.45	0.41	0.39	0.39
Wakulla	0.57	0.57	0.59	0.61	0.69	0.71	0.66	0.60	0.56	0.57
Region	0.68	0.70	0.71	0.78	0.95	0.92	0.86	0.66	0.48	0.48
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

c. Persons Living in Poverty

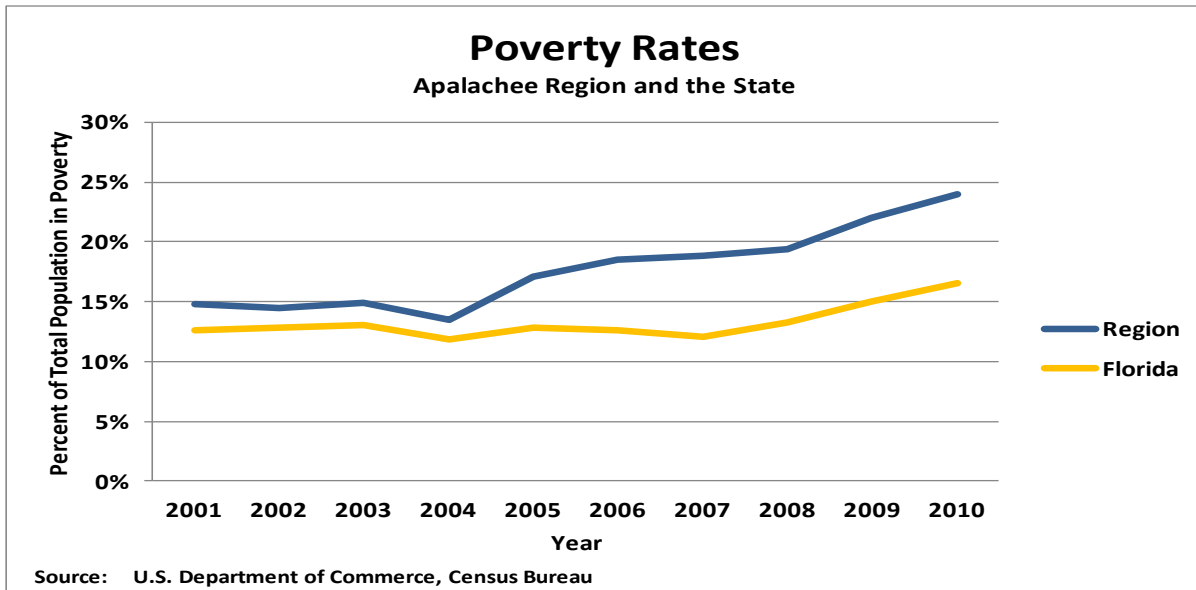
In 2010, the National Poverty Rate was 15.3% of the population of the US. While this is itself a terrible statistic, in the state of Florida, it is only a little worse at 16.5% but much worse for the Apalachee Region which had an overall rate or 23.9% in 2010.

**Table -20 Percent of Persons Living in Poverty Apalachee Region and State
2001 to 2010**

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	21.7%	20.2%	18.2%	17.2%	21.2%	20.4%	23.3%	20.9%	20.8%	22.1%
Franklin	17.7%	15.2%	14.7%	13.5%	18.3%	18.5%	18.6%	23.1%	23.1%	24.2%
Gadsden	19.3%	18.2%	18.0%	15.8%	17.7%	19.7%	25.4%	26.6%	26.0%	23.8%
Gulf	20.5%	18.9%	15.5%	14.5%	17.6%	19.2%	16.7%	21.2%	23.0%	21.1%
Jackson	17.9%	17.0%	16.2%	15.7%	16.9%	19.1%	27.3%	19.0%	22.0%	19.0%
Jefferson	17.7%	16.8%	16.3%	14.5%	18.7%	18.1%	17.8%	18.5%	19.1%	18.5%
Leon	12.6%	12.8%	14.1%	12.7%	17.2%	18.7%	17.0%	18.6%	22.3%	26.3%
Liberty	20.7%	20.3%	17.4%	16.9%	21.6%	19.4%	18.4%	21.5%	23.1%	22.9%
Wakulla	13.0%	12.2%	11.1%	10.4%	11.8%	12.2%	11.3%	13.0%	14.1%	14.1%
Region	14.8%	14.5%	14.9%	13.5%	17.1%	18.5%	18.8%	19.4%	22.0%	23.9%
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/>>

Illustration -15 Percent of Persons Living in Poverty Apalachee Region and State 2001 to 2010



The poverty rates for the Nation, State and Region were dropping through the 1990s, but appear to have tapered off in the first few years of the decennial. Almost in anticipation of the coming hard times, poverty rates across the nation, state and region began to rise in 2005 with the percentages running higher in most of the Apalachee region’s counties. Calhoun and Liberty Counties were the first to cross the 20% line in 2005 being joined by four more by the end of the decade.

Leon, the region’s urban county finished the decade with more than a quarter of its residents living below the poverty line by 2010. Only Wakulla ended the decade with a poverty rate lower than the state and national average.

d. *Strategic Findings* – Quality of Life and Place:

The Region both benefits and is harmed by its rural characteristic. Lower than standard wages and higher than average poverty rates are offset somewhat by lower housing and other cost of living expenses. The region does have significant natural and cultural assets that remain as reasons people move to the region and call it home. University cultural activities from fine dance to football and outdoor activities from kayaking to spelunking provide a wealth of activities that few places can match while still retaining that rural character. Making life

better for all of its inhabitants, many of whom cannot afford to kayak or attend cultural functions will require higher employment in a wider economic base. Diversification into higher technical occupations, expansion of the region's medical centers, and continued diligence in protecting the natural assets we all enjoy is paramount.

APPENDICES

- Appendix 1 Apalachee Regional Planning Council Membership, June 2013
- Appendix 2 ARPC CEDS Committee Membership

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APALACHEE REGIONAL PLANNING COUNCIL - 2013 BOARD OF DIRECTORS					
		COUNTY/		LOCAL	APPOINTED
NAME	OCCUPATION	RESIDENCE	ELECTED OFFICE	GOVERNMENT	DATE
Darrell McDougald	Retired Business Owner	Calhoun	County Commissioner	Calhoun County	1/13
Wes Johnston	Retired Military	Calhoun	Mayor	Town/Altha	1/09
<i>Vacant</i>		Calhoun	Governor's Appointee	Calhoun County	
William Massey	Street Dept. Super.	Franklin	County Commissioner	Franklin County	1/09
Calvin Allen		Franklin	City Commissioner	City/Carrabelle	1/13
Dawn Radford	Writer	Franklin	Governor's Appointee	Franklin County	12/05
Brenda Holt	Business Owner / Teacher	Gadsden	County Commissioner	Gadsden County	1/13
Delores Madison	Workforce Florida / AWI	Gadsden	City Commissioner	City of Midway	10/03
Henry Grant	County Extension Director	Gadsden	Governor's Appointee	Gadsden County	11/06
Joanna Bryan	Attorney	Gulf	County Commissioner	Gulf County	1/13
Tony Justice	Landscape Bus. Owner	Gulf	City Commissioner	City/Wewahitchka	1/06
Michael Hammond	Prison Warden	Gulf	Governor's Appointee	Gulf County	2/12
Kenneth Stephens	Heavy Equip. Contractor	Jackson	County Commissioner	Jackson County	1/09
Gene Wright	Retired	Jackson	Mayor	Town/Malone	1/11
<i>Vacant</i>		Jackson	Governor's Appointee	Jackson County	
Stephen Walker	Tallahassee Utilities	Jefferson	County Commissioner	Jefferson County	1/11
John Jones	County Sanitation Dir.	Jefferson	City Commissioner	City/Monticello	1/09
<i>Vacant</i>		Jefferson	Governor's Appointee	Jefferson County	
Jane G. Sauls	Full Time Commissioner	Leon	County Commissioner	Leon County	12/98
Nancy Miller	Planner	Leon	City Commissioner	City/Tallahassee	1/11
Kelly Layman	Consultant	Leon	Governor's Appointee	Leon County	1/13
Davis Stoutamire	Retired / Paper Mill	Liberty	County Commissioner	Liberty County	02/12
Steve Cutshaw	State Park Manager	Liberty	City Commissioner	City/Bristol	1/10
Kendall Wade	Retired Clerk of Court	Liberty	Governor's Appointee	Liberty County	1/08
Randy Merritt	Engineer / Contractor	Wakulla	County Commissioner	Wakulla County	01/11
Gail Gilman	Tax Accountant	Wakulla	City Commissioner	City/St. Marks	01/12
<i>Vacant</i>		Wakulla	Governor's Appointee	Wakulla County	
<u>Ex-Officio Members:</u>					
Marlane Castellanos	Department of Environmental Protection				1/09
Paul Thorpe	Northwest Florida Water Management District				4/04
Virgie Bowen	Department of Transportation				01/13
Diane Scholz	Enterprise Florida, Inc.				5/08

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ARPC CEDS Committee Members

County	Name	Title/Representing	FIELD OF EXPERTISE
Calhoun	Vicki Davis	Assistant Superintendent Calhoun Co School District	Education
Calhoun	Vicki Montford	Wakulla Bank Executive and Chamber of Commerce Board	Finance
Franklin	Mark Curenton	Franklin County Planning Director	Community Planning
Franklin	David Butler	Carabelle EDC	Economic Development
Gadsden	Henry Grant	Gadsden EDC Chairman and Agricultural Extension Director	Local Government
Gadsden	Charles Chapman	Director Gadsden County Public Works - EDC	Economic Development
Gulf	Tommy Pitts	Port Authority of Port St Joe	Economic Development
Gulf	Bobby Pickels	Progress Energy	Community Planning
Jackson	Paul Donofro	Architect – EDC member	Business
Jackson	Bill Stanton	Director Jackson County Development Council	Economic Development
Jefferson	Julie Conley	Director Economic Development Council	Economic Development
Jefferson	Paul Michael	Business Owner	Business
Leon	Kara Palmer	Tallahassee/Leon EDC, Inc.	Economic Development
Leon	Rich Frazier	Tallahassee Comm. College	Workforce - Education
Liberty	Johnny Eubanks	Newspaper Owner	Business
Liberty	Davis Stoutamire	ARPC Board Member/ Liberty County Commission	Local Government
Wakulla	Pam Portwood	County Grants Coordinator Enterprise Zone Coordinator	Economic Development
Wakulla	Timothy Barden	Wakulla County - County Manager	Local Government
Ex. Officio	Diane Scholz	FSU – Florida Institute for Government	Economic Development

We would like to thank the members of this committee who gave up time from their own busy schedules to help create, advise and amend this document so that it reflects not only the demographic particulars of this region, but the opinions of many who are the most active advocates for this region’s economic growth and stability. Since the inception of this committee, a few have moved on to other career opportunities. We wish them well and hope that all will continue to inform the ED community of the trends and opportunities they see.

Abbreviations

ABBR	Abbreviation
ARRA	American Recovery and Reinvestment Act of 2009
BCC	Board of County Commissioners
BLS	Bureau of Labor Statistics
BP	British Petroleum
CDBG	Community Development Block Grant
CEDS	Comprehensive Economic Development Strategy
DEO	Department of Economic Opportunity
ED	Economic Development
EDA	Economic Development Administration (US Department of Commerce)
EDC	Economic Development Council
EDD	Economic Development District
EFI	Enterprise Florida, Inc.
FAMU	Florida Agricultural and Mechanical University
FCAT	Florida Comprehensive Assessment Test
FDOT	Florida Department of Transportation
FSU	Florida State University
GED	General Education Development
IDB	Industrial Development Board
IFAS	Institute of Food and Agricultural Sciences
MSA	Metropolitan Statistical Area
NAFTA	North American Free Trade Agreement
NFTCA	North Florida Transportation Corridor Authority
OTTED	Office of Tourism, Trade and Economic Development
PAEC	Panhandle Area Educational Consortium
PV	Photo-Voltaic
RACEC	Rural Area of Critical Economic Concern
REDI	Rural Economic Development Initiative
REMI	Regional Economic Models, Inc.
SBA	Small Business Administration
STEM	Science, Technology, Engineering and Math
STEMM	Science, Technology, Engineering, Math and Medicine
SWOT	Strengths, Weaknesses, Opportunities and Threats
TARP	Troubled Asset Relief Program
TBD	To Be Determined
TLEDC	Tallahassee/Leon Economic Development Council
TLH	Tallahassee Regional Airport (Airport Code)
USACE	United States Army Corps of Engineers
USDA	United States Department of Agriculture
WIRED	Workforce Innovation in Regional Economic Development

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Apalachee Region
Comprehensive Economic
Development Strategy

2013-2017

Adopted July 25, 2013

<http://www.thearpc.com/>

