

**The C E D S Report**  
**A Comprehensive Economic**  
**Development Strategy**  
**for the**  
**Apalachee Region of Florida**

Approved by

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The following includes updated sections V and VII of the adopted 2007 CEDS report. The update is a result of 4 committee meetings held to assess new opportunities, shifts in public policy towards support of green energy projects and updates to existing entries in the Strategic Projects.

## **Section I: CEDS Mission Overview**

### **A. FY 2006-2007 CEDS Work Program**

Program Year: April 1, 2006 – September 30, 2007<sup>1</sup>

The Apalachee Regional Planning Council, an Economic Development District (EDD) through the US Department of Commerce, Economic Development Administration, concentrates its efforts on fostering economic progress in the region served by the Council through the development, implementation revision and/or replacement of an EDA-approved CEDS. Regional activities are closely associated with Economic Development Administration programs designed to create and retain employment opportunities by encouraging private enterprise to locate and expand businesses in the region, especially in distressed areas. In order to maintain its status as the EDD for this region, the ARPC shall be responsible for:

#### **A.1 CEDS Update**

The ARPC has maintained a CEDS within the guidelines of the EDA for several years. It has been the practice of the ARPC to submit the Economic Development Element of its adopted *Apalachee Strategic Regional Policy Plan*, with periodic updates, and to report on projects in the region that reflect economic development activities. The ARPC will continue to develop, implement, revise and/or replace its CEDS to ensure compliance with §303.7 of CFR13 part 303. The CEDS will be related to short-term Planning Investments and State plans designed to create and retain higher-skill, higher-wage jobs. The new and/or revised CEDS will be made available for review and comment to the public for at least thirty days prior to submission to EDA. The CEDS will also be submitted to the Governor's Office of Tourism Trade and Economic Development (OTTED) for approval prior to submission to EDA. The ARPC will continue to work with the appointed CEDS committee to study and learn the economic development needs of the region.

#### **A.2 Strategy Committee**

The CEDS committee is responsible for developing, implementing, revising or replacing the CEDS. It is also responsible for outlining the methodology for cooperating and integrating the CEDS with Florida's economic priorities and incorporating relevant material from other government sponsored or supported plans and ensuring consistency with applicable State and local workforce investment strategies. The committee will be comprised of private sector representatives as its majority with public officials, community leaders, workforce board representatives, representatives of higher education, minority and labor groups as well as private individuals in order to meet the private sector majority guidelines in the Final Rules.

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<sup>1</sup> Normal FY funding cycle from the EDA to the ARPC is April to March, due to the timeline for the CEDS this program will extend to September of 2007.

### **A.3 Analyzing the Regional Economy**

The CEDS will incorporate a SWOT analysis identifying strengths, weaknesses, opportunities and threats. The CEDS will contain a section that analyzes the regional economy. The analysis will portray a realistic picture of the current economic development situation of the region with a discussion of the economy, population, geography, workforce development and use, transportation access, resources, environment and other pertinent information. The goal of having this analysis is to bring about strategic findings that will propel strategic decision-making by identifying strengths and weaknesses in the make-up of the human and economic assets of the region, and problems and opportunities posed by external forces affecting the regional economy. A separate section will identify and analyze economic clusters that are growing or in decline in the region.

### **A.4 Develop Public/Private Partnerships**

The ARPC will work with regional economic development professionals and maintain working relationships with regional economic development organizations. Additional contact with private sector individuals will continue to be developed during the coming year. During 2006, the ARPC has participated in all major economic development conferences and marketing efforts by regional economic development organizations. The Economic Development Councils (EDCs) of the region have been made aware of EDA programs, and ARPC staff will continue to work with all of the region's EDCs to maintain awareness of funding availability and opportunities. The increased participation of private citizens and members of the business community in the CEDS committee will complement §303.7 's mandate that the CEDS Strategy Committee focus primarily on the interests of the private sector.

### **A.5 Define Regional Expectations by Partnering with Local Governments, Diversity Groups and Businesses**

**CEDS Goals and Objectives** - The ARPC will seek to provide technical assistance by aiding in the identification of projects, assistance in the preparation of applications and providing liaison activity to pre-applicants and applicants that may seek assistance. To enhance the EDD's value to the region, the ARPC will collaborate with local governments, industry, and academia as CEDS committee members to define and promote targeted cluster industries. This program includes development of industry target data, verification of results with local industry and related institutions. Equipped with improved data and analysis, the CEDS committee can develop goals and objectives for the purpose of achieving solutions to the economic problems identified by the CEDS. The CEDS committee can then follow up by working to fulfill the goals and objectives of the CEDS and implement effective strategies for future growth.

## A.6 Program Development

Strategic Projects, Programs and Activities - The ARPC will continue to develop the district program to incorporate additional resources and networks to assist with economic development opportunities. Program development efforts will focus on identification of suggested projects, programs, and activities and the number of jobs to be created in their development. Lead organizations will be assigned responsibilities for the execution of the CEDS. The public and private partnerships of the CEDS committee are crucial to the success of implementing the new elements of vital projects. Lastly, the committee will prioritize projects, programs, and activities that address the region's most vital needs; those that will best enhance the region's competitiveness for potential future investment.

## B. ARPC Staff

The ARPC Board is supported by a relatively small staff that performs the variety of functions required of a Regional Planning Council in Florida. The Council's main office is located in Blountstown and its branch office is located in Tallahassee. From the two locations, ARPC staff can easily serve the diverse region and has become an integral part of the region's planning infrastructure. The ARPC is one of the few planning councils in the nation spanning two time zones, which often requires separate meeting locations and training sites to better accommodate the busy schedules of its local governments.

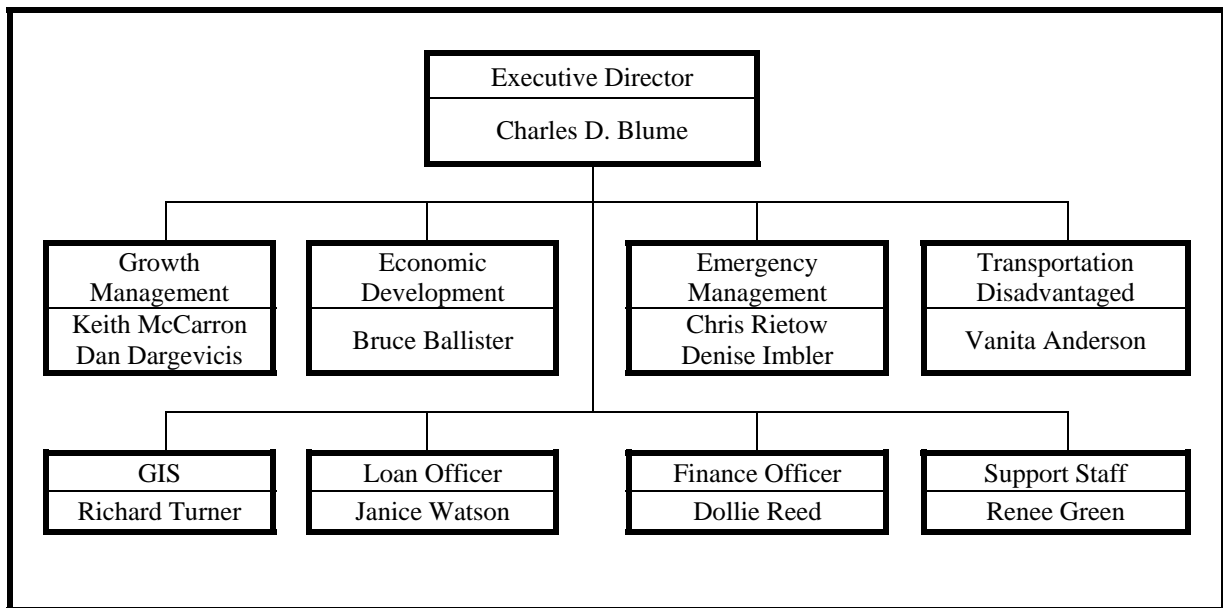


Figure I.1 ARPC Staff Diagram

## Section II: Regional Description

### A. Economic Overview

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, located in Jackson County. Except for the significant coastal development in Gulf and Wakulla Counties, (and to a lesser extent Wakulla)<sup>1</sup> 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%.<sup>2</sup>

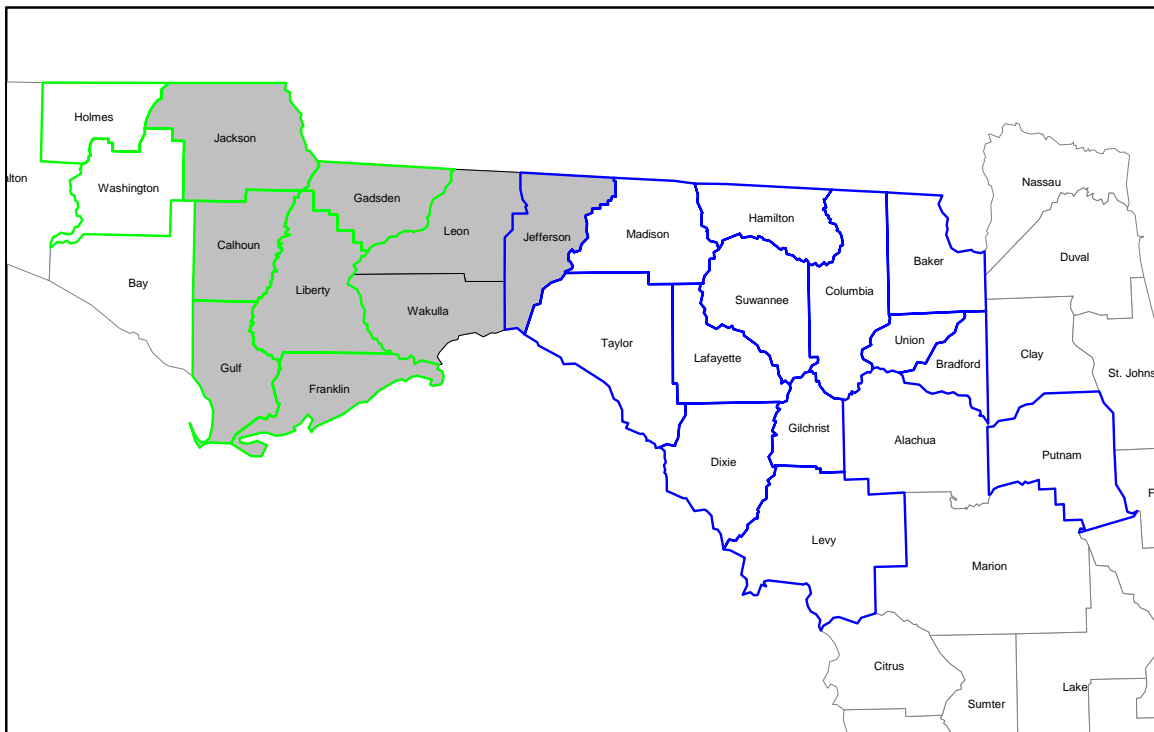


Figure II.1 The ARPC Region with RACEC Counties

Leon is the only county that could be considered an urban or urbanizing County. The other eight are considered rural with seven of these being included in one of the Governor's designated Rural Areas of Critical Economic Concern, (RACEC). Jackson, Calhoun, Gulf, Gadsden, Liberty, and Franklin are in the Northwest RACEC, also known as Opportunity Florida. Jefferson County is included in the North Central RACEC. Counties located in Rural Areas of Critical Economic Concern receive certain priorities in grant applications,

<sup>1</sup> Wakulla is growing rapidly, but it could not be characterized as coastal development as the rest of Florida experiences it.

<sup>2</sup> US Census Bureau, Population Estimates Program, [www.Census.gov](http://www.Census.gov)

waivers or relief from some regulatory thresholds, and other advantages that may assist in their economic development initiatives such as expedited permitting and pre-application agency review.

The Tallahassee Metropolitan Statistical Area has been enlarged since the 2000 Census to include Wakulla and Jefferson Counties, as shown in Figure II.2.

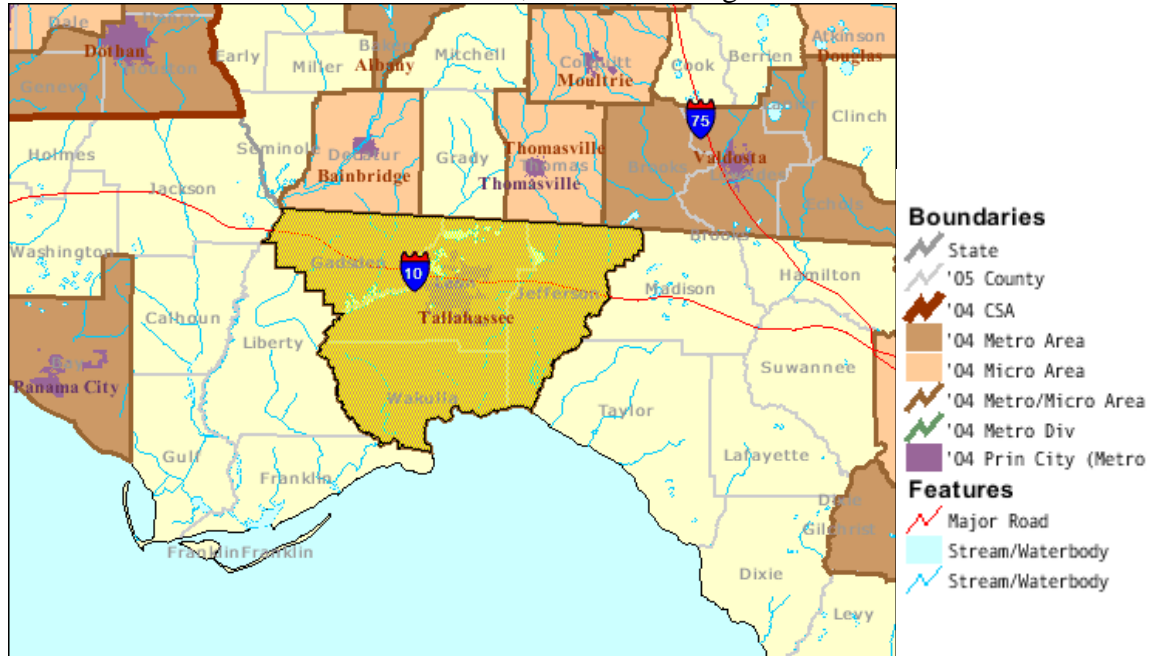


Figure II.2 Tallahassee Metropolitan Statistical Area  
Source: US Census, American Fact Finder

The Tallahassee MSA now includes the three surrounding counties that contribute most to its employment base and whose own economies are most strongly tied to economic activity in Tallahassee/Leon County. Tallahassee would easily top the list of economic centers in the region with Marianna also emerging as a developing economic center. The Tallahassee MSA has a population of approximately<sup>3</sup> 317,500 and a civilian workforce of approximately 178,200. As an indicator of the dominance of this MSA, while it represents 4 of the nine counties in the Region, it accounts for 75% of its population. Current workforce estimates are not comparable outside of the MSA since the American Community Survey does not yet track smaller counties and none of the counties outside of the MSA are represented in the current data set for 2005.

**Recent Economic Changes** - The Region is undergoing economic change from the outside and from within. 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 Company, formerly a major paper and wood pulp products company based in Port St Joe, closed its plant in 1997 with a loss of 720 direct jobs and countless indirect impacts. The St Joe Companies have shifted to land sales and development operations with far reaching effects. As the major

<sup>3</sup> Source: American Fact Finder, US Census

non-governmental land owner 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. The St. Joe Paper Company plant closing was due to a change in direction by the board of the privately held company with no plans to transfer the industry overseas.

The major plant closing had dramatic impacts on Gulf County particularly, but multiple closings can have similar disastrous impacts on a local economy. Jackson County, which has very low participation in Tallahassee-Leon employment, lost four employers in a few years time, resulting in a loss of 250 jobs in 1997, 650 in 1998, and lastly the closure of the Alliance Laundry plant cost about 400 more in 2006.<sup>4</sup> Most of the Jackson County plant closings were due to transfers to offshore labor markets.

Recent hurricanes impacting the state over the 2004 and 2005 hurricane seasons not only caused severe physical impacts 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 properties involved in processing, packaging and shipping. The value-added seafood operations were vital segments of the economies of Wakulla, Gulf, and Franklin Counties. The recent storms have also significantly impacted the coastal tourism and real estate markets. Although St Joseph Peninsula and St George Island State Parks have reopened after a long delay, the storms' impact on property insurance rates have temporarily crippled the real estate market. All but one tourism attraction in the region have suffered losses in gate attendance since the 2004 hurricane season. The long term effects of this are not yet determined, as many investment owners will soon be facing balloon payments that will make or break their investment strategies.

A much longer timeline will be needed to determine the final effect of NAFTA on the region's agricultural economy. Fast air freight deliveries from remote import markets are making some truck farming operations marginal. To continue to compete, local agricultural 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 center economies. The Governor's Office of Tourism, Trade and Economic Development (OTTED) and Enterprise Florida are spearheading 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. OTTED also oversees a Rural Economic Development Initiative that provides coordination, pre-application and fast track permitting efforts for supported projects.

Offsetting this negative trend are new developments taking place in Jackson County, a new and vibrant facility in Gadsden County, and several new development activities in the Leon

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<sup>4</sup> Bill Stanton interview, Dir. Jackson Co. EDC

County/Tallahassee area. Two initiatives announced in Tallahassee in January of 2007 are planning to make changes in the capital area. The Knight Foundation, the philanthropic arm of Knight-Ridder publishers has pledged to develop a program that would keep more of the area's college graduates in the area after graduation. Also, Mainline Corporation, a Tallahassee based computer systems company has launched "Vision 20-20" a program to provide venture capital to assist start up companies in the Tallahassee downtown area.<sup>5</sup> In addition, the Apalachee Region is located within the larger territory covered by Florida's Great Northwest. This regional development interest is charged with workforce analysis and development.

**STRATEGIC FINDINGS: The region has suffered some major economic blows from factors outside of local control; losses to industry over the past several years and losses due to Florida's inherent vulnerability to hurricane damage. This vulnerability to extreme weather and offshore markets will need to be overcome by local efforts.**

**Recent successes in on the ground development and in a strengthening coalition of state development projects are creating a stronger environment for business incubation and investment.**

## **B. Geography & Physical Setting**

The Apalachee Regional Planning Council is located in the eastern panhandle of Florida. Encompassing over 5,855 square miles, the nine counties cover an area 120 miles long east to west and 100 miles wide, north and south. The Apalachee Region covers 10.8 percent of the state's land area. It is one of a very few regional councils in the country that straddle two time zones. The linear measure in miles of coastline along the Gulf of Mexico is about 120 miles, but incised in that linear measure are numerous bays, estuaries, and tidal inlets which describe an almost incalculable shoreline. This shoreline varies from moderately built up residential development in Gulf and Franklin Counties to an almost inaccessible wildlife management area in Jefferson County. Included in this shoreline are two world class beach destinations located on St. Joe Peninsula and St. George Island. Along the northern boundary, Jackson County connects to Alabama along US 231, while Gadsden, Leon and Jefferson Counties share a border and several interstate trade routes with Georgia.

The physical terrain varies from the nearly vertical embankments along the east bank of the Apalachicola River, whose folds enclose a rich and unique habitat, to the broad coastal wetland plains that rise only a few feet above sea level for miles inland. Elevated former sea beds form the nearly flat farmlands and pine forests of Calhoun and Liberty Counties. The Tallahassee Hills, vestigial foothills of a long vanished mountain range, form the red hills of Gadsden, Leon and northern Jefferson Counties.

The Tallahassee Hills region terminates sharply along its southern limit at the Cody Scarp, a physical feature marking an unusually abrupt drop from rolling hills to the Coastal Lowlands. This line marks the most inland line of an ancient sea floor. Another

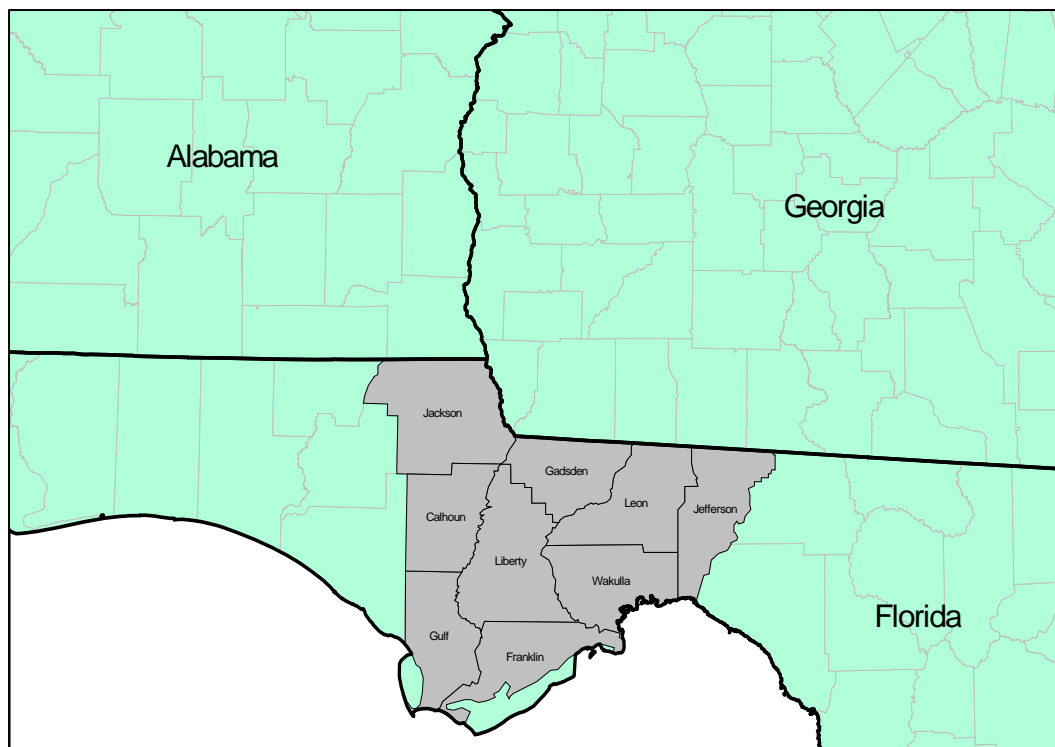
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<sup>5</sup> Tallahassee Democrat, various editions.



escarpment in Gadsden and Liberty Counties follows the eastern shoreline of the Apalachicola River and marks a major slip fault in the Hawthorne Limestone formation

Figure II.3 ARPC and Surrounding Regions



that underlies most of the region. West of the Apalachicola the Northern Highlands drop in undulating sandhills toward the Marianna Lowlands and after rising briefly, grade into the Coastal Lowlands.

Relatively thin surface soils are underlain by porous Karst limestone, which gives rise to numerous springs, sinks, steephead ravines, and plunging rivers. Gadsden County is unique in the region in having a dense layer of consolidated limestone that inhibits surface water from entering the Floridan aquifer. Most of its springs are the result of the surficial aquifer finding release in an erosion ravine or steephead. In contrast, neighboring Jackson County has more springs than any other county in Florida and is home to the Marianna Caverns. To the east, Jefferson County exhibits a flooded Karst plain with numerous closed drainage basins whose only drainage is a direct link to the surficial Floridan. These physical features give rise to concern at agency and local government levels over the long-term effects of septic waste leaching into ground water.

The Region's location on the gulf provides tempered heat along the coast in summer and relatively warmer winters than our Georgia neighbors. Average temperatures in the northern tier counties range from low 90s to low 60s in the summer and low 60s to high 30s in the winter. The average temperature range for the coastal counties runs from the

high 80s to mid 70s in the summer and low 60s to mid 40s in winter.<sup>6</sup> This temperate climate is a very attractive draw for retirees wishing to leave the Snow Belt behind without having to endure the higher summer temperatures of South Florida.

Over the region, long term statistics indicate an average of 115 rain days a year with an average of about 53 inches of rainfall.<sup>7</sup> For the past several years however, the region has not seen these historical rainfall averages maintained causing lowered levels of the surficial water tables. The region has experienced some severe shortfalls of the expected averages in the recent past resulting in private well failures across the area. Another pointed result of this is the collapse of a limestone chamber under Tallahassee's Lake Jackson, causing that lake to disappear overnight. The lake, once a very popular destination for professional and amateur anglers is now primarily a grassy plain.

North of the Apalachee Region are the extensively cultivated areas of southern Georgia and Alabama. Surface and subsurface water supplies are applied to center pivot irrigation systems that dominate the landscape from the air. Continued agricultural development in the adjacent states will likely have injurious impacts on north Florida's usually good supply of potable water. Conservation efforts implemented by the Water Management Districts seem to have had some success as overall groundwater withdrawals have decreased in the region over the period from 1990 to 2000<sup>8</sup>.

Hurricanes are often catastrophic events on or near the Gulf coast. Although the eastern gulf gets fewer landfalls than the Corpus Christi to Mobile portion of the northern gulf, significant storms have changed shorelines, destroyed multi-million dollars of property, and disrupted transportation and communication by downing bridges, utility lines, and even eliminating economic sectors. Figure II.4 shows the hurricane tracks that have hit or affected the Apalachee region through 1998. The 2004 – 2005 storm season is more famous for its damage in south Florida and Louisiana, but the coastal economies of Wakulla, Franklin and Gulf Counties also suffered significant negative economic side effects from those storms. Former seafood commercial sites are selling now as multi-family residential properties. The offshore fleet suffered major damage with some of these ships permanently out service.

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<sup>6</sup> Enterprise Florida: County Profiles, [www.eflorida.com](http://www.eflorida.com)

<sup>7</sup> Ibid.

<sup>8</sup> FI Statistical Abstract, Table 8.42, for 1990, 1995,2000.

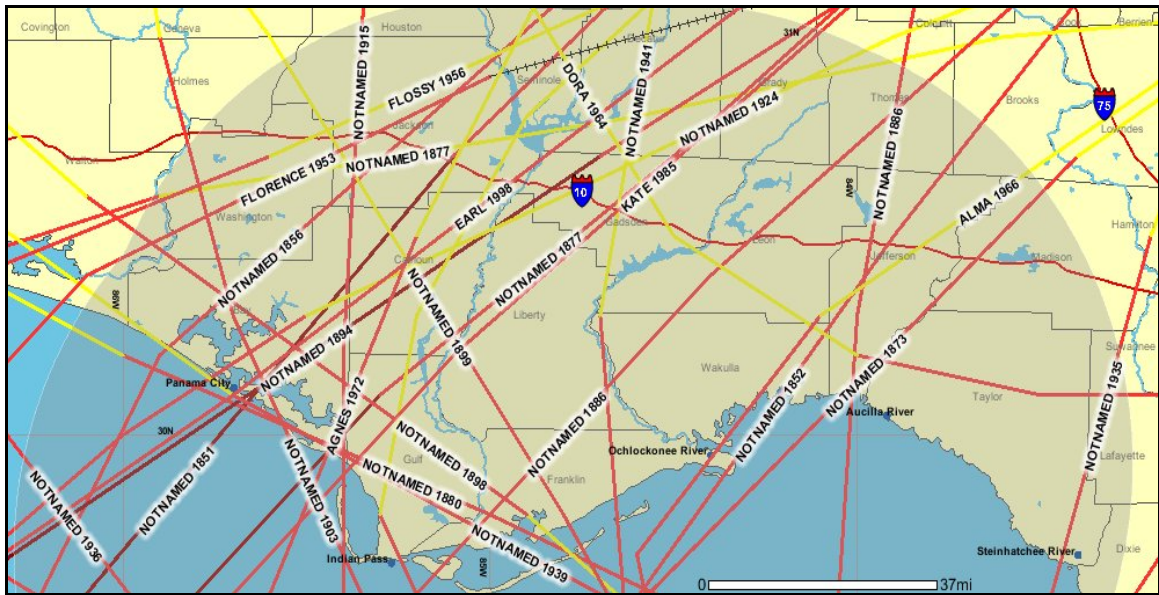


Figure II.4 Hurricane tracks across the Apalachee Region.

Source: National Hurricane Center, Data are from 1990.

Although the Apalachee Region has a long history of hurricane landfalls and no landfall comes without losses and disruption, the social impact of these events is reduced by the relative low intensity of development along the coast. The region's relatively undeveloped coastline is a result of large land holdings kept in forest company ownership and federal and state acquisition. Diverse habitat preserves and forest projects combine along the eastern gulf counties to create a wooded region spread out along the coastal plains east of the Apalachicola River. The Apalachicola National Forest in Franklin and Wakulla County is the largest single owner tract in the region. To its east, the St Marks National Wildlife Refuge owns a major portion of the coastline in Wakulla County. Figure II.5 below depicts the extensive land holdings under state or federal conservation or forestry control.

Other recent acquisitions for habitat preservation, while creating an impressive accumulation of conservation lands, also impose a need to look further than the beach and retiree brand of development that have brought substantial investment and wealth to other parts of Florida. The combined state and federal holdings in some counties seriously impact their tax base and limit choices for new development. Figure II.6 provides the number of acres and that percentage of the county's total and a percent of the total regional land area that is under either public ownership or conservation easement.

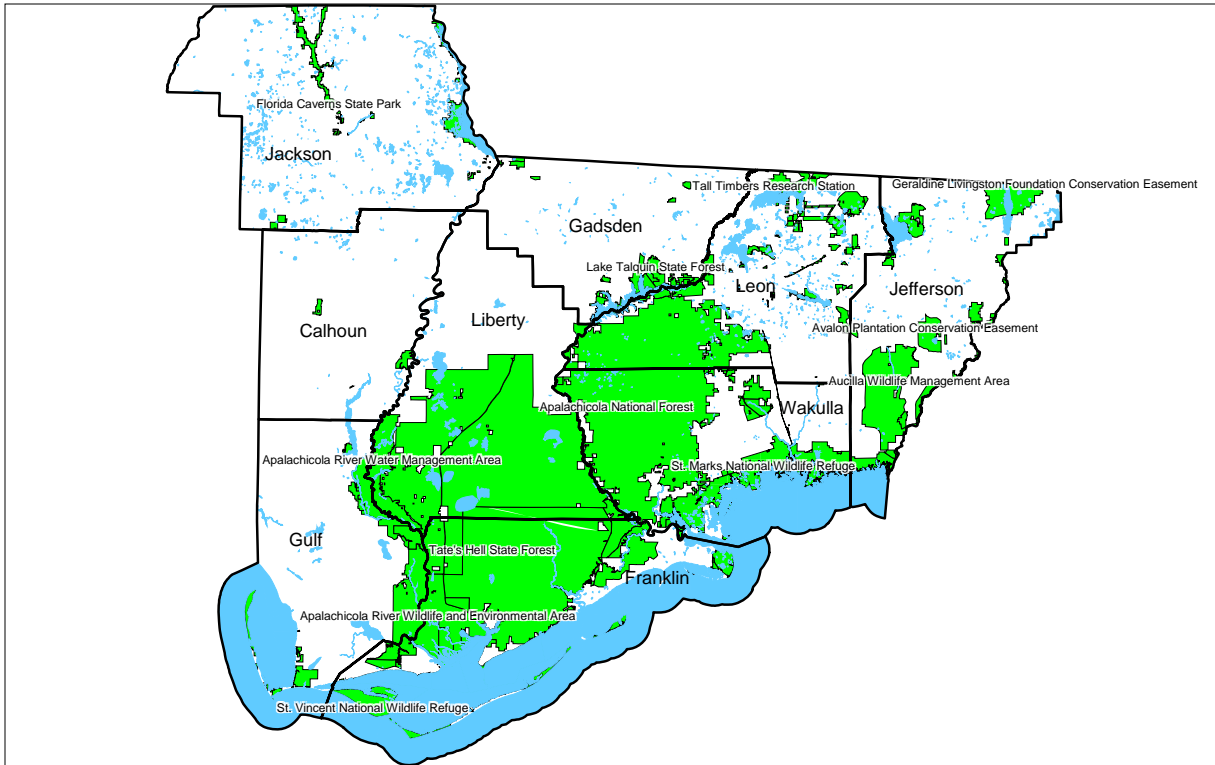


Figure II.5 Public Land Holdings in the Apalachee Region.

Source: Florida Natural Areas Inventory, Web database.

Jurisdiction	Total Land Area (Acres)	Acres in Public Ownership or Conservation Easement	Percent Undevelopable
Calhoun	367,957	3,090	0.84%
Franklin	348,837	275,893	79.09%
Gadsden	338,568	16,739	4.94%
Gulf	371,848	55,117	14.82%
Jackson	611,532	19,860	3.25%
Jefferson	391,628	90,469	23.10%
Leon	449,580	145,574	32.38%
Liberty	540,207	316,948	58.67%
Wakulla	392,942	241,890	61.56%
Apalachee Region	3,813,099	1,165,580	30.57%

Figure II.6 Table of Land Area in Public / Private Holdings for Conservation

Source: Florida Natural Areas Inventory, Web database.

An increasing trend in land management is the dedication of conservation easements over large tracts of land. These permit land to remain in the ownership of the private landowner but confirm that owner’s intent to retain the land as conservation land. The designation also brings reduced taxation rates, adding to the burden of the remaining tax base to support county functions.

The data in Figure II.6 and its accompanying graphic demonstrate the severe impact on some of the region's counties. Leon, Liberty Wakulla, and especially Franklin are impacted by the amount of land removed from any reasonable concept of future development. Many in the region are quite and justifiably proud of the ecological reserves held in this region. However, it does reinforce the area's dependence on nature based tourism and need to look in this direction for new economic development initiatives.

Hidden in the above statistics is the different land management of the various holdings. Tracts that are designated as national forests are managed timber forests with harvesting by thinning in successive stages with replanting of marketable timber. Management for public access to these areas encourages hunting, trail use, off road vehicles in designated areas, fishing, boating and camping.

The wildlife refuges are managed more for preservation or restoration of habitat and provide some of the last remaining natural ecosystems of many of the larger region's original native species. Former planted pine tracts in the refuges are replaced either by natural seeding if the forest species was naturally occurring, e.g., longleaf pine, or replaced if the original crop tree was non-indigenous, like slash pine. Although some areas of the wildlife refuges are closed in most seasons to open use, there are designated trails through these areas that allow for recreational day use and limited overnight camping by permit.

Both of the above management types differ markedly from the commercial timber tracts that plant and clear-cut on approximately 30 year cycles. The region has a long history of timber production with many acres in timber production in all of the region's counties. As mentioned before, one of the biggest changes to impact the region's economy will be the long term effects of the systematic divestiture of the St Joe Timber properties and the conversion of some of those holdings to uses other than timber management.

**STRATEGIC FINDING: 30% of the Region's land area and a majority of the coastal strand is under public ownership. The typical coastal development option available to the majority of Florida is not attainable or seen as desirable for this region. When coupled with the large private land holdings under timber management, vast acreages are not expected to undergo significant change in the near future. The weakness inherent in these large public land holdings is the difficulty in competing with the rest of Florida for tourism dollars. An opportunity exists for development of nature based tourism drawing on these vast undeveloped tracts as natural habitat.**

### **C. Natural Resources**

The underlying geology of the region consists of relatively young marine deposits of the recent Pleistocene age along much of the western coastal lowlands and slightly older limestone of the Miocene and Eocene series along the northern uplands and eastern coastal lowlands. Most of the eleven specific geologic formations are of relatively limited economic importance from a mineral extraction perspective. Notable exceptions are the Hawthorne limestone of Gadsden and Leon Counties and the Crystal River formation in Calhoun and Jackson Counties. The Hawthorne formation includes one of the few

economically viable Fuller's Earth deposits in the United States and the Crystal River formation is a major source of limestone for regional supplies of cement aggregate and road base for highway construction.

The biosphere and soils of the Region are closely associated with these various geologic formations. They define the character of the surface vegetative communities, wildlife habitat and the suitability of the surficial soils for agricultural uses and often define limiting factors for the kinds of development or land uses that could be considered.

### **C.1 Potable Water**

Aquifer integrity, characterized by flows and recharge capabilities, is an important issue in the Apalachee region with some areas classified as water supply "areas of special concern" in Gulf, Franklin, and Gadsden Counties. Gadsden County's non-porous substrata inhibit recharge from rainwater and the coastal counties are susceptible to salt water intrusion. The water lifeline in the Region is the Floridan Aquifer. Flowing through porous rock and flooded underground cavities, the Floridan is up to 2,000 feet thick in areas, but due to the highly mineralized lower reaches, only the upper several hundred feet are potable. Over pumping can raise the levels of the saline layers and cause supply failure. In the Apalachee Region, the most productive supply area is found in the Karst terrain of Leon, Wakulla, Jackson and Jefferson Counties. These regions are also the most efficient for recharge from rainfall; however, this high recharge rate is also seen as a high pollution hazard.

The Floridan Aquifer in the Apalachee Region is dependant on environmental stewardship and resource management in Georgia. There is growing concern over less stringent regulatory standards of landfill operations to the north as well as the effect on future withdrawals required for growing agricultural uses in South Georgia.

The Region is generally blessed with an abundance of surface waters. The Council's nine counties are represented by two water management districts with the Northwest Florida Water Management District managing almost all of the region, and the Suwannee River Water Management District serving the eastern half of Jefferson County. The region includes the watersheds of the Chipola, Apalachicola, Ochlocknee, St. Marks, Wakulla, Wacissa, and Aucilla Rivers and numerous smaller rivers and tributaries. The Apalachicola and Ochlocknee originate outside of the state, which as will be discussed later, causes interstate friction due to the lack of a consistent regulatory framework. With more than 80 percent of the Apalachicola's flows originating in Alabama and Georgia, the lower reaches in Florida are especially sensitive to water management decisions generated upstream. Most of the other streams gather a majority of their flows from Florida rains and runoff. The US Army Corps of Engineers ceased dredging in 2004 partially due to environmental concerns over flooding practices by the dam operators to allow barge traffic.

Although the area is becoming a popular source for bottled water companies to locate, the region's local areas do not share ready access to subsurface sources. Unlike most other counties in the region, Gadsden County has limitation on withdrawal of groundwater imposed due to the depth of the Floridan and the highly mineralized quality of the waters just below the surface of the Floridan. High withdrawal rates in western Gadsden for

irrigation of nursery operations is a cause for concern as growing communities extend supply lines for miles in search of productive well fields.

**STRATEGIC FINDING: Water is plentiful in most of the region but is considered a guarded resource by the local population. There is adequate water supply to meet immediate growth needs for residential and industrial uses. However, there is an understanding that a less stringent regulatory climate in Georgia coupled with a lack or interstate policy on water use, may threaten the region by; decreased flows in the Apalachicola, contamination of the aquifer by unsealed landfills, and excessive drawdown of that aquifer by large center pivot agricultural uses.**

## **C.2 Minerals**

Like most of Florida, there are few significant sources of commercially exportable minerals in the Apalachee region. The notable exception is the presence of commercial nodes of the fine talc-like mineral, attapulgite, (crystalline hydrated magnesium aluminum silicate). Found in numerous deposits in northern Gadsden County, the deposits are mined throughout Northeast Gadsden and processed in Quincy for shipment out of the region. The most well known products marketed are Oil-Dry absorbent, and cat litter. It is also used in a number of industrial processes and in cosmetics and medicines. Attapulgite's unique colloidal properties make it useful as a thickener in paints and caulks, friction reduction in other powdered products such as laundry detergent, and as toxin absorbent and bulk material in intestinal medicines.

The region does supply some of its local needs in mining operations. Most of the region is underlain by limestone of varying hardness and usefulness. The region supplies its own needs for roadbase, and drainfields, but since limestone is plentiful in Florida there is very little export. However, northern Calhoun and southern Jackson Counties have commercial deposits of dolomite which are used in the manufacture of concrete products.

Sand and Gravel are available locally with good supplies of construction quality sand being mined in dry and wet pits in western Gadsden County. Gravel has been mined by the Martin-Marietta Corporation from dredge operations in the Apalachicola River. Since the cessation of river dredging in support of barge traffic on the river, these operations have been closed down. The decision to cease barge operations is an external socio-political decision over which regional or local interests have no control.

Oil and Gas have been sought throughout the region. The oil and gas map series prepared by the Florida Geological Survey in 2002 indicates numerous unproductive exploratory wells across the Apalachee Region.

**STRATEGIC FINDING: The region is weak in natural resources normally associated with a manufacturing base. That is, there are no iron, coal or other fuel resources, or other heavy minerals to support heavy manufacturing. The region's only strengths in this area are its ability to supply its own road building materials and it is an exporter of Attapulgite to the nation.**

### **C.3 Hydropower and Electricity**

There are two hydro-electric generating facilities in the region. The Jim Woodruff dam in Chattahoochee impounds Lake Seminole, (58 square miles), which forms a portion of the eastern boundary of Jackson County. Equipped with locks for river transportation, these have become less important in recent years after the US Army Corps of Engineers terminated channel maintenance dredging in the Apalachicola River. The practice had come under increasing opposition as river discharges that permitted barge traffic also disrupted natural cycles of high and low water downstream. The rated nameplate generating capacity of the facility is rated at 30,000KW and a full load capacity of 36,000KW<sup>9</sup>.

The C.H. Corn generating facility on the Ochlocknee River impounds Lake Talquin, (14 square miles), on the border of Leon and Gadsden counties. Owned and operated by the City of Tallahassee, the facility generates hydro-electric power supplementing that city's growing energy needs. Originally constructed in 1929 by the West Florida Power Company, (now Florida Power), it was abandoned as a generating facility and given to the Florida Department of Natural Resources. Tallahassee acquired the facility and re-installed generators in 1985.

Due to the low energy gradient on these two facilities and periodic low flow conditions, these two hydropower facilities cannot produce all of the region's needs. Therefore the region is a net importer of energy.

**STRATEGIC FINDING: The Region is weak in power generation with the exception of the City of Tallahassee's municipal plants. Rural communities therefore import all of their electrical power needs.**

### **C.4 Seafood**

The big bend has historically been an exporter of seafood products. Apalachicola Bay oysters are shipped internationally and are a favorite locally. Local shrimp fleets work the north gulf and sell to regional packers. Many of the packing facilities centered in Wakulla, Gulf and particularly Franklin counties were damaged or destroyed in the hurricanes of 2004 and 2005. Much of the pre 2004 distribution capacity has been lost as properties are being purchased by residential real estate developers. Fishing fleets from ocean-going shrimp boats to flat-bottomed bay oyster boats are still not seaworthy or were destroyed. The overall effect is a net loss to the region of the export seafood product and to the coastal communities segment of the local economic base. A new seafood industrial park is planned for Apalachicola or East Point in Franklin County, but this project will require outside assistance.

**STRATEGIC FINDING: The seafood industry will need significant assistance to rebuild. A regional seafood industrial park is planned in or near the City of Apalachicola that would solve the processing and shipping capacity shortage. The region will continue to be threatened by damage to its coastal fisheries unless a hardened inshore plant can be constructed.**

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<sup>9</sup> Interview with Jim Woodruff facility Operations Manager, 3/13/07,



### **C.5 Timber and Timber Products**

The region's red hills and sand swamplands have been largely reforested in pine plantations. The largest landowner is the St. Joe Company, a former DuPont subsidiary. There are also substantial holdings by Great Northern/Nekoosa, the Soterra Corporation, and numerous large tracts held by a consortia of private and corporate owners seeking long term security in land and timber ownership.

With various species planted for differing soil and water conditions, the region's principal agricultural product is pine timber. The employment losses resulting from the closure of the St. Joe Paper Company have been partially offset by the opening of a major sawmill in Liberty County. However, the region continues to harvest mature stands at levels that the market will bear and the St. Joe Timberlands division still maintains significant harvesting and cultivation operations on prime timberlands.<sup>10</sup>

The recent siting of a wood pellet fuel processing facility near Cottondale in Jackson County will initially use forest waste products to manufacture fuel pellets for shipment to northern Europe. The development of other cellulosic fuels derived from pine products and the possible development of a new power plant in Taylor County will likely inspire a shift in management techniques which has usually utilized burning windrows of harvest waste rather than reuse.

The intensity of silviculture in this area was considered in the selection of advanced building products as one of the key industrial sectors to be developed in the area by the OTTED "Catalyst" Project. The "Catalyst" project will be discussed in greater detail in following chapters.

**STRATEGIC FINDING: The Region is rich in highly productive timberland that produces fast growing pole timbers suitable for the smaller cuts of dimensional lumber, utility poles, plywood, and chipboard. The natural renewable resource is already well developed and is contributing a minor share to the region's economy. The use of forest waste products as cellulosic biomass could be the raw material for a new regional industry.**

### **C.6 Tourism**

The region attracts visitors simply by its predominantly undeveloped state. With largely undeveloped riverfronts, miles of undisturbed coastline, beautiful white powder sand beaches, and huge tracts of undisturbed or little disturbed habitat, the region draws visitors from all over the world. The many large and small facilities in the Florida State Park System as well as the popular US Fish and Wildlife maintained St Marks National Wildlife Refuge are routinely destination points for some visitors and way point stops for others.

One of the biggest recent changes to the region's tourism counts is the combined effects of the dual hurricane seasons of 2004 and 2005. As seen in the table in Figure II.7, tourism counts are down overall at most venues. Some of the most significant declines are at the St. George Island St Park, which suffered damage to its structural elements and was

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<sup>10</sup> Interview with George Gonzales, St Joe Company, 6/8/07.

reopened late in 2006, and then only partially, and St. Joseph Peninsula St. Park which also suffered some shortened seasons.

Facility	County	Visitors 2002	Visitors 2006	Change (%)
John Gorrie State Museum	Franklin	3,519	2,294	-1,225 (-35%)
Orman House	Franklin	1,627	948	-679 (-42%)
St. George Island State Park	Franklin	255,522	80,324	-175,198 (-68%)
Constitution Convention State Museum	Gulf	3,314	1,481	-1,833 (-55%)
St. Joseph Peninsula State Park	Gulf	205,471	138,929	66,542 (-32%)
Florida Caverns	Jackson	106,256	94,307	-11,949 (-11%)
Three Rivers State Recreation Area	Jackson	21,770	18,093	-3,677 (-17%)
Lake Jackson Mounds St Archaeological Site	Leon	60,908	51,799	-9,109 (-15%)
Lake Talquin/River Bluff Picnic Site	Leon	21,929	13,496	-8,433 (-38%)
DeSoto Site	Leon	1,728	1,243	-485 (-28%)
Alfred B. Maclay State Gardens	Leon	130,354	147,278	16,924 (+13%)
Natural Bridge Battlefield Historical Site	Leon	13,052	11,826	-1,226 (-9%)
Torrey State Park	Liberty	20,461	20,442	-19 ( )
Ochlocknee River State Park	Wakulla	40,309	31,095	-9,214 (-23%)
San Marcos de Apalachee State Historic Site	Wakulla	22,006	9,359	-12,647 (-57%)
Wakulla Springs State Park	Wakulla	203,765	175,210	-28,555 (-14)
St. Marks National Wildlife Refuge	Wakulla	271,467	274,306	2,839 (+1%)
St Vincent National Wildlife Refuge	Franklin	8,381	5,609	-2,772 (-33%)
Bald Point State Park	Franklin	-	39,572	N/A

Figure II.7 Visitation At Regional Outdoor Recreation Sites

Source: Florida State Parks, SMNWR

St. George Island and St. Joseph Peninsula State Parks bring out of state tourists to the area that often visit the other local attractions in the area. It has also been speculated that a portion of the local visitation numbers are down due to the increases in fuel costs which increased from approximately \$1.45 to \$2.65 per gallon during the 2004 and 2005 hurricane seasons. Current increases to over \$3.00 per gallon will only exacerbate the problem of fuel cost related declines in the region's tourism.

Clearly the hurricanes of 2004 and 2005 had a temporary effect on beach oriented tourism which should easily self correct as facilities at these sites are completely restored. The one large site that maintained positive growth over the period, the St Marks National Wildlife Refuge, is an indicator that nature based tourism is still an important avenue for counties that are poor in mineral wealth or lacking in traditional beach development. Nature based tourism related industries such as hospitality and food, guide services, offshore fishing, kayak and canoe rentals, sports equipment, and enhanced nature interpretive venues will be important to increasing capacity in this area. A new certified guide training program in Wakulla County is promising to enhance that county's reputation among nature visitors.

**STRATEGIC FINDING:** One of the natural resources likely to continue to spur economic development is the natural beauty of the region. Nature based tourism, embraced by most counties in the region, has potential for development of new hospitality and nature access ventures.

## D. Transportation Network

### D.1 Roadways

The region has a reasonably well developed surface transportation system with Interstate 10 as a backbone. The Apalachee Region is located in District 3 of the Florida Department of Transportation, which encompasses both this region and the West Florida Regional Planning Council as well. There is currently only one Metropolitan Planning Organization (MPO), in the Apalachee Region. The Capital Region Transportation Planning Agency (CRTPA) covers all of Leon County and significant portions of Gadsden and Wakulla Counties as well. The partial areas of Gadsden and Wakulla Counties are significant because those areas are the primary trip generation zones from those counties that send commuters to work sites in Leon County. Figure II.8 depicts the Region's major highway network.

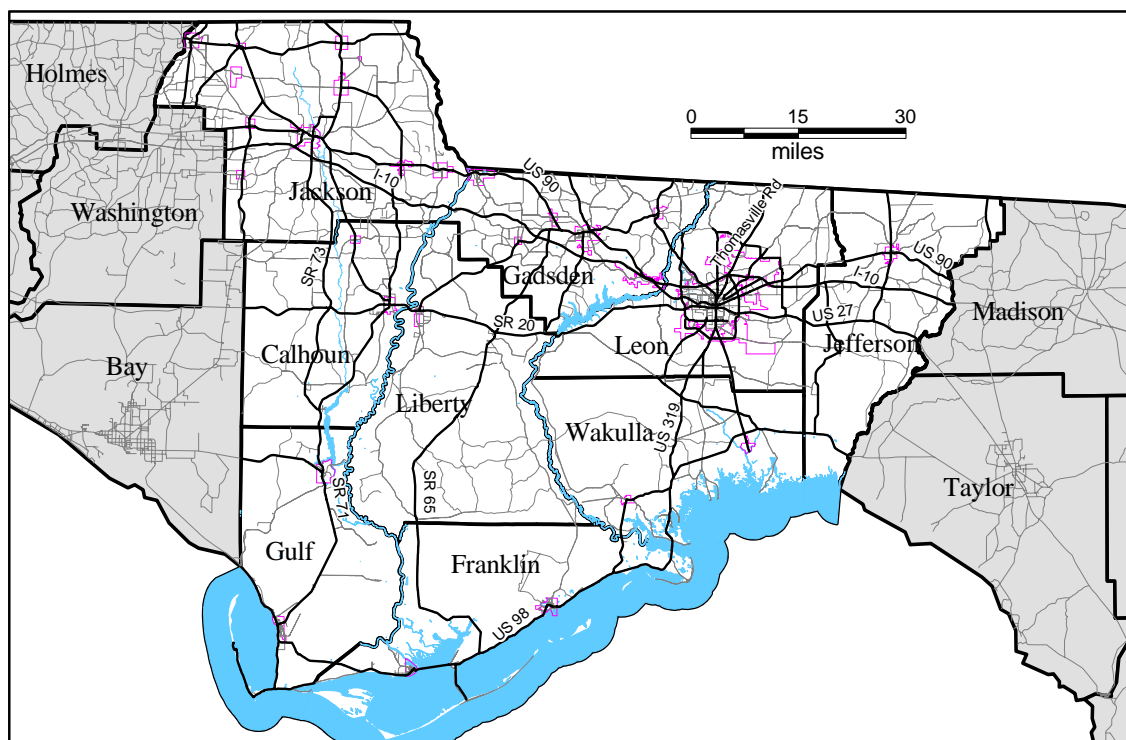


Figure II.8, Apalachee Regional Highway System

Source: FDOT, Online shape files

In addition to the Interstate 10 corridor, other federal and state highways provide connectivity within the region and connections to markets and suppliers nationwide. US Hwy 27 passes through Tallahassee from south Georgia and continues east into peninsular Florida. US Hwy 90 runs east and west along the northern tier of counties and US Hwy 231 passes near Marianna from south Alabama and on to Panama City. US Hwy 98 runs along the coastline connecting beach and shore communities; usually within a few feet or at most a few miles of the Gulf. Although barrier islands often protect it, US Hwy 98 has

been damaged repeatedly and had to have one or more segments rebuilt after every regional hurricane landfall.

Another corridor of major importance to the Apalachee Region is US Hwy 231. In spite that most of the highway is outside of the region's boundary, the Bayline Railroad corridor runs from the deepwater port in Bay County to I-10 near Cottondale in Jackson County, and on northerly to Dothan, Alabama. The transportation nexus at 231/I-10 was the basis for the location of a new wood waste to fuel pellet installation to be located in Jackson County. It is hoped that this siting will only be the first to take advantage of the multi-modal connections available here and that the area will evolve into an important tri-state multi-modal transportation hub.

One major drawback for local transportation is the Apalachicola River. Ironically, it was historically a major arterial itself but the river now limits possible east-west routes and could become a critical factor if any of its four bridges are damaged. There are highway crossings of the Apalachicola River at Chattahoochee on US Hwy 90, at Interstate 10, at Blountstown/Bristol on State Road 20 and at Apalachicola on US Hwy 98. Damage to any one of the bridges would cause serious delays and expense in rerouting goods and services within the region. As has been evident in recent hurricane seasons, the Apalachicola Bay Bridge and causeway are especially vulnerable if the experiences at Pensacola and Mobile Bays are a guide to future performance of this bridge design. There have been recent discussions concerning relocation of US Hwy 98 further inland in Franklin and Gulf Counties.

Many of the region's county governments are suffering under a backlog of unpaved rural routes that impede job commutes and farm to market trips during and following inclement weather. Therefore, most transportation investments made possible by redistribution of gas tax revenues goes to addressing the unpaved road priority. This local priority makes investment in economic development capacity building a secondary consideration.

Transportation Planning Efforts: State sponsored construction of improvements to the state highway system dominates the Region's roadway effort, with only Tallahassee and Leon County having significant local road improvement programs. Recently the Florida Department of Transportation's planning section completed a long range corridor analysis out to 2050 to better focus on long range planning efforts. The focus of this planning effort is to locate corridors based on key policy objectives. These policies include re-use or enhancement of existing corridors and location of new corridors based on interregional connectivity, interstate connectivity, and providing access to economically distressed/developing areas.

When developing policy for the latter category, access to economically distressed/developing areas, the key policy objective was providing a transportation system that supports region's choices about future growth and development. The key issues were:

- Planning in the context of a 50-year vision for land use, conservation, economic development and transportation.
- Determining how to set aside right of way for corridors that may not be built for many years.

- Identifying segments that are ready to move forward.
- Financing segments that meet statewide or regional policy objectives but are not feasible today.

Proposed Corridor improvements affecting the Apalachee region are capacity improvements to Interstate 10, a link between US Hwy 231 in Bay County and US Hwy 98 in Gulf County that would by-pass Panama City congestion, a short By-pass segment on the east side of Quincy, and increased capacity on Interstate 10.

Another regional planning effort sponsored by the Florida Department of Transportation is the Northwest Florida Transportation Corridor Authority, (NWFTCA). Recommended improvements for the Apalachee region include relocation of US Hwy 98 in major sections in Franklin County, a by-pass around the City of Port St Joe, enhancements to US Hwy 319 in Wakulla County, a potential additional crossing of the Apalachicola River north of the estuary, and other enhancements to connector routes. The Florida Legislature created the NWFTCA with the specific goals of enhancing hurricane evacuation times, increased regional connectivity, and promotion of economic development.

The US Department of Transportation has recently released a Corridor plan of its own which has an emphasis on congestion relief. The only named corridor in that plan affecting the Apalachee Region is the Interstate 10 route. This initiative should only be expected to respond to increased capacity demands and not provide any new links.

**STRATEGIC FINDINGS: The region is well served by the Interstate 10 & CSX Railroad corridors running east and west through four of its counties, but the southern five counties do not benefit from this corridor and are largely neglected by long term state FL Department of Transportation planning efforts. Similarly, major highway connections to the north or south to the panhandle do not favor the coastal counties or central Liberty and Calhoun Counties. Although the State Transportation Planning office is located in Tallahassee, its most recent planning efforts would direct most long term state investments to other regions. The nascent tri-state hub development east of Marianna on US Hwy 231 and the CSX-Bayline Railroad connection should be supported. The I-10 / CSX corridor presents the initial condition for the location of a Mega Site. The industrial location – relocation business can certify a potential site for large OEM locations based on a list or parameters. Two of these are ready access to an interstate and a reasonable connection to a mainline or spur railroad.**

## **D.2 Railroads**

The region's primary rail lines are owned by CSX Transportation which has regional offices in Jacksonville. The CSX mainline runs east to west through the region roughly parallel to US Hwy 90 and serves most of the same cities as served by US Hwy 90. CSX is a major carrier in the eastern United States with system connections to the remainder of the continent. More importantly, the CSX system directly connects to deep water ports in Pensacola, Jacksonville, Tampa, and through local lines, to all other major deepwater ports on the Gulf and eastern seaboard. CSX has a major switching terminal in Tallahassee and a smaller yard in Chattahoochee, which also connects to the Apalachicola Northern. The

company owns a few small spurs which serve industrial sites in Monticello, Tallahassee, Quincy, and Marianna.

The Apalachicola Northern Railroad (A&N) runs from the City of Port St Joe via Apalachicola to a point near Chattahoochee where it connects with CSX facilities. The A&N opened in 1907 with service between Chattahoochee and Apalachicola with lines to Port St Joe opening in 1910. The train terminated passenger service in 1951. Its cars carried seafood and coal from the coast and timber from the panhandle to the St. Joe Paper Company. Loss of the coal contract in 1999 and the closing of the paper mill a few years later have severely limited the train's viability. The train now runs about two times a week serving the Arizona Chemical Company and a magnesium plant in Port St Joe.

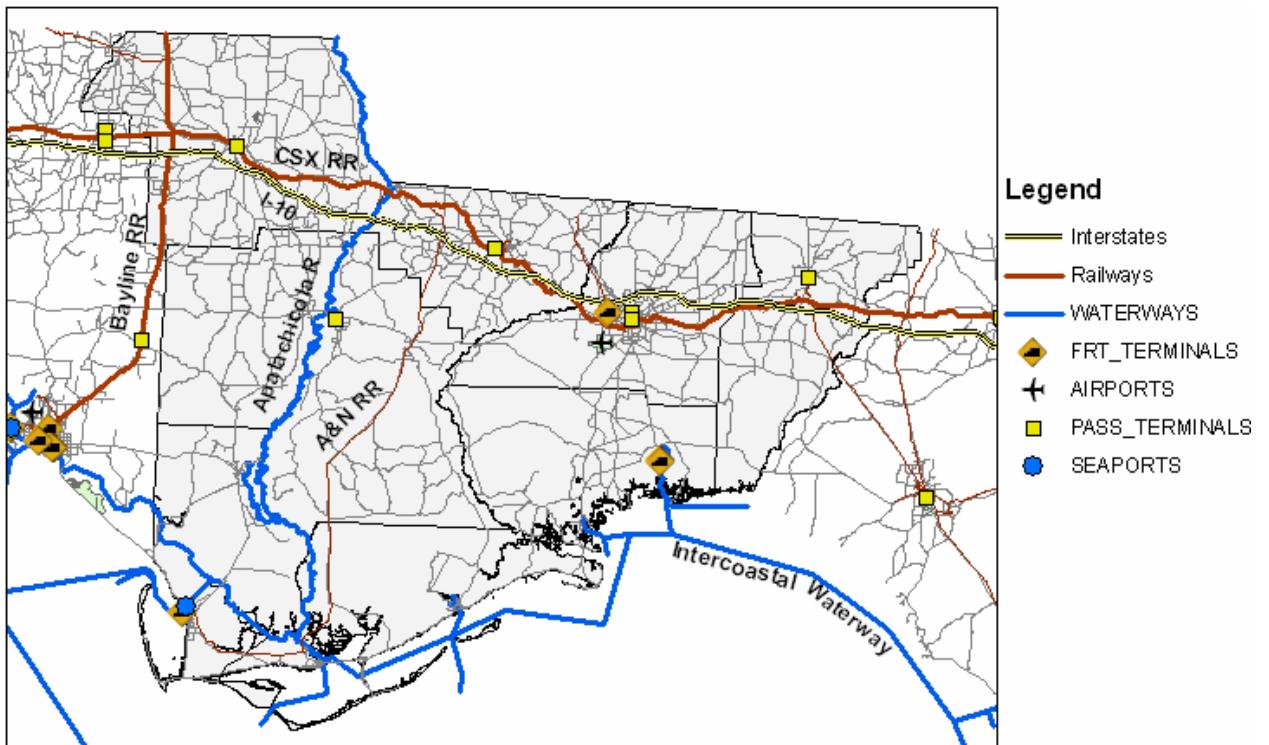


Figure II.9 Regional Heavy Transportation Network  
Source: Florida Dept. of Transportation, Apr/2007

The Atlanta and St. Andrew Bay Railroad Company, more commonly called the Bayline Railroad originates in Panama City and runs through Jackson County, terminating in Dothan, Alabama. The line has served the region since its first run in 1908 bringing passengers to one of West Florida's first tourist destinations, Panama City. Although passenger service was discontinued in 1956, the regional railroad has significance due to its connection with the CSX lines in Cottondale, located in Jackson County.

Figure II.9 indicates the top heavy nature of heavy load transportation capacity in the Region. The northern tier of counties all share the benefits of Interstate 10 and the CSX railroad mainline. Presently Leon and Gadsden Counties derive the greatest benefit however, Jackson County is currently setting the stage for becoming a major multi-modal hub in the region.

**STRATEGIC FINDING: Rail service to the region will continue to favor the northern tier of counties. The regional lines, the Bayline and the Apalachicola Northern, will need to remain in operation for the long term development of the manufacturing base and of a deep water port in Gulf County. The lines are also necessary to facilitate seafood distribution from Franklin County.**

### **D.3 Air Service**

Primary air service for the region is from the Tallahassee Regional Airport facility in Leon County and the Panama City Regional Airport in Bay County. The Tallahassee facility has seen increased traffic over recent years after successful negotiations with Delta to provide connecting flights to the major hubs of Orlando and Atlanta and some direct flights to Jacksonville, Ft Lauderdale, and Tampa. Having secured the Delta contract, competition soon induced Continental and Northwest to provide links to their hub cities. The Tallahassee facility also has a significant non-passenger freight service with all of the major parcel delivery companies present as well as a large general aviation support base.

Tallahassee has been chosen as one of the inaugural sites for small fast jet service by DayJet, Inc. This new venture will permit more freedom of choice for business travelers requiring custom service without the substantial investment in private jet ownership. DayJet will provide point to point on demand very light jet service from five Florida hubs and to the nation later this year.

A new air services park is in the planning stages for the Tallahassee airport. If fully realized this facility would provide training in air frame and power plant systems, and flight support systems and logistics training, as well as ground school and flight training.

The Bay County International Airport in Panama City provides service through Delta Connection and Northwest Airlines. The limited size of the existing Panama City airport restricts expansion of services. Currently, there are major planning efforts underway to relocate the Bay County airport to the northwest side of the bay. Although this facility is located outside of the Apalachee Region, its proximity to Gulf, Calhoun, Jackson, and western Franklin Counties makes it a more viable connection option for these area residents.

In addition to the major airport facilities serving the traveling customers, numerous commercial airports throughout the region provide general aviation services to Marianna, Quincy, Apalachicola, and other smaller cities in the region.

**STRATEGIC FINDINGS: The region's air transport needs are well served by Tallahassee's passenger and air freight terminals. The western portions of the region will also benefit from the proposed relocation and expansion of the Panama City facility. Numerous smaller local airfields have planned capacity expansion activities that will help serve the smaller markets. DayJet, Inc. will soon provide on demand direct jet taxi service**

**to and from Tallahassee, and a proposed air services park in Tallahassee would provide new opportunities for industrial and technical employment expansion.**

#### **D.4 Port Facilities**

Deepwater bulk transportation serves via the Intercoastal Waterway, from Apalachicola to Panama City however, this route is offshore from Apalachicola to the east. It is hoped that the deepwater capacity at Port St. Joe will soon be enhanced by the development of freight handling facilities as deepwater access to a good protected harbor is already available.

The Region does not currently have a deep water port facility. There are shallow water marine docking and service facilities for sport and small commercial operations in St. Marks, Panacea, Alligator Point, Carrabelle, East Point, Apalachicola, and Port St. Joe, as well as a few smaller marinas with limited facilities. The St. Joe Timber company previously ran a deep water port facility as an adjunct to its paper mill, but that port facility has been demolished except for the seawall and some of the connecting rails.

Port St. Joe has a maintained a deepwater channel from the Gulf of Mexico that connects St. Joseph Bay to the Inter-Coastal barge canal which crosses between the Apalachicola River and East Bay in Panama City. The remainder of the Inter-coastal waterway runs behind barrier islands eastward to Alligator Point and then runs offshore to central Florida.

Port St. Joe and Gulf County are developing plans to reopen a commercial deep water port in coming years which would provide bulk transfer capabilities to the region for transfer of local products and bulk materials to ocean going vessels.

Although it is not located in the Apalachee Region, Port Panama City is important to future economic development planning efforts. Port Panama City is designated as Foreign Trade Zone 65 and can handle international shipping at 6 births along 4,200 lf of dockage. With heavy lift capability and rail access to covered warehousing, the site also has over 300 acres designated as 'manufacturing' FTZ. The Port serves the Apalachee region through truck access and by rail by connection at the CSX – Bayline railroad switchyard in Cottondale, located in Jackson County.

Ocean going barge traffic was historically important at St. Marks, but major oil barge shipments to that port are decreasing. Port St. Marks' traffic is now reduced to barge deliveries of caustic soda to the Taylor County paper mills and fuel deliveries to the City of Tallahassee Purdom Power Plant. Both of these facilities are served by tanker trucks from St. Marks.

The Intercoastal Waterway is offshore throughout much of its traverse across the region's coastline. Entering protected waters at Apalachicola, the waterway is an inland route through western Franklin and Gulf Counties connecting to East Bay in Bay County. This waterway may be strategically important in the future as further port development is planned for both Apalachicola and Port St. Joe. Although Figure II.9 indicates that the Apalachicola River is part of the transportation waterway network, its future is limited due to the cessation of dredging for deepwater navigation. The river had been an important



bulk transfer artery from southwestern Georgia to the Gulf, but cessation of dredging and other navigational maintenance on the river for environmental reasons has stopped almost all barge traffic. The US Army Corps of Engineers, with maintenance responsibility for the locks at Chattahoochee and the river to Apalachicola, are considering complete closure of the lock operations as unnecessary.

**STRATEGIC FINDINGS: Heavy sea port capacity is limited to nearby Port Panama City, outside of the Apalachee region. The Port St. Joe Port Authority is a primary opportunity for the region to overcome the loss of port capacity. Its planning document indicates that significant development investment and related economic activity will be required to develop the proposed deepwater port facility in Port St. Joe. The project represents an opportunity to create an inter-modal transfer facility accessing the inter-coastal waterway and open ocean access as well as rail and highway access to the north.**

## **E. Supporting Infrastructure**

Florida Law requires that all counties and cities plans for supporting infrastructure to be in place when new developments are constructed. The availability of the support infrastructure; schools, roadways, water supply, sewage collection and treatment, fire, police and emergency services, are to be planned for, budgeted, and available concurrent with the new demand. The new aggressive policy stance from Florida's development watchdog agency, the Department of Community Affairs, is intended to correct past mistakes made in overdevelopment in counties and cities that were not able to meet the infrastructure demands of rapidly growing populations.

The lag between new development and actual provision of required supporting infrastructure often occurred because of poor planning or simply because the ad valorem revenue streams that could pay for new or increased capacity happened after the fact of development and could not provide fiduciary support in time to budget new facilities. More will be discussed on this topic in the section dealing with local government and economic health.

### **E.1 Potable Water**

All of the region's major cities and most of the smaller communities are served by central potable water systems. Most of these are municipally owned, while several are operated by semi-public cooperatives that also serve extensive rural areas. Talquin Electric Cooperative is the largest of the non-municipal systems and serves a large portion of unincorporated Gadsden Count as well as significant portions of north Leon County. The Panacea water system is one of many private water companies serving Wakulla County. The Jefferson County Water Company serves a large portion of the unincorporated area of Jefferson County. Most of the remaining counties are served by municipally owned water companies, which serve their respective towns and cities and extend minor lines outside of municipal limits.

Existing service conditions leave a large portion of the unincorporated areas of the region unserved by central systems. Drought conditions in 2002 and 2003 saw numerous private well failures in some counties. In addition, many of the line extensions that do exist in rural areas were installed prior to rule changes that required that water systems be required to provide fire service capacities for new residential expansions. Thus, many of the rural and incorporated areas do not have fire service capacity which is a minimum requirement for new residential, commercial or industrial development.

**STRATEGIC FINDING: Central water facilities are available in most areas where reasonable densities exist, however wide areas of the Region share the strategic weakness of inadequate pressures for fire protection and a lack of coverage to commercial and industrial developments.**

## **E.2 Central Sewer**

Many of the larger incorporated communities in the region are served by central sewer systems. The largest, a 27.5 MGD facility operated by the City of Tallahassee includes a four square mile effluent spray field facility that will soon undergo major retrofit operations to reduce nitrate levels. The smallest cities do not have any sewer capacity and are served by septic systems. Between these extremes, the larger communities do have central systems but many these have limited surplus capacity and are in need of costly upgrades and repairs. One of the most successful development corridors in the region, the US Hwy 90 corridor between the cities of Quincy and Tallahassee has central sewer and adequate potable water either in the ground or planned for installation.

The City of Quincy is limited by its discharge limits into Quincy Creek and is actively seeking customers for treated effluent. The City of Monticello is similarly limited by discharge to its wetland treatment lagoons and is seeking alternatives to the disposal site as well as negotiating with Jefferson County to expand into unincorporated areas to serve potential commercial and residential nodes. The City of Marianna is operating under a Florida Department of Environmental Protection, (FDEP), order to reduce inflow and infiltration to stay under their permitted peak treatment capacity limitations. The City of Gretna's collection system is in urgent need of capacity upgrades to serve an expansion in progress of a contract correctional facility. Gretna is also in need of treatment system capacity upgrades to serve its I-10 interchange. The City of St. Marks has just finished a major capacity upgrade but is seeking to bring in new commercial development that could strain the new expansion's limitations. The Towns of Sneads and Grand Ridge are both looking for expansions that would serve Interstate 10 and bring in additional commercial development. The Town of Malone is considering purchasing the state-licensed facility currently serving its citizens and state correctional facility in order to expand the treatment plant to meet its needs. The City of Wewahitchka's system is under increasing pressure as former residents of the Port St. Joe beach communities relocate to less expensive and less storm vulnerable inland homesites. The City of Blountstown's system is considering expansion to the north of the city to serve the Calhoun County Industrial Park and the Town of Altha.

Other smaller communities, including Altha, Alford, Bascom, Bristol, Cottdale, Greensboro, and Jacob, do not have any central sewer facilities and hence, little chance of attracting any but the smallest commercial ventures. The fastest growing area outside of Leon County, the unincorporated community of Crawfordville, does not have a central sewer system amid growing concerns that growing residential and commercial development in the Crawfordville area will negatively impact the formerly pristine waters of Wakulla Springs. Wakulla Springs State Park is a regional attraction that is central to the County's hopes of attracting more nature based tourism.

COUNTY	Total	GPD	2005POP	GPCPD
CALHOUN	1.5	1,500,000	13,290	112.87
FRANKLIN	3.568	3,568,000	10,177	350.59
GADSDEN	4.273	4,273,000	46,428	92.03
GULF	35.455	1,250,000	13,975	89.45
JACKSON	5.53	5,530,000	48,985	112.89
JEFFERSON	1.2825	1,282,500	14,490	88.51
LEON	33.7097	33,709,700	245,756	137.17
LIBERTY	0.462	462,000	7,773	59.44
WAKULLA	0.848	848,000	28,212	30.06
Apalachee Region	86.6282	52,423,200	429,086	122.17

Figure II.10 Regional Wastewater Treatment Capacity

Source: FDEP online data,

Looking at wastewater treatment capacity on a countywide level, Figure II.10 compares permitted capacity of all treatment facilities in each county with its respective populations. The right hand column, GPCPD, is Gallons Per Capita Per Day.<sup>11</sup> Generally, treatment plants are designed for 100 gallons per day. Actual use is smaller, and for larger populations, a diminishing curve is applied to account for this. However, because the excess may be needed for commercial and industrial uses, this is a good yardstick of available capacity.

The above data are also based upon permitted treatment capacity as this information is more readily available. Although it would appear from the data, that many of the counties are meeting or exceeding their per capita requirements, none of the systems are countywide. Leon for instance, with its municipal plant in the south and Talquin Cooperative systems operating in the north, does not serve most of the area south of Capital Circle or west of town along the developing corridor along State Road 20. These are precisely the areas with the shortest circuit to the surficial and Floridan aquifers that should be prioritized for collection system expansion. Although most cities might be able to take on additional residential growth near their margins there is little rural area coverage.

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<sup>11</sup> The above data are based upon permitted treatment capacity as this information is more readily available. Many municipal plants are rated for a higher treatment capacity than their discharge permits due to environmental constraints on the receiving waters.

The problem of almost adequate capacity, but wholly inadequate collection systems is more pronounced in the rural counties. Jefferson County has only the municipal plant in Monticello and an additional small private plant at one of the Jefferson County I-10 interchanges. The remainder of the county's unincorporated area is unserved. The pattern repeats throughout the region with central cities alone having domestic wastewater capacity. An exception is Crawfordville, an unincorporated area of Wakulla County, which has no major central sewer, however a few of the newer residential developments have central systems. The primary impact for potential commercial or industrial sites, is that most do not have any access to a central sewer at the present time.

**STRATEGIC FINDINGS: A major weakness for economic development is that central sewer facilities are limited to major population centers and in some growing sectors are inadequate for commercial or industrial growth let alone residential expansion. In many potential market sites like the now empty Interstate 10 interchanges, no sewer exists and water supply, if it exists, is inappropriate for commercial development. Although provision of these essential services is considered a local government function, the necessary expensive systems require significant investment of resources that is not available at the local level and is becoming less available from traditional state and federal funding agencies. A potential opportunity for solution to the problem is represented in the planning efforts of Gadsden, Jackson, Jefferson, and Wakulla counties which will provide large area solutions.**

#### **E.4 Electricity and Gas**

Most of the region's foreseeable electrical needs are well met. Tallahassee generates much of its own needs through its totally owned facilities and some purchase from the grid for peak loads. All other communities that have municipal electrical companies are resellers from regional suppliers such as Gulf Power, Progress Energy, Tri-County Electric, Florida Public Utilities, and Florida Power and Light. Some regional providers, like West Florida Electric Cooperative and Talquin Electric Cooperative are themselves resellers and not generators. Gulf Power operates a coal fired power plant in southeastern Jackson County that is the only non-municipal generator in the region.

The issue of power generation is on the local mindset however, as the City of Tallahassee is on the brink of a major investment in a proposed new coal powered generating station in Taylor County. The investment is locally contentious, as the proposed facility is to use old coal fired technologies that are still permissible, but are regarded as more damaging to the environment than other fossil fuels.

The region is fortunate to have a major gas pipeline corridor running through Calhoun, Liberty, Gadsden, Leon, and Jefferson Counties. Although it is a major supply line, for long distance transfers, it is available for potential large customers that might locate in one of the industrial parks near the right of way. The pipeline actually passes through two industrial parks in Gadsden County and passes near a proposed industrial site in Liberty

County. The pipeline could augment power generation capacity as both a resource for power generation itself, and as an alternate energy source.

Recent developments in the US and Florida legislative branches are opening up once closed petroleum lease areas in the northern Gulf of Mexico. These areas are limited to exploration and development of natural gas deposits. Actual development of these reserves may lead to onshore compressor, storage, and transfer facilities which would not only serve as a boost to local economies but provide the region with an added resource and revenue stream since the new legislation requires transfer of payments back to the state and local economies.

A recent initiative to develop a new power generating facility near Perry in Taylor County included the City of Tallahassee as one of its principal investors. The initiative was put on indefinite hold in the summer of 2006 as its coal generating technology was coming under increasing opposition and the Governor's denial of a coal plant based on a similar technology to be located in south Florida.

The renewed interest in renewable fuels, coupled with the recent permitting of a palletized fuel plant in Jackson County, has many pressuring the City of Tallahassee to pursue not only a cleaner plant, but the ability to utilize local renewable energy sources.

**STRATEGIC FINDINGS: The region is a net importer of electrical energy with most of the municipal companies acting as resellers of energy supplies from the extra regional suppliers. One potential opportunity is the development of alternative fuel sources from cellulosic biomass, and new generators necessary to use them locally. Another potential opportunity for the region is the development of offshore deposits of natural gas which may be a future source for industrial extraction and refining employment. Development of these reserves will require extra-jurisdictional permitting and significant corporate investments. The North Florida Gas Pipeline provides a strong argument for the location of high-energy consuming industrial development along that corridor.**

## **E.5 Telecommunications**

The region's wired telephone services are obligated to keep up with demand by the Federal Trade Commission and thus no deficiencies are expected. However, due to rolling terrain in the northern region and sparse rural populations, cellular coverage is weak to non-existent over wide areas of the region. Recent strategic gains in the state legislature by the cellular phone industry have removed local permitting and limiting authority over new cell towers from local governments. However, even with new freedoms of location, there has been a noticeable slowdown in the permitting of new tower locations in recent years. The market is not seen as saturated, but with most of the major highway corridors covered, providers are not as willing to invest in low density rural coverage. Unlike many more metropolitan areas in the state, local coverage is typified by the dropped call or inadequate signal strength.

Access to high speed internet is seen as a fundamental requirement for entrepreneurial success. Cable access is limited to major population centers with most other areas limited to the less dependable satellite technologies. Satellite internet can achieve near cable download speeds, but does not provide similar upload speed which is vital for website hosting. Effective DSL coverage diminishes with distance from its origin and is therefore unavailable only a few miles from those areas that have it at all. Recent programs at the state level are looking for solutions to providing expanded coverage using newer wireless technologies, but the region is well behind more urban markets in providing service choices to lower density areas.

Enhanced telecommunications can bring a brighter economic future to rural communities, but also "spell disaster for those communities who are not prepared."<sup>12</sup> With lower population densities, fewer businesses demanding technology services, and less funding for infrastructure improvements, rural areas are often in danger of being overlooked by private providers of technology services. A few local governments have sought to provide fiber and wireless service to their citizens amid opposition from the private sector providers who are not willing to make the investment.

Currently, over 15 years into the Internet revolution, wide areas of the Apalachee region do not have broadband access. Although the larger cities have cable access, smaller towns are limited to DSL service at best. High performance DSL is distance limited and remote areas needing broadband access must rely on satellite technology for high speed communications, which is usually limited in its upload capacities. Businesses needing to provide information to clients cannot provide on-site web management and are forced to host their respective information base off site. A business requiring high-speed two way communication is very limited in location choices unless it is able to individually afford a private T-1 connection.

**STRATEGIC FINDINGS: The region is seriously deficient in internet access and adequate cellular coverage. Provision of these services is usually private sector driven and efforts to provide these services by local governments are resisted by lobbying efforts paid for by the same service providers that will not expand coverage into marginal areas.**

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<sup>12</sup> National Association of Development Organizations. 1994. "White Paper on Telecommunications and its Impact on Rural America". NADO Research Foundation.

## Section III Population & Workforce

### A. Population Trends

The Apalachee Region represents 2.41% of Florida's 17.8 million people. The small fraction of the State's population is dispersed across 6,700 square miles or 10.7 % of the State's land area. Stated otherwise, the population density of the Region is 74 persons per square mile compared to 330 persons per square mile as a State average. The ratio of the State's total is expected to decrease as the State's overall growth rate of 10.85% over the last five years is well over the Region's five-year growth rate of 4.10%. As depicted in Figure III.1, a majority of the Region's population is concentrated in Leon County, which hosts the State's Capital and two universities.

	Calhoun	Franklin	Gadsden	Gulf	Jackson	Jefferson	Leon	Liberty	Wakulla	ARPC	Florida
July 05	13,290	10,177	46,428	13,975	48,985	14,490	245,756	7,773	28,212	<b>429,086</b>	17,789,864
July 04	13,043	10,084	46,083	13,703	47,712	14,392	243,703	7,442	27,074	<b>423,236</b>	17,385,430
July 03	12,956	10,074	45,237	13,570	46,867	14,041	242,692	7,325	26,051	<b>418,813</b>	16,993,369
July 02	12,772	10,013	45,487	13,180	46,500	13,766	239,701	7,191	25,177	<b>413,787</b>	16,677,860
July 01	12,713	9,899	45,609	15,707	46,363	13,407	239,181	7,025	24,205	<b>414,109</b>	16,350,565
July 00	13,044	9,839	45,055	14,602	46,770	12,921	239,958	6,990	22,993	<b>412,172</b>	16,048,887
5yr Change	246	338	1,373	-627	2,215	1,569	5,798	783	5,219	<b>16,914</b>	1,740,977
% Change	1.89%	3.44%	3.05%	-4.29%	4.74%	12.14%	2.42%	11.20%	22.70%	<b>4.10%</b>	10.85%

Figure III.1 Recent Population Change

Source: US Census Population Estimates Program, Apr, 2006

The table above also reflects disparities within the region. Compared to Florida's five-year growth rate of 10.85%, seven of the nine counties are well below that benchmark. Calhoun County had the slowest rate of population growth while Gulf County is still in the negatives relative to the millennium count due to out-migration after the closing of the St. Joe Paper Company mill. As would be expected, Leon County had the greatest numerical change. Notably, rural Wakulla County, adjacent to Leon County posted a growth rate of almost ten times that of Leon's.

Regionally, population growth is down relative to the Florida average with the Apalachee region gaining slightly less than 1% of Florida's total change over the five years shown. Implicit in that observation is the concern that as more developed peninsular counties become over built and over priced, pressure on the Apalachee region for housing will increase. The trend has already been experienced in Wakulla County and Gadsden County as these counties provide workforce housing needs of Leon County. Due to the different forces affecting the counties comprising the Tallahassee Metropolitan Service Area (MSA) and the remainder of the Apalachee Region, the Tallahassee MSA sub-region will be discussed below as it affects the analysis of trends in regional characteristics.

The counties adjacent to Leon County, the host of Florida's State Capital, Tallahassee, (Gadsden, Wakulla, and Jefferson), are experiencing a small boom in primarily workforce housing with a corresponding need for construction and service industry support. However, bedroom community tax bases historically do not provide adequate ad valorem

support at the county level and new commercial and industrial development will be required to provide overall economic and social support for the future of the area's population.

Taking a longer look at the region's population growth, Figure III.2 below depicts the Region's rate of growth compared to the State of Florida as a whole and the nation as a whole. It is difficult to compare growth in numbers of hugely disparate regions due to problems of scale, so the percent change relative to a starting point is used to display at what rates the different regions are changing. This data provides a degree of verification that the Apalachee region is sharing to some smaller extent the in-migration that the rest of the state is experiencing. It is also clear that the state of Florida is continuing to experience significant population growth relative to the nation. The observed trend is that this predominantly rural area has exhibited sustained population growth over the 14 year period at a level higher than the US average.

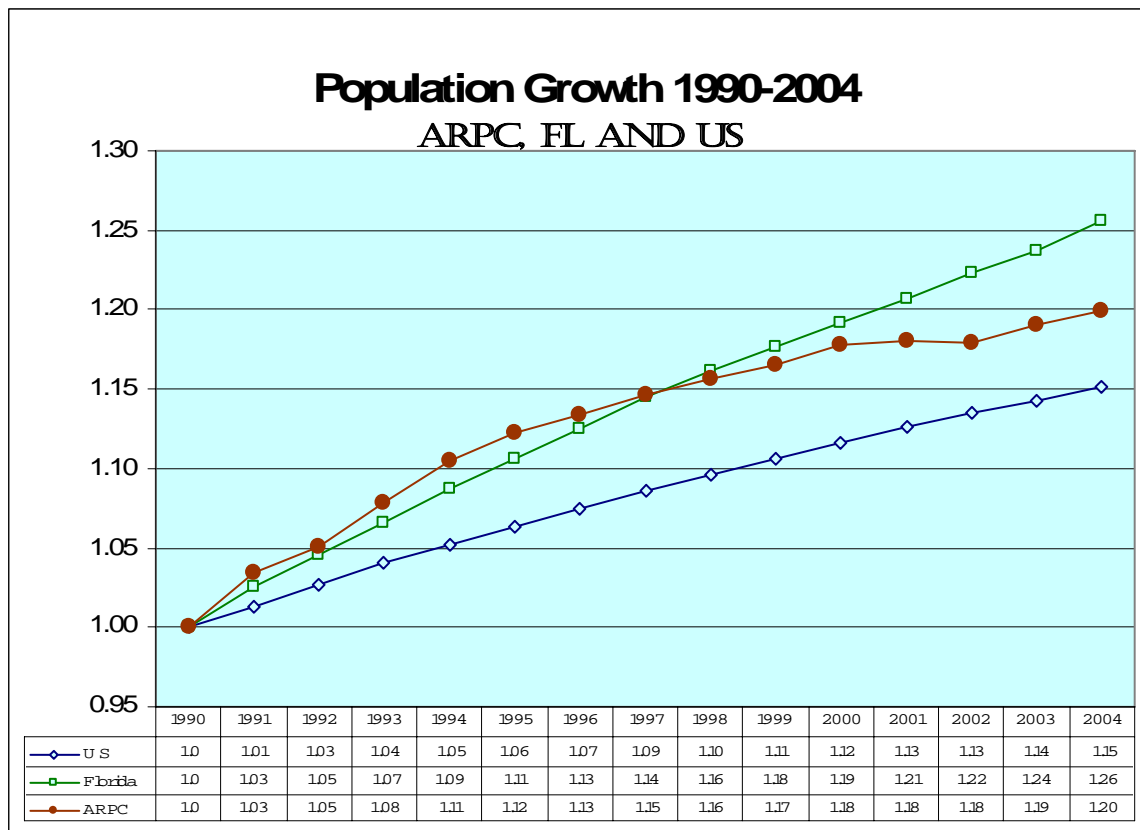


Figure III.2 Population Growth, ARPC and Tallahassee MSA  
Source: Bureau of Economic Analysis, Regional Economic Information System

The noted growth pattern is explained by examination of the subset of Tallahassee MSA counties within the Apalachee Region. Figure III.3 compares the population growth curve of the Apalachee region with the growth curve of the remaining rural counties. It can be seen that the region's rural counties are not growing significantly, and that recently the curve is statistically flat. From 1990 to 2004 the Apalachee region grew from 340,000 to



over 423,000. Differential change of this nature can be partially explained by the loss of rural population to the regional employment center.

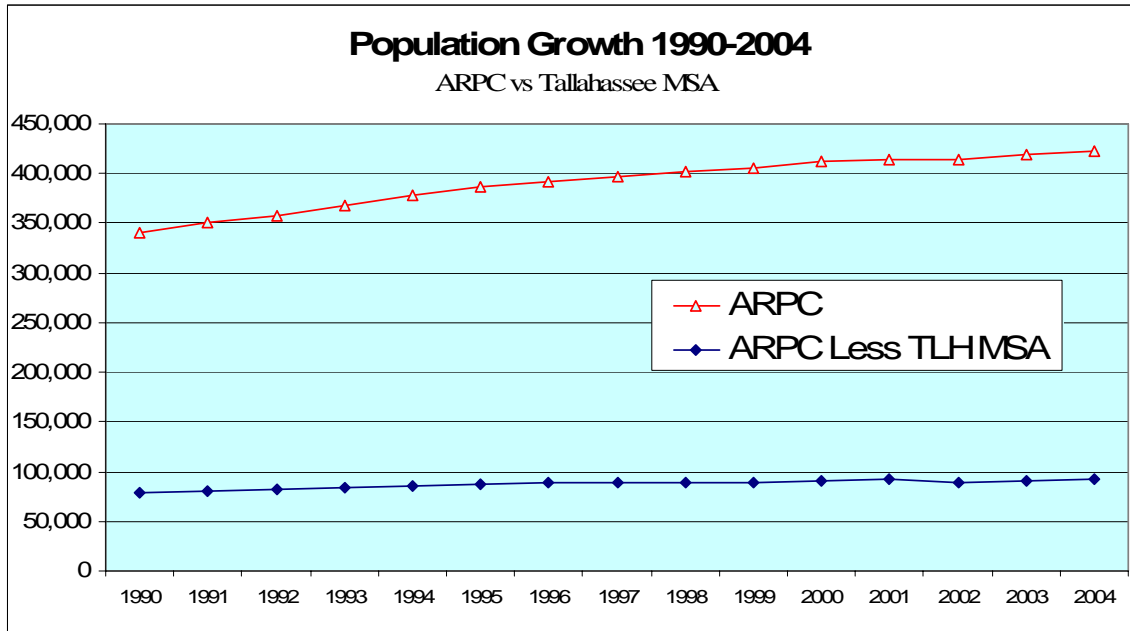


Figure III.3 Population Growth, ARPC vs. Tallahassee MSA  
 Source: Bureau of Economic Analysis, Regional Economic Information System

Populations are not static. Births, deaths, and migration are the major components of population change. Figure III. 4 below breaks down the components of change for the region and Florida from 2000 to 2005 and also indicate the specific components within the region’s counties. The data depicts that not all of the region’s counties are sharing equally in the region’s recent growth.

Geographic Area	Total Population Change	Natural Increase			Net Migration		
		Total	Births	Deaths	Total	Net International Migration	Net Internal Migration
<b>Florida</b>	<b>1,807,040</b>	<b>246,058</b>	<b>1,115,565</b>	<b>869,507</b>	<b>1,585,704</b>	<b>528,085</b>	<b>1,057,619</b>
<b>ARPC</b>	<b>17,600</b>	<b>10,286</b>	<b>27,828</b>	<b>17,542</b>	<b>7,830</b>	<b>3,428</b>	<b>4,402</b>
Calhoun	273	35	776	741	261	11	250
Franklin	348	-77	583	660	453	12	441
Gadsden	1,341	1,491	3,873	2,382	-96	400	-496
Gulf	-585	-221	600	821	-363	18	-381
Jackson	2,230	283	2,863	2,580	2,015	108	1,907
Jefferson	1,588	-41	814	855	1,652	-4	1,656
Leon	6,304	8,170	16,332	8,162	-1,640	2,795	-4,435
Liberty	752	187	467	280	586	54	532
Wakulla	5,349	459	1,520	1,061	4,962	34	4,928

Figure III.4 Cumulative Estimates of the Components of Population Change for Counties of FL: 4/1/00 to 7/1/05  
 Source: U.S. Census Bureau. 3/2006

Gulf County, with negative overall change, has not recovered from employees and their respective families that left after the closing of the St. Joe Paper Company mill. Several counties show more deaths than births through the period which is indicative of an aging-

in-place population of persons above childbearing years, a typical scenario in retirement communities or communities with net out-migration in childbearing years. Leon County lost more citizens to out-migration than the rest of the region moved in, but its birth rate far exceeds deaths and it has a net population growth. Two of the rural counties, Franklin and Jefferson, experienced more deaths than births but still had an overall increase in population due to in-migration.

Examination of age group, or cohort distribution can provide insights into availability of working age employees. The Apalachee Region's cohort curve in Figure III.5 below is fairly typical in the large base of school age children and a bulge near the beginnings of expected mortality from natural causes in the 40s and a steady drop in numbers as age increases. The odd characteristic of the region's curve is the sharp spike at the 15 to 19 cohort and the larger spike from 20 to 24. This, of course, is due to the included populations of the two universities in Tallahassee. Although there may be a component of this spike in attendance at Tallahassee Community College, most of those students are local residents of the region and would not alter the distribution.

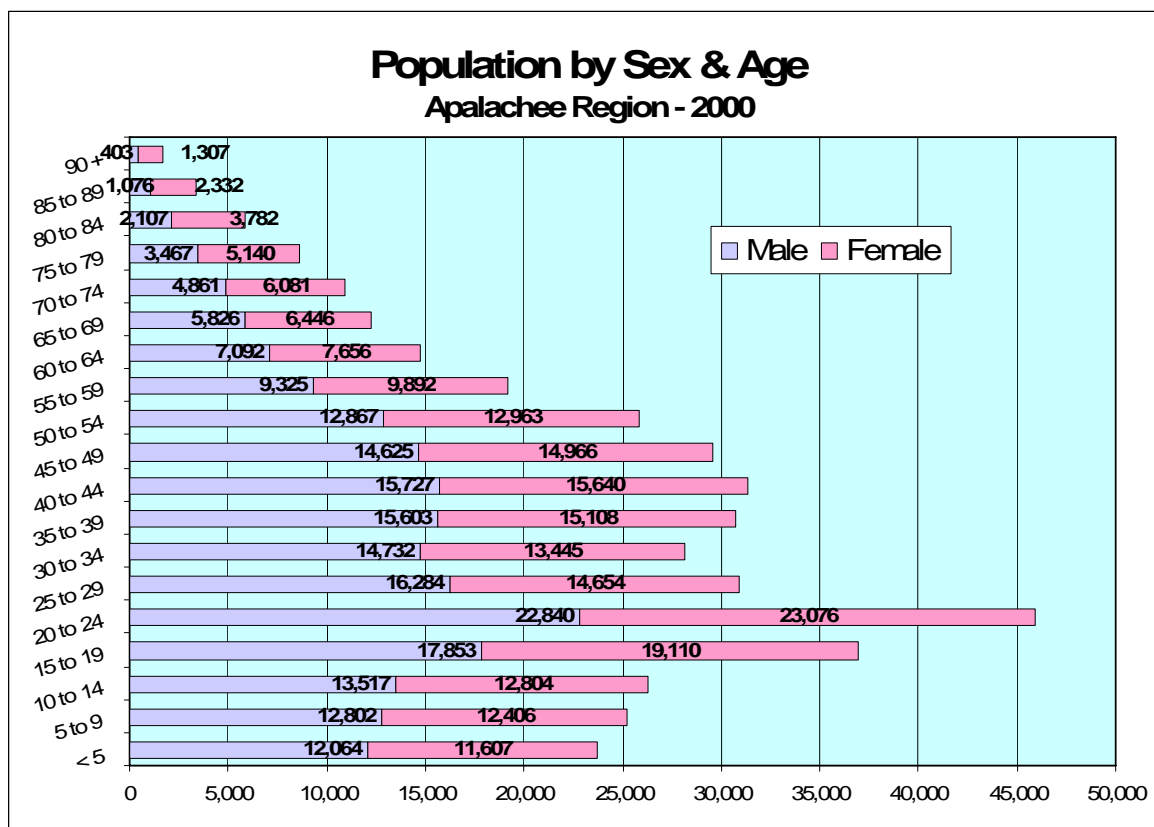


Figure III.5, Population by Age and Sex, Apalachee Region – 2000  
Source: US Census 2000

The university-aged students are important to the Leon and surrounding economies in two ways. First, the simple influx of their spending power in local shops, restaurants, and housing is worth millions of dollars annually to Leon County and the region. Second, many of these students provide short term moderate to unskilled labor to restaurants,

retailers, and offices throughout the area as students attempt to supplement their stipends, scholarships or student loans.

One of the workforce development problems facing the region is retention of the university graduates in the area. In order to make the region more attractive to the new graduates it will be necessary to provide professional track career employment opportunities. Another problem faced by counties such as Jackson and Gulf that have lost major employers, is the transition of families from two-income wage earners to one-income wage earners. This occurs after unemployment benefits have ceased and employment is not secured due to unavailability. Likewise, the lifestyle of these unemployed individuals and their families been seriously decreased and their unemployment status is no longer reflected in unemployment statistics.

Looking at the regional picture however obscures the fact that this same 15-24 cohort appears to be missing from the Region's rural counties. Examination of the same cohort distributions for the rural counties shows that the large spike in the 15 to 24 age group in the regional age cohort plot is mirrored by a similar gap in most of the rural counties' individual curves. (See Appendix A, for age cohort plots of all regional counties.) Out migration for college and military aged young adults account for only part of the population shifts within the region. Many in this age group who are ready and able to work, find limited opportunities near their rural homes and must leave the area for work, college, or the military. Many of the rural county distributions indicate that most of the exiting workers, students, or soldiers do not ever return as residents.

**STRATEGIC FINDING: Demographically, there are two distinct sub-regions in the ARPC, the Tallahassee Metropolitan Statistical Area (MSA) and everything else. The economic influence of the Capitol City is greatest on the adjacent counties that can share in the "bedroom economy" experienced by Leon County's "edge counties". This is not a positive experience as Wakulla and Gadsden, particularly, do not have the infrastructure to support residential growth and are behind on growth management systems to finance catch up capacity. With some exceptions, many of the other counties are sparsely populated and are growing due to the influx of older persons while at the same time experiencing an out-migration of early workforce participants to the military or college, which in most cases never returns.**

**On the larger scale, as many of the region's rural high school graduates move to the MSA counties for school or work, the MSA is also likely to lose a large percentage of its college age cohort upon graduation, which ultimately results in a loss of trained workforce leadership. The loss is not a direct result of the region's other physical characteristics, but rather a weakness in diversity of real career opportunities in the region.**

## B. Workforce Development & Use

### B.1 Gross Trend Analysis

The Apalachee Region shares workforce development issues with most other rural areas, however, it will benefit from Florida's aggressive workforce development initiatives. The Apalachee region's workforce is characterized by low graduation rates, and high out-migration of young post secondary aged students and workers to urban or scholastic centers. High tech and low tech businesses are often challenged to find well trained administrative, management, and often even entry level employees. A major issue facing workforce development professionals is redesign of K-12 and community college curricula to be able to provide relevant training to encourage attendance through graduation and advanced technical training in fields that do not require baccalaureate studies.

REGION	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE (%)
TALLAHASSEE MSA	175,567	169,740	5,827	3.3%
ARPC	215,552	208,143	7,409	2.8%
FLORIDA	8,654,000	8,329,000	325,000	3.0%
UNITED STATES	149,320,000	141,730,000	7,591,000	4.3%

Figure III.6 Unemployment and Labor Force

SOURCE: FL Agency for Workforce Innovation, Labor Market Statistics, Released Dec '06,

There may be many other challenges ahead, but numerically, unemployment would not be considered a major drawback at this time. Figure III.6 above shows the rate of unemployment for the region compared with the State and the US. The four counties in the Tallahassee MSA have a better unemployment rate than the remaining more rural counties. Trend lines for the region compare well also, as shown in Figure III.7. It can be seen that, since the millennium, the Apalachee region has fared better than Florida and the US for percentage of its workforce unemployed. The Tallahassee MSA, being the employment engine for the Region has even slightly better unemployment rates for the period.

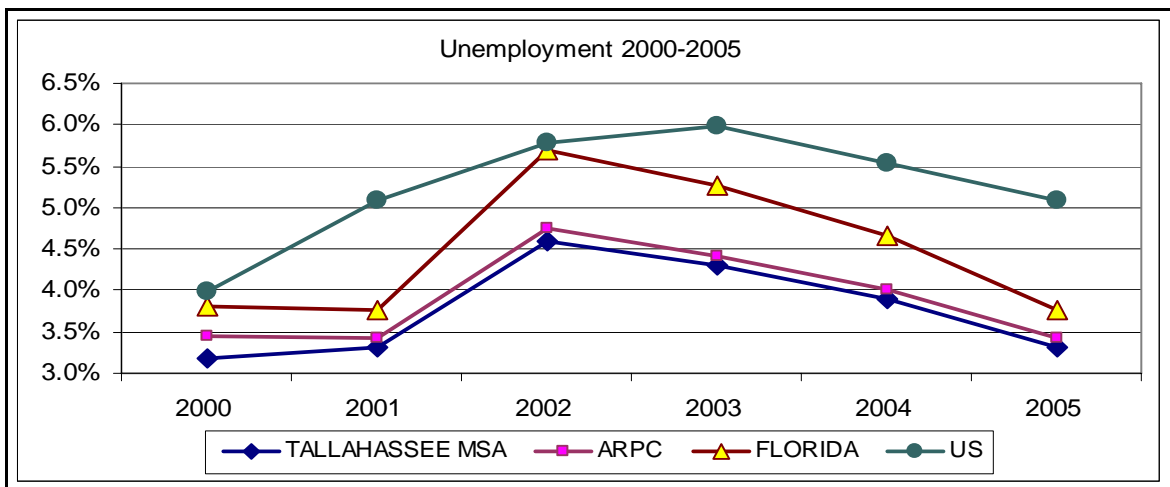


Figure III.7 Unemployment 2000-2005

Source: FL Agency for Workforce Innovation, Labor Market Statistics, Released March '06

Although the industry sector strengths will be examined in greater detail later in Section IV, it is important to note that a large portion of the employed workforce is in non-local government occupations. This makes it more difficult to compare sector strengths in relation to the rest of the state since the region is so heavily dependant on state government and its support functions. The Apalachee region has a nearly equivalent rate of local government employment with 8.0% of the workforce as compared to the state average of 7.4%. The region's state government employment rate is 21.1%; ten times the statewide average of 2.1%. Many of these jobs are mid-level or below bureau positions or service positions with low levels of compensation. Figure III.8 below depicts the region's employment by major industry sector for 2006.

Considering that sector distribution is already skewed due to the heavy percentage of government employees, the relative percentage in other sectors demonstrates that the Apalachee region has about half or less than half of the state average rate of employment in Forestry and Fishing, Utilities, Manufacturing, Wholesale Trade, Transportation and Warehousing, Management of Companies and Administration, and Arts and Entertainment. The overall picture gleaned from this simple first review shows a lack of diversity, a dependency on state government for employment and spin-off services, and a need for development of manufacturing or other value added industries to broaden the area's economic base.

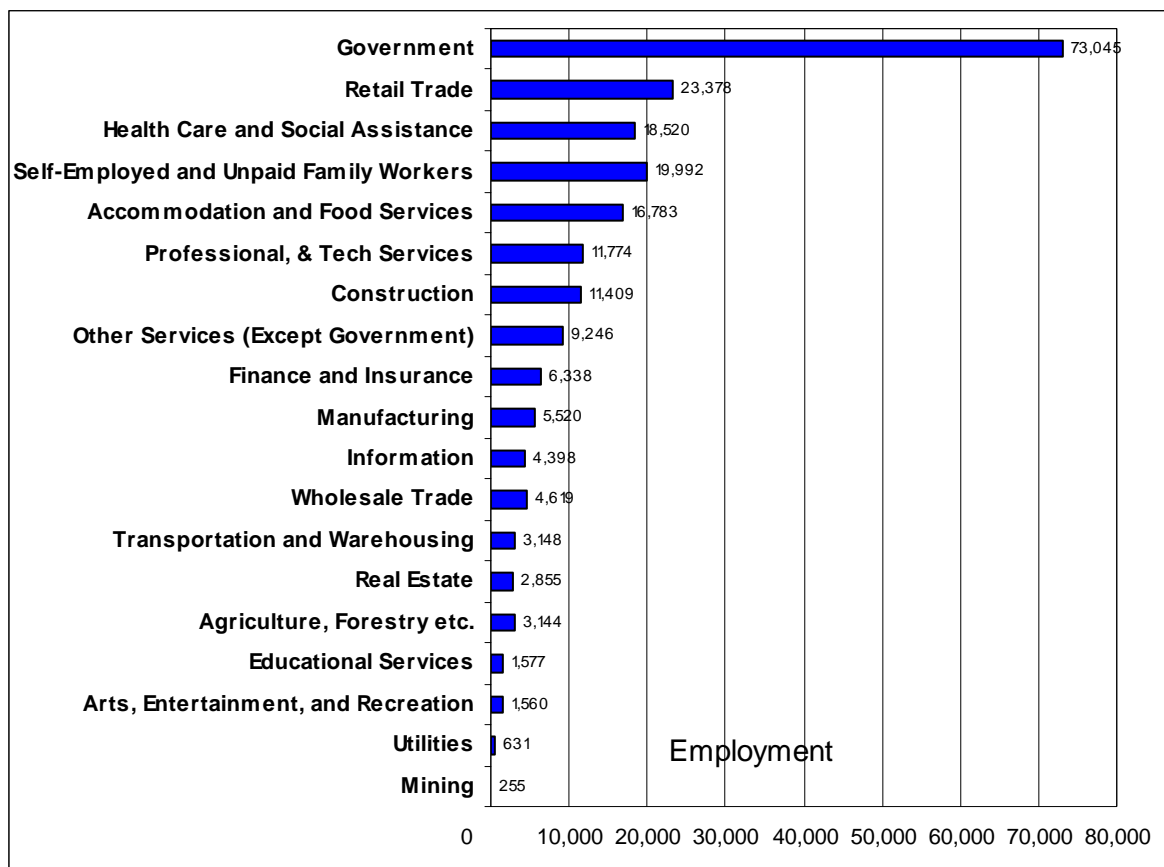


Figure III.8 Regional Employment by Sector – 4Q-2006

Source: Agency for Workforce Innovation, Labor Market Statistics, Released 12/06

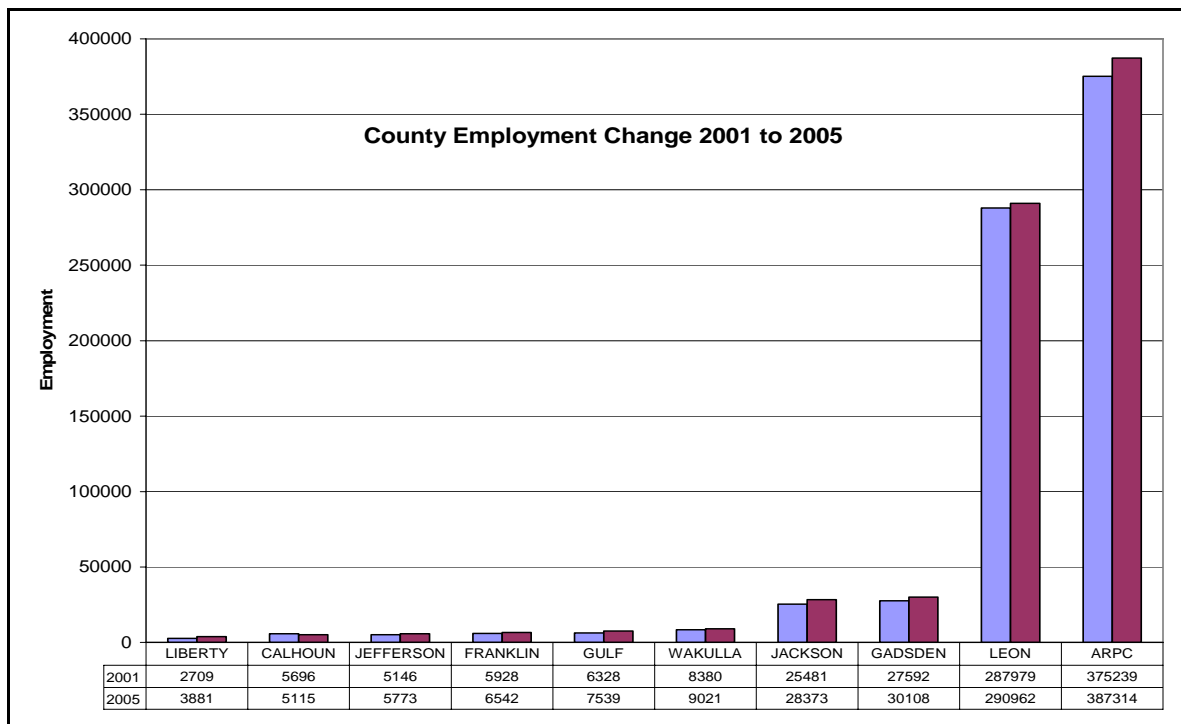


Figure III.9 County and Regional Employment Change 2001 to 2005  
 Source: US Census, Bureau of Economic Analysis, 3/2006

Examining the distribution of employment throughout the region, as shown in Figure III.9 above, the overwhelming effect of Leon County as the primary economic engine is evident. Leon County alone accounted for 75.12% of the region's employees in 2005. Jackson and Gadsden Counties account for 7.33% and 7.77% respectively of the region's workforce. The remaining 10% of the Apalachee Region's workforce is distributed among the remaining six counties with these contributing less than 3% each to the region's employment. The figure also depicts the recent changes in employment in the Region by county. The data indicates that in the four-year period, the Region's employment grew by over 12,000 new jobs, net. Leon, Gadsden and Jackson Counties grew by around 3,000 positions each. It is not at all unexpected that most of the rural counties derived little benefit from the regional trend. However, a surprising result of this data is the indication that the employment in Gadsden and Jackson each equal the total growth numbers of Leon.

**STRATEGIC FINDINGS:** The Apalachee Region is currently sharing in the low statewide unemployment numbers. However, employment opportunity is located in only one county. The Tallahassee MSA dominates the employment pattern in the region.

## B.2 Commuting

A study of the commute to work data from the 2000 US Census can be graphically depicted to demonstrate the portion of each county's workforce employed out of county. In Figure

III.10 below, the values in the ovals were the total workforce values for those counties. The percent indicator arrows indicates what percent of the particular county's workforce commutes out of county for employment, and conversely indicate the payroll transfer to adjoining counties. More than half of Wakulla County's workforce commutes to Leon, and almost 50% of Jefferson and Gadsden Counties' workers also make the daily trip.

Further removed from the adjacent counties, Jackson, Calhoun, Liberty and Franklin all have significant commutes of over an hour each way.

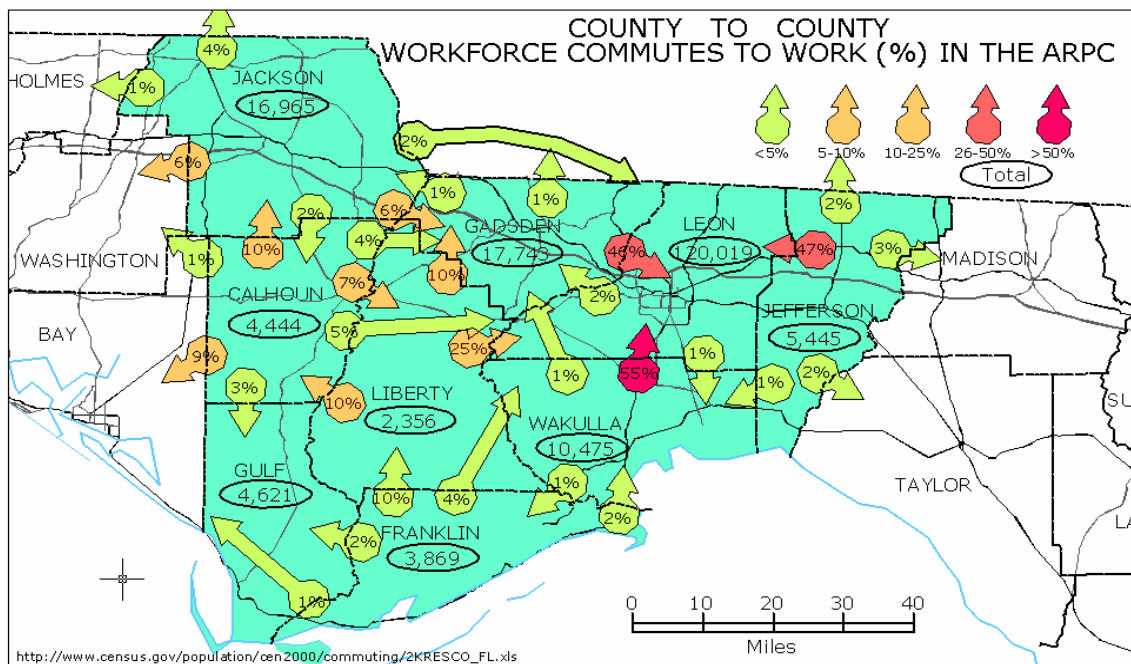


Figure III.10 Commutes to Work – Apalachee Region 2000  
 Source: US Census – 2000

The social impacts of these long commutes is difficult to quantify, but two hour-long daily commutes deprive workers of family interaction, decrease levels of parental supervision, restrict access to continuing education and reinforce a desire to relocate closer to the employment center. The urge to shorten the daily drive time is impacted by costs of housing which decrease with distance from the city center.

It is not surprising then, that Gadsden, Wakulla, and Jefferson Counties, typify the “edge county” condition. The three are experiencing a demand, (at different levels) for housing development, and secondly, commercial development to provide services for these new residents.

Wakulla County has felt the demands for the longest and greatest period of time and in turn, has more new commercial services locating to serve its citizens. In the last few years, Wakulla County has seen new major chain grocery and hardware outlets as well as a new Wal-Mart. The main commercial artery, US Hwy 319 is becoming more populated with retail specialty stores, and a variety of fast food outlets that do not locate in sparsely populated areas.

Gadsden County has experienced the pressures for new housing over a dispersed wide area and has not had as much of a significant commercial response to that residential growth. It is the target of several new mixed-use development proposals, which include proposed commercial and office areas. In addition, Gadsden County hosts two commercial /industrial parks that are providing good competition for businesses growing in Leon.

Jefferson, being a little more reluctant in the past to approve small lot subdivision development, has been less impacted by residential transfer from Leon with most new housing locating on large rural lots, (>5 acres), or small low impact subdivisions. Jefferson has not had significant new commercial development.

**STRATEGIC FINDING: With one county possessing most of the employment opportunity, the drive to work and the investment in time is a leading indicator for displacement of the workforce population after graduation from high school. The regional workforce attractor creates additional growth forces on the “edge counties”.**

### **B.3 Education**

The ability of the region to attract moderate to high wage employers and diversify its economy from a government and education heavy monolith will in part be determined by how many of its children graduate from K-12 systems and the availability of secondary education alternatives and post secondary curricula. At present, a snapshot of the situation might appear grim. Four year graduation rates are very low in Florida compared to national averages and some of the Region’s counties are performing very poorly even for Florida.

The four year national graduation rate, the percentage of entering ninth graders who will remain and graduate or attain a GED, is 68.3% for all students. This value has dropped fairly steadily from 73% in 1990. As a nation, this is dismal. The national spectrum of state performance runs from top ranked New Jersey with 89.9% to South Carolina with 49.2%.<sup>1</sup> Florida, is near the bottom of the nation in high school graduation, ranked 47<sup>th</sup> with a four year graduation rate of 55.7%. In another study by the Manhattan Institute<sup>2</sup>, Florida is ranked 49<sup>th</sup> out of 51 with a 59% graduation rate. This value is a target of significant subjective debate as the Florida official rate from Florida’s Dept of Education is approximately 72%. Further research into the topic yields various numbers, and derivative techniques for calculating the four year graduation rate, and even published criticisms in statistical analysis journals in the field of the States’ “fudging” of the numbers to look better. However, no matter how the data is assembled, there is agreement on the generalities. The nation as a whole is doing badly at educating its children and Florida is doing worse than most States. Within the Region however, there is a significant differential in school district performance as measured by 4 year graduation rates.

As shown in Figure III.11 below, the Region ranks just above the State’s average rate. The largest school district by enrollment is Leon at five points above the average. In the

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<sup>1</sup> United Health Foundation,

<sup>2</sup> Manhattan Institute, High School Graduation Rates in the United States, [http://www.manhattan-institute.org/html/cr\\_baeo.htm](http://www.manhattan-institute.org/html/cr_baeo.htm)



literature reviewed for this section, several discussions were found concerning racial differentiation in graduation rates with Black and Hispanic segments graduating at lower rates than Asian and Whites. This trend is mirrored in the above data, at least for the small county districts of Jefferson and Gadsden which have higher Black components and significantly lower retention through upper division.

The US Census does not keep a tally of four year graduation rates, but rather reports on educational attainment by age 25. That agency's most recent report<sup>3</sup> indicates that by age 25, 84.6% of the US population has attained a high school degree. For Florida, the figure is approximately 84.%. Specific data is available for the Counties, but not the region due to the population variables involved. Florida ranks at the mid point or 26<sup>th</sup> for college graduates at age 25 with 25% of the population over 25 having attained a college degree.

Four Year Graduation Rate

	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
<b>National</b>			71.70%	72.60%	73.90%	DNA	68.30%*	DNA
<b>State</b>	60.20%	62.30%	63.80%	67.90%	69.00%	71.60%	71.90%	71.00%
<b>ARPC</b>	<b>68.22%</b>	<b>68.46%</b>	<b>70.62%</b>	<b>70.89%</b>	<b>77.21%</b>	<b>77.20%</b>	<b>79.33%</b>	<b>73.64%</b>
Calhoun	83.50%	90.40%	86.80%	86.80%	87.80%	90.50%	94.30%	89.60%
Franklin	71.20%	63.20%	65.80%	57.90%	72.80%	71.10%	80.00%	60.70%
Gadsden	46.00%	50.70%	51.00%	52.40%	48.10%	43.10%	45.90%	43.90%
Gulf	80.00%	83.00%	81.50%	83.80%	87.80%	93.80%	91.40%	83.80%
Jackson	58.10%	49.80%	53.00%	59.60%	76.50%	77.10%	78.60%	87.80%
Jefferson	62.60%	65.30%	78.80%	64.50%	71.80%	64.90%	68.10%	53.50%
Leon	64.70%	67.30%	64.20%	74.30%	75.80%	79.80%	79.80%	76.20%
Liberty	71.70%	72.70%	82.00%	77.50%	90.70%	89.80%	90.40%	89.70%
Wakulla	76.20%	73.70%	72.50%	81.20%	83.60%	84.70%	85.50%	77.60%
* The National rating system, using Florida reporting data, actually lists Florida as having a 55.7% four year rate in 2005 with Florida ranking 47th among the States.								

Figure III.11 Four Year Graduation Rates

Source: Florida Department of Education website: <http://www.firn.edu/doe/eias/eiaspubs/grad.htm>

DNA= Data not available

Workforce development begins in kindergarten. Figure III.12 below points to just a few other significant factors. The relatively low enrollment in pre-school and kindergarten may serve as a predictor of lower success rates in the lower grades and, if the shortcomings of poor preparation are not caught up, higher drop out rates in high school. The second is the near double rate of college enrollments due to the presence of the universities and community colleges in the area. Although there are significant areas for additional effort in education of the local population, the influx of students to the area's institutions of higher education, and increasingly its technical institutions, are producing an ample renewable resource in educated potential employees. It will remain as a challenge to retain more of this resource in the Region as a highly skilled workforce.

<sup>3</sup> Educational Attainment in the United States, 2003; <http://www.census.gov/prod/2004pubs/p20-550.pdf>

While graduation rates and workforce training need to be kept in sharp focus, preparation for school and K-6 are equally important. “Some prison systems have noted a correlation: they have started to project the number of beds needed in the future based on current 3rd grade reading scores.”<sup>4</sup> Florida’s educational system is systematically failing to provide needed resources to a large percentage of students on the long road to either employment or incarceration.

<b>SCHOOL ENROLLMENT</b>	<b>US</b>	<b>Florida</b>	<b>ARPC</b>
<b>Population 3 years and over enrolled in school</b>			
Nursery school, preschool	6.5	6.9	5.5
Kindergarten	5.4	5.4	3.8
Elementary school (grades 1-8)	43.9	43.7	31.5
High school (grades 9-12)	21.4	21.5	16.8
College or graduate school	22.8	22.5	42.3
<b>EDUCATIONAL ATTAINMENT</b>			
<b>For Population 25 years and over</b>			
Less than 9th grade	7.5	6.7	6.3
9th to 12th grade, no diploma	12.1	13.4	12.8
High school graduate (includes equivalency)	28.6	28.7	26.3
Some college, no degree	21	21.8	19.6
Associate degree	6.3	7	6.6
Bachelor's degree	15.5	14.3	16.6
Graduate or professional degree	8.9	8.1	11.8
Percent high school graduate or higher	80.4	79.9	80.9
Percent bachelor's degree or higher	24.4	22.3	28.4

Figure III.12 School Enrollment and Educational Attainment  
 Source: US Census 2000 Tapes, compiled from county and place demographics; Summary File SF-3

**STRATEGIC FINDINGS: With two state universities located in the region, a majority of the upper division graduates must leave the region to find employment. While in the more rural counties, the youngest in the workforce age cohorts leave their home counties for work, military service or education and do not return due to lack of employment opportunities. A serious weakness in regional workforce development is the low high school graduation rate. The region lags Florida and the nation in pre-school enrollment and likewise lags in educational attainment except at collegiate levels.**

#### **B.4 Poverty and Income**

One of the significant defining characteristics is chronic poverty in some segments of the rural and urban population. Forced elimination from welfare rolls due to re-organized Federal programs may account for some of the region’s apparently low unemployment rate.

<sup>4</sup> Mathews, H. (2006). Head Start as Economic Development. *Business Viewpoint*, 46(4), 12.

Empirical but unverifiable trends indicate that there are more chronically poor and unemployed poor in the region than the employment data would suggest. The State of Florida has responded with a major policy initiative to the region's long term poverty levels.

As described in the introduction, two designated Rural Areas of Critical Economic Concern (RACEC) overlap the Apalachee Region. The RACEC areas are designated by the Rural Economic Development Initiative (REDI), a committee created in the Governor's Office of Tourism, Trade and Economic Development (OTTED). Enabling legislation that created REDI in 1999 authorized the designation of up to three RACECs, and the first of these was created in Northwest Florida. The Northwest Florida RACEC known as Opportunity Florida, overlays six of the Apalachee Region's western counties. (Please refer back to Figure II.1). The more recent designation in North Central Florida overlaps Jefferson County. In order to be included in these designated areas, the counties must be less than 75,000 in population and exhibit the defining characteristics of long term poverty. Wakulla carries the designation of a rural county due to its population level but is not included in a RACEC.

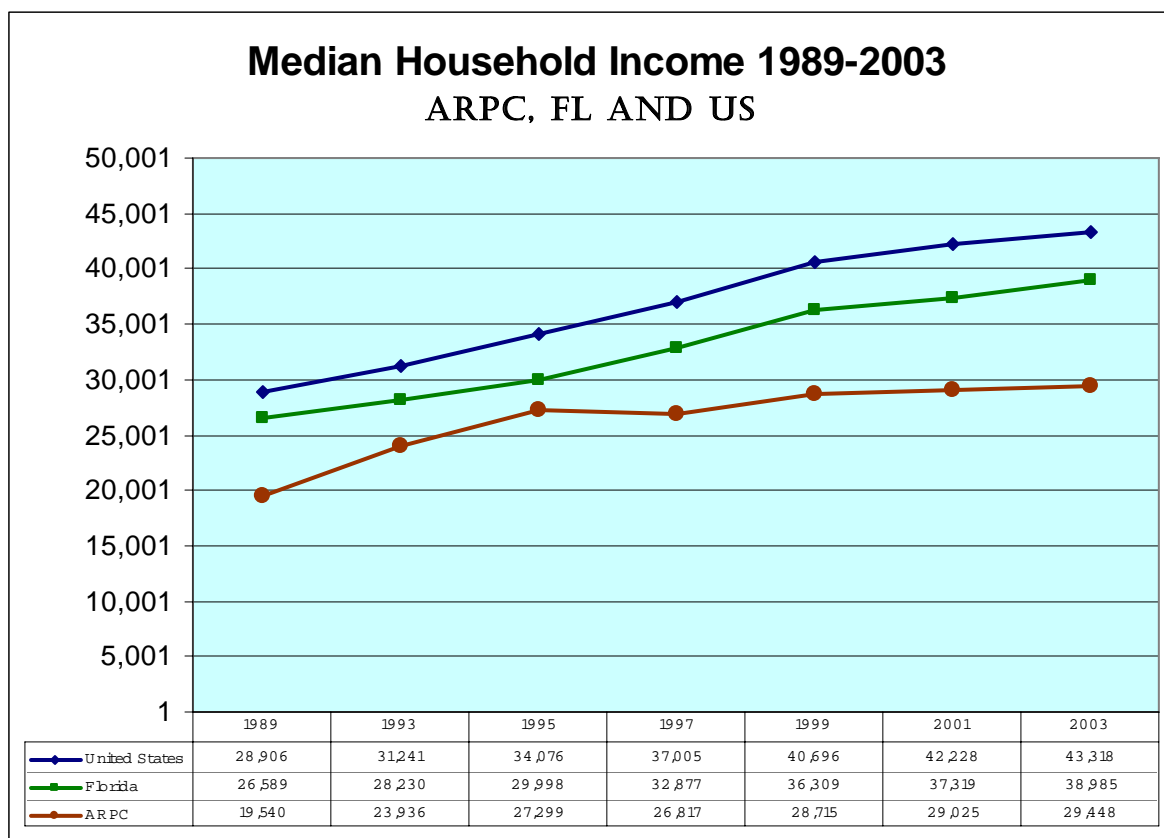


Figure III.13 Median Household Income, 1989 - 2003  
Source: US Census Bureau, Small Area Income and Poverty Estimates

Figure III.13 compares the median household income statistic for the Region to the State and nation over a time series of 14 years. Florida as a whole, lags behind the nation due to its high proportion of fixed income retirees. The regional data for the Apalachee region

indicates that the region's household income is significantly less than national numbers. Coupled with the low unemployment rate, it is concluded that a large percentage of the employed workforce is at or just above minimum wage. Currently, Florida's minimum wage is \$6.67 an hour, which is equivalent to an annual salary of \$13,870. This amount is compared to the median household income for the region of \$29,448<sup>5</sup>. According to the Housing and Urban Development tables, a family of three would be considered low income at \$31,750, and very low income at \$19,850. Both of these categorizations would help that family's neighborhood qualify for relief funding for neighborhood improvement projects. The disturbing evidence in Figure III.13 is the flattening of the Median Household Income curve over the last four years shown. In the time period from 1989 to 2003, the Apalachee Region has deviated even further below the US and Florida averages.

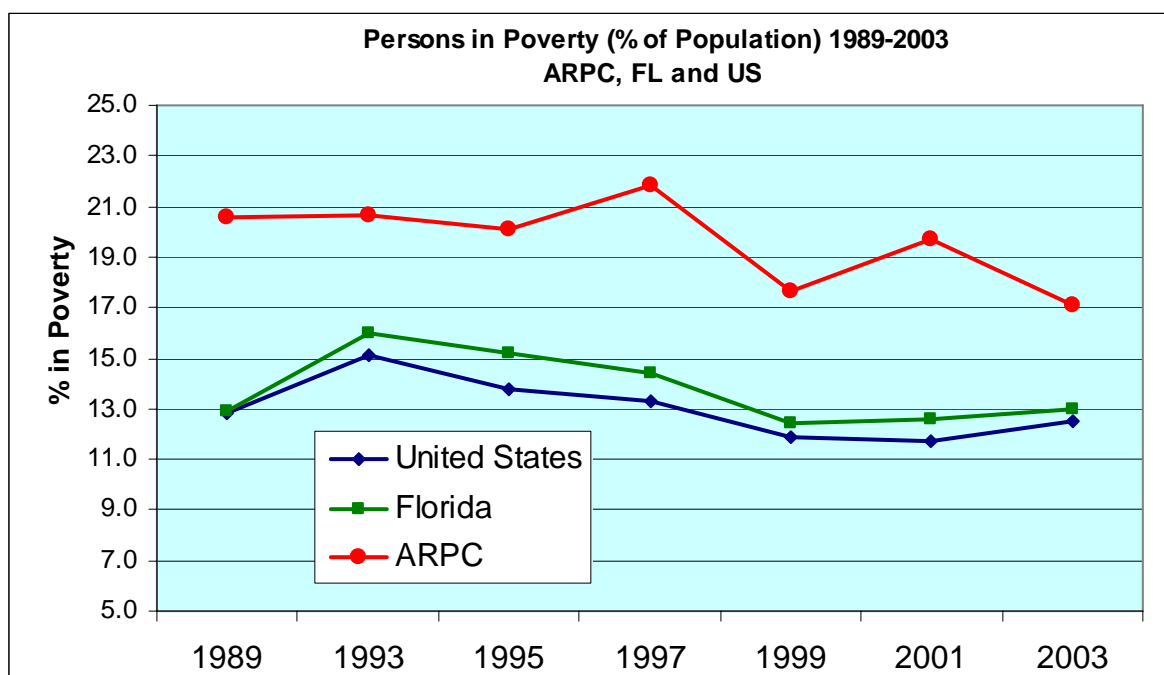


Figure III.14 Persons in Poverty (% of Population) 1989-2003  
Source: US Census Bureau, Small Area Income and Poverty Estimates

The Region's poverty levels are documented in the Census reports from the Small Area Income and Poverty Estimates program. Florida's overall poverty very closely parallels that of the nation. However, the Region shows continuing poverty rates at much higher than the state or national averages. The data reflected in the table and graph above indicate some reason for hope as the overall percentage of poverty rates show a decline over the past 10 years. For a more human perspective, the number of persons affected by this bland statistic of 17.1% of the population describes 29,551 persons in the Apalachee region. The data for Figure III.14 above is broken down further in III.15 below. The table documents the disparity in the region with rates at the end of the period varying from 11.1% in Wakulla County, which is better than the national average to 22.0% and in Gulf County,

<sup>5</sup> Source: U.S. Census Bureau, Small Area Estimates Branch

which is almost twice the national average. Wakulla County dropped over six percentage points in the time series. Leon County, despite other positive indicators for employment,

	1989	1993	1995	1997	1999	2001	2003	2005*
United States	12.8	15.1	13.8	13.3	11.9	11.7	12.5	12.6
Florida	12.9	16.0	15.2	14.4	12.4	12.6	13.0	11.9
ARPC	20.6	20.6	20.1	21.8	17.7	19.7	17.1	14.6
Calhoun County	24.9	22.3	22.9	23.0	19.4	21.7	16.4	17.2
Franklin County	23.7	21.1	20.8	25.9	19.5	19.3	18.0	13.5
Gadsden County	29.7	29.2	28.2	18.4	14.9	17.5	14.2	15.8
Gulf County	17.5	19.3	18.5	26.2	22.4	26.2	22.0	14.5
Jackson County	20.3	20.9	21.0	22.0	17.7	17.7	16.3	15.7
Jefferson County	22.7	22.9	22.3	24.1	17.0	23.5	19.0	14.5
Leon County	12.7	14.9	14.3	19.8	17.3	17.9	16.4	12.7
Liberty County	17.4	19.8	19.0	23.2	18.9	20.5	18.5	16.9
Wakulla County	16.3	15.4	13.9	13.7	11.8	13.0	11.1	10.4

Figure III.15 Persons in Poverty (% of Population) 1989-2005 (Tabular)

Source: US Census Bureau, Small Area Income and Poverty Estimates

\*2005 Data added to graphical data from new release information at [www.Census.gov](http://www.Census.gov)

had increasing levels of poverty from 1989 to 2003 before returning to 1989 levels in 2005. All of the rural counties with the exception of Gulf and Liberty Counties, had reduced poverty rates over the period. It should be noted that Gulf and Liberty Counties were most impacted by the loss of the St. Joe Paper Company mill in Port St Joe.

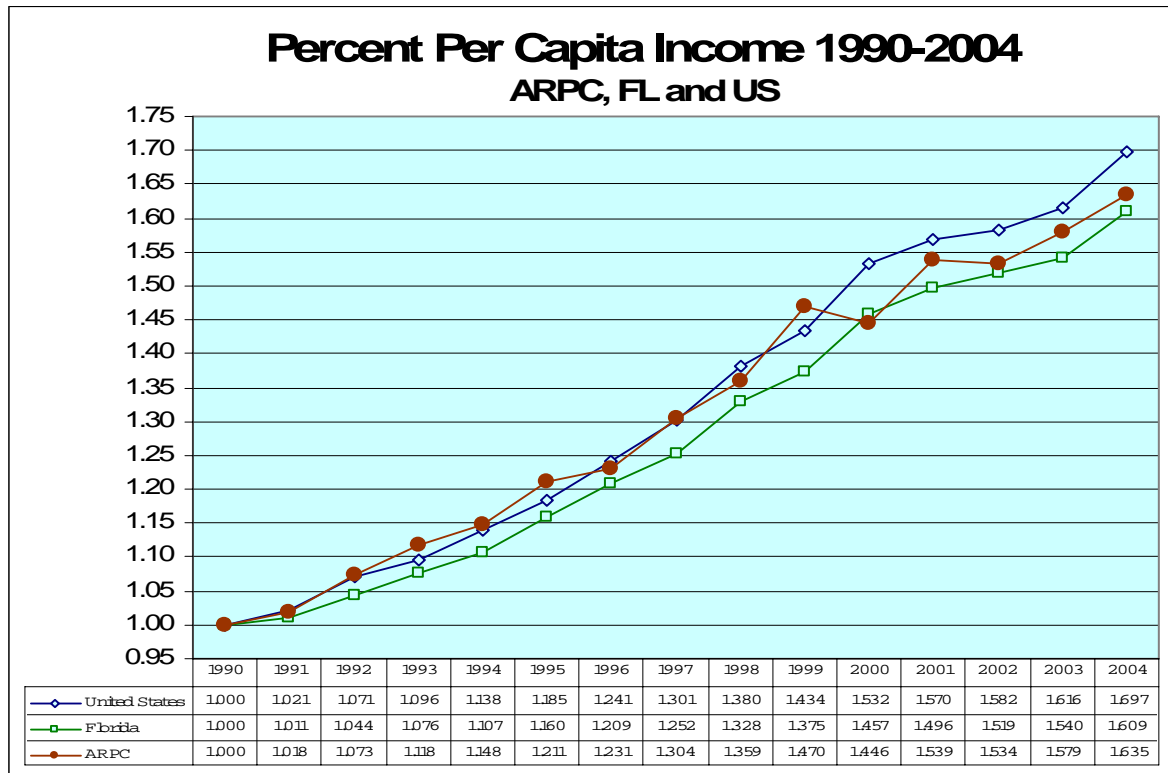


Figure III.16 Percent Per Capita Income 1990-2004

Source: Dept of Commerce, Bureau of Economic Analysis

The data in Table III.16 above indicates that the Apalachee Region's smaller population may cause more annual fluctuation in data points, but that in general, its per capita income levels are increasing at about the same rate as that of Florida and the nation. The measure of income is calculated as the personal income of the residents of a given area divided by the resident population of the area. In computing per capita personal income, the Bureau of Economic Analysis uses the Census Bureau's annual midyear population estimates for the calculation. It is the simplest methodology to determine overall income levels that support consumer spending, rents, and retail success. Personal income, described in greater detail in the following section, is the income that is received by persons from all sources. It is calculated as the sum of wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance.

**STRATEGIC FINDINGS: Chronic rural poverty and its attendant social characteristics are serious weaknesses in the region's ability to prepare for change. The Region lags the state and nation in household income and its ratio of persons in poverty far exceeds those benchmarks, however this ratio has been declining over recent years. Unemployment rates have trended to historically low levels, while the region only experienced moderate declines in poverty rates.**

## **B.5 Components of Personal Income**

Components of Personal Income give an indication of how an area receives its capital wealth. If transfer payments are very high, it may be an indicator of a large retirement population of social security, which may or may not be financially distressed. It may also indicate a large population living on social security.

Total personal income (TPI) includes net earnings by place of residence dividends, interest, rent, and total personal current transfer receipts received by the residents of Florida. In 2005, net earnings accounted for 60.0% of TPI (compared with 57.4% in 1995); dividends, interest, and rent were 23.7% (compared with 26.1% in 1995); and personal current transfer receipts were 16.3% (compared with 16.5% in 1995). From 2004 to 2005 net earnings increased 8.9%; dividends, interest, and rent increased 4.2%; and personal current transfer receipts increased 4.0%. From 1995 to 2005 net earnings increased on average 6.7% each year; dividends, interest, and rent increased on average 5.2%; and personal current transfer receipts increased on average 6.1%.<sup>6</sup>

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<sup>6</sup> <http://bea.gov/regional/bearfacts/stateaction.cfm>

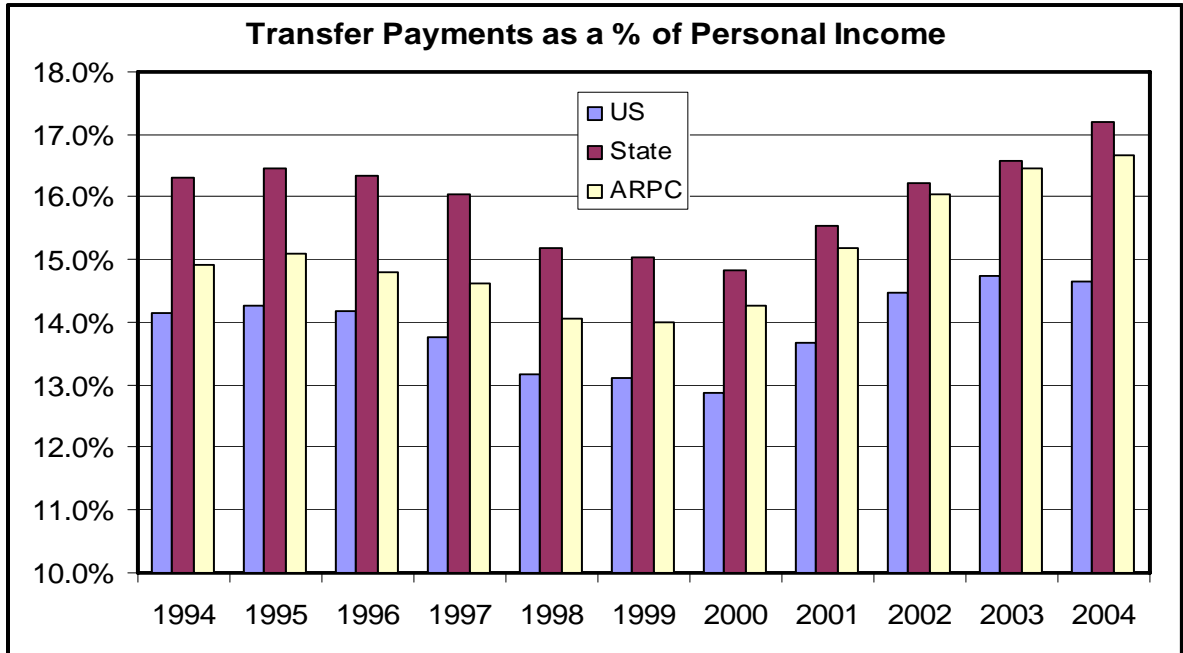


Figure III.17 Transfer Payments as a % of Personal Income, 1994-2004 – Regional Series  
Source: US Dept. of Commerce, Bureau of Economic Analysis, Table 2.1,

Transfer payments are government payments to individuals, including unemployment, Social Security, veterans benefits, and food stamps, usually on the basis of economic distress in a household. Figure III.18 above lists payments made over the time series as percentages of total income. The percentages dipped over the late nineties, but the reaction to the 2000 mini-recession is evident in the increasing rates since 2000. More recent data for the US indicate that overall rates may be recovering; however trend lines for Florida and the Region are becoming worse. It would appear from the data series, that the region as a whole is becoming more representative of the state average. However, examination of the data by county indicates again, that there are two very different economies present in the Apalachee Region.

	1994	1996	1998	2000	2002	2004
<b>US</b>	14.2%	14.2%	13.2%	12.9%	14.5%	14.7%
<b>State</b>	16.3%	16.3%	15.2%	14.8%	16.2%	17.2%
<b>ARPC</b>	14.9%	14.8%	14.1%	14.3%	16.0%	16.7%
Calhoun	27.2%	26.6%	26.5%	27.9%	31.3%	33.5%
Franklin	27.2%	26.6%	26.5%	27.9%	31.3%	33.5%
Gadsden	24.0%	23.4%	21.6%	21.2%	23.6%	24.5%
Gulf	25.8%	26.2%	26.2%	28.6%	30.3%	30.3%
Jackson	25.4%	26.1%	25.9%	27.8%	29.9%	31.7%
Jefferson	20.9%	19.8%	18.0%	17.7%	21.0%	22.0%
Leon	10.2%	10.1%	9.8%	9.9%	11.4%	11.7%
Liberty	23.1%	23.3%	19.0%	19.1%	20.2%	21.5%
Wakulla	15.5%	15.1%	14.1%	13.2%	16.1%	16.8%

Figure III.18 Transfer Payments as a Percentage of Personal Income, 1994-2004 – County Series  
Source: US Dept. of Commerce, Bureau of Economic Analysis, Table 2.1,

When the County time series data for transfer payments are compared in Figure III-19, Leon County's rate of transfer payments is actually much better than that of the Nation, State or Region. The vastly larger employee pool in Leon County suppresses the regional average. The actual rates in the rural counties are often twice the national average. In South Florida, it might be an indicator of a larger retirement population.

In North Florida, there is a higher percentage of transfer payments in the way of income maintenance than in other areas of Florida or the nation. Income Maintenance includes supplemental security income, family assistance, food stamps and other income maintenance benefits. The same data also verifies a significantly lower percentage of retirement and disability than is normal for Florida as a whole and somewhat less than the national norm.

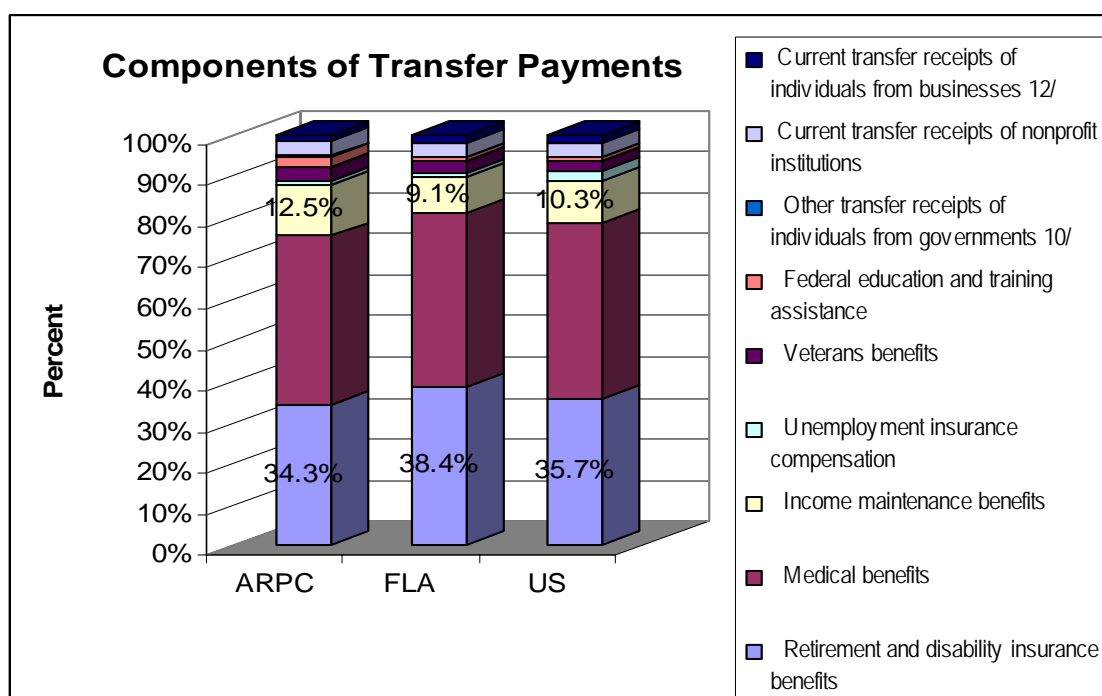


Figure III.19 Components of Personal Current Transfer Receipts  
Source: USDOC, Bureau of Economic Analysis: Table CA35, Dec. 2006

**STRATEGIC FINDINGS:** Many of the Region's county's have transfer payments at nearly double the national rate. The conclusion of widespread underemployment or full employment at poverty levels throughout the region is inescapable. The conclusion is backed by comparison of median household income and tracking transfer payments with that of the State of Florida as a whole and the Nation. The region is maintaining near record low unemployment, while requiring significant social assistance at higher than the national levels for income maintenance. The threat to the regional economy is that this disenfranchised population could be overlooked as potential employees or trainees.



## Section IV: Economic Analysis

### A. Cluster Analysis

The State agency responsible for workforce records and reporting in Florida is the Agency for Workforce Innovation (AWI). AWI's standard reports are issued quarterly and the most recent report for 2006 was used for the following analysis. Although there are wide variations in the distribution of employment throughout the region, this analysis will focus on the regional patterns. Some of the following will discuss specific areas within the region where economic clusters are located.

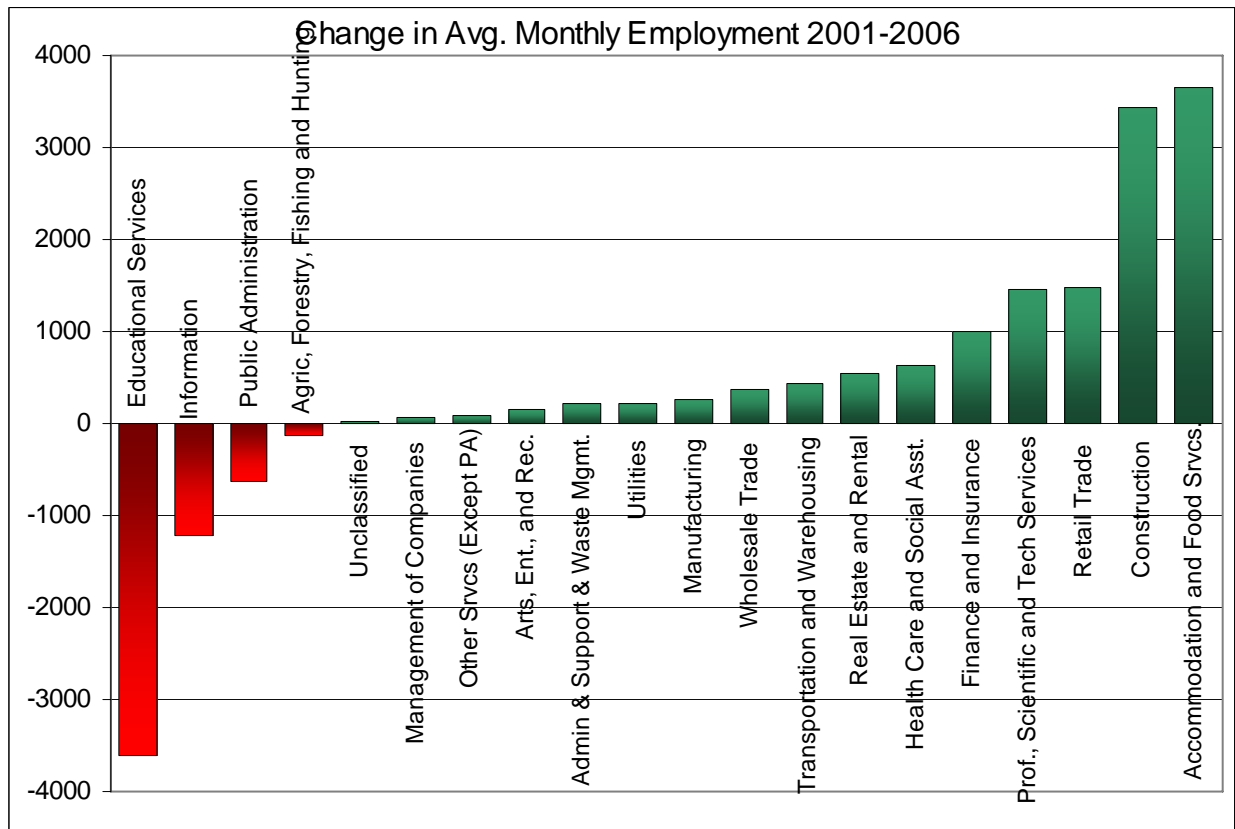


Figure IV.1. Change in Average Monthly Employment – ARPC 2001 to 2006  
 Source: Agency for Workforce Innovation, Labor Market Statistics,

As seen in the figure above, many sectors are growing, or at least, the average is increasing. The accommodation, construction, retail and wholesale trade, real estate, and financial services sectors are all posting reasonable gains. The last three are interrelated, depend on an overall growing economy, and are extremely fragile. Whereas manufacturing, the traditional backbone of a homegrown economy lost employees over the period. Public administration lost 1.5% of its 2001 level indicating modest success in the previous administration's attempt to reduce state government. Accommodation and food services and construction made the largest gains in the 2001-2005 period. Education does not include public schools which are calculated under government. The reduction is seen as a recalculation of university part time employees who no longer qualify for unemployment

benefits and are no longer included. Figure IV.1 below, charts numerical change, per sector not the rate of change for these sectors.

In Figure IV.2 we can see the sectors that changed the most in the most recent five-year period charted. The biggest loser over the period was in the information sector. This can be partially explained by the industry shift in business and information technologies to customizable applications from site specific software and a regional drop in new telecommunications investments. The drop in manufacturing certainly includes the loss of several companies in Jackson County, and the final demolition of the paper mill in Port St. Joe. At the other end of the spectrum, construction has benefited from a local housing boom that has even seen growth in some of the slowest moving counties. Tallahassee has seen several new mid rise buildings in addition to the phenomenal residential, commercial and office space investments in the Southwood project. Construction's companion sectors, real estate and rentals, and finance have also jumped over the period. The I-10 interchanges at US Hwy 319, US Hwy 27, US Hwy 267, and SR 71 have seen new hotel and restaurant capacity constructed over the period aiding the spurt in the accommodations and food sector. One would expect to also see the rises in wholesale and retail growth to accompany a growing economy, but the increases in professional and technical jobs is encouraging.

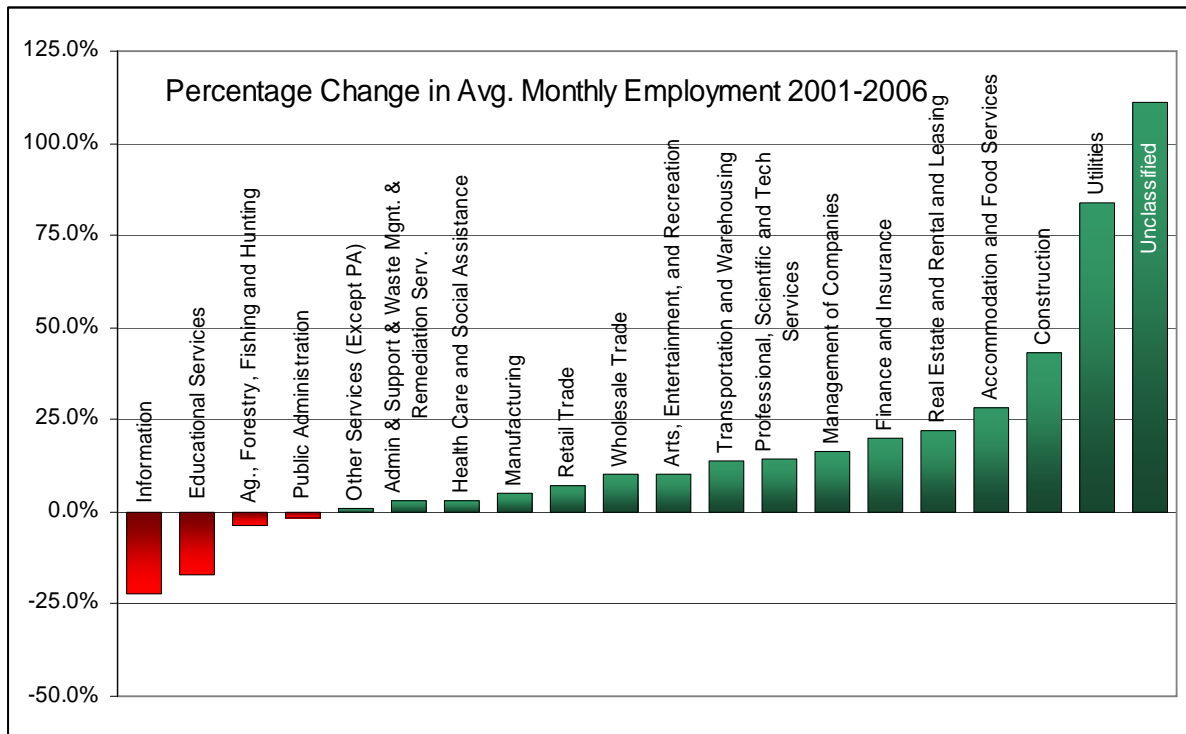


Figure IV.2 Percentage Change in Average Annual Employment 2001-2005  
Source: US Dept of Labor, Bureau of Labor Statistics

**STRATEGIC FINDING: The Region's economic base is State Government. There is a regional weakness in the traditional exporting sectors of manufacturing, finance and insurance, wholesale or transportation and warehousing. The two largest and fastest growing sectors are fragile. Construction is especially volatile while**

**Accommodation and Food Service are dependant on national well being and the willingness of the traveling public to spend disposable income.**

### Employment Projections

Looking beyond the recent past, we examine results of an employment projection by the Florida Agency for Workforce Innovation. The projection covers the 2006-2014 period for the major economic sectors including state and federal employment.

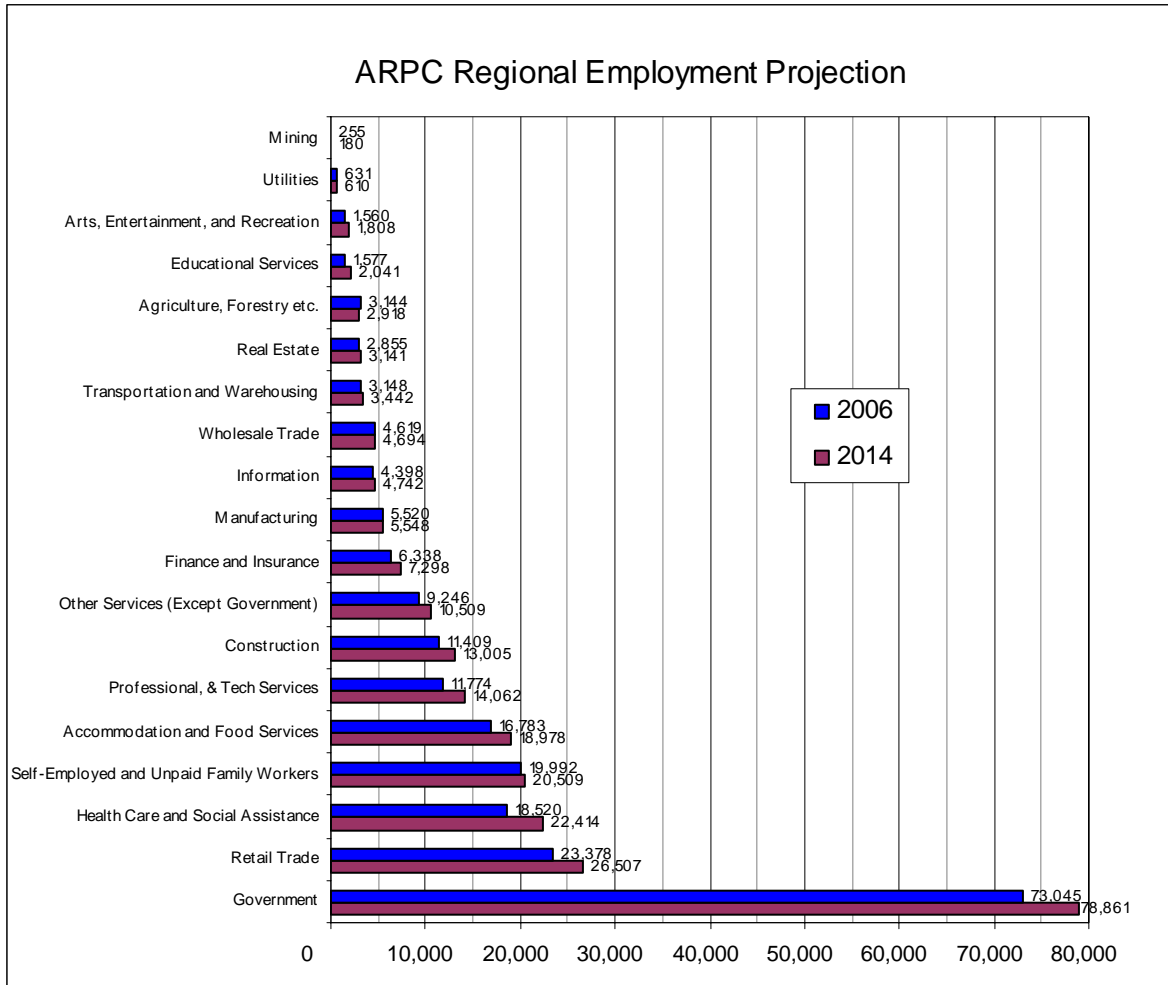


Figure IV.3, Employment Projections for the ARPC Region 2006 to 2014  
 Source: Agency for Workforce Innovation: ARPC Projection

Excluding government, the largest private employers in each county in the Region are shown in Figure IV.4 below. The employers are mainly health care services, lumber-agriculture, and several companies in the service sector. In several counties, the companies employ significant percentages of the labor force in their respective counties. However, despite the region’s gradual diversification, the private sector in the region’s counties is still underdeveloped and would benefit from economic development initiatives.

Development of a more diversified economic base is one of the region’s most important economic development needs. It is evident when in looking at Leon County, the region’s largest county, that the largest non-governmental employers are in health care and retail. Despite the fact that the two largest Tallahassee hospital service providers serve primarily a regional population, they are only beginning to be considered as a super regional health care hub. There is no major non-governmental sector that exports goods or services outside of the region.

<b>County</b>	<b>Products/Services of Five Largest Private-Sector Employers</b>	<b>Number Employed by Five Largest Private-Sector Employers</b>	<b>Percent of Total Labor Force</b>
<b>Calhoun</b>	Trucking, Extended Health Care, Health Care, Agriculture (nurseries), Health Care	737	14.25
<b>Franklin</b>	Health Care, Realty, Seafood, Utility	197	3.78
<b>Gadsden</b>	Mushrooms, Lumber, Printing, Furniture, Utilities	1,395	8.81
<b>Gulf</b>	Telecommunications, Health Care, Building Components, Chemicals, Seafood,	622	10.02
<b>Jackson</b>	Warehousing & Distribution, Building Components, Asphalt/Concrete Products, Warehousing & Distribution	879	4.19
<b>Jefferson</b>	Agriculture (nurseries), Health Care, Retail (Grocer), Entertainment (Greyhound Racing), Health Care	443	6.50
<b>Leon</b>	Health Care, Retail (Grocer), Retail (Big Box), Information, Health Care	7005	5.09
<b>Liberty*</b>	Construction (Road Contractor, Forestry Products, Forestry Products	320	10.06
<b>Wakulla†</b>	Manufacturing (Ordnance), Admin. & Support Services, Health Care	700	5.07

Figure IV.4 Private Sector Employment - Five Largest Employers  
 Source: Enterprise Florida, County Profiles: 2007. \*Three businesses listed. †Four businesses listed

## **A.1 Government and Education**

Figure IV.3 makes clear the overwhelming influence on state and local government employment for the region. It is expected to grow steadily throughout the planning period. The current share of the total workforce is currently at 32.12% and is only expected to drop slightly to 31.19% by 2014. The sector provides local stability due to its slow reaction times to recessions and other economic market effects. By specific request, the Florida Agency for Workforce Innovation (AWI) performed an employment analysis and projection for the Apalachee region without the redacted line items usually impacting local government reporting. In this analysis, the government sector is projected to gain over 5,800 jobs in the period, but that does not necessarily mean a proportionally larger state government. Over the period local governments are expected to grow at 1.23% per year compared to only 0.92 % per year for state employees as seen in the following Figure.

<b>Government</b>	Employment		Annual Change	
	2006	2014	Total	Percent
Total	73,045	78,861	727	1.00
Federal Government	2,586	2,718	16	0.64
State Government	50,095	53,776	460	0.92
Local Government	20,364	22,367	250	1.23

Figure IV.5 Distribution of Government Employment  
Source: Agency for Workforce Innovation: ARPC Projection

### State Government Employment

State government employment is the major component of the Apalachee region’s economic base. Change in levels of state government employment historically rise to meet the needs of the State’s expanding population. However, state government administration has made significant efforts to stem the growth of agency sprawl by privatizing some functions and by emphasizing technology solutions over manpower solutions. Although agency functions have been outsourced to private sector contractors, employment, work effort, and portion of workforce utilized remains nearly the same, with only the sectors changing from public to private.

Regionalization of the State’s service centers has always been a part of Florida’s government service delivery systems and this practice is expected to continue. It will remain difficult to anticipate which sectors in state government will continue to grow in response to additional statewide or regional demands. Florida has in the past experienced hiring freezes, agency freezes, and forced attrition in some sectors as a direct result of administrative policy. Although by definition of its mission, state government does not export service out of the State, but it does export service outside of the region to the state at large. State and local government are subject to long term economic impacts due to fluctuations in revenues and its ability to provide services, however it is a net importer of wealth to the region based on transfer of state tax dollars into the local economy. Normally stable and consistent, state employees are compensated at lower levels than comparable positions in the private sector and have recently been denied even cost of living wages. This represents a suppression of normal economic activity, as households dependent on state salaries are limited in their disposable income.

### Local Governments Employment

Local governments balance the need to increase their staffing to meet the needs of growing population against the rapidly rising costs of all other services. The overall projection for local government employment based on historical factors is relatively low at 1.23% per year or a total of only 250 employees through 2014. This growth would logically occur in the largest governments of the local governments in the region. Recently, some of the

region's county governments were forced to significantly reduce staff as rising costs of Florida unemployment compensation insurance were shifted onto local governments. Other small local governments have had to make major shifts in budget allotments to make up the difference. The projection for continued growth in local government employment is not likely to continue due to anticipated changes in Florida's tax laws. These changes are likely to impose additional fiscal hardship on rural governments.

### Federal Government Employment

The Apalachee region does not have a significant Federal government employment presence. There are minor Air Force and Coast Guard installations at Cape San Blas, Carrabelle, and Malone and a few scattered National Guard Armories. In addition, there is a Women's Federal Correctional Institution in Leon County and two (one Men and one Women) Federal Correction Institutions in Jackson County. There is no reason to expect any major changes in the level of Federal employment in the region.

Despite its overwhelming share of employment in the region and especially in the Tallahassee MSA counties, government is not seen as an economic base industry. Government and education are usually excluded from economic base studies as they are tax supported functions that disperse wealth through salaries and expenditures, but do not in themselves create wealth. However, in the case of the Apalachee region, government and education support a major component of the region's workforce through redistributed wealth from the rest of the state. Education as a function of the university and community college system, (and not the local school boards) is nearly as important to the region as government as an employer.

### Education

The impact of two major universities and three community colleges cannot be discounted as a component of the economy's growth. Florida State University (FSU), Florida Agricultural and Mechanical University (FAMU), Tallahassee Community College (TCC) and Lively Technical College are all located in Tallahassee/Leon County. Marianna/Jackson County is the host city for Chipola College and a branch of Gulf Coast Community College is located in Port St Joe/Gulf County.

The adopted strategic plan for the FSU system specifically does not project specific professional instructional needs for their planning period of 2005-2013. However, it does project overall growth indices for the state university system as shown in Figure IV.6, taken from the University's strategic plan. The strategic plan projects a 35% increase in undergraduate enrollments, a 34% increase in master's program enrollments and a 58% increase in first doctorates. Locally, the Office of the Provost at Florida State University

<b>Class</b>	<b>2003</b>	<b>2005</b>	<b>2010</b>	<b>2015</b>
Freshman	5,269	5,375	5,649	5,937
Sophomore	5,434	5,543	5,826	6,123
Junior	7,708	7,863	8,264	8,686
Senior	8,467	8,637	9,078	9,541
Graduate	6,184	6,434	7,103	7,843

Other	1,461	1,520	1,678	1,853
<b>Total</b>	<b>34,523</b>	<b>35,372</b>	<b>37,599</b>	<b>39,983</b>

Figure IV.6 Enrollment Projection for Florida State University

Source: Florida State University

is planning for approximately 1% growth per year in undergraduate programs, and a 2% growth per year rate in postgraduate programs with the greatest increases in doctoral programs.<sup>1</sup>

Applying these rates to the existing last posted enrollment data for 2003, we find that there is a projected enrollment of nearly 40,000 by 2015. On the other hand, current enrollments at FAMU are flat to decreasing over the last two years. Although FSU and FAMU dominate the region’s higher education institutions, they are not alone. TCC in Tallahassee, and at the branch location inside Pat Thomas Law Enforcement Academy/Gadsden County, is a two year and vocational school with a projected growth rate through the next five years of approximately 7% per year.<sup>2</sup> The president of the Tallahassee Community College, also a recent past president of the Tallahassee/Leon Economic Development Council, Inc. is committed to developing curricula programs in workforce relevant areas.

In 2002 Chipola College converted from the two year Chipola Junior College to a four-year institution. Although this conversion makes it possible for local and sub regional students to attend a four-year institution without a significant commute, it is not growing significantly in attendance or staff according to Chipola’s Dean of Admissions.

**STRATEGIC FINDINGS: Government employment dominates the region’s employment. State government especially is the driving industry at the core of the Tallahassee MSA. Although it is a strong and usually stable employer the weakness inherent in this industry is the relatively low compensation compared to similar executive and mid level salaries.**

**Two of Tallahassee’s three major education centers can be expected to grow, not only in enrollments, which affect area population, but also in faculty and support staff, as employers. TCC and Chipola College should be considered as significant local assets in future planning and education for workforce development. This finding will be discussed in more detail later in the report. All of the institutions will need to play a major role in developing needed workforce solutions.**

## A.2 Agriculture

The region’s agricultural impact is not insignificant from an economic base perspective. Although farm income comprised only 5.3% of the region’s economy in 2004, many of the area’s farms are net exporters with crops ranging from tomatoes, and factory raised mushrooms, to landscape nurseries. With the increasing prevalence of big box groceries and their regional and international sources, local truck farming has become much less important to the local food supply and less viable as a family enterprise. As seen in figure

<sup>1</sup> Provost Office, Florida State University, Dr. Larry Abele, Provost, interview.

<sup>2</sup> Office of Administrative Services, TCC, Jeannette Humphries interview

IV.7 below, the portion of non-farm income to total personal income for the region is quite small. With 4,991 agricultural employees in the region at the end of 2006, the sector comprises 1.3% of the workforce. The data is based on the “as reported” data available to the Agency for Workforce Innovation. Much of the employment data in this sector is suspect due to the increasing reliance of tomato, mushroom and nursery employers to sub contract with migratory Hispanic labor providers.

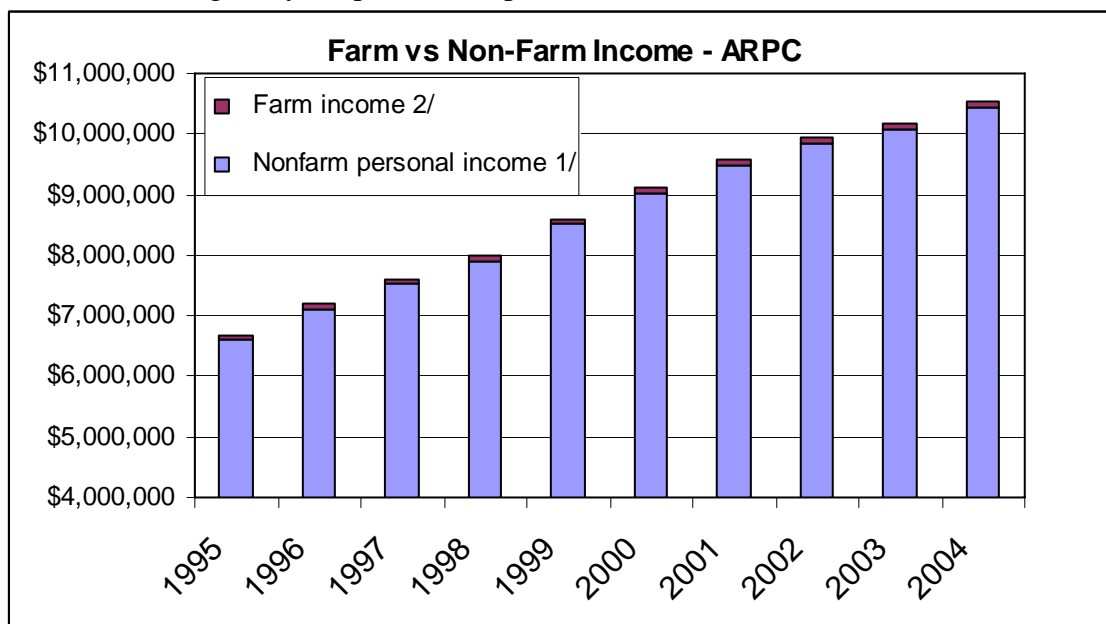


Figure IV.7 Farm vs. Non-Farm Income  
 Source: US Dept of Commerce, Bureau of Economic Analysis

**STRATEGIC FINDING: Agriculture, though widespread and visible in its annual crop and forestry sub-sectors, does not have a significant impact on the region’s employment picture.**

### A.3 Industrial Clusters

Figure IV.8 below presents the numerical data behind the graphics in Figure IV.3 above. The data points to some of the region’s strengths and also its weaknesses. The hardcore industrial components of a vibrant self sustaining economy are under-represented in this region.

Manufacturing makes up 2.4% of the total employment base. There are some initiatives underway to develop regional industrial capacity, but at this data point, the region is a net importer of manufactured goods. An industry detail table is included in the Appendix C for more detailed information. Support industries, included in transportation and warehousing support transfer of goods into and within the region and to a small extent regional distribution centers. Other transportation functions supporting the movement of business and vacationing travelers are considered adequate to the region’s needs as it will not grow beyond the needs of the immediate economy. Manufacturing is not expected, in this projection, to increase substantially, and at the end of the period is still a minor component of the region’s economic base. However, two sectors that are typically manned by higher



salary positions, Professional, Technical and Business Services and Health and Social Services, are expected to grow steadily within the forecast period.

<b>Employment by Industry - Apalachee Regional Planning Council</b>					
Industry Code	Title	Employment		Annual Change	
		2006	2014	Total	%
	<b>Total, All Industries</b>	227,399	252,854	3,182	1.40
11	<b>Agriculture, Forestry, Fishing and Hunting</b>	3,144	2,918	-28	-0.90
21	<b>Mining</b>	255	180	-9	-3.68
23	<b>Construction</b>	11,409	13,005	200	1.75
	<b>Manufacturing</b>	5,520	5,548	4	0.06
	<i>Durable Goods Manufacturing</i>	3,962	4,023	8	0.19
	<i>Non-Durable Goods Manufacturing</i>	1,558	1,525	-4	-0.26
	<b>Trade, Transportation, and Utilities</b>	31,776	35,253	435	1.37
22	<i>Utilities</i>	631	610	-3	-0.42
42	<i>Wholesale Trade</i>	4,619	4,694	9	0.20
44	<i>Retail Trade</i>	23,378	26,507	391	1.67
48	<i>Transportation and Warehousing</i>	3,148	3,442	37	1.17
51	<b>Information</b>	4,398	4,742	43	0.98
52	<b>Finance and Insurance</b>	6,338	7,298	120	1.89
	<b>Professional and Business Services</b>	20,981	25,649	584	2.78
	<b>Education and Health Services</b>	20,097	24,455	545	2.71
	<b>Leisure and Hospitality</b>	18,343	20,786	305	1.66
	<i>Arts, Entertainment, and Recreation</i>	1,560	1,808	31	1.99
72	<i>Accommodation and Food Services</i>	16,783	18,978	274	1.63
99	<b>Self-Employed and Unpaid Family Workers</b>	19,992	20,509	65	0.32

Figure IV.8 Projected Employment Change in Industry Sectors: 2006 - 2014  
Source: Agency for Workforce Innovation ARPC Projection

**STRATEGIC FINDING:** The region is especially deficient in its Manufacturing base and is also in need of expanded capacity in Transportation and Warehousing. The region’s deficiency in these fundamental building blocks of a diverse economy represents a weakness.

Within the region, there are some sectors that are growing in share and will become more important as they better support the Region’s needs. Figure IV.8 below presents a list of the projected fastest growing sectors by percentage.

Educational Services and Administrative Support Services are near the top of this ranking as these include public education and many of the positions supporting government agencies as distinct from State Government. (State employment is generally included in Sector 92, Public Administration). State initiatives to export many of its administrative support functions to the private sector have the potential to bring in new levels of support. Whether the job functions are included in the folds of state government or private sector, a

rapidly growing state is required to grow its administrative infrastructure, and currently most of the infrastructure is centralized in Tallahassee. The top ranked educational services would include not only growth at the university level as FSU and TCC grow to better serve their expanding enrollments, but new K-12 increases due to simple population growth at that age group coupled with the requirements of Florida’s class size amendment to the constitution requiring the hiring of new teacher’s, creating new schools, and supporting those institutions.

Health care and social assistance related industries account for four of the top twenty listed industry sectors. Backlogs for service at private medical offices are common to anyone seeking non-critical consultation appointments, and many private offices are not accepting new patients. The need for health care and social assistance industry is apparent, and the economy is responding.

Rank	NAICS Code	Title	Employment <sup>1</sup>		Annual Change	
			2006	2014	Total	%
1	610	Educational Services	1,577	2,041	58	3.68
2	525	Funds, Trusts, and Other Financial Vehicles	427	549	15	3.57
3	512	Motion Picture and Sound Recording Industries	403	517	14	3.54
4	561	Administrative and Support Services	8,399	10,723	290	3.46
5	518	ISPs, Web Search Portals, and Data Processing	1,485	1,890	51	3.41
6	623	Nursing and Residential Care Facilities	3,866	4,773	113	2.93
7	446	Health and Personal Care Stores	1,309	1,615	38	2.92
8	624	Social Assistance	3,027	3,731	88	2.91
9	621	Ambulatory Health Care Services	6,893	8,378	186	2.69
10	445	Food and Beverage Stores	5,107	6,123	127	2.49
11	540	Professional, Scientific, and Technical Services	11,774	14,062	286	2.43
12	238	Specialty Trade Contractors	7,129	8,478	169	2.37
13	713	Amusement, Gambling, and Recreation Industries	1,233	1,464	29	2.34
14	237	Heavy and Civil Engineering Construction	2,088	2,479	49	2.34
15	451	Sporting Goods, Hobby, Book, and Music Stores	875	1,033	20	2.26
16	811	Repair and Maintenance	1,807	2,124	40	2.19
17	813	Membership Associations and Organizations	6,105	7,155	131	2.15
18	524	Insurance Carriers and Related Activities	2,238	2,622	48	2.14
19	622	Hospitals	4,734	5,532	100	2.11
20	441	Motor Vehicle and Parts Dealers	2,682	3,133	56	2.10

<sup>1</sup>This table includes industries with a minimum of 400 jobs in 2006.

Figure IV.9 Fastest Growing Economic Sectors by Percent  
Source: Agency for Workforce Innovation ARPC Projection

The overall good news in the above ranking is that a majority of the positions represent moderate to high wage jobs, with corresponding effect on standard of living for those families. The discretionary income of these higher wage earners will support other sectors.

Another ranking provided by the Agency for Workforce Innovation provides another look at the projected economy. Figure IV.10 below displays the fastest growing industries by new jobs created.

State government is still at center stage and is expecting to stay there as evidenced by the fastest growing industries by employment. With almost 4,000 new jobs in eight years, this growth would be considered enormously successful in any producing industry. Second on the list is the private sector version of state government, Administrative and Support Services. With most of the above list either participating in or providing services to state government, it has to be concluded, that although government is not usually considered an economic base industry sector, that locally it is the life blood of the Apalachee region.

Heavy and Civil Engineering Construction, is an infrastructure function, that may relieve congestion and increase vital capacities in the utility needs of the area. It is in many ways grant supported in the smaller communities and dependant on a stable local government in Leon County. The above list includes no industry sectors that create new products, refine raw materials, or provide services outside of the region except in a regulatory sense. It also explains that the total of these twenty industry categories, (2,859 positions annually) represents 90% of the growth in employment for all industries.

Rank	NAICS Code	Title	Employment <sup>1</sup>		Annual Change	
			2006	2014	Total	%
1	920	State Government	50,095	53,776	460	0.92
2	561	Administrative and Support Services	8,399	10,723	290	3.46
3	540	Professional, Scientific, and Tech. Services	11,774	14,062	286	2.43
4	722	Food Services and Drinking Places	15,060	17,073	252	1.67
5	930	Local Government	20,364	22,367	250	1.23
6	621	Ambulatory Health Care Services	6,893	8,378	186	2.69
7	238	Specialty Trade Contractors	7,129	8,478	169	2.37
8	813	Membership Associations and Organizations	6,105	7,155	131	2.15
9	445	Food and Beverage Stores	5,107	6,123	127	2.49
10	623	Nursing and Residential Care Facilities	3,866	4,773	113	2.93
11	622	Hospitals	4,734	5,532	100	2.11
12	624	Social Assistance	3,027	3,731	88	2.91
13	452	General Merchandise Stores	4,317	4,787	59	1.36
14	610	Educational Services	1,577	2,041	58	3.68
15	441	Motor Vehicle and Parts Dealers	2,682	3,133	56	2.10
16	518	ISPs, Web Search Portals, and Data Proc.	1,485	1,890	51	3.41
17	237	Heavy and Civil Engineering Construction	2,088	2,479	49	2.34
18	524	Insurance Carriers and Related Activities	2,238	2,622	48	2.14
19	522	Credit Intermediation and Related Activities	3,310	3,677	46	1.39
20	811	Repair and Maintenance	1,807	2,124	40	2.19

Figure IV.10 Fastest Growing Industries by Employment

Source: Agency for Workforce Innovation ARPC Projection

Occupations within these industries point to a continuation of a service economy with low to moderate average wages. The companion analysis to projected industry growth is a review of which occupations will be required to fill the projected growth patterns depicted above. Appendix D lists the top 100 occupations gaining the most jobs over the 2006 - 2014 horizons. For comparison with this data, for the Tallahassee MSA, the 2006 estimated mean (average) hourly wage is \$17.98 with the median being \$12.95 per hour.

Expected entry wages for new hires is \$8.36 for trainees to \$22.79 for experienced workers<sup>3</sup>.

Of the 5,377 projected jobs, 23% are anticipated to not have a high school diploma requirement. 20% of the new jobs are expected to require only a high school diploma, which means almost half of the projected employment growth is expected to be low skill, low wage. As the values for educational attainment are compared with income, it can be seen that the projected positions generated that will require vocational training or less comprise 76.5% of all new positions. They will earn less 45% of the wages expected to be paid out. Conversely, the remaining quarter of the new workforce with 2 or more years of college will take in over 55% of the generated salaries. Figure IV.11 below graphically presents the correlation between educational attainment and salary in the Region's workforce projection.

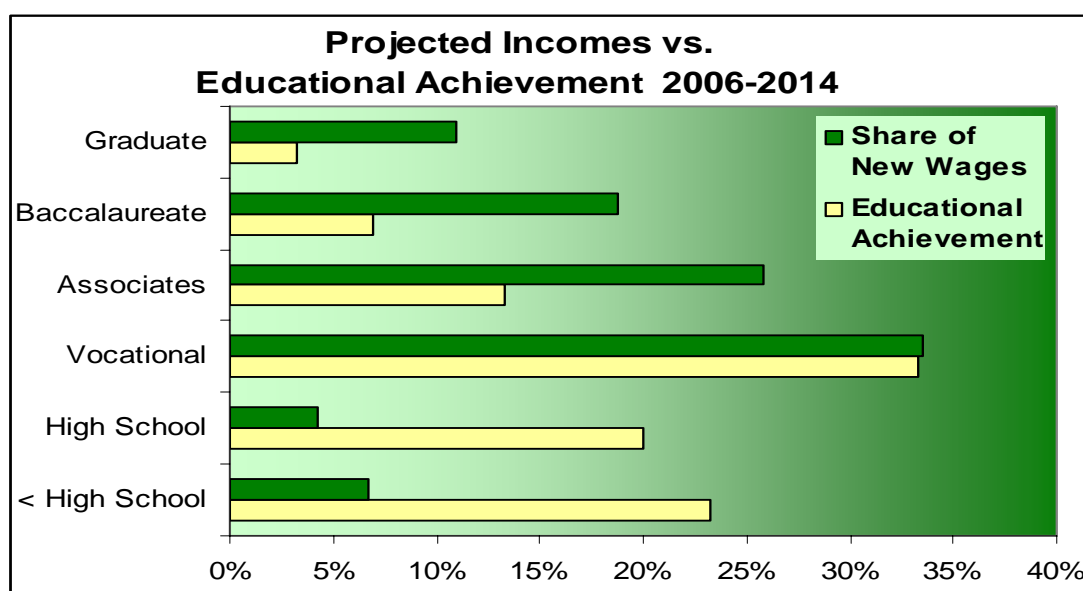


Figure IV.11 Projected Incomes vs. Educational Achievement, 2006-2014

Source: Agency for Workforce Innovation ARPC Projection

**STRATEGIC FINDINGS:** There is and always will be an earnings gap between less educated employees and their management, but the data above represents projected new job growth for the region. With only 10% of the new jobs created requiring a bachelor's degree, it is clear why there is minimal regional retention of the graduates from the two universities. Of the six fastest growing sectors, two will look for advanced technical studies or advanced degrees for their rank and file employees. Professional and Technical Services and Health Care and Social Assistance will provide positions for technical, medical and social science professionals, and paraprofessionals. The majority of the new growth in Accommodation and Food,

<sup>3</sup> FI Dept of Labor Market Statistics, Apr. 2007, Occupational Employment Statistics and Wages. Entry Wage is the wage an entry-level worker might expect to make. It is defined as the average (mean) wage earned by the lowest third of all workers in a given occupation. Experienced Wage represents what an experienced worker might expect to make. It is defined as the average (mean) wage earned by the upper two-thirds of all workers in a given occupation.

**Retail Trade, Administrative and Support Services, and Other Services, will generally seek entry level positions that often request but do not require a high school diploma, and offer site specific on the job training for the low wage positions offered. Although there are specific programs underway to attract high wage industries to the region, there is not a significant supply of employees available to fill those positions. Efforts by the Agency for Workforce Innovation and Florida’s Great Northwest will need to be supported to anticipate and meet the workforce needs of employers coming into the region.**

## **B. Location Quotient and Shift Share Analyses**

### **B.1 Location Quotient Analysis**

The Location Quotient Analysis is the most commonly utilized economic base analysis method. It was developed in part to offer a slightly more complex model to the variety of analytical tools available to economic base analysts. The technique compares the local economy to a reference economy, and in the process attempts to identify specializations in the local economy. The location quotient technique is based upon a calculated ratio between the local economy and the economy of some reference unit. This ratio, called an industry Location Quotient or LQ gives the technique its name.”<sup>4</sup>

Using the Location Quotient methodology, ARPC staff compared two sets of data in order to get a broader estimate of the growth patterns projected for the Apalachee region. The

LQ - AWI	LQ-REMI	Industry Sector
0.5196	2.5862	Forestry, Fishing, Hunting, Other
0.2362	0.4372	Mining
0.8167	0.4978	Utilities
0.8081	0.7629	Construction
0.3073	0.2804	Manufacturing
0.5831	0.5100	Wholesale Trade
0.9190	1.0134	Retail Trade
0.4398	0.3468	Transportation & Warehousing
0.9485	0.9840	Information
0.6014	0.7218	Finance, Insurance
0.3359	0.8871	Real Estate, Rental, Leasing
0.7976	1.0473	Profess, Tech Services
0.2163	0.2117	Management of Companies & Enter
0.6125	0.8187	Admin, Waste Services
0.3283	0.6018	Educational Services
0.7961	0.8829	Health Care, Social Asst
0.3278	0.6493	Arts, Entertainment, Recreation
1.0334	1.0048	Accommodation & Food Services
0.7158	0.9943	Other Services (excl Gov)

first is from the data previously referenced, a projection of employment by major industrial sectors, (2 digit NAICS<sup>5</sup> codes). The projection uses current data up to the 2006 data set maintained by the Agency for Workforce Innovation (AWI), and the Bureau of Labor Statistics. The AWI projection was performed on non-redacted data sets in order to get a better projection than an accumulation of individual county data sets that have deleted data lines. The second data set is a portion of the Florida data set prepared by Regional Economic Models, Inc. or REMI. The REMI data set includes data as current as 2005

Figure IV.12 Location Quotient Results

<sup>4</sup> FSU, Department of Urban & Regional Planning, Methods III online materials: Sources, AWI and REMI  
<http://garnet.acns.fsu.edu/~tchapin/urp5261/topics/econbase/lq.htm>

<sup>5</sup> NAICS – North American Industry Classification Code; <http://www.census.gov/epcd/www/naics.html>

and also includes industry forecasts out to 2050. The REMI data for the Apalachee region was selected to parallel the AWI data and the forecasting period from 2006 to 2014. In addition, the crop and animal production employment numbers were removed from the AWI data to match the non-farm values used in the REMI model. As each projection contains estimations made by the creators of the models, using both data sets for comparison and contrast provides the study with the opportunity to examine reinforcing conclusions from both sources that have a stronger basis for subjective belief than either model standing alone. In both cases, the Location Quotient, (LQ), methodology compares the ratio of individual employment sectors in the region to the region's total employment with the same ratio of industry to total employment in the nation.

In the economic analysis, it is considered that sectors having a LQ of greater than 1.0 are considered to be exporting industries. That is, the employment in and hence the production of materials of products from a given sector is greater than the national average, and is likely to supply the needs of an area greater than the region. Service industries, as support functions, should be near 1.0 as they usually, serve the local region only. In Figure IV.12, above, a comparison of the LQ's from the two different data sets are presented for immediate comparison. The list order is in the normal list order as it occurs in the industry classification codes. Lightly shaded cells represent sectors that were greater than 1.0 in either model's result. Darker shading identifies sectors with LQ's greater than 1.0 in both models.

Therefore, there is concurrence in both employment projections that Accommodation and Food Services is a sector that serves more than the local area. Although most businesses in the accommodation industry serve clientele from outside the region, not all regions have strong Accommodation and Food sectors. However, the strong representation of this sector in the above list indicates that the region is an attractor for outside travelers, and may have a basis for continued development of its tourism industry. The sector includes the entire array of overnight accommodations from RV parks to five star hotels, and also includes all manner of restaurants and drinking establishments except those establishment that serve food but whose primary function is recreation or entertainment, e.g. bowling alleys or golf courses. The only other sectors receiving an LQ over 1.0 all occur in the REMI data set with Forestry, Hunting, Fishing etc. receiving a fairly high LQ of 2.58. This sector includes fishing, and shell fishing, which includes the seafood industry in the region's coastal counties. The 2005 data set from REMI may not have included data reflecting the substantial downturns in those industries after the 2004 and 2005 hurricane seasons. If fully rebounded, the sector may more fully reflect the data in REMI than the AWI data set.

Retail trade and Professional, Scientific and Technical Services also had LQs of greater than 1.0 on the REMI scale. Retail also did very well on the AWI scale with a 0.92. Retail trade would be expected to score near the norm in a large fully developed region as it will usually grow to fill the need and because it is retail, not grow beyond very far a region's needs. The professional-technical employment is a positive sign for the region and may reflect the growing university support functions, as well as the government lobby and legal services available in the capital city. The two full-page exhibits following the discussion display the results of the data. In the two bubble chart displays, the Location Quotient is

displayed on the Y or vertical axis. The projected change in employment from 2006 to 2014, in units, is the horizontal axis of the chart, and variance in the size of the bubble is the size of the base year employment numbers. Comparison of the two model's predictions for Health Care and Social Assistance indicate that this is a sector with strong growth potential. Both models also demonstrate strong predicted growth for Accommodation and Food Services, Retail Trade, Professional, Scientific and Technical Services, and Administrative and Support Services, with Other Services shown as a moderate but growing sector.

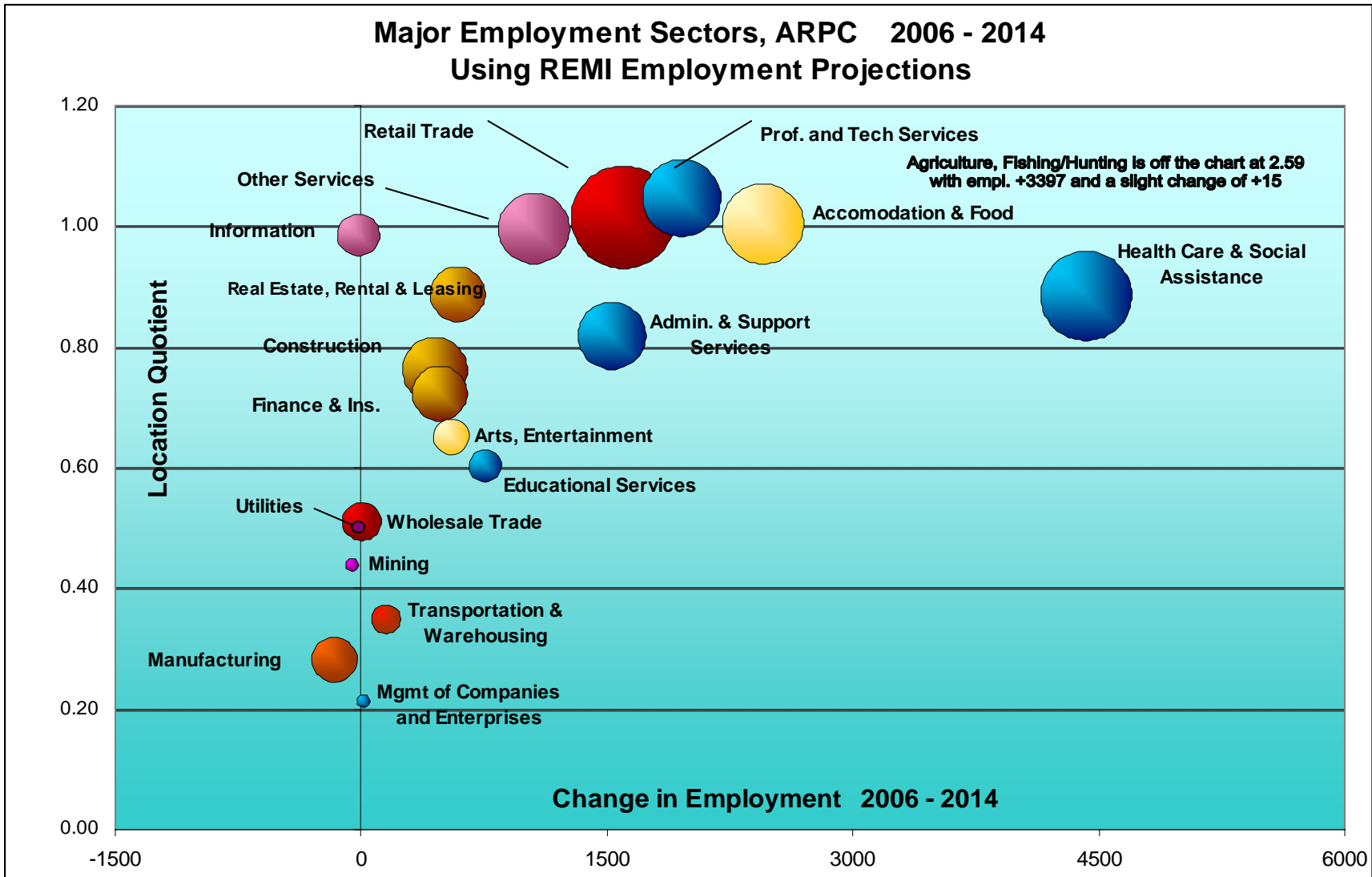


Figure IV.13 Employment Sectors, by Location Quotient, Change and Size, 2006 – 2014, REMI  
Source: Regional Economic Models, Inc. 2005



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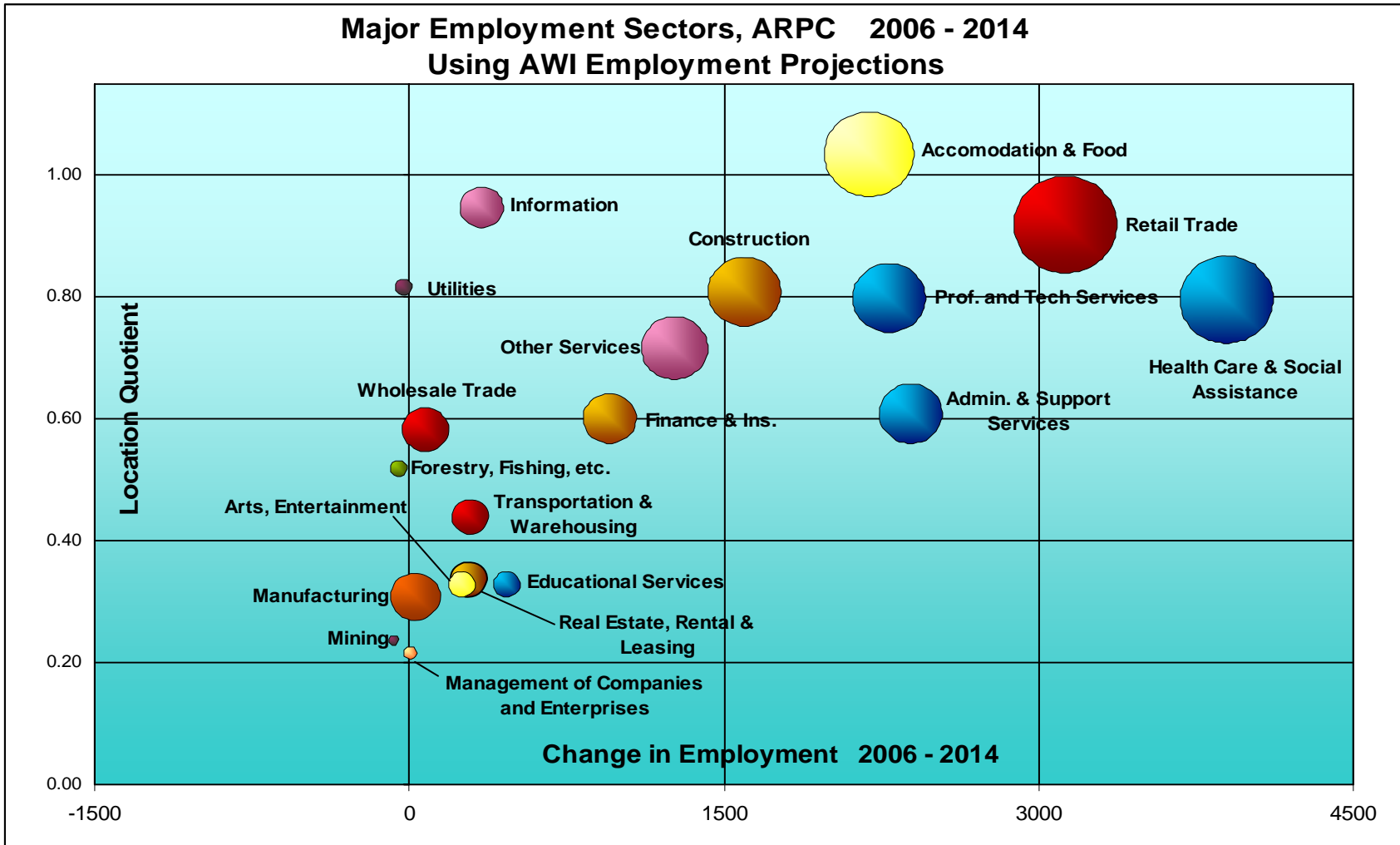


Figure IV.14 Employment Sectors, by Location Quotient, Change and Size, 2006 – 2014, AWI  
Source: Florida Agency for Workforce Innovation, Jan, 2006

The Administration and Support Services sector is relatively strong in both models with anticipated growth of about 1,500 to 2,200 new jobs over the next eight years.

Information Services, is interpreted by these models as meeting the local need, i.e., it has a LQ of near 1.0, but it is not seen as a growth area. The development sectors, Construction, Real Estate, and Financial Services sectors, are all inter-related and are too dependant on the overall health

of the region as well as external vagaries of the national trends in interest rates to make any long term predictions. It is interesting to note that the AWI model, which has one additional recent year in its data set, may reflect the downturn in real estate following the extreme jump in insurance costs in early 2005 more accurately than the REMI model.

Both models show declines in Mining and Utilities. Both are typically “heavy” industrial sectors and represent a very small portion of overall employment. Mining, except for the Attapulgitite extraction and processing in Gadsden County, principally supplies the local need for construction sands, road base, and some concrete ingredients. Utilities, includes power generation and distribution, natural gas distribution, and the traditional municipal water and sewerage utilities, but does not include solid waste management. There is very little power generation in the region and the chart indicates the region’s status as a net importer.

Manufacturing, the core of economic development, is not a significant factor in either employment projection. The REMI projection shows it actually decreasing over the next eight years while the AWI projection shows a very slight increase.

**STRATEGIC FINDING: Using the Location Quotient analysis technique is less than satisfactory for the Apalachee region because the dominance of the government sector, which is not included in the analysis, creates a situation in which almost no other sector can demonstrate a significant regional impact. Of the few that score more than 1.0, Forestry scores very high on the REMI model, but at the same time has a very low percentage of the regional workforce. There is congruence between the two data sets analyzed in that the top five sectors in both models are identical however two of these are traditionally low wage sectors. Both models point out the region’s weakness in manufacturing, warehousing and wholesale trade and also its strength in health, and professional and technical occupations.**

## **B.2 Shift – Share Analysis**

The section will present an analysis of the regional and external forces affecting the fastest growing sectors in the regional economy using the economic analysis method known as Shift-Share. The analysis uses the same data set as the Location Quotient study used above, and recognizes that some industries in the region will grow (or decrease) at faster rates than the national trends. The analysis is for the period from 2006, using actual employment data, and changes in employment projected by the Agency for Workforce Innovation in 2014. The eight year span is the period of study for the Shift Share study. The analysis seeks to isolate the factors affecting the predicted changes in employment that are due to local changes, industry specific factors or national trends.

The basic formula for the Shift Share calculation divides the overall predicted growth rate for a given regional industry into the components Share, Mix and Shift which are graphically presented in the following figures. In the calculations, the *Share* component is simply the base year regional employment in industry, times the national growth rate for all industries for the period. It reveals the amount of the overall change in the regional industry's growth that is a result of overall growth of the national economy, or its "share" of overall growth. The *Mix* component is base year employment in industry, times the difference in the growth rate of that regional industry and the growth rate of the total economy. That is, the portion of the change in employment that is a result of its changing percentage of the overall workforce. The *Shift* component is the same base year employment in industry, times the difference in the regional rate of change of the industry, and the national rate of change in industry. Shift demonstrates whether the local industry is gaining or losing relative to the same sector in the national workforce. Adding the three components yields the total predicted change in the local industry sector.

It may not be very useful to investigate the shift-share characteristics for all industries, but the four that are projected to have the largest increases in numbers of employed persons are examined. They are (from Figure IV.10 above), Health Care and Social Assistance, Retail Trade, Professional and Technical Services, and Accommodation and Food Services.

**Health Care and Social Assistance:** Per the North American Industry Classification System Code 62, is defined as including: "establishments providing health care and social assistance for individuals. The sector includes both health care and social assistance because it is sometimes difficult to distinguish between the boundaries of these two activities. The industries in this sector are arranged on a continuum starting with those establishments providing medical care exclusively, continuing with those providing health care and social assistance, and finally finishing with those providing only social assistance. The services provided by establishments in this sector are delivered by trained professionals. All industries in the sector share this commonality of process, namely, labor inputs of health practitioners or social workers with the requisite expertise. Many of the industries in the sector are defined based on the educational degree held by the practitioners included in the industry. Excluded from this sector are aerobic classes in Subsector 713, Amusement, Gambling and Recreation Industries and non-medical diet and weight reducing centers in Subsector 812, Personal and Laundry Services. Although these can be viewed as health services, these services are not typically delivered by health practitioners."

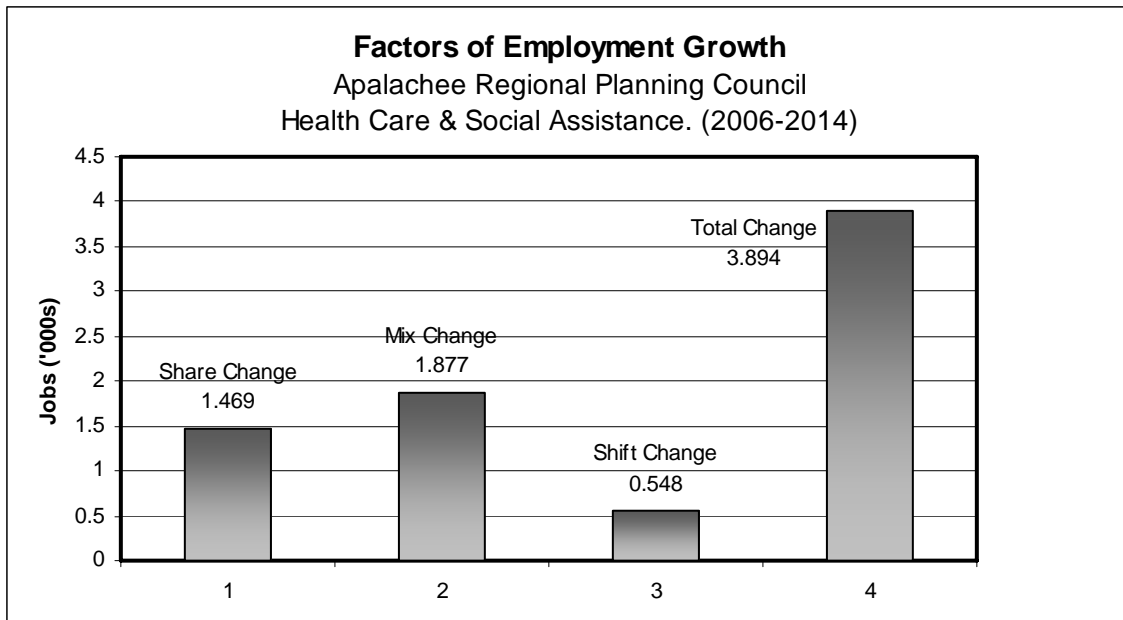


Figure IV.15 Shift-Share Analysis of Health Care and Social Sciences.  
 Source: Base data from Agency for workforce Innovation, calculations by ARPC

Figure IV.15 depicts that the region’s local Mix Change is increasing, becoming a more important sector in the Regional economy, and has a slightly increasing share of the national employment. A future bubble chart similar to IV.13 might report it closer to the 1.0 axis than it is currently. The graph also indicates that the Region’s medical facilities may be becoming more important as a service provider for consumers outside the region.

**Retail Trade:** Per the North American Industry Classification System Codes 44-45, is defined as including; “establishments engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The retailing process is the final step in the distribution of merchandise; retailers are, therefore, organized to sell merchandise in small quantities to the general public. This sector comprises two main types of retailers: store and non-store retailers.

1. Store retailers operate fixed point-of-sale locations, located and designed to attract a high volume of walk-in customers. In general, retail stores have extensive displays of merchandise and use mass-media advertising to attract customers. They typically sell merchandise to the general public for personal or household consumption, but some also serve business and institutional clients. These include establishments, such as office supply stores, computer and software stores, building materials dealers, plumbing supply stores, and electrical supply stores. Catalog showrooms, gasoline services stations, automotive dealers, and mobile home dealers are treated as store retailers.
2. Non-store retailers, like store retailers, are organized to serve the general public, but their retailing methods differ. The establishments of this subsector reach customers and market merchandise with methods, such as the broadcasting of "infomercials," the broadcasting and publishing of direct-response advertising, the publishing of paper and electronic catalogs, door-to-door solicitation, in-home demonstration, selling from portable stalls (street vendors, except food), and distribution through vending machines. Establishments engaged in the direct sale (non-store) of products, such as home heating oil dealers and home delivery newspaper routes are included here.”

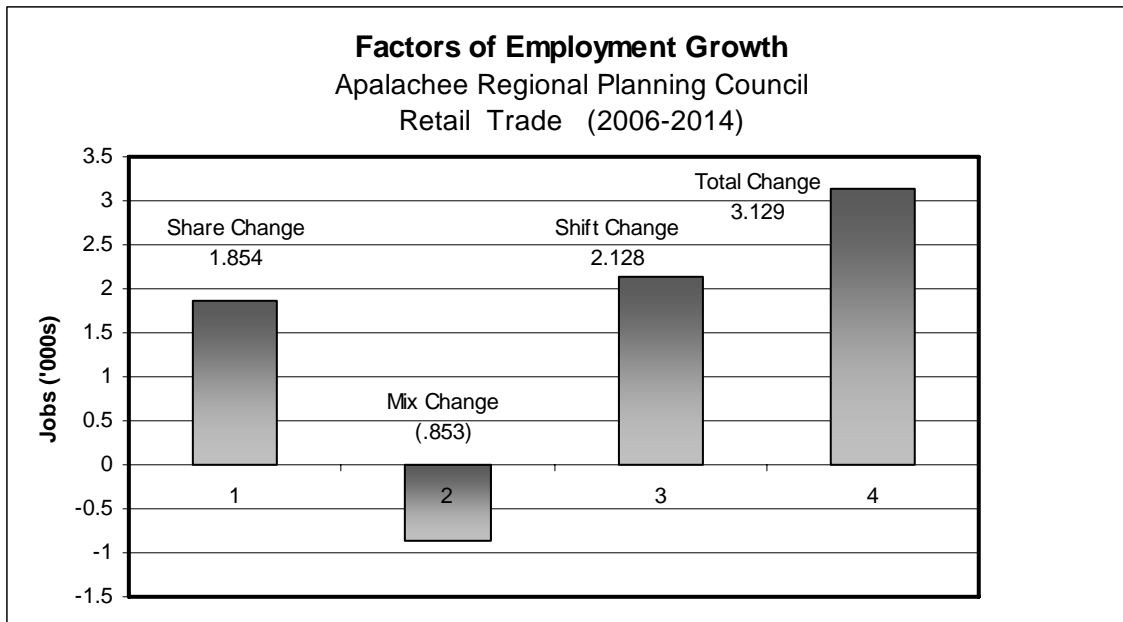


Figure IV.16 Shift-Share Analysis of Retail Trade.

Source: Base data from Agency for workforce Innovation, calculations by ARPC

Figure IV.16 shows that not all of the components of change need to be positive for the net change to be significant to the local economy. It is evident that the Share change indicates that the region’s retail growth is enjoying a fair amount of its growth as a result of positive growth in the national economy, and the Shift change indicates that it is taking on a larger regional role, since it is gaining, (in percentages) on the national economy. However, it must be noted that by its nature, except for mass media marketing, Retail is essentially a local industry. The Mix share is negative, indicating a reduced percentage in the region’s workforce. This is a good sign for retail as this sector is dependent on the remaining sectors of the local economy for its overall health. In an otherwise growing economy, a decreasing retail sector mix can indicate an overall broadening of the region’s economic base. If other signs in the local economy are poor, a negative mix change can point to partial collapse of the region’s economic health, because the Retail sector is dependant on disposable income from other economic base activities, and transfer payments. It would usually follow the Real Estate and Construction sectors into trouble if there was an economic downturn.

**Professional & Technical Services:** Per the North American Industry Classification System Code 54, it is defined as including; “establishments that specialize in performing professional, scientific, and technical activities for others. These activities require a high degree of expertise and training. The establishments in this sector specialize according to expertise and provide these services to clients in a variety of industries and, in some cases, to households. Activities performed include: legal advice and representation; accounting, bookkeeping, and payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, and technical services.

This sector excludes establishments primarily engaged in providing a range of day-to-day office administrative services, such as financial planning, billing and recordkeeping, personnel, and physical

distribution and logistics. These establishments are classified in Sector 56, Administrative and Support and Waste Management and Remediation Services. “

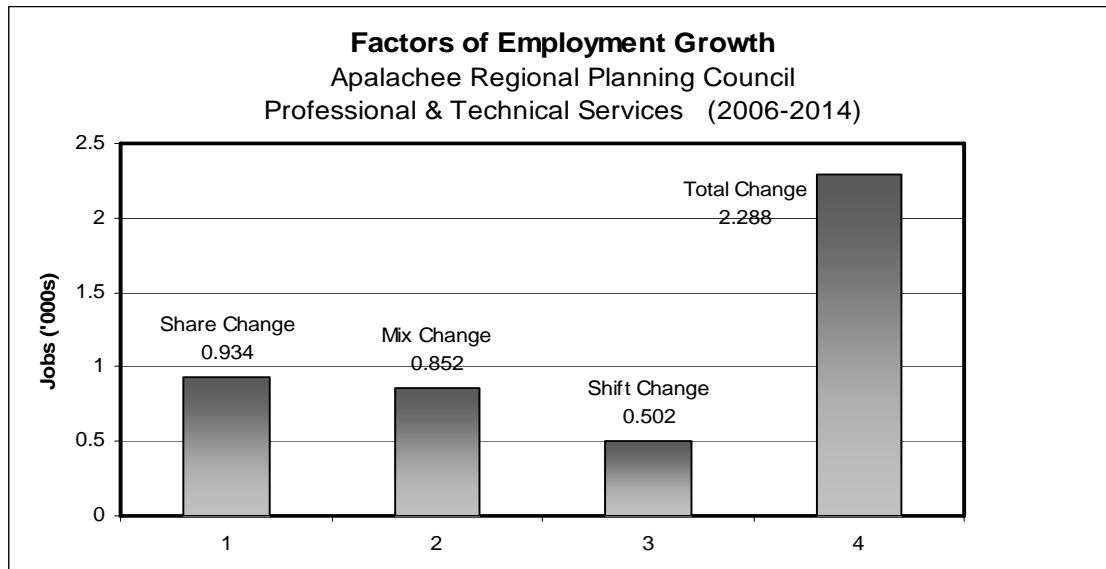


Figure IV.17 Shift-Share Analysis of Professional & Technical Services.

Source: Base data from Agency for workforce Innovation, calculations by ARPC

Although the Shift change is not particularly large, it is increasing faster than the sector’s change in the national workforce. With almost 40% of the overall growth in the sector in Share and Mix, it is evident that this very important, high wage employment sector is benefiting from increases in the national economy and is projected to take on a more important role in the regional economy. If a portion of the proposed plans for increased local presence of Danfoss TurboCorps, DayJet and university research spinoffs continue to influence the area, the predictions depicted could actually be low for the projected time period.

**Accommodation & Food Services:** Per the North American Industry Classification System Code 54, it is defined as establishments that are “providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption. The sector includes both accommodation and food services establishments because the two activities are often combined at the same establishment. Excluded from this sector are civic and social organizations; amusement and recreation parks; theaters; and other recreation or entertainment facilities providing food and beverage services.”

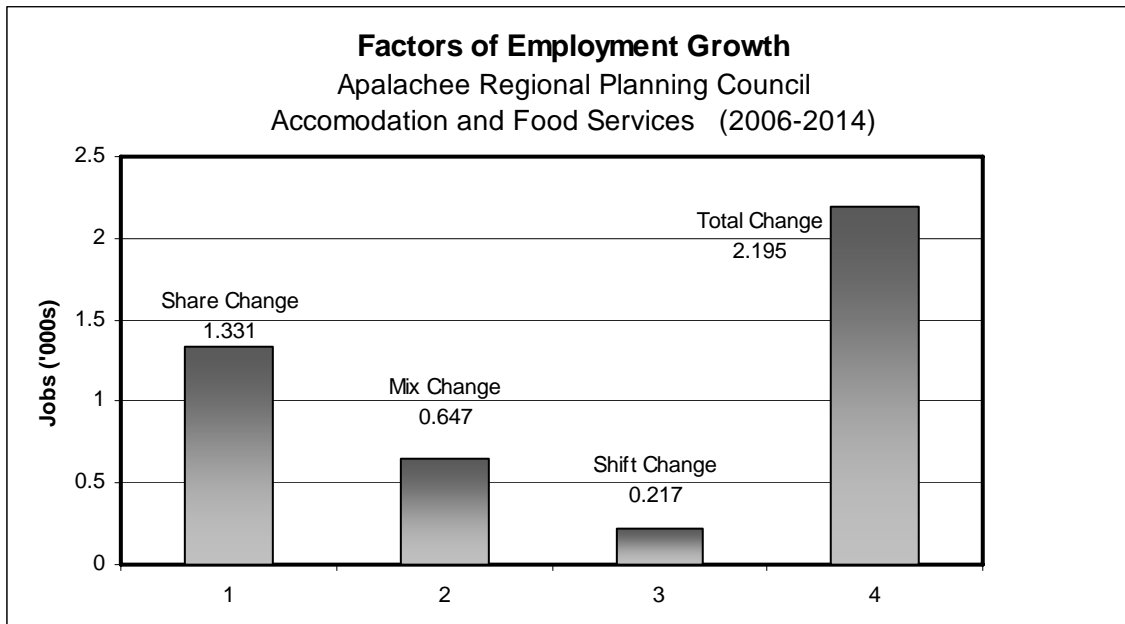


Figure IV.18 Shift-Share Analysis of Accommodation and Food Services.

Source: Base data from Agency for Workforce Innovation, calculations by ARPC

An entirely different set of ratios are presented in Figure IV.18. The largest component, Share, indicates that the biggest boost comes from the overall health of the national economy. The positive Mix component demonstrates that the sector is becoming more important as an employer. However, in most instances and except for management positions, the sector does not compensate employees at acceptable breadwinner rates. With room service waiters, and counter help predominant in this sector, it is not an immediate indicator of good news. However, as a barometer of increasing tourism in the area, it may help indicate the increases in Retail as visitors to the area spend in areas other than food and lodging. The Shift Change is relatively small, indicating that the sector is not advancing very far ahead of the national curve.

**Government, and Agriculture:** The above analysis is based upon non-farm and non-governmental industries. The crop producing and animal producing sectors have been removed from the Forestry – Agriculture Sector, and state and local government has been removed from the mix. However, the employees along with self-employed agriculture workers are included in the total. The exclusion is the reason that most of the sectors are below the 1.0 axis on the two bubble charts. Although the agricultural crop and animal related workforce is small and has little effect on the regional employment statistics, government is very large and significantly affects the Share and Mix components of any other sector’s projected growth.

**STRATEGIC FINDING:** The four sectors evaluated with the shift-share methodology indicate four different scenarios for growth. It explains that no single common factor is driving the projected increase in these industries.



**The region is, and is anticipated to remain heavily dependent upon state government and its ancillary support functions. With the large state subsidy, by way of state taxation, supporting the local economy, the region could support a steady or no growth economy with very little loss to many of its sectors except for engineering, construction, real estate and other growth dependant sub-sectors. However, it is also vulnerable to overall changes in policy, state and local revenue streams, and the national economy in its ability to maintain a level of stability. Relatively low percentage shifts of workforce assignments to other regional offices from the state capital could have disastrous results on the supporting service sectors.**

**Regional capacity in Health Care and Social Assistance is not up to the national average and would be seen by the LQ analysis as not meeting the national average, and possibly not meeting local needs although it is projected to grow significantly in the next several years. The projected rapid growth in the region is at a higher rate than the national average, and may soon translate from a sector that serves only the region's needs to one that serves others outside of the region. In practical terms for today, many of the region's critical care patients travel to other major medical centers for procedures not offered locally. Also, the lack of a veteran's hospital in the area has many of the Region's veterans, young and old, traveling to Lake City, Florida or Valdosta, Georgia for care. However, this trend is changing as the two major regional hospitals compete and add new services and the new Gulf County facility in Port St. Joe opens in 2008.**

**Accommodation and Food Services are also projected to take on an increasing percentage of the workforce. Even though the jobs are not seen as promoting a sustainable economy, they are indicators of increasing tourism to the region. The tourism market, especially nature based tourism, is seen by many of the region's local Economic Development Councils as a way to retain the natural attraction to this area without consuming them in development.**

**The projected strength and increasing importance of Professional and Technical Services is encouraging. The mid to high paying jobs are important to maintaining higher standards of living, can afford to purchase housing, and usually require additional support services. The services will also offer stimulating in-region employment opportunities for more of the region's graduating college seniors and technical trainees. Career training may be required if new Professional and Technical employers move to the area with specific training requirements.**

**Administration and Support Services is strong, but not up to the national norm. The growing sector is a support industry to the large state office complex and would be expected to share in the growth of state and local government sectors. It will also be vulnerable to policy shifts or budget shortfalls that could curtail the need for outsourced services.**

### C. Economic Development Investments

In the past few years, the region has achieved some success in attracting economic activity that holds the promise of further economic development to follow.

Danfoss Turbocor Compressors, Inc. a manufacturer of HVAC oil-free centrifugal compressors has moved its base of operations to Leon County from Canada. It designs, manufactures and markets its leading edge commercial refrigerant compressors from its new Florida base. It is expected to hire 150 new high-wage employees in its new facility. The Company was attracted to Leon County with a mixed bag of incentives including a \$1.05M targeted industry grant. According to the Economic Development Council of Tallahassee/Leon County, the 150 Danfoss positions and activity will create 169 indirect jobs and induce another 150 for an impact of 469 total new jobs. As a result of the Danfoss relocation, Global GNC solutions, a machine tool company, added 15 positions to supply the compressor shafts to Danfoss.<sup>6</sup>

The Florida State University Physics Department's leadership role in high energy magnetic research is well known world wide. Expansion at the FSU Applied Superconductivity Center will create 35 new high wage jobs directly, with 31 additional indirect and induced jobs. The Center is anticipated to bring in \$2M in research grants and another \$2.5M worth of precision lab equipment. The facility has just been awarded an \$8.7M contract to construct a 30Tesla magnet for Berlin's Hahn-Meitner Institute for its neutron scattering research.

Across town, the Florida A&M University's new 32,000 sq. foot, \$3.7M Center for Plasma Science and Technology research facility will house \$6M in new high-tech equipment. The new center is expected to generate up to \$4M per year in plasma science and related technology research.

Day Jet recently chose Tallahassee as one of the first five cities in the nation to receive its "per-seat, on-demand" jet service. The City was chosen due to its growing local economy and a business environment that is underserved by the hub and spoke commercial service available. Day Jet's arrival was facilitated by \$350K in Qualified Targeted Industry grants and another \$3.8M in quick response training grants. The Tallahassee/Leon EDC projects that Tallahassee will receive an economic impact of over \$16M from the Day Jet siting within the first three years of its operation. As a bonus to this direct business activity, Day Jet is planning to create a "Very Light Jet Center of Excellence" at the Tallahassee Regional Airport for flight training in cooperation with leading aeronautical universities, the center will train up to 2,000 pilots, maintenance and customer service professionals a year.

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<sup>6</sup> Annual Report of the Tallahassee/Leon EDC, 2006.

COMPANY NAME	PRODUCT / SERVICE DESCRIPTION (what they actually do in your county)	TYPE OF FACILITY	# NEW JOBS (Direct)	CAPITAL INVESTMENT (\$)	Average Wage
Danfoss Turbocor	Manufacturing commercial HVAC Compressors	Manufacturing	150	\$9 million over first 3 years	\$44,000
Global CNC Solutions		Manufacturing	15	\$1.2 million	
Engineered Cooling Services	Commercial and industrial HVAC service company		15	\$250,000	
FSU Superconductivity Center	Research and development	Research & Development	30		
Day Jet	On demand, per seat air taxi services	Other	70	\$30 million over first 3 years	\$62,634
FAMU Center for Plasma Science and Technology	Research and development- premier facility for study of plasmas in Florida	Research & Development	42		
PATLive	Telecommunications	Call Center	33		
General Dynamics Land Systems	electronics manufacturing	Manufacturing	60		
TeligentEMS	electronics manufacturing	Manufacturing	70		

Figure IV.19 Economic Development Projects in the Tallahassee/Leon EDC  
Source: Tallahassee/Leon EDC, 2007

Jackson County has also reported some significant new initiatives. The now completed Family Dollar distribution facility at the Jackson County “Distribution Park” has opened and has hired its initial workforce of 450, which very likely may continue to grow. Adding to this center at the western I-10 Marianna interchange, is the new distribution park member, Arizona Chemicals, which employs another 25 people. Now under construction at the park is a pre-cast concrete products company, Old Castle, which when completed and operational, will employ 110 persons.

Further west along I-10 at Cottondale / US Hwy 231 interchange is the announced new site of Green Circle Bio-Energy wood pellet plant. When completed, the facility will process waste products from the wood harvesting industry into wood pellets. The pellets will be shipped to Europe to reduce emissions in coal fired power plants. In full operation, Green Circle will create up to 151 new jobs. Green Circle will be the first new business in an area of Jackson County that is expected to take advantage of the crossing of the Bayline RR, CSX RR, I-10 and US Hwy 231. A water main extension will permit another minor project in Sneads/Jackson County. It is the location of a new hotel, facilitating visitors to the two state correctional institutions in Sneads. This hotel is planning to create another 6 positions.

Gadsden County's newest interchange development at I-10 and SR 267 will serve two recently constructed hotels. It is anticipated that these two new facilities will attract additional commercial development at the interchange. Another utility extension to the west of Quincy will permit the immediate location of a Huddle House and other proposed commercial activity on the previously undeveloped west side of the city. Several other new developments are underway based on recent grant activity.

In 2002, private investment by St Joe's Commercial Land Division in Hammock Creek Industrial Park took advantage of the installation of a sewer and water extension in the US Hwy 90 ROW west of Midway. Extended to serve a new high school, and the Pat Thomas Law Enforcement Academy, the utility extension opened up a significant stretch of 4-lane highway to development. The St Joe Company's private investment in the commercial park did not take advantage of the enterprise zone status, but Ring Power, the regional Caterpillar sales and support center, did use the Florida enterprise zone rebates as did Wal-Mart and several other recent new locations in the region.

As the major private sector landowner in the region, the St Joe Company has the potential to have a major effect on the region's development characteristics. The company is currently focusing on its WindMark development in Gulf County. WindMark is primarily a residential beach focused development with minor "boutique" retail. The Company does not want to compete with downtown Port St Joe for normal retail functions to ensure that the town's character, a major draw for WindMark, is not damaged. SummerCamp, another beach oriented residential development in Franklin County, is underway but like WindMark, does not plan significant business activity. For these two major construction and development projects, economic base activity will slow after infrastructure is installed and cease upon build out. There are four other large land use change projects in Franklin County to the east, but no specific timetable as to the development of these should the land use changes become adopted. Two of these are intended to have mixed use areas, with some retail areas included in the mix. There are no current plans to develop another major business park in the Apalachee region, although there are plans to redevelop the former paper mill site in Port St Joe with mixed retail and a possible marina.<sup>7</sup>

From time to time in the recent past, the ARPC has been invited to participate in meetings with site selection professionals who have made contact with one of the EDCs in Counties along the I-10 corridor. Site hunters are constantly looking for site solutions for major OEM or Original Equipment Manufactures who are interested in relocating or locating a new facility in the area. Most often, the site selection professionals are looking for a certified mega site. To become certified, the site must be from 1,000 to 1,250 acres with at least 900 acres developable. It should have adjacent or accessible rail access and ready access if not adjacency to an interstate highway exit. Proper land use controls for the intended commercial or industrial use should be either be attained or easily changed. Roadway and utility issues should be satisfied or easily met within a reasonably short time. At present there is no prepared site, or even a properly zoned site in the Apalachee region that could be considered a certified mega site. Although the region has recently been

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<sup>7</sup> Interview with George Gonzales, of the St Joe Land Company, 6/8/07

successful in attracting some new 100+ employers, it has not gone the extra step to make it competitive to a potential OEM company.

**STRATEGIC FINDING: The Apalachee region has many opportunities for increasing its non-governmental employment base. There is continuing interest in several of the I-10 interchanges from Cottondale to Monticello. Efforts of the local EDCs are continuing to attract national and now international interest in the region's assets. Recent investments have increased the area's importance as a transportation hub while new initiatives are pointing toward the renewable energy/biofuels and aerospace industries.**

**The region does not have a certified mega-site. Successful location of an OEM or similar company would also attract spin off industries that would increase the Region's manufacturing sector and better diversify the region's employment choices.**

#### **D. Fiscal Health of Local Governments**

Infrastructure and other services, including the traditional wet utilities, electrical supply, transportation systems, and now bandwidth, are crucial to development in the region. New or expanding industries may have a need for land that is not currently being served by infrastructure, or may demand greater infrastructure capacity than is present. Competition for relocations and new locations of major and minor industrial and commercial ventures is intense and a particular site needs to sell itself on the current or ready availability of these support systems. The high capitalization needed for infrastructure installation often exceeds the available fiscal resources of local governments. The tax base in counties of the Apalachee region usually cannot support the costs of providing new infrastructure for several reasons: lack of industry; smaller tax revenues from land used in silviculture; and relatively low housing values.

Governments' ability to garner revenue through property taxes is limited in Florida by a 10 mil statutory cap on the millage rate.<sup>1</sup> A mill is an assessment of \$1.00 for every \$1,000 of taxable assessed property value. As Figure IV.20 illustrates, many of the Region's governments are currently assessing at or are close to the maximum rate, limiting their ability to compensate for future revenue shortages through an increase in property taxes. As revenue from federal grants declines in a climate of fiscal austerity, governments are being forced to cut expenses and capital improvements, or develop new funding sources. Due to the recent upheaval in Florida's insurance rates, the property value balloon of 2003-2006 forced the coastal counties to reduce ad valorem rates to keep business properties economically feasible. Other inland counties with a deficient tax base have no choice but to stay at the 10-mil cap and in some cases, drop social services to maintain their budgets.

<b>County Government</b>	<b>2004 Millage</b>	<b>2006 Millage</b>
<b>Calhoun</b>	10.0000	10.0000
<b>Franklin</b>	5.5970	3.8437
<b>Gadsden</b>	10.0000	10.0000
<b>Gulf</b>	6.5000	4.6371
<b>Jackson</b>	8.5050	8.0000
<b>Jefferson</b>	10.0000	10.0000
<b>Leon</b>	8.5600	7.9900
<b>Liberty</b>	10.0000	10.0000
<b>Wakulla</b>	9.5000	8.1800

Figure IV.20 Components of County Base Millage Rates, 2004-2006  
Source: 2004, eFlorida.com, 2006 Telephone Survey, 3/8/07.

Florida has strict growth management regulations concerning expansion of infrastructure requiring that the expansion of facilities be concurrent with development, and there are new mechanisms for garnishing a fair share contribution from new developments. However, in order to serve or rather attract new businesses, those facilities need to either be in place, or planned and funded to keep the competitive location edge. City and county governments have trouble funding projects with “potential” but no specific target. The major funding agencies, EDA, CDBG, and USDA Rural Development all have programs linked to economic development that require a principal party with a guarantee of future employees. Although local governments are always beset by their tax paying constituents for relief, experience in the Apalachee region reveals that there is very minimal local funding available to pursue economic development projects without significant outside assistance. In Figure IV.21 below, the revenue and expenditures for the region’s county governments for the last data year available, 2005, was examined. As the size of the counties varies considerably, the differences in the relative surpluses or deficits are compared as percent of revenue and on a per capita basis. Gulf and Jackson had the highest revenue surpluses when compared by percent of revenues and per capita. Both are among the counties that responded to the property value boom by reducing ad valorem tax rates. The decision to reduce ad valorem tax rates is seen as required to keep businesses competitive, and rents affordable. In 2005, during the period of rapidly escalating property values some counties remained fiscally critical condition. Gadsden, the third most populous county in the region and Liberty, the least populous, were both losing ground fiscally. Comparing the similar profiles, Jefferson had very little reserve in its budget, and without change could face hard economic times in the near future. Gadsden, Liberty, or Jefferson are at the maximum 10-mil cap and do not have the option of increasing their ad valorem rates to meet shortfalls.

County	Revenues	Expenditures	Surplus/Deficit	S/D as % of Revenues	S/D Per Capita
Calhoun	\$14,764,057.00	\$14,046,223.00	\$717,834.00	4.86%	\$54.01
Franklin	\$27,040,003.00	\$25,615,880.00	\$1,424,123.00	5.27%	\$139.94
Gadsden	\$43,790,229.00	\$44,050,108.00	(\$259,879.00)	-0.59%	(\$5.60)
Gulf	\$26,625,051.00	\$23,021,470.00	\$3,603,581.00	13.53%	\$257.86
Jackson	\$50,795,646.00	\$43,335,668.00	\$7,459,978.00	14.69%	\$152.29
Jefferson	\$18,616,938.00	\$18,449,987.00	\$166,951.00	0.90%	\$11.52
Leon	\$352,472,227.00	\$323,968,171.00	\$28,504,056.00	8.09%	\$115.99
Liberty	\$12,141,688.00	\$12,353,060.00	(\$211,372.00)	-1.74%	(\$27.19)
Wakulla	\$40,015,036.00	\$38,411,885.00	\$1,603,151.00	4.01%	\$56.83

Figure IV.21 County Revenues, Expenditures & Difference - 2005  
Source: Summarized Municipality Data State of Florida Fiscal Year Ended 2005

Many of the Region’s local governments were in much better fiscal condition only a few years ago. Changes in state policy, requiring that local governments pick up a much larger share of the worker’s compensation insurance costs, formerly a State expense, caused an initial fiscal shock since payroll is the single largest non-capital expenses for most small governments. The region’s local governments have struggled with balancing increasing tax burden’s imposed by external policy changes and external market forces on their real estate assessments against the citizen’s ability to pay their annual property tax bills. Figure IV.22 below demonstrates that the county’s aggregate millage rates have been dropping over the past five years while total revenues have been increasing. Again, this is not an across the board effect since each government passes its own millage rates according to its ability to respond.

	Change 2001-06 Agg. Millage Rates Percent Decrease	Change 2001-2006 Total Co Taxes Levied Percent Increase
Calhoun	-2.00%	33.00%
Franklin	-38.00%	195.00%
Gadsden	-6.00%	37.00%
Gulf	-35.00%	147.00%
Jefferson	-6.00%	54.00%
Jackson	-19.00%	22.00%
Leon	-6.00%	58.00%
Liberty	-4.00%	50.00%
Wakulla	-12.00%	116.00%

Figure IV.22 Change in Millage Rates and Taxes Levied, 2001-06  
Source: FL Dept. of Revenue, “Tax\_Data\_County.pdf”

In a 2007 special session in the Florida legislature made sweeping changes in property tax laws to force local governments to respond to the squeeze of market and governmental changes. The final result will not be known fully until a referendum scheduled

for vote on January 29, 2008. However, it is expected that given the choice, voters will choose to reduce their tax burden. In many of the larger jurisdictions with an adequate reserve, the impact will be not as severe as in the rural counties and especially some of the counties in the Apalachee region. Newspapers across the region are reporting on special budget sessions in local governments, as departments are requested to submit smaller budgets for the upcoming fiscal year.

**STRATEGIC FINDING: Many of the smaller local governments in the Apalachee region have always found it difficult to pursue their capital programs without grant assistance. Upcoming tax law changes are expected to impact some of the rural counties that are at the maximum 10 mill rate even more because these counties do not have the flexibility to respond to legislated increases in homestead exemptions.**

**E. Strengths, Weaknesses, Opportunities, and Threats.**

The preceding sections of this report including the Chapters II through IV have gone into detail outlining the various factors affecting the economic development climate of the Apalachee region. The following section shall briefly outline the highlights 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. The Table in Figure IV.23 on the following page encapsulates the following commentary.

<b>STRENGTHS</b>	<b>OPPORTUNITIES</b>
<p><u>Location:</u>            Quality of Place            Recreation Opportunities            FSU/FAMU Cultural Experiences            Regional Historical Experiences            Tri-State Distribution Hub</p> <p><u>Infrastructure:</u>            I-10 and CSX Transportation routes            US231 and Bayline from Port Panama City</p> <p><u>Workforce:</u>            Post Secondary Opportunities            FSU/FAMU            TCC            Chipola College            Gulf Coast Comm. College            Tech training: Lively, Pat Thomas,            Stable government base            Low unemployment</p> <p><u>ED Initiatives:</u>            NWRACEC. (Opportunity Florida)            FL Great Northwest - Wired            Enterprise Zones            Eflorida            Visit Florida            REDI            Active Workforce Boards and State agency support</p>	<p><u>Location:</u>            Possible NWFTCA routes            Port of Port St Joe            Day Jet Hub            Availability of Natural Resource Opportunities</p> <p><u>Infrastructure:</u>            Regional wastewater planning efforts            Port of Port St Joe with SR71 and rail connections to CSX at Chattahoochee</p> <p><u>Workforce:</u>            WIRED            Jackson Co Industrial Diversification            Leon Co Industrial Diversification            Gadsden Technical Institute</p> <p><u>ED Initiatives:</u>            Knight Initiative and Vision 2020 regionalization efforts            RACEC Catalyst-Site            Florida’s Great Northwest            Big Bend Scenic Highway            County ED Initiatives:            - Visioning Project in Gadsden            - ED visioning in Wakulla            - Central sewer expansion for Jefferson            - Imagine Jackson            - Marianna/Jackson Co. Industrial Park            - Marianna/Jackson Constr. Svcs. Park            - Jackson Co. Intermodal Park</p>



<b>WEAKNESSES</b>	<b>THREATS</b>
<p><u>Location:</u>            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</p> <p><u>Infrastructure:</u>            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.</p> <p><u>Workforce:</u>            Lack of Diversified base            Low HS Graduation rate            Low Upper division graduate retention</p> <p><u>Employment:</u>            High worker compensation rates            Widespread under employment            Lack of opportunities to seek living wage employment.</p>	<p><u>Location:</u>            Lack of critical occupation housing            Lack of affordable housing            Conversion of seafood production and processing areas to residential</p> <p><u>Infrastructure:</u>            Rising Construction costs            Lack of local government fiscal ability to respond to shortfalls.            Proposed changes in tax law will further restrict local government capital investment.</p> <p><u>Workforce:</u>            No. of qualified teachers will not meet demand of minimum class size amendments.</p> <p><u>Employment:</u>            Federal reporting methods consistently discount actual unemployment rates            Reductions in local government employment levels will affect local employment and service provision.</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 for blackwater kayaking, to sailing and offshore 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.

**Infrastructure:** The parallel routes of Interstate 10 and the CSX railroad mainline provide heavy lift and transport capacity across the northern tier counties with access to the existing deepwater port in Panama City.

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 has a reasonably stable government workforce subsidized by the remainder of the state that provides a secure base for local business investments. And, recently, as is common with a majority of Florida, low levels of unemployment.

**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 outlets. These include; Opportunity Florida, (the economic development agency of the Northwest Rural Area of Critical Economic Concern), Florida's Great Northwest with its WIRED and other workforce development initiatives, a strong Enterprise Zone program, OTTED and Enterprise Florida with the important REDI and Catalyst Project programs, and a strong workforce development initiative through the Agency for Workforce Innovation.

**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.

## **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 Apalachicola and Northern RR, 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.

**Infrastructure:** There is a lack of piped utilities and / or broadband access to many major key industrial sites and commercial nodes. 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.

**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.

**Employment:** Florida has high worker's compensation costs relative to its adjoining southern states. This has a chilling effect on prospective relocations when sites in multiple southern states are in consideration for a new location or relocation. Although low unemployment is touted with great fanfare, there is significant underemployment in the region, as well as a fair certainty from the CEDS committee members of undocumented unemployment. This is seen as a result of the two years and out work-fair policies that simply drop many chronically unemployed persons off the unemployment lists. The result is an understatement of the actual unemployment statistic.

**STRATEGIC FINDING "Weakness":** Five of the region's counties do not have interstate access, and there is no 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 (NFCTA). 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 DayJet<sup>®</sup> hub being developed in Tallahassee and five other Florida cities will reduce the region's dependence on the major carrier's hub and spoke system which has inhibited intra-state business travel for decades.

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.

**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 is a major coup for the Florida Panhandle as it aggressively pursues connections between vocational and educational institutions and existing and proposed businesses. Industrial diversification in both Jackson County and Leon Counties will enhance the region's competitiveness for future relocation projects and provide additional moderate to high wage opportunities for local graduates and under employed local workers.

**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 Federal grant funding Florida's Great Northwest provides enhanced workforce development assistance. The state's several programs originating in eFlorida and the Governor's Office of Tourism, Trade and Economic Development add to the normal mix of funding opportunities available in most other jurisdictions.

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 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. Local planning or visioning projects include the recently completed Imagine Jackson vision document which has been the blueprint for the currently developing Marianna/Jackson Industrial Park, the Marianna/Jackson Construction Services Park, and the Jackson Co. Intermodal Park.

**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. There are several regional sewer development studies underway that have economic

development as a focus. 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.

#### 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.

In most counties affordable workforce housing has become a serious issue. Service industry jobs do not support the American dream of home ownership.

Destroyed coastal seafood processing facilities are being converted to high dollar second homes with little economic support for the local economy.

**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.

**Workforce:** Florida's class size amendment to the state constitution requires the addition of additional teachers and classrooms. The strain on most county school boards is enormous and the counties are having trouble meeting basic education requirements, reducing their ability to provide variety in vocational curricula.

**Employment:** Although, the region has an official unemployment rate that seems comfortable, Federal reporting methodology drops some workers from unemployment roles when they are no longer reporting for benefits they cannot get. Local knowledge of workforce and layoffs belies these official numbers as some laid off employees who have not found work two years after layoff, remain unemployed.

The Florida tax base discussions are ongoing and unsolved at the legislative level. It is perceived that an additional burden will be placed on local governments, quite possibly causing reductions in employment at county and city governments. This is one of the largest sectors of overall employment in the region and would have further negative impacts on the labor market.

**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. Teachers are not available in the rural counties to meet the requirements of minimum class size amendments much less to support new workforce training initiatives.

**Weaving together solutions to the above will continue to be site specific, however generic regional 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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<sup>i</sup> Chapter 200.071, *Florida Statutes*.

## **Section V: Integration with State Programs and Parallel Planning Initiatives**

The primary mission of the ARPC as an Economic Development District (EDD) will always be to provide assistance to its local governments in acquiring aid from the Economic Development Administration (EDA). ARPC staff will work to ensure that viable economic development (ED) projects are identified, promoted, and brought to the EDA and other development agencies for assistance. It is recognized that some of the region's local governments have well trained staff or positive relationships with grant development firms that can also provide assistance in this area. Projects promoted in this matter will receive full support of the ARPC provided that they meet local government approvals and agency permitting requirements.

In fulfillment of its mission as an EDD, the ARPC will maintain a sincere level of involvement in other agency programs and an understanding of the aid provided by others. In order for the ARPC's development strategy to be successful it will have to maintain its continued coordination with other agencies.

### **A. Integration With State Planning**

The ARPC is committed to its continued presence and involvement in the many agency activities planned by the numerous agencies in Florida's Capital Region. Many of the agency programs listed below are more fully described in the following section.

The ARPC will continue to represent the Florida Regional Councils Association (FRCA) at the monthly meetings of the Rural Economic Development Initiative (REDI). The REDI meetings promote the cross agency contacts and information flow essential to staying abreast of a complex and constantly evolving economic development climate.

The ARPC will continue to work with the Governor's Office of Tourism, Trade and Economic Development (OTTED), as requested to assist local governments in their specific initiatives and in promoting the region to all interested parties.

The ARPC will continue to coordinate with Enterprise Florida in its marketing efforts to bring in new business ventures from outside the region.

The ARPC will seek better coordinate with the Agency for Workforce Innovation (AWI) to assist in multi-agency solutions to workforce education.

The ARPC will continue to work with the Florida's Great Northwest's WIRED initiative and its mission to better coordinate secondary and post secondary education to employer's specific job skill requirements.

The ARPC will continue to represent the small counties in the region with the Florida Department of Transportation (FDOT) District 3 office to bring to the District's work plan projects that will promote better transportation efficiencies on the State highway system.

The ARPC will continue to coordinate with the Capital Region Transportation Planning Agency, to provide input on large development projects in the CRTPA's region.

The ARPC will continue to review land use planning amendments that may have regional impacts in its mission from the Florida Department of Community Affairs.

## **B. Parallel Economic Development Planning Initiatives**

As indicated above, one of the primary goals of the CEDS will be to maintain contacts and coordination with economic development initiatives in place or proposed by State Agencies. In order to keep up these contacts, it is necessary to understand the wide variety of programs in place and their relationship to economic development (ED). In addition to the many ED initiatives available at the federal level, there are several existing programs at the state level, which will be important players in the future success of Florida's economy.

**Florida Department of Community Affairs** The Department of Community Affairs is the primary planning agency in the State of Florida governing growth management. As such it reviews local government plan amendments, provides special review of projects that are seen as having significant regional impact, (Developments of Regional Impact or DRIs), and ensures that support systems including infrastructure, housing, schools etc. are in place prior to the impacts of the new development making demands on these systems. The laws as written are intended to keep the burden of new development off of local governments. Written into these statutes are requirements that capital improvements elements are updated each year, that a phrase in the school concurrency element is changed each year, and that new amendments address green house gas impacts.

Written with good intent to provide guidance for large counties with burgeoning demands on existing support systems, the statutes are imposed on all counties in the state. The unfortunate impact on small rural counties and small cities is the demand put on these small local governments, many of whom do not have professional support staff, to comply with growth management criteria imposed on the state's most populated areas. The ARPC can have an effective role in advising local governments of these requirements and providing assistance in overcoming legal barriers to new development initiatives by either securing professional aid or providing that aid in updating these required elements.

Another potential avenue for providing aid would be in the creation of optional economic development elements. These elements usually require some visioning work at the local level and integration of proposed ED planning with the other elements in the plan, especially the infrastructure and capital improvements elements and need to be supported with data and analysis that is beyond the capability of most small local governments.

**OTTED - The Governor's Office of Tourism, Trade and Economic Development** Several state sponsored initiatives originate out of the Governor's Office of Tourism, Trade, and Economic Development (OTTED). Originally a marketing effort branded as FLA-USA, the OTTED has been authorized to manage several programs that assist local



governments in expanding existing businesses and bringing new employers into an area. The various programs of OTTED are:

- Serves as state point on rural development issues in part through oversight of Rural Economic Development Initiative (REDI), rural infrastructure loans and grants,
- Administers military and defense retention, expansion, and grant programs, and oversees bi-annual Base Commanders Forums, as well as Governor's BRAC Advisory Council activities
- Administers international trade programs through the oversight of international trade and investment, diplomacy, and consular affairs.
- Coordinates and staffs the Emerging Technology Commission, the Governor's Council of Economic Advisors, the Scripps Florida development, and the Haiti Commission.
- Approves and certifies business expansion and retention incentive programs (e.g. qualified target industry tax refund, the qualified defense tax refund, and high impact industry grants, bond financing programs, and defense grant programs);
- Manages community development programs such as enterprise zones, community contribution tax credits and the urban and rural job tax credit programs;
- Serves as lead agency for expediting permit process on economic development projects;
- Maintains extensive interaction with business, economic development, and community leaders to advocate on their behalf to the Governor and Legislature.

Guiding some of the investment priorities at OTTED are new initiatives originating in the Governor's office directed towards energy independence and reducing impacts on global warming. The Governor's consistent leadership in these areas resulted in significant investments in the State's 2008 budget including \$50M for solar, wind and other renewable energy sources including tidal currents, \$42.5M for biofuels and \$107.5M for research and development. As this trend is expected to continue, the ARPC should include in its priority focus areas, projects aimed at the development of biofuel technology, and reuse of alternative energy sources.

**Rural Economic Development Initiative** The Rural Economic Development Initiative (REDI) was established to better serve Florida's rural communities by providing a more focused and coordinated effort among state and regional agencies that provide programs and services for rural areas. REDI is housed in the OTTED where it coordinates the efforts of state and regional agencies working to assist qualified communities.

To receive assistance, communities must meet the definition of being both "rural" and "distressed" according to the criteria noted below. To be "rural" within the context of REDI's responsibility means:

- A county with a population of 75,000 or less.
- A county with a population of 100,000 or less that is contiguous to a county with a population of 75,000 or less,
- A municipality within a county described above.
- An unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or less and an employment base focused on traditional agriculture or resource-based industries located in a county not defined as rural, which has at least three or more of the economic distress factors identified in statute and verified by OTTED.

“Economic Distress” per the *Florida Statutes* means conditions affecting the fiscal and economic viability of a rural community, including such factors as low per capita income, low per capita taxable values, high unemployment, high underemployment, low weekly earned wages compared to the state average, low housing values compared to the state average, high percentages of the population receiving public assistance, high poverty levels compared to the state average, and a lack of year-round stable employment opportunities.

Based on these criteria, all of the counties in the Apalachee region except Leon qualify for this rural and distressed designation.

As noted, the general purpose of REDI is to provide a more focused and coordinated state and regional effort on behalf of Florida's rural communities. REDI can facilitate access to state resources and coordinates the efforts of state and regional agencies. Specifically, REDI;

- Responds to specific community needs and requests for assistance.
- Provides direct access and referrals to state agencies as well as county and city associations.
- Reviews and evaluates the impact of statutes and rules on rural communities and works to minimize adverse impacts.
- Works with communities to improve their rural economies, finding ways to balance environmental and growth management issues with local needs.
- Assists communities in improving access to housing, health care, and educational opportunities.
- Recommends Rural Areas of Critical Economic Concern (RACECs) for Governor's approval.
- Recommends waivers of provisions of economic development programs on a project-by-project basis.
- Conducts the Rural Community of the Year award program.
- Undertakes advocacy, outreach, and capacity-building to improve conditions in rural communities.

**Enterprise Florida** eFlorida.com is the primary portal for access to Enterprise Florida, the State’s marketing and promotions agency. The agency, formally known to many as ‘FLAUSA’, has recently completed a five year marketing plan, a “Roadmap to Florida’s Future” officially titled the ‘2007-2012 Strategic Plan for Economic Development. It is too detailed to elaborate on fully, but its strategic priorities are:

- **Build World-Class Talent:** Talent has emerged as the top economic development issue for a knowledge-based economy. Education is the new bedrock for economic development. Skilled, educated talent at all levels (pre-K to 12, workforce, higher education) is key to Florida’s economic success for high-wage jobs and innovation.
- **Ensure Business Climate Competitiveness:** Two business climate issues currently threaten Florida’s competitiveness: available and affordable insurance and affordable workforce housing. To maintain a competitive business climate, Florida must also address the need for new incentive tools that reward productivity and innovation.
- **Promote Sustainable Development to Ensure Florida’s Superior Quality of Life:** Florida is expected to become the third largest state in the U.S. Key to Florida’s future quality of life will be a proactive approach to multi-faceted growth management challenges with balanced land use planning and multimodal infrastructure to meet future needs.
- **Invest in Florida’s Innovation Economy:** Science and technology-based economic growth founded on research and development has become the underlying source of wealth in the 21st Century. Innovation and new technologies are the major drivers for new firm formation that ultimately translate into the jobs of the future – high-wage, high value-added jobs in emerging industries that help to accelerate the diversification of the economy.
- **Establish Florida as a Pre-eminent Global Hub:** Florida is known as the gateway to Latin America. To maintain global leadership, Florida’s must advance its status from “international gateway” to “premier global business hub.”
- **Accelerate Florida’s Economic Diversification:** A large, diversified economic structure is crucial for Florida’s stability, prosperity, and global competitiveness. The key elements of diversification include having multiple engines of industry growth, fostering balanced geographic growth, and raising the quality of that economic growth – addressing issues of both the quantity and quality of growth of Florida’s targeted industries.”<sup>1</sup>

**Rural Areas of Critical Economic Concern** As noted above, Rural Areas of Critical Economic Concern, or RACECs, are recommended for designation by REDI. RACEC designation brings some additional leeway in economic development projects;

- Thresholds for Developments of Regional Impact are increased by 150% allowing local and state review only and not the additional regional impact review required for large scale development in Florida,
- Small scale land use amendments are permitted at the local level up to 20 acres rather than the standard 10 acre maximum,
- Any land use amendment may be adopted at any time and not be subject to the twice a year limitation imposed by the Statutes.
- The Qualified Target Industry Tax Refund Program, \$6,000 per job (rather than \$3,000),
- The Quick Response Training Program through coordination with Workforce Florida,
- The Quick Response Training Program for participants in the welfare transition program
- Funding assistance for certain transportation projects providing for site access, up to \$10 Million per FDOT District,
- The Brownfield Redevelopment Bonus Refund of \$2,500 / employee in a qualified area,

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<sup>1</sup> eFlorida Website, accessed, 6/11/07. [http://eflorida.com/strategicplan/2007/2007\\_2012\\_Executive\\_Summary.pdf](http://eflorida.com/strategicplan/2007/2007_2012_Executive_Summary.pdf)

- and the Rural Job Tax Credit of \$1,000 / employee for new targeted industries with more than 10 new employees. (\$500,000 maximum per year).

**Opportunity Florida** is the governing body for the Northwest RACEC. It has achieved 501(c)3 status and is able to act as an entity in its own right to request funding, secure debt, manage grant monies and administer projects on behalf of OTTED in its six county region. It will be responsible for implementation of the Catalyst Project described below, and is integrated thoroughly with the regional workforce boards and Enterprise Florida. Other programs include rural wireless access and affordable housing initiatives.

**The Catalyst Project** Another project carried out under the auspices of OTTED specifically within the three designated RACEC regions of the State is the Catalyst Project. The ongoing project is keyed on grassroots involvement coupled with expert data analysis and a presentation of best choices for development based on market sector analysis and the capabilities of the regions. The project to date has made the following key industry recommendations for the NW RACEC: Logistics and Distribution, Building Components and Manufacturing, Defense and Homeland Security, Bio-fuels and Energy, and Healthcare Services and Products. The first two were selected by the NWRACEC member counties as primary focus fields. Upon selection of these targeted market areas, the member counties selected the Calhoun County Industrial Park as the number one site to focus Enterprise Florida's marketing efforts in the region.

In the process of creating the Catalyst Project, Enterprise Florida commissioned a market sector analysis for the NW-RACEC region, which shares six of the Apalachee region's western counties. Enterprise Florida performed the sector analysis to allow the participating counties to select key industrial sectors for direct marketing. The sectors selected were: Logistics and Distribution, Building Component Design and Manufacturing, and Bio-Fuels and Energy.

**Florida Enterprise Zones** Although not a site specific planning effort, Enterprise Zones are part of the development of a re-location incentive plan essential to a community's ability to vie for new or relocating industries. An Enterprise Zone is a specific geographic area targeted for economic revitalization. Enterprise Zones encourage economic growth and investment in distressed areas by offering tax refunds and credits to businesses locating within the boundaries of the zone. The OTTED administers the Florida Enterprise Zone Program. At the local level an enterprise zone is governed by a local Enterprise Zone Development Agency. This agency oversees the implementation of the Zone's Goals and Objectives and makes important decisions concerning the zone. The Enterprise Zone Development Agency also appoints a local enterprise zone coordinator that maintains the day-to-day operations of the zone.

Enterprise Zone (EZ) incentives include:

- Sales Tax credit or a Corporate Income Tax Credit for 30 to 45% of wages paid to new employees in Rural EZs or 15 to 30% in Urban EZs,
- Refund for sales taxes paid on certain types of business equipment,
- Refunds for sales taxes paid on building materials used to rehabilitate real property,

- Credit against corporate income tax equal to 96% of ad valorem taxes paid,
- 50% sales tax exemption on the purchase of electrical energy if matched by municipality,
- 50% credit on Florida corporate income tax, insurance premium tax, or sales tax refund for donations made to local community development projects.

All of the counties in the Apalachee region participate in the Enterprise Zone program with the exception of Jefferson County. Each EZ in the rural counties can encompass up to 20 square miles in no more than three non-contiguous boundaries. Since benefits accrue to companies that hire employees who live in enterprise zones, these boundaries include existing and proposed business areas as well as areas likely to provide low wage or starting skill level employees.

**Florida's Great Northwest and WIRED** The vision of Florida's Great Northwest for the Northwest Florida of 2015 is represented by a comprehensive mission statement: Grow a vibrant and sustainable economy for all 16 counties in Florida's Great Northwest that creates nationally and globally competitive advantages for the development of key industry clusters, increases the income and prosperity of workers and families; ensures healthy communities and a vibrant quality of life, and preserves the natural beauty and resources of the region.

The vision grows a sustainable economy throughout Northwest Florida that embraces the rural, suburban and urban components of the region. The strategy includes:

- Diversifying the Northwest Florida economy, ensuring strength in multiple industry clusters, as well as strengthening world trade markets.
- Lessening the burden of government by focusing on business development that complements Northwest Florida's existing infrastructure, matches Florida's competitive strengths, and minimizes the reliance on incentives for business development.
- Establishing and strengthening international trade, including the import and export of goods and services as well as reverse foreign direct investment in the region.
- Integrating education, workforce, infrastructure, quality of life, and smart growth as integral elements to diversify Florida's economy.
- Focusing on quality development through embracing an environment that:
  - fosters the development of globally competitive businesses,
  - provides, through the development of high wage/high skill jobs in knowledge-based industries, annual increases in the per capita income of the region,
  - discourages off-shoring by encouraging the development of high margin businesses,
  - corrects the region's existing two-tiered or barbell economy through a focus on job creation in the \$30,000 to \$80,000 annual income range, and
  - understands that rural projects are different in magnitude than urban/suburban projects.

The strategy incorporates a holistic approach to economic development. It incorporates the basic economic development principals of product development, retention and expansion of

existing industry, attraction, and new business development or entrepreneurship, as well as adding an international trade component

On February 1, 2006, Florida's Great Northwest's "Workforce Innovation in Regional Economic Development" (WIRED) grant application was awarded by U.S. Secretary of Labor Elaine Chao. The WIRED Northwest Florida Initiative is one of the thirteen national grants of \$15 million each to fund regional partnerships aimed at expanding employment and advancement opportunities and catalyzing the creation of high-skill, high-wage opportunities in regional economies. The 100 percent match built into our program will turn the \$15 million grant into a \$30 million initiative.

Florida's Great Northwest functions as the lead partner in a coalition composed of workforce development, secondary and post secondary education, entrepreneurial and new business development, economic development organizations, and area businesses. The coalition's focus is on developing training initiatives designed to create a skilled workforce in the target industries of aerospace and defense, life sciences (medical device manufacturing, medical technologies, biotechnology, and health services), information technology/software development and electronics engineering, alternative energy and construction services.

In August, 2008 Florida's Great Northwest, Inc. released a Request for Information to identify those sites in Northwest Florida's 16-county region that have the potential to meet the size, geography, physical infrastructure, and proximity to biomass feedstock requirements to allow the sites to be developed as *Green Energy Business Parks*. The thought process generated by the RFI led to the creation of several sites to be included in the Strategic Plan's inventory of available sites. At the time of approval of transmission of this document, FGNW has not yet made public the selection of the sites. Any selected site in the ARPC region would be considered a regionally important project.

Florida's Great Northwest provides regional leadership in economic and workforce development, serving 16 counties in Northwest Florida from Pensacola through Tallahassee. Its primary mission is the creation of high-wage, high-skill jobs, branding and marketing, as well as supporting the local economic and workforce development organizations in the region.

**Big Bend Scenic Byway** The 220-mile corridor in the capital region is the longest individual state scenic highway in Florida. The Byway spans three counties, seven national parks, two national wildlife refuges, two watersheds and numerous cultural and historic resources. The Byway consists of two trails; a Coastal Trail along US Hwy 98 and a Forest Trail adjacent to the Apalachicola National Forest. Nature-and heritage-based tourism is being seen as the cornerstone to economic development for the Byway communities, making designation of the Big Bend Scenic Byway a catalyst for local governments, tourism-related institutions, and businesses in the region <sup>2</sup>.

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<sup>2</sup> Tommy Speights, FDOT Dist. 3 Public Information Director, Press Release 3/8/7

**RiverWay South** A regional tourist development initiative originating in Columbus Georgia seeks to promote tourism within the watersheds of the Apalachicola, Chattahoochee and Flint Rivers and especially along those waterways. Summer workshops held in cities and towns along the river produce visioning studies for those communities that, when developed, will enhance the visitor's experience, and provide additional amenities and tourist infrastructure such as signage, trail maps, hotel capacity, tour guides and outfitters. The Apalachicola River's communities are all within the Apalachee Regional Planning Council's region and the ARPC has been working with RiverWay South to develop RiverWay South Apalachicola to represent Florida's interests in the overall organization and create a working body of volunteering professionals to coordinate state agency activities, seek grants to develop capacity and venues, and act as a point of contact for tourist development along the river.

**Vision 2020** An outgrowth of a local business leader in Tallahassee, Vision 2020 plans to turn \$300,000 in seed money from the Leon County Commission into \$5 Million to be used to encourage investment in Leon County. The business accelerator fund will invest in projects within a 150 mile radius and provide more than cash or loan assistance. Vision 2020 will also pair new entrepreneurs with professionals to provide help with legal issues, public relations and more.

**The Knight Initiative** The private sector initiative is funded by the Knight Foundation, the philanthropic arm of John and James Knight. The Initiative seeks to form a collaborative of business and professional leaders that will pool their talents to investigate the issue of graduate retention from the region's universities. Using the principals espoused by social theorist Richard Florida, the group will bring solutions to the problem of broadening the Capital City's employment base beyond state government and education. The comparison is made between two state capitals, Philadelphia and Tallahassee, wherein Philadelphia retains 50% of its graduating college seniors in its labor pool compared to Tallahassee at less than 5%. The goal is to raise that graduate retention to 10% by actively working to broaden employment opportunities in the area.

**BluePrint2000 and Beyond** The local planning effort is a joint work of the Tallahassee /Leon County Planning Department. Its major focus is on facility improvements to Capital Circle around Tallahassee, but it also is principally involved in the development of a downtown recreational park/trail and the capacity increase and safety improvements to Interstate 10 in Leon County.

**STRATEGIC FINDINGS:** Working with the wide array of existing economic, community and workforce development agencies provides an incredible opportunity for the ARPC to fulfill the mission of the EDA. The Catalyst Project in particular has identified a site, focused on specific economic sectors, and will provide state guidance and funding to help bring the project to fruition. The WIRED grant to Florida's Great Northwest provides a significant opportunity and an ancillary funding source to assist with career training in the region and to assist with development of any selected green energy park in the ARPC region. The ARPC should work closely with Enterprise Florida and its allied agencies to

**assist in the development of the selected site, the Calhoun County Industrial Park. The ARPC should also act as an intermediary between small local governments and the Department of Community Affairs to assist in submitting timely required changes and in the preparation of local government Economic Development Elements.**



## Section VI: Goals and Objectives

- A. **Strategic Issue 1: Loss of seafood processing facilities after the catastrophic damage by the hurricanes of 2004 and 2005 has endangered the industry in the region's coastal counties.**

**GOAL 1:** Retention of the seafood economic base in the coastal counties. The goal will require the replacement of processing, packing, cold storage and shipping facilities damaged in the storms in a centrally facility located to best benefit the region's offshore and inshore fisheries.

**Objective 1.1:** To ensure continued operations of the fishing fleets, processing, packing and shipping capacity must be retained in the Region. Therefore, creation of a seafood industrial park is considered an important regional issue. Franklin County has the highest concentration of entrepreneurial and small commercial fisherman in the region, and is best suited to locate a seafood industrial park. The ARPC shall assist local government efforts to acquire and develop and equip the Seafood Industrial Park on the site selected by the Franklin County.

**Objective 1.2:** With an estimated 1,100 full, part-time, and periodic harvesters operating in Franklin County's waters at risk. Permanent processing facilities will ensure that as long as the waters remain productive, the labor-intensive industry will continue. Recognizing that the industry has already suffered losses to workforce and facilities, it may be unreasonable to expect to restore employment to pre-2005 levels. It is hoped however, that creation of a centralized, efficient facility would lead to the preservation of at least 80% of the pre-2005 level of employment, or approximately 880 individuals.

**Objective 1.3:** Prior to the loss of numerous individual processing and packing companies in Carabelle, Eastpoint, and elsewhere in Franklin County, there were approximately 250 persons employed in packing and shipping. With increased efficiencies involved with joint facilities, it is expected to retain at least 75% of the pre-2005 employment levels, or 185 persons.

- B. **Strategic Issue 2: Loss of deepwater port functionality at Port St Joe threatens the industrial base of that community and the continued operation of the Apalachicola Northern Railroad. The railroad ties two coastal counties and rural areas of two inland counties to the CSX mainline.**

**GOAL 2.1:** Retention of Port St Joe's deepwater port as a functioning bulk transfer facility.

**Objective 2.1.1:** The ARPC shall assist Gulf County, the City of Port St Joe, and the Port Authority in fulfilling the goals set forth in its Master Plan to bring into

operation the proposed facilities. The proposal includes berth improvements, site improvements, Phase I dredging to 12', and Phase II dredging to 25'.

**Objective 2.1.2:** Create up to 75 direct and 222 indirect jobs by year two of the port's operation.

**GOAL 2.2:** Increase the economic viability of the A&N railroad to ensure it is a continuing operation in the region.

**Objective 2.2.1:** The long term development plan for the site includes bulk transfer of concrete products and components through the port. To facilitate this plan a connection to the A&N railroad is desired. Assist in obtaining funding, permits etc. for connection to the A&N spur immediately south of the site.

**Objective 2.2.2:** Construction of a concrete batch plant on or adjacent to the port property if the continued operation of the Port and the Authority dictate.

- C. **Strategic Issue 3:** The State of Florida has gone to great lengths to support the development of a regional Catalyst project in the region. The process has identified the Calhoun County Industrial Park as the site to be given significant assistance and marketing efforts through state funded programs.

**GOAL 3:** Bring the Calhoun County Industrial Park into full operation with all required utilities. Assist Calhoun County in necessary utility and access upgrades to provide full services to all sites in the park.

**Objective 3.1:** Rehabilitate the site's existing unused treatment plant,

**Objective 3.2:** Bring fiber optic internet capacity to the site,

**Objective 3.3:** Construct a south access road to the site,

**Objective 3.4:** Increase employment in the county by at least 150 employees at full capacity at the site.

- D. **Strategic Issue 4:** Overall lack of diversity in the employment base and dependence on the State government as an employer and a specific weakness of industrial base in the region. Attraction of one large OEM to the area would create direct and indirect employment in related manufacturing sectors as well as allied support sectors.

**GOAL 4:** Certify at least one site along the I-10 corridor as a mega site.

**Objective 4.1:** Work with local governments to identify appropriate sites.

**Objective 4.2:** Secure time commitments from landowners involved.

**Objective 4.3:** Coordinate appropriate land use amendments and comprehensive plan amendments to include necessary utilities in Capital budgets.

**Objective 4.4:** Secure interlocal agreements as necessary to ensure adequate utility capacity to the selected site.

**Objective 4.5:** Coordinate with local or regional utility providers to ensure capacity, identify capital needs, and schedule improvements.

- E. **Strategic Issue 5: Workforce training capacity exists, but may not be responsive to the needs of specific targeted industries in the appropriate locations. Industries attracted to the Catalyst site will need specific training skills and may require training certificates in specific skill sets available to the local population.**

**GOAL 5:** Establish a career training academy in conjunction with Chipola College and Gulf Coast Community College to provide training opportunities as needed and identified by incoming industries.

**Objective 5.1:** Identify appropriate partners for the facility depending on location and territory of the secondary education institution.

**Objective 5.2:** Create curricula, provide support equipment, and trainers to meet the needs of the Calhoun County Industrial Park tenants.

**Objective 5.3:** Create curricula, provide support equipment, and trainers to meet the needs of the Jackson County Commercial and Industrial Parks.

**Objective 5.4:** Create curricula, provide support equipment, and trainers to meet the needs of the new Port St Joe Community Hospital.

**Objective 5.3:** Create curricula, provide support equipment, and trainers to meet the needs of the Port St Joe Deepwater Port.

- F. **Strategic Issue 6: The region is rich in biomass, which silvicultural practice usually burns as waste product. Although silvaculture remains the primary agricultural activity by acreage, there is a reduced demand for product and a corresponding loss of employment.**

**GOAL 6:** Assist Florida's Great Northwest in developing a Strategic Plan for alternative energy/fuels production in the region.

**Objective 6.1:** Work with Florida's Great Northwest and study group partners in the development of the Strategic Plan.

**Objective 6.2:** Upon development of the Strategic Plan, provide mapping, data, and analysis to aid in site selection for appropriate sites.

**Objective 6.3:** Present selected site alternatives identified to affected local governments and provide assistance as necessary to effect Land Use Amendments and Comprehensive Plan Amendments to permit the location of alternative fuels processing facilities.

**Objective 6.4:** Work with local governments and businesses to promote additional uses of the region's silviculture product utilizing softwood, hardwood primary product and incorporating best management practices that will maximize re-use of waste bio-mass.

## **Section VII: CEDS Action Plan**

The Apalachee Region's Action Plan for Regional Economic Development will consist of support and assistance to the Region's local governments and coordination with other economic development agencies. The ARPC has a long history of technical assistance to its constituent governments from aid in compliance with comprehensive planning to grant writing for economic and community development projects. It is the intent of the CEDS that the ARPC will continue to represent and support its local governments to the extent that Council funding allows.

The Council is advisory to, or involved in a number of interagency initiatives managed by state and regional economic development, tourism development, and other planning efforts. It will continue to maintain a presence on the respective boards and to attend interagency functions, for the purpose of staying abreast of new developments and initiatives, as well as sharing experiences and contacts with others.

Throughout the Region there are several projects in various stages of market readiness, which need varying levels of assistance to obtain "shovel ready" status. The projects range from simply identified sites that the counties are willing to designate for development, to projects that are well underway and/or are partially occupied and lack major marketing efforts. Many of these sites and projects were identified during Enterprise Florida's Catalyst Site campaign and although they were not selected as the top site to be marketed, will continue to need assistance in proceeding with development.

### **A. Programs and Activities**

The ARPC will endeavor to meet its goals and objectives as outlined in Section VI above through coordination with the numerous local, regional, state and federal programs engaged in the community and economic development theatre. Specifically;

- A.1** The ARPC will represent the Florida Regional Councils Association (FRCA) at the monthly Rural Economic Development (REDI) meetings to assist in maintaining coordination with the numerous state review, permitting, development, and marketing agencies in Florida.
- A.2** The ARPC will continue to meet with the county Economic Development Councils or Chambers of Commerce with which it has maintained a presence over the past several years and seek to enlarge representation on more of these designated committee based organizations as scheduling permits.
- A.3** The ARPC will maintain its involvement in national economic development forums such as the National Association of Development Organizations (NADO) and the National Association of Regional Councils (NARC).
- A.4** The ARPC will actively seek completion of the objectives of the Vital Projects identified and described in Sub-sections B and C of this Chapter.

**B. Vital Projects List**

The CEDS committee reviewed the assembled list of suggested projects and the SWOT sub-committee’s report to develop a list of Vital Projects on which the majority of the ARPC’s efforts will be expended. The list includes six projects of varying scope and difficulty. The projects also reflect a response to many of the strategic findings in previous chapters and are selected as being either in support of ongoing initiatives or on planning efforts that will need to be made in order to secure a broader economic base.

It is anticipated that other unknown projects of substantive impact to the Region’s economy may arise due to a variety on ongoing commercial initiatives. Should other viable projects of this nature surface in the future, the ARPC will make every endeavor to ensure their success, and if EDA financial assistance is warranted, will assist in obtaining that aid.

<b>B.1 Apalachicola Seafood Industrial Park</b>	
<p><u>Strategic Findings Addressed:</u>  <b>II.C.4</b> The seafood industry will need significant assistance to rebuild. A regional seafood industrial park is planned in or near the City of Apalachicola that would solve the processing and shipping shortfall. The Region will continue to be threatened by damage to its coastal fisheries unless a hardened inshore plant can be constructed.</p>	<p><u>Outcomes:</u>            Construction of a seafood processing, packing, storage, and shipping facility to replace lost capacity.             Retain at least 75% of the existing inshore and offshore fleet; estimated at 880 harvesters.             Retain at least 75% of the existing processing employees; estimated at 185 employees.</p>
<p><u>Comments:</u> The Franklin County municipal and county governments have been working towards a solution to this problem. The site purchased by Franklin County is suitable for dockside unloading of Oysters requires investment in conveyor machinery, dredging of access waterways and physical site improvements. Additional facilities need to be secured for icehouse and packing facilities on or very near the Apalachicola Airport for all seafood products. Ancilliary to the development needs of Franklin County’s seafood industry is the ongoing and now immediate need for dredging of access canals and channels west of downtown marina park in Apalachicola and the seafood harbor and main channel at Eastpoint, Florida. The City’s Commercial Marina at Scipio Creek is also in need of enhancements that will create additional capacity and facilitate the offloading of various seafood products.</p>	

<b>B.2 Port St Joe Deepwater Port Facility</b>	
<u>Strategic Findings Addressed:</u> <b>II.D.4</b> The Port St Joe Port Authority is a primary opportunity for the Region to <u>prevent overcome</u> the loss of port capacity. Its planning document indicates that significant development investment and related economic activity will be required to develop the proposed deepwater port facility in Port St Joe. The project represents an opportunity to create an inter-modal transfer facility accessing the inter-coastal waterway and open ocean access as well as rail and highway access to the north.	<u>Outcomes:</u> - Development of the Deepwater Port Phase I berth facilities, (80% Complete) - Diversification of the employment base in Gulf and adjacent counties, - Creation of 80 direct and 130 induced or indirect jobs, - Construction of a RR spur to the A&N lines @ Arizona Chemicals.
<u>Comments:</u> The Lead Agency, the Port St. Joe Port Authority has prepared a Port Master Plan which is the basis for the development plan.	

<b>B.3 Calhoun County Industrial Park (CCIP) – Catalyst Project</b>	
<u>Strategic Findings Addressed:</u> <b>IV.A.3</b> The Region is especially deficient in its Manufacturing base and is also in need of expanded capacity in Transportation and Warehousing. The Region’s deficiency in these fundamental building blocks of a diverse economy represents a weakness. <b>VI.B</b> Working with the wide array of existing economic, community and workforce development agencies provides an incredible opportunity for the ARPC to fulfill the mission of the EDA. The Catalyst Project in particular has identified a site, focused on specific economic sectors, and will provide state guidance and funding to help bring the project to fruition. The ARPC should work closely with Enterprise Florida and its allied agencies to assist in the development of the selected site, the CCIP	<u>Outcomes:</u> - Development of required infrastructure at the Calhoun Co. Industrial Park, (CCIP). - Diversification of the employment base in Calhoun and adjacent counties. - Creation of 150 new positions in new location enterprises located in the CCIP.
<u>Comments:</u> The catalyst project brings with it the marketing expertise of the staff at Enterprise Florida, assistance from the REDI agencies, grant assistance from the Governor’s Office of Tourism, Trade and Economic Development, and other major players in the ED field. The ARPC will facilitate as required to ensure the success of the project.	

<b>B.4 Certification of a Mega Site</b>	
<p><u>Strategic Findings Addressed:</u></p> <p><b>II.D.1</b> The I-10 / CSX corridor presents the initial condition required for the location of a mega site, an industrial location that relocation business can certify as a potential site for large OEM locations based on a list or parameters. Two of the requirements are ready access to an interstate and a reasonable connection to a mainline or spur railroad.</p> <p><b>IV.C</b> The Region does not have a certified mega-site. Successful location of an OEM or similar company would also attract spin off industries that would increase the Region's manufacturing sector and better diversify the Region's employment choices. <b>IV.4.E.3</b> There are few large acreage tracts, with transportation and piped utilities available for a bid for immediate relocation.</p>	<p><u>Outcomes:</u></p> <ul style="list-style-type: none"> <li>- Creation of a site that satisfies the needs of a major OEM.</li> <li>- Attraction of an OEM to the Region.</li> <li>- Creation of over 300 new jobs not in the government services sector.</li> </ul>
<p><u>Comments:</u> The site within the Region is yet to be determined, but logic would dictate near exiting pulpwood processing, sawmill or other rendering sites. Two of the prime locations are the Spanish Trail Commerce Park in eastern Jackson County and the I-10/SR12 intersection in Gadsden County. These sites are listed and described further in Section E below.</p>	

<b>B.5 Development of Additional Tourist Destinations and Capacity</b>	
<p><u>Strategic Findings Addressed:</u></p> <p><b>II.B</b> Thirty percent (30%) of the Region's land area and a majority of the coastal strand is under public ownership. The typical coastal development option available to the majority of Florida is not attainable or seen as desirable for the Apalachee Region. When coupled with the large private land holdings under timber management, vast acreages are not expected to undergo significant change in the near future. The weakness inherent in these large public land holdings is the Region's difficulty in competing with the rest of Florida for tourism dollars. An opportunity exists for development of nature based tourism drawing on these vast undeveloped tracts as natural habitat.</p> <p><b>IV.B.2</b> Accommodation and Food Services are also projected to become an increasing percentage of the workforce. Even though the jobs are not seen as promoting a sustainable</p>	<p><u>Outcomes:</u></p> <ul style="list-style-type: none"> <li>- Development of new nature-based tourist attraction as an additional draw to the area.</li> <li>- Development of additional tourist carrying capacity, e.g hotel/motel/conference facilities, restaurants, outfitters, etc.</li> <li>- Possible venues under discussion are; <ul style="list-style-type: none"> <li>~ A river use livery and tour facility at Chattahoochee,</li> <li>~ Quarterhorse track, show arena, and gaming room in Gretna, with hotels and restaurant.</li> <li>~ Assistance with the Florida Chapter of Riverway South's development of a Tri-state riverine trail system.</li> </ul> </li> </ul>



<p>economy, they are indicators of increasing tourism to the Region. The tourism market, especially nature based tourism, is seen by many of the Region's local Economic Development Councils as a way to retain the natural attraction to this area without consuming them in development.</p>	<p>~ Regional Sports Park in Port St Joe with shared facilities with a health facility.</p>
<p><u>Comments:</u> Two of the adopted projects are site specific, while the RiverWay South proposal seeks to enhance use of the Apalachicola, Chattahoochee, Flint River system for recreational visitation.</p>	

<p><b>B.6 Career Training Academy</b></p>	
<p><u>Strategic Findings Addressed:</u>  <b>IV.B.2</b> The projected strength and increasing importance of Professional and Technical Services is encouraging. Mid to high paying jobs are important to maintaining higher standards of living. Higher wage earners can afford to purchase housing, and usually require additional support services. Employers will be able to offer in-Region employment opportunities for more of the Region's graduating college seniors and technical trainees. Career training may be required if new P&amp;T employers move to the area with specific training requirements.  <b>IV.E.2</b> Current workforce training efforts are hampered by low high school graduation rates, and high out migration of trained baccalaureates.</p>	<p><u>Outcomes:</u></p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- Industry Certification of 100 potential employees in the targeted industries.</li> </ul>
<p><u>Comments:</u> Focus curricula will be determined, but is expected to correlate with one of the key industrial sectors identified by the Catalyst project, incoming occupants of the developing Jackson County industrial sites, the Port St. Joe Port Authority, a possible new electrical lineman training facility in either Jackson or Wakulla Counties, and wet lab technician training in anticipation of the several bio-energy projects being discussed.</p>	

<p><b>B.7 Alternative Fuel Processing Facility</b></p>	
<p><u>Strategic Findings Addressed:</u>  <b>II.C.3</b> The Region is weak in power generation with the exception of the City of Tallahassee's municipal plants. Rural communities therefore import all of their electrical power needs. The Region's energy needs will continue to grow with its population. Some of the projected energy should come from bio-mass to reduce</p>	<p><u>Outcomes:</u></p> <ul style="list-style-type: none"> <li>- Creation of a Strategic Plan for bringing a cellulosic bio-mass facility to the Region.</li> <li>- Site selection and local government buy-in.</li> <li>- Completion of Comp Planning efforts to allow the development.</li> </ul>

<p>the need to import fuels from outside of the State and Nation.</p> <p><b>II.E.4</b> One potential opportunity is the development of alternative fuel sources from cellulosic biomass, and the new generators to use them locally.</p> <p><b>II.C.5</b> The use of forest waste products as cellulosic biomass could be the raw material for a new regional industry.</p>	<ul style="list-style-type: none"> <li>- Completion of needs analysis for site specific improvements,</li> <li>- Construction of a new Bio-mass fuel facility in the Apalachee Region.</li> <li>- Provide additional incentives to grown corn in a 150-mile radius.</li> </ul>
<p><u>Comments:</u></p> <p>B7.A An initial site in Jackson County named “Destination BIO” located between Campbellton and Jacob City is under due diligence review. If constructed, Destination BIO would create up to 45 new jobs. The site will produce up to 100M gallons of corn ethanol per year.</p> <p>B7.B Liberty Industries, Inc is planning a Bio-ethanol plant with woody bio-mass as a feed stock. That site is envisioning a pilot plant of about 75MWatts/hr in energy output. Additional sites utilizing cellulosic bio-mass may be required to fully take advantage of the Region’s resources. A separate implementation plan for this specific project is included below. Also under planning at Florida’s Great NorthWest (FGNW), 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 of sites were submitted to FGNW from Jackson County, two from Liberty County, one from Gulf County and the Catalyst site in Calhoun.</p>	

<p><b>B.8 Gulf County / Port St. Joe Advanced Medical Facilities</b></p>	
<p><u>Strategic Findings Addressed:</u></p> <p><b>IV.B.2</b> Regional capacity in Health Care and Social Assistance is not up to the national average and would be seen by the LQ analysis as not meeting the national average and possibly not meeting local needs although it is projected to grow significantly in the next several years. The projected rapid growth in the Region is at a higher rate than the national average, and may soon translate from a sector that serves only the Region’s needs to one that serves others outside of the Region. In practical terms for today, many of the Region’s critical care patients travel to other major medical centers for procedures not offered locally. Also, the lack of a veteran’s hospital in the area has many of the Region’s veterans, young and old, traveling to Lake City, Florida or Valdosta, Georgia for care. However, this trend is</p>	<p><u>Outcomes:</u></p> <ul style="list-style-type: none"> <li>- Completion of needed site improvements to bring primary care medical facility with ER services to areas outside Leon County</li> <li>- Creation of up to 160 jobs in medical professional, technical and support services.</li> </ul>

changing as the two major regional hospitals compete and add new services and the new Gulf County facility in Port St. Joe opens in 2009.	
<p><u>Comments:</u> This project has been funded through EDA award 01-01-06092 and is on schedule for completion and occupancy in the fall of 2009. The ancillary Medical Office Building is scheduled to begin construction in the summer of 2009, going online the following year. It is anticipated that full employment will be achieved by early 2011. Another project undergoing planning in support of these two medical facilities is a new regional 15,000 sf childcare facility which will provide infant/toddler to pre-school care services for medical employees and patient visitors to the medical facilities. The proposed childcare facility will retain 40 endangered jobs and provide about 8 new positions.</p>	

<b>B.9 Jackson County / Sawmill Expansion – Rex II</b>	
<p><u>Strategic Findings Addressed:</u></p> <p><b>II.C.5</b> After the closing of the Port St. Joe Papermill, much of the Region’s silviculture raw material is exported out of the Region. Rebuilding regional use capacity of the raw stock will increase export value as well as increase a dwindling agricultural employment sector.</p> <p><b>IV.4.2</b> Agriculture, though widespread and visible in its annual crop and forestry sub-sectors, does not have a significant impact on the Region’s employment picture. This sector’s employment is projected to decline in the analysis period.</p>	<p><u>Outcomes:</u></p> <ul style="list-style-type: none"> <li>- Construction of an elevated 300K gallon water tank to provide on-site fire protection for the plant expansion and the City of Graceville.</li> <li>- Creation of up to 80 new jobs in construction products and materials.</li> </ul>
<p><u>Comments:</u> Primary site for this project is adjacent to the existing Rex Lumber Mill in Graceville. The proposed expansion of the existing company which currently employs 102 is on temporary hold pending a revival of the housing market in the region.</p>	

<b>B.10 Economic Development Planning</b>	
<p><u>Strategic Findings Addressed:</u></p> <p>Florida statutes provide for an optional element to local government comprehensive plans: “An economic element setting forth principles and guidelines for the commercial and industrial development, if any, and the employment and personnel utilization within the area. The element may detail the type of commercial and industrial development sought, correlated to the present and projected employment needs of the area and to other elements of the plans, and may set forth methods by which a balanced and stable economic base will be pursued.”</p>	<p><u>Outcomes:</u></p> <ul style="list-style-type: none"> <li>- Assistance to up to two local governments per year in development of an Economic Development Element for their Comprehensive plans to aid in project planning and guidance. Each plan would be community specific but would have to comply with Florida statutory guidelines for content structure and minimum data and analysis requirements.</li> </ul>

<p><b>V.B</b> The ARPC should also act as an intermediary between small local governments and the Department of Community Affairs to assist in submitting timely required changes and in the preparation of local government Economic Development Elements.</p>	
<p><u>Comments:</u> The Florida RPCs are funded in part by the DCA to provide representation and guidance. Specific projects such as the preparation of Economic Development Elements are not funded except by Technical Assistance Grants whose timelines are usually too short to be effective or thorough. Additional funding of the EDA planning grant may be able to provide the needed effort to meet this shortfall in local expertise.</p>	

<p><b><u>B.11 Compass Pointe Flightline Operations and Support Infrastructure</u></b></p>	
<p><u>Strategic Findings Addressed:</u>  <b>II.D.3 Air Service</b>  The region’s air transport needs are well served by Tallahassee’s passenger and air freight terminals. Continued development of the commercial air services component at the Tallahassee Regional Airport will be needed to retain its importance to the Region’s commerce.</p>	<p><u>Outcomes:</u></p> <ul style="list-style-type: none"> <li>- Provide construction assistance to install public access roadway to serve FlightLine, HondaJet, and an airport hotel with connections to the main terminal access and parking, and stormwater management for the airport expansion area.</li> <li>- Provide up to 29 new jobs at HondaJet and up to 40 new jobs at the planned hotel, and another 35 at Compass Pointe.</li> </ul>
<p><u>Comments:</u> The planned expansion of the Tallahassee Airport offerings to include a DayJet hub is off the books as the economic downturn of 2008 cancelled those plans. The Tallahassee Airport’s FlightLine operations center has now acquired commitments from HondaJet to develop a southeastern US sales and service base and from a major hotel chain to develop a 90-100 room hotel. These both will require public access and parking facilities as well as utility extensions.</p>	

**C. Implementation Plan for Vital Projects**

<b>C.1 Apalachicola Seafood Industrial Park</b>		
Selection of the site will be at the discretion of the Franklin BOCC.		
<b>Estimated Costs / Funding</b>		<b>Project Timetable</b>
<u>Construction</u> \$2.5 Million	<u>Operations</u> Initially – \$100K Annual	Needs Analysis . . . 6/09 Grant Activity 9/09 – 3/10 Construction 9/10 -- 9/11
<b>EDA \$1.0 M</b> <b>CDBG \$0.5 M</b> <b>OTTED \$0.5 M</b> <b>USDA- RBOG \$0.5 M</b>	<b>Bond effort \$100K</b> Ongoing – Fee supported	
<p>The Lead Agency, unless an Industrial Development Authority is created, will be the Franklin County BCC. Selection of the site will also be at the discretion of the Franklin BOCC. Needs Analysis is to be conducted by County Engineering in conjunction with Industrial Development Authority, or County Staff. Grant Activity to be conducted by ARPC, and/or existing County consultant grant writers. It is estimated that there are approximately 1,100 full-time, part-time, and periodic harvesters, supplying 44 licensed processors, who employed up to 250 additional employees. Six (6) licensed retail operators employ an unknown number of additional employees.<sup>1</sup></p>		

<b>C.2 Port St Joe Deepwater Port Facility</b>		
<b>Estimated Costs / Funding<sup>2</sup></b>		<b>Project Timetable</b>
<u>Construction</u> <i>Land Purchase \$4.5 M</i>	Operations <i>(Completed)</i>	Year 0 <i>Parcel B Purchase</i>
Site Improv. \$2.5 M <i>50% complete</i>	Field Services \$1.51M Design & Permitting \$1.2M <b>Revenues \$1.5 M</b>	Year 1 Complete Phase I berth and site improvements.
Rail Loop and Extension to Deepwater Berth \$1.9M Site Improv. \$0.25M  <b>FDOT \$1.3M</b> <b>FSTED \$0.7M</b> <b>EDA \$1.0M</b>	Design & Permitting \$1.51M <b>Revenues \$5.3 M</b>	Year 2
	Ph II Permits, PD&E \$0.4M <b>Revenues \$6.4 M</b>	Year 3 Construct Phase II Port roads and site work

<sup>1</sup> The estimates from LAMPL HERBERT Consultants, is heavily caveated based on the lax reporting requirements of the State of Florida for occupations not required to report to the Dept of Labor. Information based on best available data and on location interviews.

<sup>2</sup> Budget and Timing data from Port St Joe Master Plan, TEC Inc, Martin Assoc., and JD Sanchez Consulting; 8/06

Phase II Berth \$9.0 M	Field Services \$0.7M	Year 4
Dredging \$2.75 M	<b>Revenues \$8.5 M</b>	Phase II berth to 25' depth
<b>Total costs: \$8.6 M</b>	<b>Total Revenues \$21.7M</b>	

The Authority proposes funding from a wide array of vehicles including, Bonding, EDA, RBOG, RBEG, OTTED, FDOT Intermodal program and FSTED, (FL Seaport Transportation and ED). The ARPC has assisted in the Port Authority's award of 0.912K out of the estimated 1.824M proposed cost in a FDOT TRIP grant.

<b>C.3 Calhoun County Industrial Park and Airport.</b>		
Selected as the <b>Catalyst Site</b> for the Northwest RACEC.		
<b>Estimated Costs / Funding</b>		<b>Project Timetable</b>
<u>Construction</u>	<u>Operations</u>	Infrastructure Needs Analysis and \$Est. . 9/09
TBD Est. \$4.4 M		Pre-Clearance Review by REDI agencies . (complete) 2/09
<b>EDA \$1.4 M</b>		Construction . . . . . 12/09
<b>OTTED \$2.4 M</b>		Direct Marketing by Enterprise Fl . . . . . 6/10
<b>CDBG \$0.6 M</b>		

The Lead Agencies; the Governor's Office of Tourism, Trade and Economic Development and Enterprise Florida, will perform executive administration of the marketing efforts. Calhoun County BCC or its assigns will be the responsible entity for grant applications and will supervise procurement and construction. Construction required includes sanitary sewer collection system, Lift Station and FM, stormwater treatment, and possible turn lanes pending FDOT review.

<b>C.4 Certification of an OEM Mega Site</b>		
Site Undetermined (Jefferson, Gadsden, or Jackson Co.)		
<b>Estimated Costs / Funding</b>		<b>Project Timetable</b>
<u>Acquisition</u> \$4.5 M	<u>Operations</u>	Site and Local Govt. Selection . . . . . 3/09
<u>Construction</u> (est.)	Needs Analysis & Engineering \$175 K	Needs Analysis . . . . 9/10
Utilities \$2.5 M		Grant Prep. . . . .9/09 -3/10
Roads \$1.5 M		Site Acquisition . . . .6/11
Rail \$2.0 M		Site Prep. . . . . 12/11
<b>OTTED RTF \$1.5 M</b>	<b>FDCA \$15 K</b>	Rail ? . . . . . 7/12
<b>OTTED RIF \$1.0 M</b>	<b>FDEP G-Loan \$100 K</b>	
<b>EDA \$1.0 M</b>	<b>USDA RBEG \$30 K</b>	
<b>CDBG \$0.75 M</b>	<b>Local Gov't \$30 K</b>	
<b>RD G-Loan \$1.5 M</b>		
<b>FDEP G-Loan \$1.7 M</b>		

The Lead Agencies; the ARPC and either Opportunity Florida, and the selected county's BCC and EDC 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.

<b>C.5a Development of Additional Tourist Destinations and Capacity</b> (Gretna Site – Quarterhorse track and Show Arena)			
<b>Estimated Costs / Funding (Gretna)</b>			<b>Project Timetable</b>
Construction	(est.)	Engineering	\$372 K
Utilities	\$4.5 M		
Permits	\$1.3 K		
Engineering	\$0.4 K		
	<u>\$6.2 K</u>		
Facility	\$9.4M		
<b>Sources:</b>			
<b>EDA</b>	<b>3.1 M</b>		
<b>OTTED</b>	<b>1.86 M</b>		
<b>CDBG</b>	<b>650K</b>		
<b>Fla Water</b>	<b>600K</b>		
<b>Developer</b>	<b>9.4 M</b>		
Project is dependent on Land Use Amendments in progress at this time.			

<b>C.5b Development of Additional Tourist Destinations and Capacity</b> (Chattahoochee Site)			
<b>Estimated Costs / Funding (Gretna)</b>			<b>Project Timetable</b>
Construction	(est.)	Permits	\$ 50K
Phase I		Engineering	\$ 50K
Utilities	\$150K		
Site Devel.	\$500K		
Landing	\$350K		
Gas Point	\$150K		
Phase II			
Museum Bldg	\$600K		
<b>Sources:</b>			
<b>OTTED</b>	<b>\$300K</b>		
<b>CDBG ED</b>	<b>\$150K</b>		
<b>EDA</b>			
<b>Dept of State</b>	<b>\$100K</b>		
The project is gaining definition and will require significant inputs from local historical society and Dept of State - Bureau of Historical Resources to Scope initial building requirements.			

<b>C.6 Career Training Academies</b>			
<b>Estimated Costs / Funding</b>		<b>Project Timetable</b>	
<u>Equipment and Supplies</u> \$200 K	<u>Operations</u> \$200 K	Industry I D . . . . .	6/09
<b>EDA</b> \$500 K	<b>EDA</b> \$100 K	Needs Analysis . . . . .	9/09
<b>Principal Party</b> \$100 K	<b>FL Great NW</b> \$100 K	Curriculum Devel. . . . .	12/09
		Training . . . . .	3/09→
<p>The Lead Agencies; Chipola College and Gulf Coast Community College, are already involved in generic workforce training and have classroom space. It is anticipated that in order to satisfy specific industry needs, training equipment ranging from a semi-tractor trailer rig to computer controlled complex machine tool equipment, to vacuform plastics manufacturing may be required to implement specific training needs.</p>			

<b>C.7a Alternative Fuels Processing Facility</b> Phase 2 – Destination BIO			
<b>Estimated Costs / Funding</b>		<b>Project Timetable</b>	
<u>Construction</u>	<u>Operations:</u>	Engineering . . . . .	3/08
<b>OTTED - EDFT</b> \$900K	N/A	Permits . . . . .	2/08
<b>CDBG</b> \$700K		Grants Prep . . . . .	11/07 – 4/08
<b>OTTED - RIF</b> \$200K		Construction. . . . .	6/08 – 6/09
<b>EDA</b> \$900K		Open Facility . . . . .	6/09
<p>Destination BIO is the first project to be identified in the site selection process. Other sites are likely to become viable in the planning period and will be considered as well.</p>			

<b>C.7b Alternative Fuels Processing Facility</b> Phase 3 - Liberty – Gadsden – Jackson County			
<b>Estimated Costs / Funding</b>		<b>Project Timetable</b>	
Construction	Engineering	Site Selection . . . . .	6/09
<b>Private Investment</b>	Chemical \$700K	Needs Analysis . . . . .	12/09
<b>Approx. \$40M</b>	Site Civil \$250K	Comp Planning. . . . .	2009
<b>EDA \$1.0M</b>		Grant Prep. . . . .	6/10
<b>D of Ag \$4M</b>			
<p>Sites in Liberty, Jackson and Gadsden Counties are currently under serious development consideration for pilot plants to develop large scale woody biomass to ethanol. At this writing, it is too soon to determine which or if either of these sites will be selected. One of the sites selected by Florida’s Great NorthWest for a green energy park will be a likely location. Short-listing is ongoing in the winter of 2009. Liberty County is also formally considering development of energy projects at the existing utility/ corrections complex on Dempsey Barron Rd north of Bristol off SR12. For a complete listing of the sites</p>			



submitted and or have availability for an alternative energy production facility see the Alternative Sites listing. One serious initiative by BG&E had to halt permitting efforts in Leon County due to public opposition but has pledged to locate its plant in one of the adjacent counties. (Update) This firm has announced that it will locate in Gulf County at the Port Authority Site.

<b>C.8 Gulf County / Port St. Joe Advanced Medical Facilities (In Progress)</b>		
<b>Estimated Costs / Funding</b>		<b>Project Timetable</b>
<u>Construction</u>		
<b>EDA</b>	<b>\$510K</b>	Construction . 12/08–12/09
<b>OTTED</b>	<b>\$301k</b>	Open Facility. . . . . 3/10
Grant Awards have been made by EDA and OTTED. The ARPC will remain heavily involved in the grant administration process.		

<b>C.9 Jackson County / Sawmill Expansion – Rex II</b>		
<b>Estimated Costs / Funding</b>		<b>Project Timetable</b>
<u>Construction</u>		
<b>OTTED – EDTF</b>	<b>\$1.64 M</b>	<u>Operations:</u> N/A
<b>CDBG</b>	<b>\$700K</b>	Engineering . . . . . 3/10
<b>OTTED – RIF</b>	<b>\$400K</b>	Permits . . . . . 3/10
<b>EDA</b>	<b>\$959K</b>	Grants Prep . . 11/10-3/11
		Construction . . 1/12 – 3/13
		Open Facility . . . . . 4/13
Grant participation in various phases of the project’s needs is being determined. The ARPC will be available for technical assistance to the Jackson County Development Council in the grant acquisition and administration process.		

<b>C.10 Economic Development Planning</b>		
<b>Estimated Costs / Funding</b>		<b>Project Timetable</b>
<u>Construction</u>		
<b>Local Government Match</b>		Local Government recruitment . . . . . 6/09
<b>EDA</b>	<b>\$30/yr</b>	Visioning . . . . . 3/10
		Adoption and approval 9/10
Local Government selection will be based on an open call to determine the greatest need and local commitment. It is anticipated that with current staffing, no more than two per year should be attempted.		

<b>C.11 Compass Pointe</b>		
<b>Estimated Costs / Funding</b>		<b>Project Timetable</b>
<u>Construction</u>		Under development.
Honda Jet	\$12M	
Hampton Inn	\$10M	
Compass P	\$1.5M	
Total Pvt Industry	\$23.5M	
<u>Parking and Circulation</u>		
lanes	\$1.25M	
Stormwater Mgmt	\$.75M	
Utility Extensions	\$1.0M	
<b>EDA</b>	<b>\$1.0M</b>	
<b>OTTED</b>	<b>\$1.0M</b>	
<b>Local Match</b>	<b>\$1.0M</b>	
Utility costs are estimated at this time and will be updated based upon engineering estimates are prepared after final facility design is permitted.		

## **D. Performance Measures**

The following measures shall be used to evaluate the effectiveness of the ARPC's performance in fulfilling the objectives outlined in the projects proposed above.

### **D.1 Apalachicola Seafood Industrial Park**

- Complete local development approval process,
- Completion of Lease-purchase agreements
- Grant Application submissions for physical site improvements. (Varies with sites being considered)
- Construction of a seafood processing, packing, storage and shipping facility to replace lost capacity.
- Retain at least 80% of the existing inshore and offshore fleet estimated at 880 harvesters.
- Retain at least 75% of the existing processing employees estimated at 185 employees.

### **D.2 Port St Joe Deepwater Port**

- Development of the Deepwater Port Phase I berth facilities,
- Diversification of the employment base in Gulf and adjacent counties,
- Creation of 80 direct and 130 induced or indirect jobs,
- Construction of a RR spur to the A&N lines @ Arizona Chemicals.

### **D.3 Calhoun County Industrial Park (Catalyst Site)**

- Development of required infrastructure at the Calhoun County Industrial Park, (CCIP).
- Diversification of the employment base in Calhoun and adjacent counties.
- Creation of 100-150 new positions in new location enterprises located in the CCIP.

### **D.4 Certification of an OEM Mega-Site**

- Site selection and local government approval
- Needs analysis
- Comprehensive planning
- Grant sourcing and applications
- Creation of a site that satisfies the needs of a major OEM.
- Attraction of an OEM to the Region.
- Creation of over 300 new jobs not in the government services sector.

### **D.5 Development of Additional Tourist Destinations and Capacity**

- Assist in the creation of additional marina, fuel, convention, or Livery / tour guide facilities along the Apalachicola River
- Assist in the development of new nature-based tourist attractions
- Assist in the development of brochures, guides web content featuring the regions attractions.

**D.6 Career Training Academies**

- Development of career training academy(ies), 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 200 potential employees in the targeted industries in Jackson County, the St. Joe Deepwater Port, and the new Port St. Joe Hospital,

*Note: As incoming industries and their needs in Jackson and Calhoun County are not yet known, it is difficult to set a benchmark for number of trainees.*

**D.7 Alternative Fuels Processing Facility**

- Assist in the creation of a Strategic Plan for bringing a cellulosic bio-mass or alternate fuels facility to the Region.
- Encouraging local government buy-in and assisting in Site Selection.
- Completion of needs analysis for site specific improvements.
- Completion of comprehensive planning efforts to allow the development.
- Grant writing efforts to obtain state and federal assistance for site infrastructure improvements.
- Construction of a bio-mass conversion or generation facility.
- Construction of a renewable energy production facility.

**D.8 Gulf County / Port St. Joe Advanced Medical Facilities**

- Extension of sewer lines into the site.
- Extension of water lines into the site.
- Construction of access roadway.
- Construction of left turn lanes in US Hwy 98.
- Construction of the Hospital/Medical Office Bldg and creation of 150 new jobs.

**D.9 Jackson County / Sawmill Expansion – Rex II**

- Construction of additional access roads to the expansion site.
- Construction of an elevated water storage structure to create necessary fire suppression pressures.
- Creation of 80 new jobs in construction materials.

**D.10 Economic Development Planning**

- Assist local governments in the development of comprehensive plan amendments required to accommodate strategic ED projects to include state required annual update amendments.
- Assist up to two local governments in the creation of Economic Development Elements for inclusion in their Comprehensive Plans.

**D.11 Compass Pointe Flightline Operations and Support Infrastructure**

- Construction of parking and new entrance to Commercial Airport at TLH regional airport to support HondaJet facility and airport hotel site.

- Construction of frontage road connections to main terminal from commercial airport.
- Extension of utilities to support Honda Jet, Hotel and expansion at commercial / air freight terminals.
- Construction of stormwater facilities to meet environmental standards mitigating site development.

## **E. Suggested Alternative Projects Summary**

The ARPC and this CEDS recognize the considerable effort already expended in putting major investments on the ground and the efforts being expended in planning for new initiatives. Most major new economic development projects will take form on what are currently bare earth sites. Many sites are available across the Apalachee Region in various states of readiness. Some are well developed and need minor enhancement; some are still ideas in formation, promoted on the willingness of the owner to submit to the rigors of the development process. Several of the “idea” sites were created in the Catalyst project process and are listed below. In preparation for this report, ARPC staff solicited project descriptions for the counties that did not submit potential sites for the Catalyst project. As these less developed or undeveloped sites move forward, they are likely to require grant assistance and technical assistance, as well as interventions from the various ED related state agencies. ARPC will stand ready to assist wherever possible in support of these projects.

As indicated in Section V, Florida’s Great NorthWest has an initiative to site and develop a Green Energy Park or parks in the 16 county Northwest Florida region. Several sites were submitted to FG NW which have potential for alternative fuels and energy production but which also have location advantages that would favor commercial or industrial development in a number of industries of regional importance.

### **E.1 Catalyst Sites**

The Enterprise Florida Catalyst project elicited a number of sites from five of the Region’s nine counties. The five counties are part of the eight county region known as Opportunity Florida, a Rural Area of Critical Economic Concern (RACEC). The program is described elsewhere in this report, but the new priority will be to focus energy on development, and marketing to certain targeted industries about the selected site. The proposed sites are enumerated in order that the Apalachee Region’s CEDS formally recognizes the individual potential for economic impact in their respective counties, and that the ARPC will support with technical assistance the initiatives established by the respective local governments. Sites also submitted and/or are under consideration as a green energy park are noted (GEP)

#### **Calhoun County**

1. Calhoun County Industrial Park (**GEP**)
2. Fuqua Properties
3. Shelton Properties
4. St. Joe Properties

**Franklin County** *(One of these may likely be the location of the Seafood Industrial Park)*

1. Apalachicola Municipal Airport **(GEP)**
2. Carrabelle Airport
3. Carrabelle East
4. Eastpoint Industrial Park

**Gadsden County**

1. Havana North
2. Midway
3. Quincy **(GEP)**
4. Quincy West
5. Greensboro **(GEP)**
6. Hardaway

**Gulf County**

1. North Gulf Industrial Park

**Jackson County**

1. Marianna Municipal Airport
2. Marianna/Jackson Construction Services Park **(GEP)**
3. Marianna/Jackson Distribution Park

**E.2 Green Energy Park Sites**

The FGNW ‘Green Park’ initiative has also selected several sites that are new to the listing of available properties. If they are identical to sites already proposed for the Catalyst Project and listed above, those sites are labeled with (FGNW GEP) in the above list. All of the sites on the A&N railroad have developing deep port capacity at Port St Joe while all sites on the BayLine RR have access to deep port capacity at Panama City.

**Gadsden County**

1. Interstate 10 at SR 12 (Gretna – Greensboro) This site has immediate access to Interstate 10 and the A&N RR, a shortline connection to the CSX mainline at Chattahoochee. There are over 1,000 acres assembled in one corner of the interchange with more available on the opposing corners for support industries. Water and sewer are in the planning stages for this site.

**Gulf County**

1. The site proposed is a general area between SR71 and the Gulf Count Canal. This canal offers moderate draft access to the Intercoastal Canal from the protected waters of St Joe Bay. The site has near access to the A&N Railroad, fresh water and sewer services. Coordination would need to be held with the land owner, the St Joe Land Company and FDEP to select the most favorable site within the offered area with an eye to minimization of impacts.

**Jackson County** All of the sites listed below for Jackson County carry appropriate land use classifications. All but the Cottondale location have their wetlands delineated.

1. Construction Services Park – This site has 1120 acres within 1.5 miles of I-10. It has no rail access, but does have water, sewer, electric and natural gas.
2. Cottondale -- This site is the location of the currently running Green Circle BioFuels pellet plant that was awarded EDA assistance in 2007. The site is located 4 mile north of I-10 on US 231, a major trucking artery connecting Southeast Alabama to Panama City. It has immediate access to the BayLine RR, a shortline connector to CSX almost immediately to the south. This 1,600 acre site has water, sewer and electrical services in place.
3. Campbellton -- This site is further north along US231 and is also adjacent to the Bayline RR. The 1,230 acre site has water, sewer and electric services.
4. Spanish Trail Commerce Park -- This 1,030 acre site is located near Sneads, Fl along US 98, a major state arterial connecting Marianna to Tallahassee. It straddles the CSX mainline and has water, sewer and electrical capacity on site at US98.
5. Steele City – This 605 acre location is between the Town of Alford and Cottondale on US 231. The site has access to the BayLine RR, water, sewer and electric available.

### **Liberty County**

1. Lowry is the location of an existing complex of forest products businesses with the anchor being a Georgia Pacific sawmill shipping dimensional lumber. Also located in this site are a chipping facility, and a pole plant. The site is located on SR 65 and is adjacent to the A&N RR. It has immediate access to a high voltage spur, and the Florida Gas Transmission pipeline via a short spur. Water and sewer are not on site.
2. Dempsey Barron Road at SR 12 is the current location of a Dept of Corrections work camp and the City of Bristol’s wastewater facility. This sprawling area is favored by the County Commission for industrial development as there is little to no population. It will require a 5-6 mile spur from the A&N for rail access, but has water sewer and electric available.

### **Wakulla County**

1. The Wakulla Industrial Park is a 1,500+ acre facility just south of the Leon County Line on SR 363. The site has wastewater facilities, potable water and a major power distribution passing across it. It is located about 12 miles south of I-10 with moderate to shallow draft port access at St Marks 8 miles south.

### **E.3 Other Sites**

Listed below are sites that are considered worthy of consideration for future development as business/industrial parks or commercial nodes and because of either non-RACEC status or County preference, were not included in the Catalyst project.

### **Calhoun County**

1. River Road Brownfields Redevelopment Area.

The City of Blountstown is initiating processes to designate a former +110 acre site located along the Apalachicola River as a brownfields area. This site is in initial planning stages to be converted from heavy industrial to active and passive recreational uses to include, lodging marina and marine services, RV park, nature and interpretive trails and other outdoor activities, as well as historical exhibits with eventually a historical museum.

### **Gulf County**

1. Port St Joe Deepwater Port

Recently designated by the Florida Department of Transportation as an emerging Strategic Intermodal System facility.

### **Jefferson County**

1. Jefferson County Industrial Park

### **Leon County**

1. Tallahassee Municipal Airport Fixed Base Operator – Flight Line Services

Recent commitments from HondaJet to construct a Southeast regional sales/service facility on TLH property.

2. Mag/Lab Park Expansion

3. FSU – University Center initiative with the High Performance Materials Institute

### **Liberty County**

1. Lowry Area Industrial Complex

Access to rail, main power grid

2. Dempsey Mayo Industrial Area

Access to municipal services

### **Wakulla County**

1. Wakulla Industrial Park

Access to main power grid, good County road access, water & sewer service

2. St Mark Marine Terminal, former brownfields site, proposed for Municipal purchase and redevelopment as an energy park.

## **F. Suggested Alternative Projects and Needs Analysis**

### **Calhoun County**

**F.1** Calhoun County Industrial Park and Airport was the site selected by the RACEC partner governments to be the object of Enterprise Florida's development focus for the NW RACEC. The 146 acre site has appropriate future land use designation for industrial development, central water, the ability to reactivate a disused sewer plant, available land adjacent for expansion, and municipal airport with runway extension and paving scheduled to begin construction in November 2007. The property has direct access to a State Road 71



and is 16 miles south of Interstate 10. This site needs either reactivation of its sewer plant or an extension from the Blountstown municipal system. Pending the extent of sewer requirements, this site has several “dirt ready” parcels available for immediate permitting effort.

Needs: The site will still require sewer extensions for employee intensive uses and is also in need of broadband service and possible turn lane improvements dependant on user generated traffic.

**F.2** Fuqua Properties is a 491 acre site situated in and immediately north of the Town of Altha on both sides of State Road 71. The site is approximately 9 miles south of Interstate 10. It has municipal water available and the Town is presently working on connecting to and bringing central sewer from the City of Blountstown. The site is relatively flat and the soils have percolation issues, which would not come into play if central sewer is available.

Needs: The nearest rail is 15 miles to the east. The site requires land use amendments, platting, and roadway access in addition to central sewer and broadband.

**F.3** The Shelton Properties are located in western Calhoun County along State Road 20. The 400 acre site is cleared and has a slight grade. It is 10 miles east of US Hwy 231 and the Bayline Railroad. It is 25 miles south and east from I-10 via SR 20 and US Hwy 231. There are no piped utilities available to the site. The nearest rail is 15 miles to the east.

Needs: The site requires land use amendments, platting, and roadway access in addition to water, sewer, and broadband.

**F.4** The St. Joe Properties comprise 4,270 acres 5 miles west of the above site, and 5 miles east of US Hwy 231 and the Bayline Railroad. The large tract does have some central wetland areas at its lower elevations but retains several large upland areas that are individually and collectively suited to large scale development. Again, there are no piped utilities to the proposed site. Due to the presence of the wetland area, there are indications of the presence of rare plant species. The nearest rail is 15 miles to the east.

Needs: The site requires land use amendments, wetland mitigation efforts, platting, and roadway access in addition to water, sewer, and broadband.

## **Franklin County**

**F.5** Apalachicola Airport The County owned Apalachicola Municipal Airport site is surrounded by adjacent tracts that are suitable for development. There are fifty acres suitable for division into 10 acre sites. The sites do not have immediate access to sewer, but connection to the municipal system could be easily constructed with a relatively short forced main. The City could supply water extensions to the sites. The site is just north of US Hwy 98 and just west of downtown Apalachicola. A spur to the Apalachicola Northern Railroad is immediately north of the airport property. The site is elevated above the Cat 3 surge line.

Needs: Individual sites may need wet utility extensions.

**F.6** Carrabelle Airport has 20 acres of privately held land adjacent to the airport property. It is approximately one half mile north of US Hwy 98 west of Carrabelle. There are public water and sewer available from the municipal systems. No railroad is available to the site which appears to be within the Cat 3 surge zone. This site has a few “dirt ready” parcels available for immediate permitting effort.

Needs: Individual sites may need wet utility extensions.

**F.7** Carrabelle East is a 50 acre privately held site just outside the City of Carrabelle. It has central water and sewer in proximity. The site has a few “dirt ready” parcels available for immediate permitting effort.

Needs: Some sites may need roadway extensions.

**F.8** Eastpoint Industrial Park is a relatively small site with 9 acres available located about one half mile north of US Hwy 98. None of the Carrabelle or Eastpoint sites are served by a railroad. Water and sewer are available from the Eastpoint Water & Sewer District. The site has a few “dirt ready” parcels available for immediate permitting effort.

**F.9** Eastpoint Commercial Boat Basin Eastpoint’s long established commercial boat basin has suffered significant siltation and degradation of its protective seawall from numerous hurricane near misses from Hurricane Kate in the mid 90’s to Gustav in 2008. The ‘channel’ is only slightly shallower than the surrounding flats and is in danger of rendering the offloading areas accessible only in mid to high tide ranges which would significantly limit access by the privately owned fleet of flat boats. Lack of marine access is encouraging conversion of seafood processing properties damaged by the storms for 2004-2005 to other uses. The variously owned properties are all served by water, sewer, and electric.

Needs: Dredging, not a traditional infrastructure project, is needed immediately.

## **Gadsden County**

**F.10** Havana North is a 775 acre site located west of Havana in extremely rolling terrain. Although the FDEP found significant environmental problems with the site as a whole, which disqualified the site for the Catalyst project, there are significant large areas of cleared grassy pasturage. It is adjacent to US Hwy 27, a major 4-lane arterial with access to Interstate 10, 10 miles to the south. The CSX railroad runs parallel to the site’s boundaries. Water and sewer are available from the Town of Havana, but are not currently extended to the property.

Needs: The site needs platting and roadway access in addition to water, sewer, and broadband.

**F.11** Midway is a 748 acre site of rolling land west of the City of Midway and directly adjacent to Interstate 10. Access to I-10 is via county Road 268 to the south. It is served by CSX mainline tracks running along the southern boundary and the North Florida Gas Pipeline runs through the property. Water and sewer service would be considered available from a local electrical co-operative, but there are no current plans to extend service to the property, and the cooperative will not consider speculative expansion.

Needs: The site requires land use amendments, platting, and roadway access in addition to water, sewer, and broadband.

**F.12** Quincy is a 1,320 acre site consisting of the 880 acre Quincy Industrial Park, (a city owned park with proper zoning and land use) and an adjacent 438 acre site currently under control of the University of Florida at the intersection of I-10 and SR 267. Rail runs along the northern edge of the city property but there are no current spurs into the site. The property has access to city water sewer and broadband. The existing Quincy site has numerous “dirt ready” parcels available for immediate permitting effort.

Needs: The expansion area to the south requires conversion from state ownership to local control, land use amendments, platting, and roadway access in addition to sewer and broadband. Easements may be available through the property to provide better access to the southern parcels from SR267 and I-10.

**F.13** Quincy West is a 907 acre multi-party assemblage located southeast of the City of Quincy, just south of the CSX tracks, and very near US Hwy 90. The site is 3 miles from I-10 along SR 12. Water access might be available from either the City of Quincy or the City of Gretna, although both municipalities would require upgrades to provide service. A drainage feature runs through the site, however two very large developable areas are available.

Needs: The site requires land use amendments, platting, and roadway access in addition to water, sewer, and broadband.

**F.14** Gretna, is a 915 acre multi-parcel assemblage located in the southwest corner of the I-10, SR12 interchange. Access is from SR 12 and about a quarter mile from I-10. There is currently no central water or sewer access to the site. The Apalachicola Northern railroad lies on the western border of the tract. Telogia Creek and its associated wetlands bisect the site, but significant large acreage upland tracts are possible. This site has been submitted for consideration for the FGNW green energy park. (Although originally labeled Greensboro, the area has been incorporated into the Gretna Municipal limits.

Needs: The site requires land use amendments, platting, and roadway access in addition to water, sewer, and broadband and a rail spur.

**F.15** Hardaway is a site located to the north of I-10 and is bordered on the east by CR 270. The 782 acre site, although adjacent to I-10, is 8 road miles from an interchange. The

Apalachicola Northern Railroad forms part of the eastern border. There is currently no central sewer to the site, but it is served by Talquin Utilities main line for central water.

Needs: The site requires land use amendments, platting, and roadway access in addition to water, sewer, and broadband.

## **Gulf County**

**F.16** North Gulf Industrial Park is a 225 acre parcel located on SR 71 near the northern border of Gulf County. It is 37 miles from I-10 and has no reasonable rail nearby. Public water and sewer have been permitted and are being constructed to within a half mile of the site.

Needs: The site is undeveloped and is in need of land use amendments, platting, and all development oriented infrastructure including water, sewer, roadways, and broadband.

**F.17** Port St Joe Deepwater Port is planned project for a portion of the site of the former St. Joe Paper Company mill. There is an adequate turning basin for large ships, deepwater access and a high bridge clearance to the Intercoastal Waterway. Water and sewer are available from the City of Port St. Joe and the site is connected to the Apalachicola Northern rail head which formerly served the paper mill.

Needs: The site is in need of bulk handling equipment, dedicated storage and marshalling yard development, as well as upgraded bulkheads, RORO capacity, and upgraded vehicular access for trucking.

**F.18** North Port St Joe This site ~~was nominated~~ has been selected<sup>3</sup> for the FG NW Green Energy Park and is undeveloped at this time. The site is adjacent to properties with access to the A&N and spur extensions are possible. Most of the properties are uplands and the owner has sufficient land holdings to provide for adequate mitigation. It is served for all utilities by the City of Port St Joe and is located between the Gulf County Canal and CR 382.

Needs: Utility and rail extensions, and user specific bulkhead development.

## **Jackson County**

**F.19** Marianna Municipal Airport Industrial Park is located northeast of Marianna on SR 71. The 300 acre site is on County owned land at the airport site. Water and sewer are available to the site and it is 4 miles to the nearest rail.

Needs: The site is ready for platting, subject to a purchaser's requirements.

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<sup>3</sup> Selection confirmed after approval of CEDS update. BG&E has announced plans to open Bio-Fuels generator at the Port Authority of Port St Joe.

**F.20** Marianna/Jackson Construction Services Park / Distribution Park sites are adjacent and are located south of I-10 at CR 276. The construction services park is 95 acres and the distribution park is 175 acres. They are considered separate due to use restrictions written into their plan approvals. Water and sewer are available on site. The closest rail is two miles away. The site was recently chosen by Family Dollar for a distribution center and the construction services park has a concrete products development plant under construction.

Needs: There are several large acreage parcels immediately available, however some may need additional infrastructure extensions.

**F.21** The Campbellton Industrial Park is located immediately south of the Town of Campbellton and is the site of a proposed corn ethanol production facility. It has immediate access to the Bayline RR and US 231. It is served for water by the Town of Campbellton and elevated storage provides fire suppression.

Needs: Sanitary Sewer extensions and possible rail spur extensions or road crossings for CR273

**F.22** Steele City Industrial Park is located just north of Alford on US231 and is currently anchored by the Green Circle Bio-Energy Facility. Expansion areas are available to the north and south of this site which has water and sewer provided by the Town of Cottdale.

Needs: Possible additional access points off US231 and access road and rail spur extensions into the expansion areas.

**F.23** The Spanish Trail Industrial Park is located near Sneads on US98. It is served by the Town of Sneads for water and sewer. Portions of the site are owned by the State of Florida.

Needs: Elevated water storage for fire protection, sanitary lift station, rail spurs off the CSX mainline, at grade rail crossing of the tracks and road and utility extensions into the site.

## **Jefferson County**

**F.24** Jefferson County Industrial Park is located on SR 19 south of the City of Monticello and approximately 2 miles north of Interstate 10. The site has water and sewer available.

Needs: Additional water and sewer connections to all lots, paving of access roadway to all lots, and broadband access to a cable fiber or T-1 internet link.

## **Leon County**

**F.25** Tallahassee Airport Services Hub is to be constructed on City/County owned property at the existing TLH airport facility. The facility is intended to attract airframe construction, maintenance, flight operations training and potentially a flight school for a variety of clients. The City has secured commitments from Honda Jet for an operations center in Tallahassee. The site requires extensions of sewer and water capacity, but has broadband access and frontage on Tallahassee's Capital Circle, or truck route.

Needs: The site is undeveloped, and would require roadway development, flight line services expansion, possible spec vertical construction, stormwater management for the expansion area, and reconfigured access to the fronting truck route to alleviate line of site problems.

**F.26** Mag/Lab Park Expansion would add to the already successful Innovation Park. The site has adequate water, sewer and broadband services available. Rail is available along the northern boundary, across Roberts Avenue, but no spurs are constructed into the site.

Needs: Additional right of way development with utility extensions, possible rail spur.

*Note: Only public ventures are listed for Leon County. There are numerous private business park and some small industrial park locations in the metropolitan area. With the ongoing movement of State office functions to the Southwood office complex, there is an expanding supply of business park space available. However, a developing opportunity in Tallahassee is the impending closure of the Tallahassee Mall, a 96 acre midtown location with adequate water, sewer, drainage and power infrastructure that may need public sector participation in a re-visioning to a mixed use development.*

## **Liberty County**

**F.27** Lowry Area Industrial Complex is located north of Hosford on SR 65. The site has an undetermined acreage, as some of the owners have considerable land available, which could be converted, to development use at any time. The site is primarily wooded and has been in timber management for decades. The area is served by the Apalachicola Northern Railroad, and has a spur to the Cross Florida natural gas pipeline. There is no central water or sewer service to the area.

Needs: The site needs central water and sewer as well as broadband internet access and parkwide stormwater treatment. Land use changes and formal platting would be needed in advance of major development activity which should include full right of way development for any sites developed without access to SR 65.

**F.28** Existing Corrections/Utility Complex at CR271 (Dempsey Barron Rd) and SR12 is under consideration by the Liberty County Commission for location of bio-mass conversion and energy production facilities. This site is an alternative for projects described in B.7.

Needs: Fire suppression water supply, Roadway and utility extensions and drainage improvements into the site, land use amendments to industrial and a possible spur from the A&N rail line in Lowry.

## **Wakulla County**

**F.29** Wakulla Industrial Park is a developed facility on SR 363, located very near the Leon County Line. The site has central water from an on site well and ground storage tank. The park has its own central sewer system constructed to serve a Dept. of Corrections facility located adjacent to the park. The site has numerous “dirt ready” parcels available for immediate permitting effort.

Needs: Development of some transport intensive facilities may require access to US98 to the south which would require the paving and drainage improvements to Plank Road, an exiting graded county maintained roadway.

**F.30:** St. Marks Marine Terminal This site was formerly owned by the City of Tallahassee and used as bulk oil storage for a city power plant which is now supplied by tanker deliveries. On-site bulk fuel storage tanks, pumping and piping as well as marine transfer have been removed and subjected to State and Federal brownfields cleanup programs. The City of St Marks is positioning itself to purchase the property and convert it to an green energy park for solar and possible wind generation for City customers.

## **Section VIII: Public Participation in the CEDS Process**

Pursuant to CFR13 part 303, the Apalachee Regional Planning Council is following guidelines for public participation and seeking is also actively seeking the participation of other entities in the region that will have special knowledge and insights to help ensure that this document is not only created “in the sunshine” per *Florida Statutes*, but with the inclusion of as many inputs as possible. The following schedule of meetings outlines the series of open forum discussions held throughout the CEDS development and review process.

### **A. Schedule of CEDS Committee Meetings**

1. First Advertised CEDS Committee Meeting – February 22, 2007
2. SWOT & Policy Subcommittee Meeting – March 22, 2007
3. Goals and Objectives Subcommittee Meeting – March 22, 2007
4. Second Advertised CEDS Committee Meeting – April 26, 2007
5. SWOT & Policy Subcommittee Meeting – April 26, 2007
6. Goals and Objectives Subcommittee Meeting – April 26, 2007
7. Third Advertised CEDS Committee Meeting – June 21, 2007
8. CEDS Presentation to the ARPC – July 26, 2007
9. CEDS posted on the ARPC website for public review and comment – August 1 through August 31, 2007
10. Ratification of the CEDS document by the ARPC – September 27, 2007

### **B. Schedule of Regional EDC Meetings or Interviews**

1. Opportunity Florida - February 14, 2007
2. Wakulla EDC - March 9, 2007
3. Jefferson EDC - March 19, 2007
4. Gulf EDC Director, Interview - March 19, 2007
5. Gadsden EDC - March 20, 2007
6. Calhoun EDC - March 20, 2007
7. Tallahassee/Leon EDC - April 10, 2007
8. Liberty EDC Chairman, Interview - May 25, 2007
9. Franklin Director of Planning, Interview - May 29, 2007
10. Northwest RACEC Catalyst Site Selection - May 10, 2007
11. Florida’s Great Northwest, Opportunity Florida, Enterprise Florida Rural Economic Development Summit - May 21-22, 2007
12. Enterprise Florida - July 11, 2007

### **C. Agenda and Documentation of Public Notices**

Included on the following pages are copies of the Agendas and Public meeting notices.



APALACHEE REGIONAL PLANNING COUNCIL

**2007 Comprehensive Economic Development Strategy  
First Committee Meeting**

February 22, 2007

The Holiday Inn Select – Forum Room  
316 W. Tennessee Street  
Tallahassee, Florida

10:00 am Eastern Time / 9:00 am Central Time

**AGENDA**

1. **Welcome and Introductions** – Charles Blume, Director ARPC
  
2. **Overview of CEDS History and Revised EDA Requirements** – Bruce Ballister
  
3. **Economic Overview** - Bruce Ballister
  - Population & Workforce - Bruce Ballister
  - Major Industries – Pam Tedesco
  - Developing Industries – Committee Discussion
  - Coordination with “Catalyst Project” – Committee Discussion
  
4. **Subcommittee Appointments and Work Assignments** – Bruce Ballister
  - Policy Subcommittee
  - Strengths, Weaknesses, Opportunities, & Threats (SWOT) Subcommittee
  
5. **Upcoming Meeting Schedule** – Janice Watson

*\*LUNCH WILL BE SERVED FOLLOWING THE MEETING*

APALACHEE REGIONAL PLANNING COUNCIL

**2007 Comprehensive Economic Development Strategy  
Sub-Committee Meetings**

Thursday, March 22, 2007

Calhoun County Extension Office  
Conference Room  
20816 Central Avenue East  
Blountstown, Florida

**AGENDA**

**S.W.O.T. Subcommittee**

**10:00 am CT (11:00 am ET) to 12:00 pm CT (1:00 pm ET)**

1. Regional Market Sector Analysis – Pam Tedesco
2. Contributing Factor Discussion – Bruce Ballister w/ Pam Tedesco

\*\*\*Break for Lunch\*\*\*

**Policy Subcommittee**

**1:00 pm CT (2:00 pm ET) to 3:00 pm CT (4:00 pm ET)**

1. Review of Goals Policies Objectives in exist Regional Policy Plan
2. Discussion of projects for inclusion in CEDS

APALACHEE REGIONAL PLANNING COUNCIL

**2007 Comprehensive Economic Development Strategy  
Second Committee Meeting**

April 26, 2007

Calhoun County Extension Office  
Conference Room  
20816 Central Avenue East  
Blountstown, Florida

**AGENDA**

**CEDS Committee 9:00 am to 12:00 pm Central Daylight Time**

1. Update on subcommittee work
2. Presentation of Cluster Analysis and Discussion
3. Ongoing and Proposed Economic Development Projects
  - RACEC Catalyst Project Sites
  - Nomination of County City Projects
4. Development of CEDS Action Plan

*Break for Lunch*

**Combined SWOT & Policy Subcommittees 1:00 pm to 4:00 pm CDT**

1. Continuation of Goals Policies Objectives in exist Regional Policy Plan
2. Review of recommended changes to SWOT analysis.

APALACHEE REGIONAL PLANNING COUNCIL

**2007 Comprehensive Economic Development Strategy  
Third Committee Meeting**

**Thursday - June 21, 2007**

**9:00 am Central Time**

Calhoun County Extension Office  
Conference Room  
20816 Central Avenue East  
Blountstown, Florida

**AGENDA**

**CEDS Committee Meeting 9:00 am to 12:00 pm CT (10:00 am – 1:00 pm ET)**

3. Discussion and review of latest CEDS materials and instructions received at the EDA Economic Development Symposium held in Atlanta on June 14, 2007
4. Update on Final Sections
5. Discussion of Final SWOT Analysis Edit
6. Discussion of Goals, Policies and Objectives vs. Measurable Objectives
7. Discussion of Work Program
  - Hard Projects list
  - Coordination with agencies
  - Special Projects?
8. Schedule date and time for next meeting if necessary

*Break for Lunch at El Jalisco #2*

Please contact Bruce Ballister at (850) 488-6211 ext. 100 or Janice Watson at (850) 674-4571 if you have any questions or need any additional information.

*We look forward to seeing everyone in Blountstown on the 21<sup>st</sup>.*