North Central Florida Comprehensive Economic Development Strategy

2013-2017

September 2012




North Central Florida Regional Planning Council


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Executive Summary

The North Central Florida Regional Planning Council has served as the North Central Florida Economic Development District since January 1978, when the Council received its district designation from the U.S. Economic Development Administration. Counties that are members of the Council and the municipalities located within those counties are included in the North Central Florida Economic Development District, and are designated by the U.S. Economic Development Administration as redevelopment areas and are eligible for financial assistance from the U.S. Economic Development Administration.

"The Regional Planning Council is a federally designated Economic Development District."

The primary function of the North Central Florida Economic Development District is to create and update the Comprehensive Economic Development Strategy for the region. The Comprehensive Economic Development Strategy provides the framework by which economic development projects in the region qualify for grant funding from the U.S. Economic Development Administration. The Strategy is developed by the Strategy Committee which is comprised of a broad range of regional economic development, business, civic, education and workforce development professionals.

"The Strategy is based upon the Florida Chamber Foundation's Six Pillars of Florida's Future Economy."

The following report provides a description of current economic and demographic conditions of the region, an analysis of regional strengths and weaknesses and an analysis of regional industry clusters. The report also lists the economic development goals and objectives as well as the Priority Project Areas developed by the Strategy Committee. The report includes a plan of action that outlines the activities necessary to implement the goals and objectives of the Strategy.

The Strategy uses the Florida Chamber Foundation's Six Pillars of Florida's Future Economy as the organizing framework. The Six Pillars are: Talent Supply & Education; Innovation & Economic Development; Infrastructure & Growth Leadership; Business Climate & Competitiveness; Civic & Governance Systems; and Quality of Life & Quality Places.

Regional Stakeholder Meeting, Gainesville

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Comprehensive Economic Development Strategy

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Comprehensive Economic Development Strategy

A. Background

The Comprehensive Economic Development Strategy is a continuing regional economic development planning process with broad based community participation designed to help guide the economic growth of the region. The purpose of the Strategy is to create an economic environment that fosters job creation, a more diversified economy, and improves the quality of life for the residents of the North Central Florida Economic Development District. The Strategy provides a mechanism for coordinating the efforts of local governments, private industry, organizations and individuals concerned with economic development.

"The Strategy is a continuing economic development planning process."

Santa Fe College Perry Center for Emerging Technologies, Alachua

The Strategy is developed by a committee appointed by the North Central Florida Regional Planning Council. The members of the Strategy Committee represent a broad spectrum of interests, including: local economic development organizations; private industry; local governments; education and workforce; civic organizations; minority and special interest groups. The Strategy Committee meets to discuss progress on elements of the Strategy, and to make recommendations for amendments to the Strategy based on changes to the economic environment.

"The Strategy is developed by a broad spectrum of public and private interests."

In addition to providing a cooperative framework for economic development coordination and planning, the Strategy also provides:

- An analysis of economic and community development problems and opportunities that incorporate relevant material from other government sponsored or supported plans;

- A background and history of the economic development situation of the region, with a discussion of the economy, including geography, population, labor force, resources and the environment;

- A discussion of community participation in the planning efforts;

- A section setting forth goals and objectives for taking advantage of the opportunities and solving the economic development problems of the area serviced;

- A plan of action, including suggested projects to implement objectives and goals set forth in the strategy; and

- Performance measures that will be used to evaluate whether and to what extent goals and objectives have been or are being met.

"The Strategy is required to qualify for federal economic development funds."

The development and maintenance of the Strategy is required to qualify for U.S. Economic Development Administration assistance under its public works, economic adjustment and planning programs, and is a prerequisite for designation by the U.S. Economic Development Administration as an Economic Development District. Since 1978, the North Central Florida Regional Planning Council has served as the designated planning agency for the North Central Florida Economic Development District.

The North Central Florida Regional Planning Council region includes 44 county and municipal governments. The 11 counties include Alachua, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Madison, Suwannee, Taylor and Union. The 33 municipalities include (by County): Alachua - Alachua, Archer, Gainesville, Hawthorne, High Springs, LaCrosse, Micanopy, Newberry and Waldo; Bradford - Brooker, Hampton, Lawtey and Starke; Columbia

North Central Florida Counties and Municipalities

- Fort White and Lake City; Dixie - Cross City and Horseshoe Beach; Gilchrist - Bell, Fanning Springs and Trenton; Hamilton - Jasper, White Springs and Jennings; Lafayette - Mayo; Madison - Greenville, Lee and Madison; Suwannee - Live Oak and Branford; Taylor - Perry; Union - Lake Butler, Raiford and Worthington Springs.

Ichetucknee Springs, Columbia County

The North Central Florida Economic Development District has a total of 7,246 square miles and is bordered on the west by the Gulf of Mexico and on the north by the Florida-Georgia state line. With the exception of Alachua County, the region is primarily rural, with a 2010 U.S. Census population of just under 500,000. Over one-half of the population, 264,000, resides in the Gainesville Metropolitan Statistical Area, which consists of Alachua and Gilchrist Counties. Gainesville is home to the University of Florida, a land grant university, which is the primary economic driver of the region. Unlike many other regions of the state, north central Florida does not have beaches or theme parks, though it has a growing nature and eco-tourism base that takes advantage of the abundant presence of springs and rivers that flow through the region.

The regional climate is very temperate with summer high temperatures averaging in the low to mid nineties and winter low temperatures averaging in the low to mid forties. Record high temperatures have reached the low hundreds. Hard freezes are infrequent, with record low temperatures in the low teens. Average annual rainfall is approximately 50 inches. Hurricanes are a major source of concern throughout Florida. The remote coastal communities of the region are at the greatest risk for storm surge related flooding. However, the primary hurricane threats to most of the population centers of the region are from wind damage and rain induced local flooding.

"The region benefits from an extensive transportation network."

While largely rural, the region benefits from an extensive transportation network. Interstate 75 is the primary north/south transportation artery that connects the region to central and south Florida, as well as the Southeastern U.S. and Midwest U.S. to the north. Interstate 10 is the east/west transportation artery that connects the region to Jacksonville on the east and the Florida panhandle and Alabama to the west. Rail service in the region is provided by CSX Transportation, Norfolk Southern and other providers. Although the region is not home to a deepwater port, Columbia County will be host to an inland port facility that will be part of the Port of Jacksonville's international trade zone. There are numerous airport facilities in the region with substantial runway infrastructure. Currently, the Gainesville Regional Airport is the only airport with scheduled commercial service.

Intersection of Interstates 10 and 75, Columbia Co.

The economy of the region has proven relatively stable in relation to other areas of the state and nation. While the region has been negatively affected by the national economic downturn, overall it has fared better than many other areas, with lower unemployment rates, rising trade exports and steadily rising Gross Domestic Product. State and local government, especially in education and prisons, remains a significant though declining share of employment in the region. Health care is the second largest employment cluster in the region, followed by retail trade.

"The region is becoming known as an innovation center."

The region is rapidly becoming known as an innovation center due to the success of the Sid Martin Biotechnology Incubator in Alachua and the emergence of the Florida Innovation Hub at the University of Florida in Gainesville. A 2006 study by the Milken Institute identified the University of Florida as the top performing public institution at transferring its research to the marketplace, and fifth in the nation overall. Companies launched at the Sid Martin Biotechnology Incubator have attracted over one-half billion dollars in private investments, contracts and grants. An estimated 16 percent of all biotech companies in Florida got their start at the Sid Martin facility.

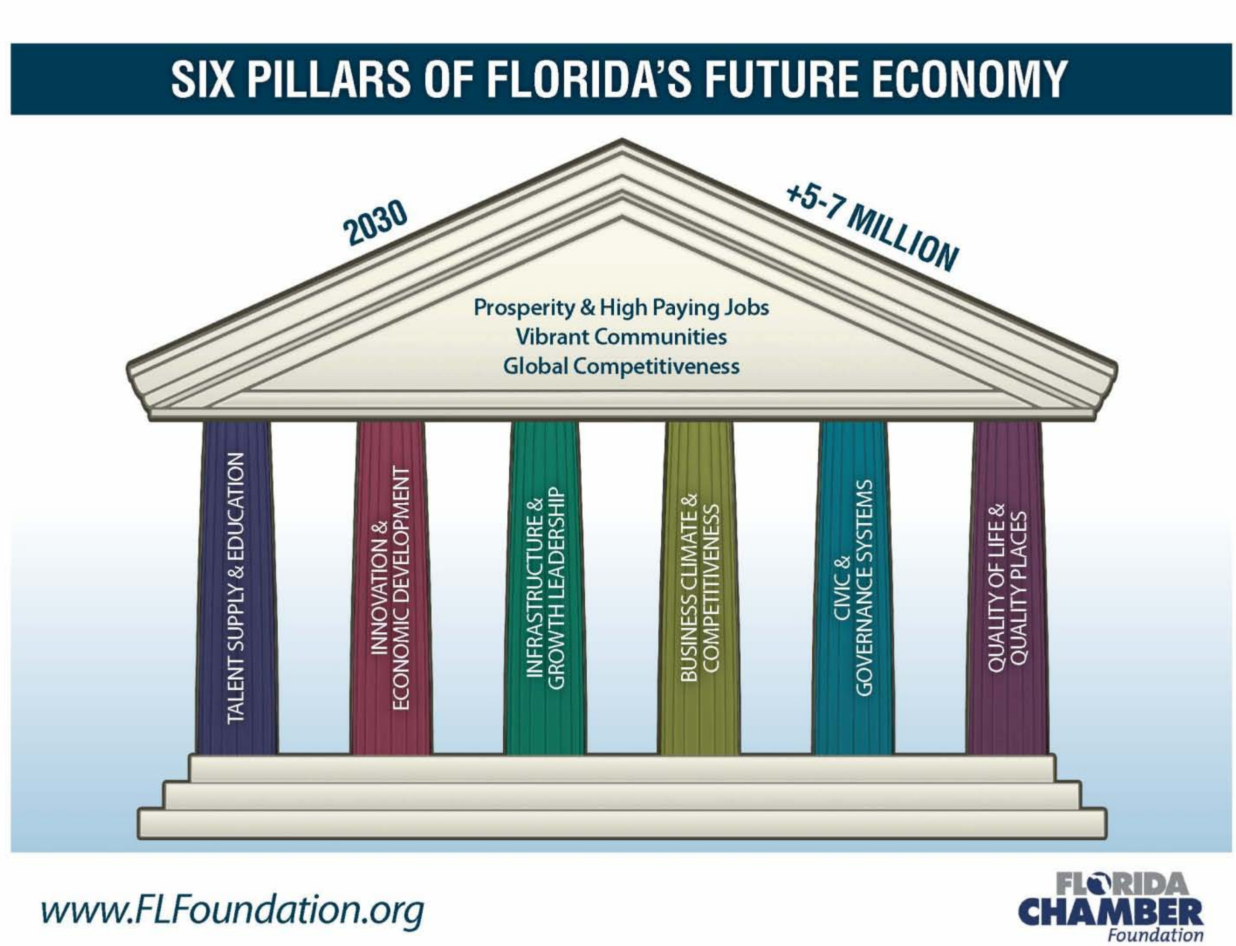
Sid Martin Biotechnology Incubator, Alachua

B. Goals and Objectives

The Comprehensive Economic Development Strategy establishes the goals and objectives necessary to solve the economic problems and capitalize on the resources of the region. Strategic projects, programs and activities identified in the Strategy are designed to fulfill these goals and objectives. The goals and objectives are organized using the Florida Chamber Foundation's Six Pillars of Florida's Future Economy.

"Florida Chamber Foundation's Six Pillars is organizing framework for Goals and Objectives."

- Goals are broad, primary regional expectations.
- Objectives are more specific than goals, clearly measurable, and stated in realistic terms considering what can be accomplished over the five-year time frame of the Strategy.



The table below is the, "at-a-glance," version of the North Central Florida Economic Development District Comprehensive Economic Development Strategy.

1. Talent Supply & Education

GOAL 1 - Connect and align education and workforce development programs to develop the region's current and future talent supply chain and meet employer needs.

"Connect and align education and workforce."

Objective 1.1 - Expand options for high school students to become industry certified while still in high school, as an alternative to college path.

Objective 1.2 - Integrate education, training and workforce development to develop a strong supply chain.

Objective 1.3 - Support efforts by Florida Gateway College, North Florida Community College and Santa Fe College to expand education programs in healthcare related fields and create a marketing strategy to promote enrollment in health professions programs.

Objective 1.4 - Support the creation of electronic medical records education and training programs utilizing a regional community-adaptive health information technology model.

University of Florida Graduation, Gainesville

GOAL 2 - Expand access to education and training programs for talent in distressed markets (e.g., rural, urban core) throughout the region.

Objective 2.1 - Support the creation of online and distance learning programs for students that lack other means of attaining necessary training.

2. Innovation & Economic Development

“Integrate research and commercialization to nurture innovation.”

GOAL 3 - Grow, sustain and integrate efforts related to research and development, technology commercialization, and seed capital to create, nurture and expand regional innovation businesses.

Objective 3.1 - Support development of the Innovation Square research and development park in Gainesville, and the integration of the University of Florida’s research enterprise and commercialization programs into the fabric of the Innovation Square project through the Florida Innovation Hub at the University of Florida.

Objective 3.2 - Support the development of existing and new business incubators and accelerators throughout the region.

GOAL 4 - Increase the number of regional businesses engaged in selling goods and services internationally and the diversification of the markets they serve.

Objective 4.1 - Provide educational opportunities to regional businesses interested in international trade on the advantages of exporting their goods and services.

GOAL 5 - Brand and market the north central Florida region as the best location for business.

Objective 5.1 - Support the North Florida Economic Development Partnership asset mapping and geographic information system projects in the region.

Objective 5.2 - Support the development of the Enterprise Florida/Rural Economic Development Initiative Catalyst Sites located in Columbia County and Suwannee County by pursuing funding sources for the infrastructure necessary to develop the catalyst sites to shovel ready status.

Florida Innovation Hub at the University of Florida, Gainesville

GOAL 6 - Promote the continued viability of military installations in close proximity to the region.

Objective 6.1 - Improve collaboration between local government and military leaders to utilize best management practices that ensure successful economic partnerships.

3. Infrastructure & Growth Leadership

GOAL 7 - Modernize the region's transportation, telecommunications, energy, water and wastewater systems to meet future demand and respond to changing business needs.

"Modernize infrastructure of region."

Objective 7.1 - Support the development of diverse, reliable and cost effective energy sources and systems to meet the region's economic and environmental goals.

Objective 7.2 - Ensure the future supply and quality of water to meet the region's economic and quality of life goals by encouraging the use of the groundwater resources of the region in a sustainable manner and by strengthening local control of area surface and groundwater systems and supplies.

Objective 7.3 - Develop and maintain a cutting-edge telecommunications infrastructure by supporting the North Florida Broadband Authority's initiative to bring high-speed internet service to the rural areas of the region.

Objective 7.4 - Develop and maintain multimodal, interconnected trade, logistics and transportation systems to enhance freight mobility in support of a prosperous, competitive economy.

Objective 7.5 - Support the continued development of the Gainesville Regional Airport as part of the State's Strategic Intermodal System and promote the designation of the Lake City Municipal Airport as part of the State's Strategic Intermodal System.

GOAL 8 - Improve coordination of economic development, land use, infrastructure, water, energy, natural resources, workforce and community development decision-making and investments at the regional level.

Double Helix Pedestrian Bridge, Gainesville

Objective 8.1 - Improve collaboration and alignment between regional and local agencies and business leaders through a regional vision.

4. Business Climate & Competitiveness

GOAL 9 - Streamline permitting, development and other regulatory processes at the local level to meet changing business needs and provide a predictable legal and regulatory environment in the region.

"Streamline permitting to provide predictability."

Objective 9.1 - Reduce barriers to small business and entrepreneurial growth.

Objective 9.2 - Develop a government revenue structure that encourages business growth and development.

GOAL 10 - Ensure local government agencies provide collaborative, seamless, consistent and timely customer service to regional businesses.

Groundbreaking for Florida Innovation Hub, Gainesville

Objective 10.1 - Work with water management districts in the region to simplify permitting process for new and expanding businesses.

GOAL 11 - Expand opportunities for access to capital for businesses throughout their life cycle.

Objective 11.1 - Create a database of capital sources available to regional businesses.

5. Civic & Governance Systems

GOAL 12 - Support and sustain regional partnerships to accomplish the region's economic and quality of life goals.

"Support and sustain regional partnerships."

Objective 12.1 - Utilize the North Florida Economic Development Partnership's Economic Development Academy as a vehicle to provide a functional understanding of economic development concepts to local elected officials.

Objective 12.2 - Work with the Florida Association of Counties and the Florida League of Cities to add economic development information to their curriculums for newly elected officials.

Objective 12.3 - Invest in strategic regional economic development priorities.

Columbia County Courthouse, Lake City

6. Quality of Life & Quality Places

GOAL 13 - Ensure future growth and development decisions maintain a balance between sustaining the region's environment and enhancing the region's economy and quality of life.

"Create and sustain vibrant, healthy communities."

Objective 13.1 - Create and sustain vibrant, healthy communities that attract workers, businesses, residents and visitors to the region.

Objective 13.2 - Promote and incentivize local government in the development of vibrant city centers.

GOAL 14 - Promote, develop, and leverage the region's natural and cultural assets in a sustainable manner.

Objective 14.1 - Support the efforts of the Original Florida Tourism Task Force and other regional tourism marketing organizations to develop sustainable tourism-based economic development programs and increase the entrepreneurial capacity of the hospitality industry.

Downtown Festival and Arts Show, Gainesville

Objective 14.2 - Improve the branding and awareness of the region as a tourism destination by leveraging regional resources with VISIT FLORIDA, the State's official tourism marketing organization.

Objective 14.3 - Promote and support the state parks within the region and improve branding and awareness of the parks as a tourist destination.

C. Plan of Action

The North Central Florida Economic Development District will coordinate the Comprehensive Economic Development Strategy projects and activities with local and state economic development agencies where appropriate. The plan of action will implement the goals and objectives of the Strategy in alignment with the Florida Strategic Five-Year Plan for Economic Development as follows:

1. Conduct regular meetings of the Comprehensive Economic Development Strategy Committee to monitor the status of regional projects and Comprehensive Economic Development Strategy implementation. District staff will actively participate in economic development activities in the region and provide technical assistance when needed.

"Support Rural Areas of Critical Economic Concern Catalyst Sites."

2. Support the North Florida Economic Development Partnership and the development of the North Central Florida Rural Area of Critical Economic Concern Catalyst Sites in Columbia and Suwannee Counties by serving on the Partnership's Board of Directors and providing technical assistance when necessary.

3. Promote sustainable economic development through regional tourism promotion, while encouraging the preservation of resources that bring visitors to the area. The North Central Florida Economic Development District will provide professional staffing services to the Original Florida Tourism Task Force to implement their regional marketing strategies.

"Support regional tourism promotion."

4. Identify economic development projects that may qualify for federal and state funding opportunities and provide grant writing and administrative services where needed.

Downtown Redevelopment, Gainesville

5. Provide technical assistance in the form of economic impacts analysis, research and best practices to local economic development organizations and government agencies.

6. Facilitate coordination between regional economic development strategies and the state's five-year economic development plan.

D. Strategic Projects, Programs and Activities -

Vital Project Areas of the North Central Florida Economic Development District

1. Talent Supply & Education

a. Support the development of educational programs to increase the labor force in the healthcare and life sciences industry.

"Vital Project Areas focus on strengthening the regional economy."

2. Innovation & Economic Development

a. Support the development of the catalyst sites for the North Central Florida Rural Area of Critical Economic Concern.

b. Support the development and expansion of regional business incubators and research parks.

3. Infrastructure & Growth Leadership

a. Support continuing improvements to multi-modal infrastructure, including highway interchanges along interstate corridors, railway corridors, airport facilities and broadband infrastructure.

4. Business Climate & Competitiveness

a. Support streamlining processes at the local level to encourage new businesses to open and help existing businesses thrive.

Downtown Redevelopment Project, Lake City

5. Civic & Governance Systems

a. Support programs to educate local government officials in the fundamentals of economic development.

6. Quality of Life & Quality Places

a. Support regional tourism promotional initiatives.

Appendix
Technical Report

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Appendix - Technical Report:

A. Analysis of Economic Development Problems and Opportunities

1. Talent Supply & Education

Talent Supply & Education:

"Education and training are essential to the future workforce of the region."

The region is beginning to face an emerging talent gap - a critical shortage in human capital that represents a vast and growing unmet need for a highly skilled and educated workforce. In the coming years, new products and services will be developed to address the most pressing environmental, medical, and transportation challenges of the world. Communities that are home to those breakthroughs will reap the economic rewards of leadership. Education and training are essential to the future workforce of the region.

a. Average Annual Wages

As shown in Table A-1 and Illustration A-1, average annual wages in the region as a whole lag significantly behind average annual wages for the state. In 2010, Alachua County, which as the largest economy of any county in the region and average annual wages over $39,000, is nearly $4,000 lower than state averages. In 2010, Suwannee County, with the lowest average annual wages in the region at just over $30,000, has a nearly $13,000 disparity with state average wages. Illustration A-1 demonstrates that the disparity in regional average annual wages is a long-term phenomenon, as regional average annual wages have been consistently below state averages for several years running.

Table A-1

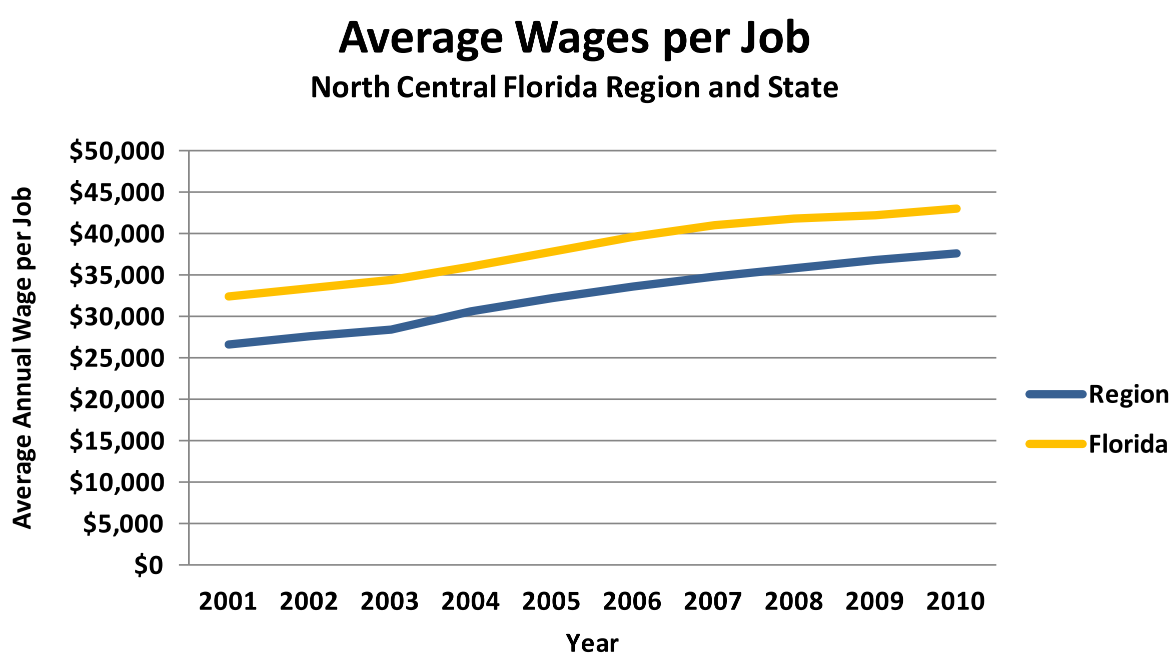
Average Wages per Job
North Central Florida Region and State
2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	$27,190	$28,445	$29,216	$31,690	$33,439	$35,056	$36,468	$37,469	$38,745	$39,517
Bradford	$27,289	$28,244	$29,022	$30,370	$31,114	$31,204	$32,138	$32,889	$33,051	$33,075
Columbia	$26,586	$27,019	$27,739	$29,139	$30,718	$31,787	$32,818	$33,375	$34,296	$35,511
Dixie	$24,882	$25,662	$25,343	$26,900	$28,413	$28,399	$28,736	$29,651	$29,544	$30,266
Gilchrist	$23,970	$24,242	$24,754	$26,858	$27,666	$28,529	$28,861	$30,568	$31,380	$31,709
Hamilton	$31,693	$30,839	$32,547	$35,532	$37,306	$37,424	$37,149	$38,488	$43,565	$41,250
Lafayette	$21,957	$22,166	$23,631	$24,964	$26,007	$27,462	$28,380	$29,336	$30,420	$30,536
Madison	$21,748	$22,277	$23,361	$24,846	$25,752	$27,216	$28,470	$29,386	$30,148	$30,680
Suwannee	$22,361	$23,128	$24,025	$25,856	$26,812	$28,289	$28,871	$30,067	$29,651	$30,182
Taylor	$28,157	$28,375	$29,448	$29,653	$31,376	$32,128	$34,359	$34,873	$35,462	$37,497
Union	$27,303	$27,708	$28,437	$30,221	$31,806	$32,816	$33,054	$33,452	$34,996	$35,032
Region	$26,708	$27,684	$28,483	$30,642	$32,229	$33,605	$34,841	$35,803	$36,909	$37,614
Florida	$32,416	$33,406	$34,534	$36,148	$37,951	$39,663	$41,029	$41,818	$42,228	$43,033

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

Illustration A-1

Average Wages per Job
North Central Florida Region and State
2001 to 2010



Source: U.S. Bureau of Economic Analysis

b. High School Graduation Rates

As shown in Table A-2 and Illustration A-2, the regional High School Graduation Rate has consistently trailed that of the state, though usually only falling short by within one to two percentage points. In 2010, seven of the 11 counties in the region fell below the overall state rate, with only four counties exceeding state rates. Illustration A-2 demonstrates that although regional graduation rates have lagged behind state rates, the overall trend line for the region is positive, improving from below 70 percent in the 2001-02 school year to nearly 80 percent in 2010-11.

Table A-2

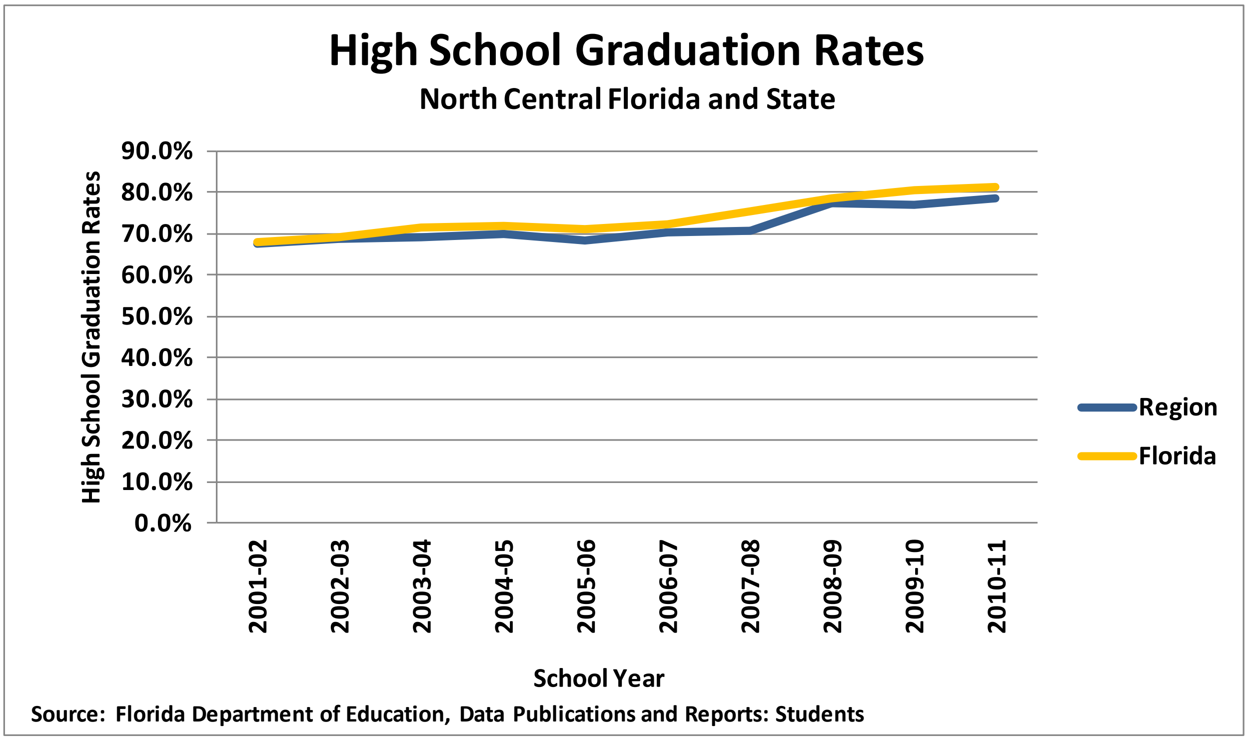
High School Graduation Rates
North Central Florida Region and State
School Years 2001-02 to 2010-11

Area	School Year									
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Alachua	66.4%	67.5%	68.8%	69.6%	69.8%	68.2%	68.3%	77.1%	76.6%	78.1%
Bradford	75.2%	74.7%	70.5%	76.1%	69.5%	70.7%	75.4%	78.4%	71.1%	73.3%
Columbia	68.1%	73.1%	75.6%	74.7%	67.4%	74.1%	77.6%	87.8%	88.5%	87.2%
Dixie	69.7%	66.2%	66.3%	63.5%	70.0%	70.5%	66.5%	72.0%	69.0%	78.2%
Gilchrist	52.4%	48.1%	43.1%	45.9%	43.9%	53.3%	56.1%	64.2%	63.4%	67.6%
Hamilton	83.8%	87.8%	93.8%	91.4%	83.8%	85.1%	89.1%	89.5%	96.2%	95.8%
Lafayette	64.5%	71.8%	64.9%	68.1%	53.5%	64.2%	57.5%	62.8%	51.6%	58.0%
Madison	77.5%	90.7%	89.8%	90.4%	89.7%	90.7%	95.9%	93.8%	91.2%	84.0%
Suwannee	71.2%	72.3%	69.1%	62.0%	65.1%	74.4%	71.6%	72.4%	74.5%	68.5%
Taylor	68.7%	71.2%	74.1%	78.7%	78.3%	77.4%	74.0%	75.1%	74.7%	77.8%
Union	78.4%	67.1%	79.2%	84.1%	76.7%	81.7%	71.4%	80.7%	76.4%	93.2%
Region	67.5%	68.6%	69.3%	69.9%	68.5%	70.4%	70.6%	77.4%	77.0%	78.5%
Florida	67.9%	69.0%	71.6%	71.9%	71.0%	72.4%	75.4%	78.6%	80.7%	81.2%

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

Illustration A-2

High School Graduation Rates
North Central Florida Region and State
School Years 2001-02 to 2010-11



c. 8th Grade Math Performance

As shown in Table A-3 and Illustration A-3, eighth grade math performance on the Florida Comprehensive Assessment Test in the region has improved over the 2001 to 2010 time frame, but has dropped below the state performance levels for the period. In 2010, only two school districts, Dixie and Gilchrist, exceeded state levels. Given the growing demands of employers for workers proficient in science, technology, engineering and mathematics, this is a critical indicator for the region as it focuses on becoming more competitive with other regions in Florida and the southeastern U.S.

Table A-3

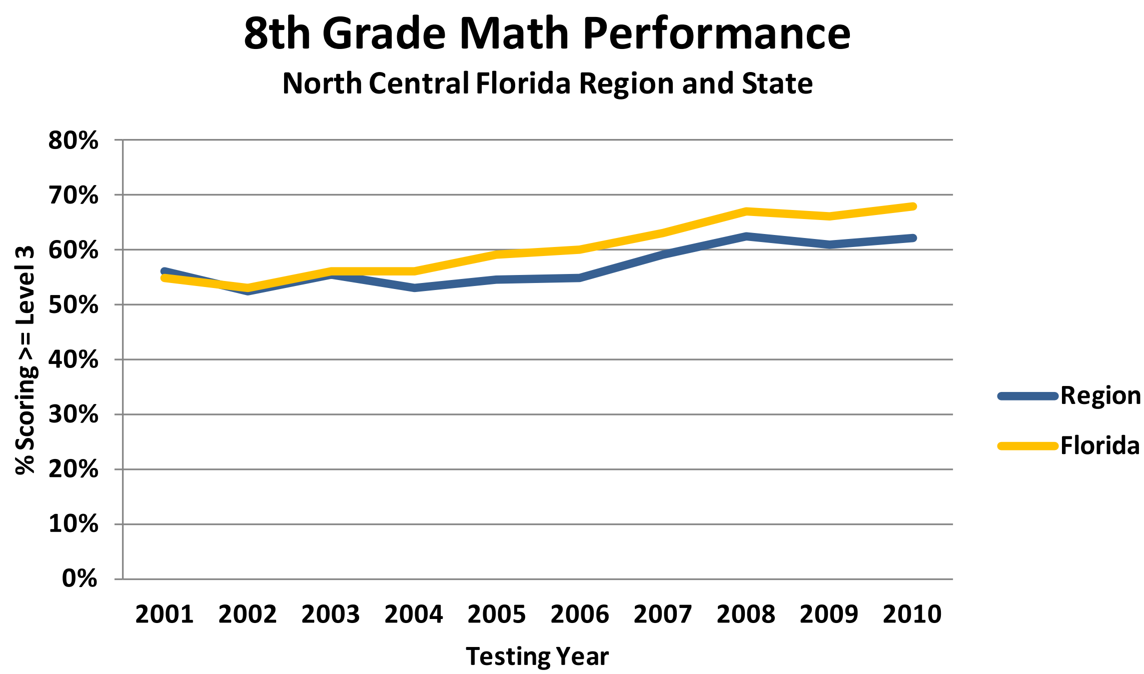
Eighth Grade Math Performance
Percent of Students Scoring at or Above Level 3 of 5 on
Florida Comprehensive Assessment Test
North Central Florida Region and State
2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	62%	59%	60%	58%	56%	57%	61%	67%	62%	65%
Bradford	43%	45%	52%	48%	51%	42%	55%	57%	50%	52%
Columbia	49%	47%	50%	53%	54%	53%	56%	55%	60%	57%
Dixie	43%	46%	35%	46%	55%	53%	57%	73%	67%	69%
Gilchrist	68%	63%	75%	69%	65%	73%	75%	76%	70%	82%
Hamilton	37%	42%	31%	26%	34%	28%	47%	43%	49%	39%
Lafayette	67%	63%	77%	63%	52%	51%	73%	72%	77%	64%
Madison	41%	22%	34%	31%	39%	40%	38%	46%	32%	41%
Suwannee	57%	46%	54%	50%	56%	56%	57%	58%	63%	61%
Taylor	53%	53%	58%	55%	63%	65%	69%	64%	72%	64%
Union	68%	54%	58%	43%	57%	59%	58%	62%	66%	66%
Region	56%	52%	55%	53%	55%	55%	59%	63%	61%	62%
Florida	55%	53%	56%	56%	59%	60%	63%	67%	66%	68%

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

Illustration A-3

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



Source: Florida Department of Education, Florida Comprehensive Assessment Test

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2. Innovation & Economic Development

Innovation & Economic Development:

"Innovation and economic development will be paramount to secure economic prosperity."

Too often limited to the academic realms of research institutions, innovation must be an integral part of the businesses of the region. Competitiveness and prosperity in the 21st Century will be based on technology, knowledge and innovation. Transforming the existing business base is the key to retention and expansion. Economic development tied to innovation requires a comprehensive understanding of what is necessary and prudent to incentivize business growth. Demands for return on investment have never been greater. As new industries emerge and legacy industries must contend with pressure from the processes of creative destruction, the role of innovation and economic development will be paramount to secure economic prosperity.

a. Gross Domestic Product

As shown in Table A-4 and Illustration A-4, gross domestic product is the market value of all goods and services produced within the area during the year. The Gross Domestic Product of the region has maintained a positive upward trend, with slight declines during the economic downturn years of 2008 and 2009. Ten of the 11 counties in the region experienced at least modest gains in their Gross Domestic Product over the period 2001 to 2010, with Madison County ending the decade at the same level as the start of the decade. As demonstrated in Illustration A-4, the region has recovered growth in its Gross Domestic Product more rapidly that the state following the economic downturn.

Table A-4

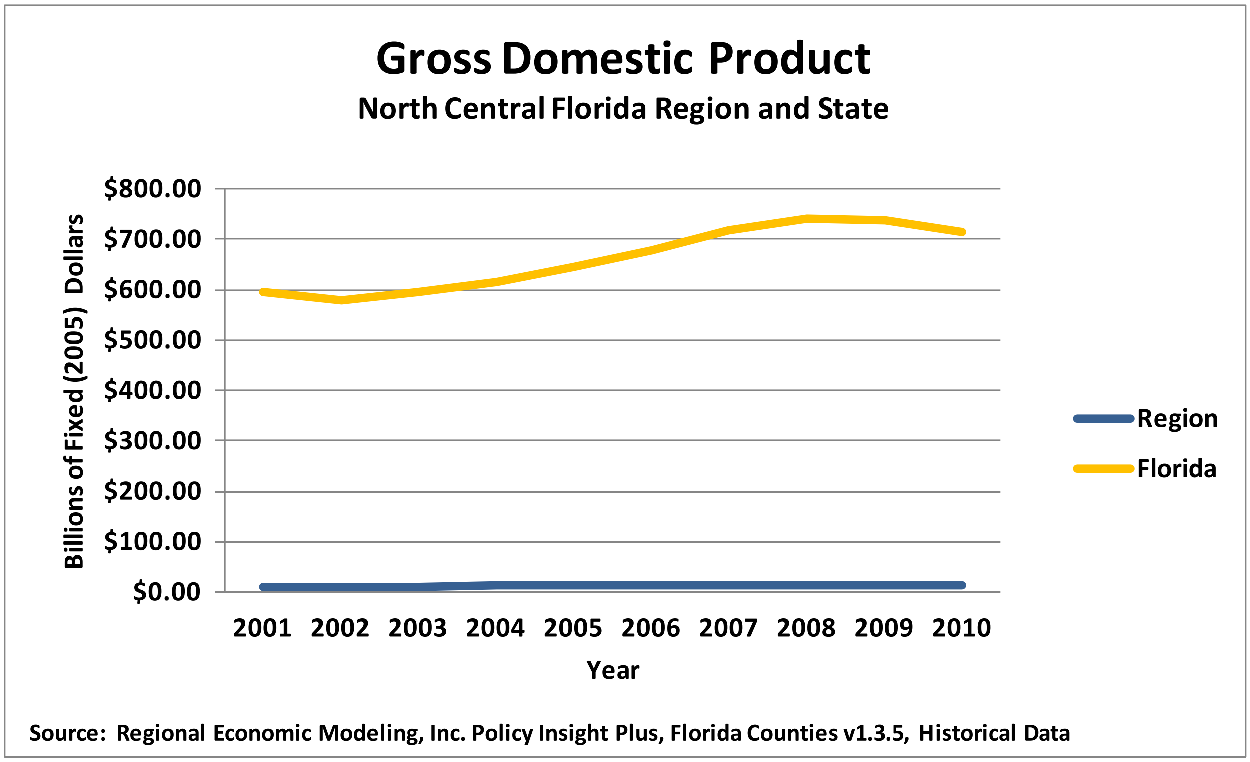
Gross Domestic Product
North Central Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	$7.85	$7.98	$8.08	$8.74	$9.14	$9.38	$9.44	$9.41	$9.29	$9.50
Bradford	$0.41	$0.44	$0.43	$0.48	$0.51	$0.53	$0.54	$0.52	$0.50	$0.52
Columbia	$1.22	$1.27	$1.26	$1.35	$1.49	$1.54	$1.59	$1.58	$1.53	$1.60
Dixie	$0.15	$0.16	$0.13	$0.16	$0.18	$0.18	$0.18	$0.17	$0.17	$0.18
Gilchrist	$0.16	$0.17	$0.17	$0.19	$0.19	$0.20	$0.20	$0.20	$0.20	$0.20
Hamilton	$0.22	$0.21	$0.24	$0.25	$0.28	$0.27	$0.26	$0.26	$0.27	$0.25
Lafayette	$0.08	$0.08	$0.09	$0.09	$0.09	$0.10	$0.10	$0.10	$0.10	$0.11
Madison	$0.29	$0.28	$0.27	$0.28	$0.31	$0.29	$0.28	$0.28	$0.28	$0.29
Suwannee	$0.55	$0.59	$0.58	$0.62	$0.66	$0.69	$0.69	$0.66	$0.66	$0.69
Taylor	$0.39	$0.42	$0.42	$0.44	$0.47	$0.48	$0.48	$0.49	$0.47	$0.50
Union	$0.20	$0.20	$0.22	$0.22	$0.23	$0.24	$0.22	$0.22	$0.22	$0.22
Region	$11.52	$11.80	$11.88	$12.82	$13.54	$13.89	$13.97	$13.89	$13.70	$14.06
Florida	$596.72	$579.57	$596.72	$616.75	$644.25	$680.00	$717.59	$742.52	$737.83	$716.05

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

Illustration A-4

**Gross Domestic Product
North Central Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010**



b. Tourism Development Tax Collections

As shown in Table A-5 and Illustration A-5, tourism development taxes are collected on the value of overnight accommodations at hotels, bed and breakfast, recreational vehicle and camping sites and are used as a measurement of overall tourism activity in an area. Based on this measure, the region has experienced steady growth in tourism over the decade from Fiscal Year 2000-01 to Fiscal Year 2009-10 period, with slight declines in Fiscal Year 2008-09, due primarily to the economic downturn. Three counties, Dixie, Lafayette and Union, did not collect tourism development taxes for the period.

Table A-5

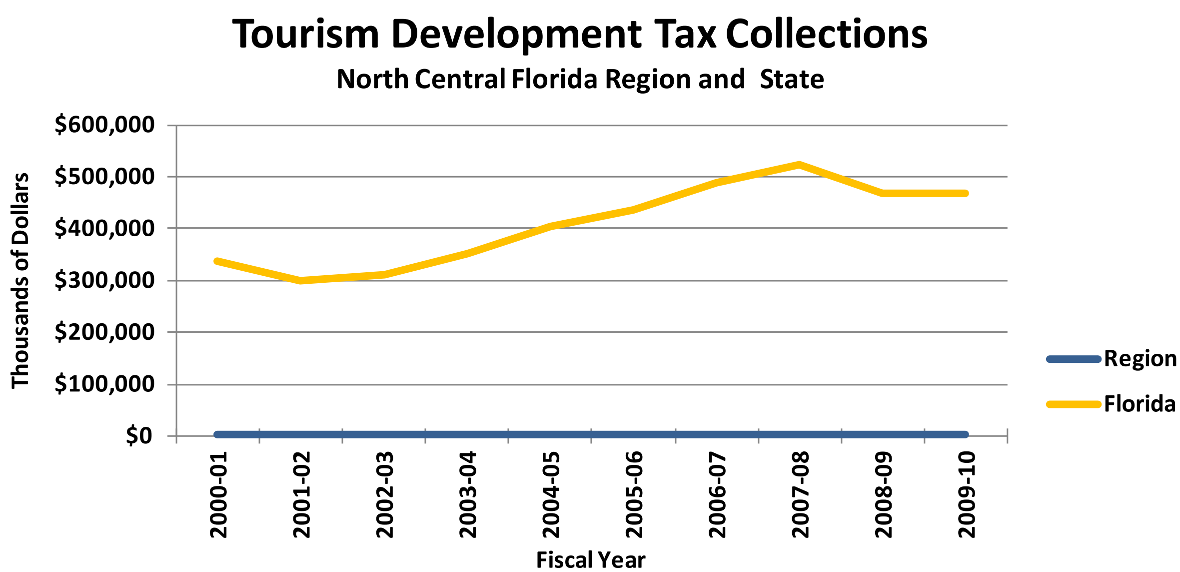
**Tourism Development Tax Collections
North Central Florida Region and State
Thousands of Dollars
2000-01 to 2009-10**

Area	Fiscal Year									
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Alachua	$1,440	$1,405	$1,428	$1,606	$1,758	$1,968	$2,238	$2,278	$1,980	$2,133
Bradford	$46	$50	$48	$52	$52	$53	$68	$108	$102	$90
Columbia	$299	$299	$313	$325	$375	$421	$401	$392	$383	$385
Dixie	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Gilchrist	$0	$0	$0	$0	$0	$0	$8	$21	$21	$26
Hamilton	$32	$37	$32	$33	$36	$47	$52	$44	$33	$24
Lafayette	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Madison	$43	$42	$49	$68	$78	$87	$95	$86	$80	$70
Suwannee	$56	$71	$77	$84	$98	$103	$107	$117	$103	$101
Taylor	$84	$88	$94	$104	$102	$126	$153	$172	$173	$180
Union	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Region	$1,999	$1,990	$2,042	$2,272	$2,499	$2,806	$3,121	$3,218	$2,875	$3,009
Florida	$335,845	$300,594	$310,386	$350,471	$405,155	$436,165	$489,307	$524,341	$466,657	$466,707

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

Illustration A-5

**Tourism Development Tax Collections
North Central Florida Region and State
Thousands of Dollars
2000-01 to 2009-10**



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

c. Trade Exports and Imports

As shown in Table A-6a and Illustration A-6a, trade exports is a measure of all goods and services produced in the region and sold outside the region. Comparing Trade Exports to Trade Imports reveals whether the region is bringing in more outside money from exports than it sends out by purchasing imported goods and services. In 2001, the region imported almost 40 percent more goods and services than it exported, while in 2010, the ratio of exports to imports dropped to approximately 36 percent, as opposed to the state ratios of over 3.8 percent in 2001 and over 2.7 percent in 2010. While the export to import ratio dropped by four percent over the ten-year period, there is still significant leakage of capital from the region.

Table A-6a

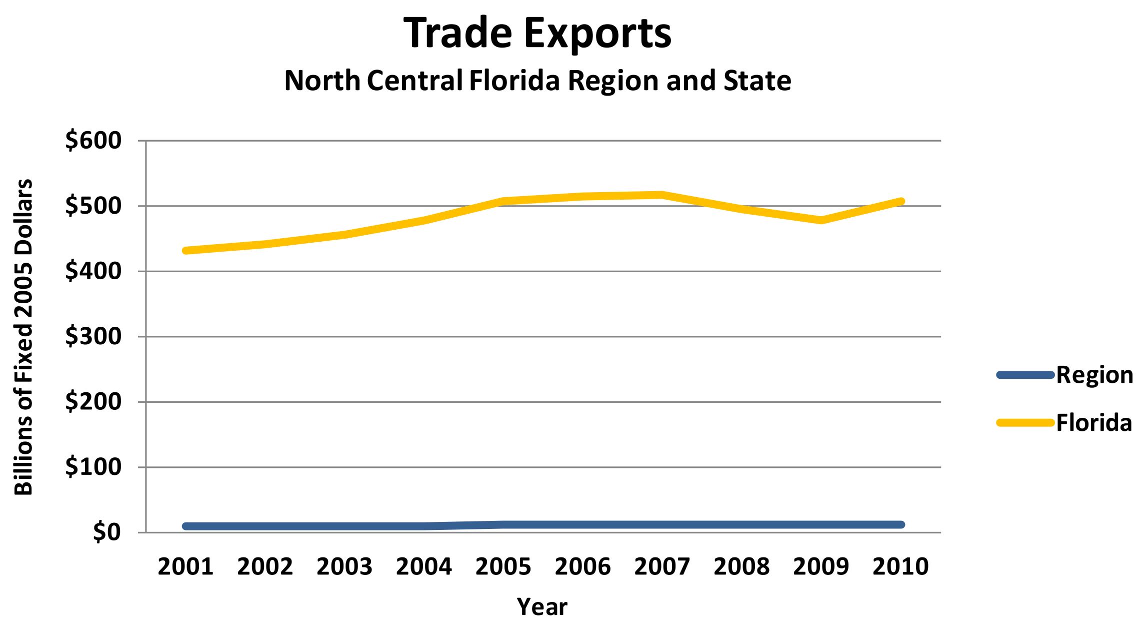
**Trade Exports
North Central Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010**

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	$5.32	$5.36	$5.53	$5.57	$5.91	$6.07	$6.26	$6.29	$6.11	$6.39
Bradford	$0.36	$0.40	$0.36	$0.41	$0.45	$0.48	$0.49	$0.47	$0.46	$0.49
Columbia	$1.07	$1.21	$1.18	$1.23	$1.40	$1.41	$1.50	$1.47	$1.38	$1.46
Dixie	$0.16	$0.17	$0.14	$0.18	$0.21	$0.21	$0.20	$0.19	$0.20	$0.22
Gilchrist	$0.10	$0.11	$0.10	$0.12	$0.12	$0.13	$0.13	$0.13	$0.14	$0.15
Hamilton	$0.29	$0.27	$0.34	$0.38	$0.46	$0.41	$0.42	$0.41	$0.38	$0.33
Lafayette	$0.06	$0.06	$0.07	$0.06	$0.07	$0.07	$0.08	$0.07	$0.08	$0.08
Madison	$0.33	$0.32	$0.29	$0.32	$0.36	$0.32	$0.27	$0.27	$0.27	$0.29
Suwannee	$0.61	$0.65	$0.63	$0.69	$0.74	$0.77	$0.73	$0.64	$0.65	$0.70
Taylor	$0.56	$0.61	$0.62	$0.66	$0.68	$0.66	$0.68	$0.69	$0.68	$0.74
Union	$0.13	$0.13	$0.15	$0.16	$0.17	$0.17	$0.15	$0.15	$0.15	$0.15
Region	$8.98	$9.28	$9.40	$9.79	$10.56	$10.69	$10.89	$10.78	$10.50	$11.00
Florida	$431.06	$440.19	$454.90	$477.68	$507.90	$513.80	$517.27	$494.13	$478.74	$507.02

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

Illustration A-6a

Trade Exports
North Central Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010



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

As shown in Table A-6b and Illustration A-6b, from 2001 to 2010 the value of Trade Imports in the region increased by $2.32 billion. Increasing Trade Imports coupled with increased Trade Exports is a sign of positive economic activity in the region. Illustration A-6b demonstrates the decline in imported goods and services after the collapse of the housing market in 2006, which triggered the economic downturn in 2009. By 2010, Trade Imports resumed an upward trend in activity.

Table A-6b

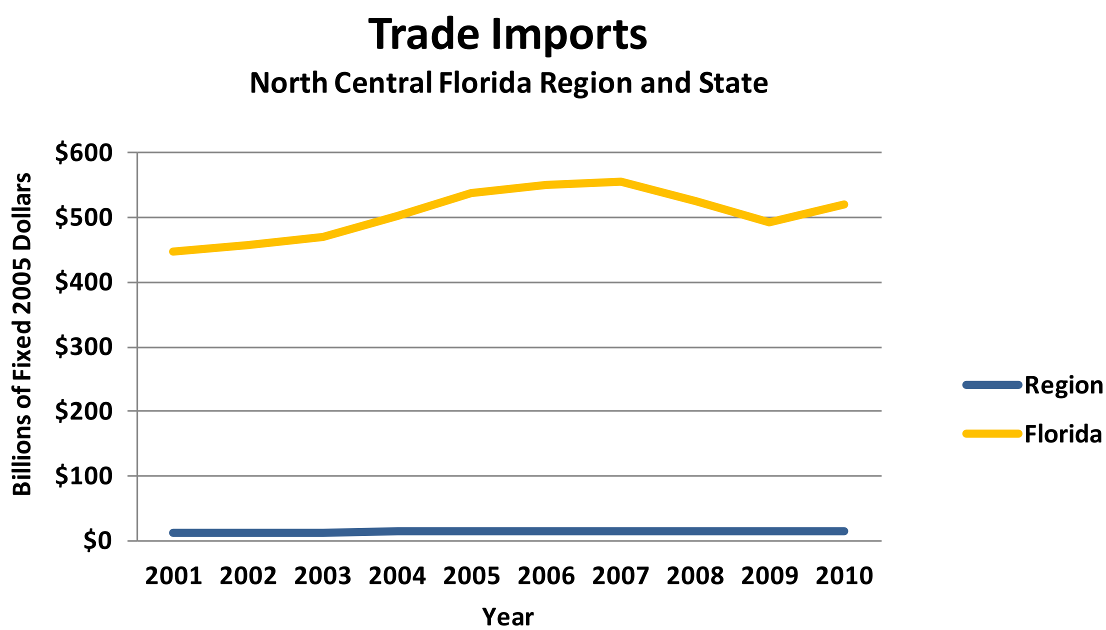
Trade Imports
North Central Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010

	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	$6.72	$6.84	$6.78	$7.37	$7.69	$7.86	$8.01	$7.78	$7.48	$7.79
Bradford	$0.71	$0.72	$0.75	$0.80	$0.83	$0.84	$0.86	$0.83	$0.82	$0.87
Columbia	$1.49	$1.57	$1.58	$1.66	$1.82	$1.87	$1.95	$1.87	$1.78	$1.90
Dixie	$0.35	$0.35	$0.33	$0.36	$0.40	$0.39	$0.38	$0.37	$0.36	$0.39
Gilchrist	$0.37	$0.38	$0.39	$0.42	$0.44	$0.46	$0.47	$0.46	$0.45	$0.48
Hamilton	$0.36	$0.33	$0.39	$0.43	$0.49	$0.47	$0.48	$0.48	$0.43	$0.40
Lafayette	$0.17	$0.17	$0.16	$0.18	$0.18	$0.18	$0.19	$0.19	$0.18	$0.19
Madison	$0.47	$0.46	$0.45	$0.48	$0.51	$0.48	$0.46	$0.46	$0.46	$0.49
Suwannee	$0.93	$0.94	$0.97	$1.06	$1.11	$1.14	$1.16	$1.10	$1.07	$1.15
Taylor	$0.68	$0.70	$0.69	$0.72	$0.79	$0.77	$0.81	$0.80	$0.78	$0.86
Union	$0.32	$0.33	$0.35	$0.36	$0.39	$0.40	$0.38	$0.37	$0.37	$0.38
Region	$12.56	$12.78	$12.84	$13.85	$14.65	$14.85	$15.15	$14.71	$14.17	$14.88
Florida	$447.40	$458.37	$470.73	$503.30	$537.11	$550.05	$555.19	$526.57	$493.46	$520.94

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

Illustration A-6b

Trade Imports
North Central Florida Region and State
Billions of Fixed 2005 Dollars
2001 to 2010



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

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3. Infrastructure & Growth Leadership

Infrastructure & Growth Leadership:

"Investment strategies tied to infrastructure targets can yield economic prosperity."

The Infrastructure & Growth Leadership pillar underscores the fundamental contributions of factors such as transportation, communications and land use to the creation and maintenance of a vibrant economy. Early symptoms of distressed infrastructure, if not addressed, can have a crippling effect, undermining the economic health of the region. Congested and deteriorating roadways and railways could choke intra- and inter-state commerce. Failure to provide high-speed communications infrastructure will deter local investments by high-tech industries. In contrast, smart and timely investments in strategies that are tied to infrastructure targets are the medicine for a shared economic prosperity for the region.

a. Population Counts, Estimates and Projections

As shown in Table A-7 and Illustration A-7, the population of the region increased by nearly 14 percent between the 2000 and 2010 decennial census counts, compared with an increase of almost 18 percent for the state. This rate of population increase is expected to remain fairly stable in the region through 2030, while the rate of population increase of the state is projected to decline somewhat to less than 14 percent over the same period. Stagnation in the national economy could alter these projections significantly as a prolonged sluggish housing market will prevent people from selling their homes and relocating to Florida.

Table A-7

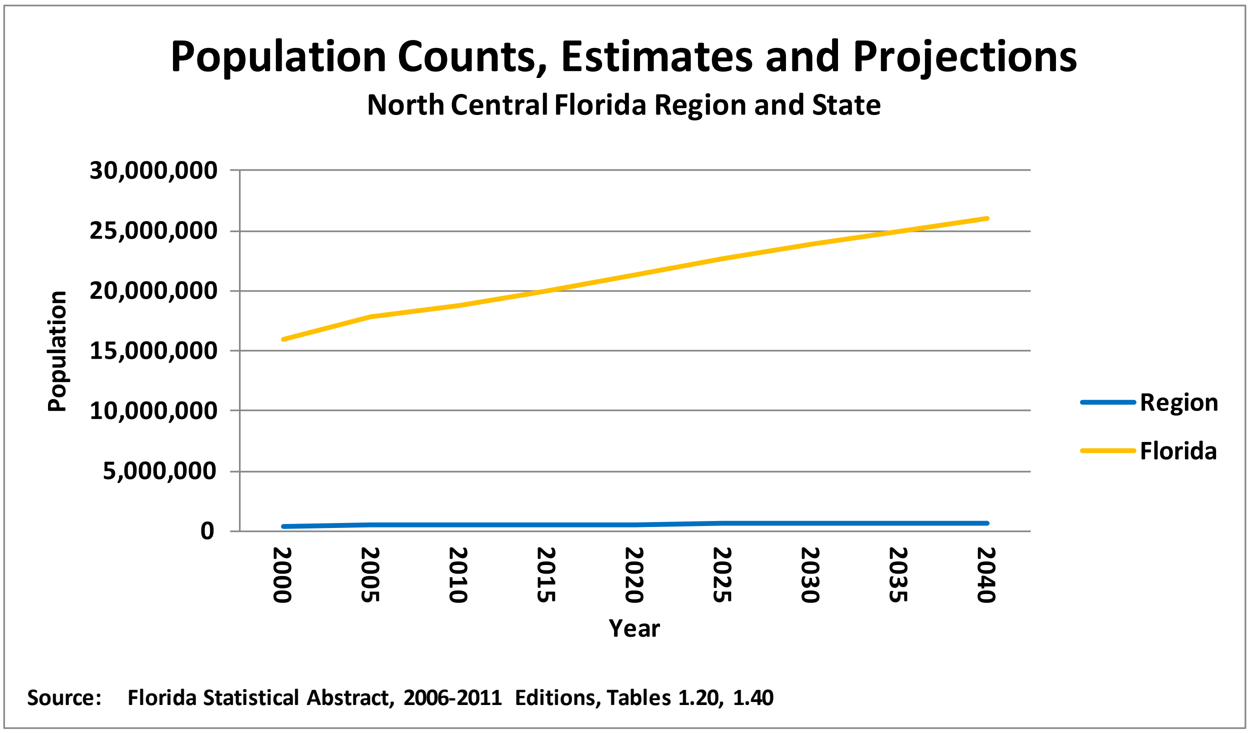
**Population Counts, Estimates and Projections
North Central Florida Region and State
2000 to 2040**

	Census	Estimate	Census	Projections					
	2000	2005	2010	2015	2020	2025	2030	2035	2040
Alachua	217,955	240,764	247,336	258,900	272,200	285,300	297,800	309,400	320,400
Bradford	26,088	28,118	28,520	29,800	30,800	31,800	32,700	33,600	34,400
Columbia	56,513	61,466	67,531	72,100	77,000	81,700	86,000	90,000	93,700
Dixie	13,827	15,377	16,422	36,200	37,600	39,000	40,400	41,700	42,900
Gilchrist	14,437	16,221	16,939	18,200	19,500	20,700	21,900	23,000	23,900
Hamilton	13,327	14,315	14,799	15,200	15,700	16,100	16,500	17,000	17,300
Lafayette	7,022	7,971	8,870	10,700	11,200	11,700	12,200	12,600	13,000
Madison	18,733	19,696	19,224	19,400	19,500	19,600	19,800	19,900	20,000
Suwannee	34,844	38,174	41,551	46,300	49,300	52,200	54,900	57,300	59,600
Taylor	19,256	21,310	22,570	23,100	23,800	24,300	24,900	25,400	25,900
Union	13,442	15,046	15,535	16,100	16,800	17,400	18,100	18,700	19,200
Region	435,444	478,458	499,297	546,000	573,400	599,800	625,200	648,600	670,300
Florida	15,982,400	17,865,737	18,801,310	19,974,400	21,326,800	22,641,300	23,877,900	25,017,100	26,081,800

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

Illustration A-7

**Population Counts, Estimates and Projections
North Central Florida Region and State
2000 to 2040**



b. Annual Building Permits

As shown in Table A-8 and Illustration A-8, while the region had significant gains in new construction activity leading up to the collapse of the housing market in 2006, overall activity never reached the excessive levels experienced in other areas of the state. Consequently, when the housing market collapsed, the region likewise did not experience as dramatic a decline as the state as a whole. By 2010, building permit activity in the state had returned to a positive trend, while the number of building permits in the north central Florida region continued to decline.

Table A-8

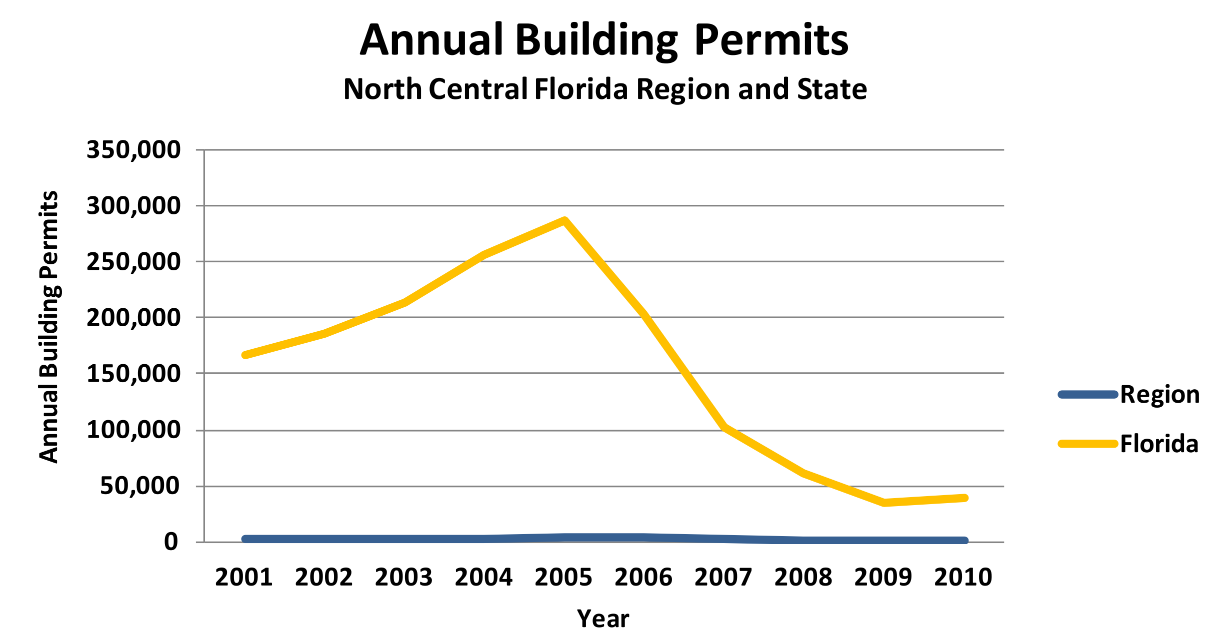
Annual Building Permits
North Central Florida Region and State
Residential Units
2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	2335	1791	1684	2009	2293	1949	1388	1006	519	454
Bradford	75	71	93	84	108	124	126	44	24	31
Columbia	266	247	299	380	580	473	326	227	99	84
Dixie	62	54	63	64	180	83	86	53	19	18
Gilchrist	66	93	79	107	102	92	87	48	10	36
Hamilton	27	32	62	34	41	40	46	26	13	22
Lafayette	21	25	23	27	29	26	18	14	10	19
Madison	75	55	67	66	76	89	54	48	32	27
Suwannee	143	131	143	199	210	274	123	52	53	50
Taylor	82	55	56	85	105	75	52	32	17	33
Union	29	33	39	32	46	71	52	22	17	13
Region	3,181	2,587	2,608	3,087	3,770	3,296	2,358	1,572	813	787
Florida	167,035	185,431	213,567	255,893	287,250	203,238	102,551	61,042	35,329	38,679

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

Illustration A-8

Annual Building Permits
North Central Florida Region and State
Residential Units
2001 to 2010



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

c. Vehicle Miles Traveled

As shown in Table A-9 and Illustration A-9, vehicle miles traveled is a general indicator of the vitality of the economy of an area. If the economy slows down, people and businesses tend to reduce their expenses by reducing the number of trips taken or by consolidating trips. As the economy improves, less emphasis is placed on mileage reduction. The decline in Daily Vehicle Miles Traveled in the region and state roughly coincides with the decline of the housing market and continued during the economic downturn.

Table A-9

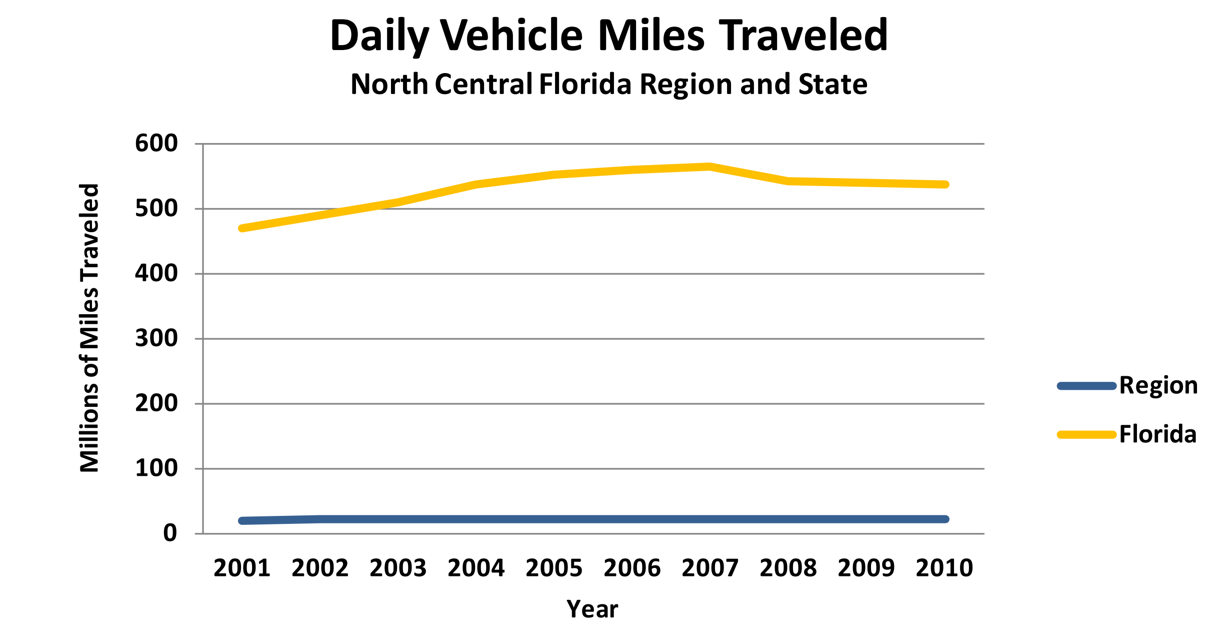
Daily Vehicle Miles Traveled
North Central Florida Region and State
Millions of Miles
2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	7.43	7.62	7.96	7.79	8.11	8.10	8.46	8.00	7.83	7.83
Bradford	1.05	1.07	1.05	1.07	1.13	1.09	1.07	1.04	1.03	1.00
Columbia	3.38	3.50	3.50	3.54	3.78	3.70	3.72	3.52	3.57	3.54
Dixie	0.59	0.61	0.62	0.75	0.76	0.83	0.81	0.78	0.78	0.77
Gilchrist	0.62	0.63	0.66	0.71	0.70	0.70	0.67	0.67	0.65	0.66
Hamilton	1.37	1.42	1.49	1.54	1.56	1.59	1.68	1.66	1.54	1.49
Lafayette	0.44	0.46	0.46	0.46	0.47	0.46	0.45	0.45	0.44	0.44
Madison	1.48	1.52	1.50	1.47	1.58	1.57	1.55	1.47	1.48	1.52
Suwannee	2.12	2.16	2.33	2.40	2.54	2.51	2.50	2.39	2.38	2.39
Taylor	1.05	1.05	1.14	1.21	1.22	1.22	1.17	1.11	1.10	1.11
Union	0.41	0.41	0.41	0.44	0.44	0.45	0.43	0.42	0.41	0.41
Region	19.92	20.45	21.12	21.39	22.28	22.22	22.51	21.51	21.20	21.15
Florida	468.57	489.54	508.61	537.49	550.61	558.31	562.80	542.33	538.09	536.32

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

Illustration A-9

Daily Vehicle Miles Traveled
North Central Florida Region and State
Millions of Miles
2001 to 2010



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

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4. Business Climate & Competitiveness

Business Climate & Competitiveness:

"Secure the position of the region as business friendly climate."

Owners and executives making decisions about where they call home evaluate the attractiveness of the region in respect to its competitiveness across a host of business climate factors. According to Florida TaxWatch, Florida ranks highly in measures of business climate owing to the absence of a personal income tax; its openness and growth in international trade; and its general hospitableness to entrepreneurs and small businesses. Unfortunately, Florida ranks poorly in measures of high business costs, especially property tax burdens, state and local sales, excise and gross receipt tax burdens and general business costs. Vigilance in monitoring the position of the region relative to other competitive locations is critical to securing the position of the region among the most business-friendly climates.

a. Average Annual Unemployment Rates

As shown in Table A-10 and Illustration A-10, the region has usually experienced lower rates of unemployment than the state. While several factors contribute to these lower unemployment rates, a primary factor is the higher public sector employment rate in the region as compared to the state.

Table A-10

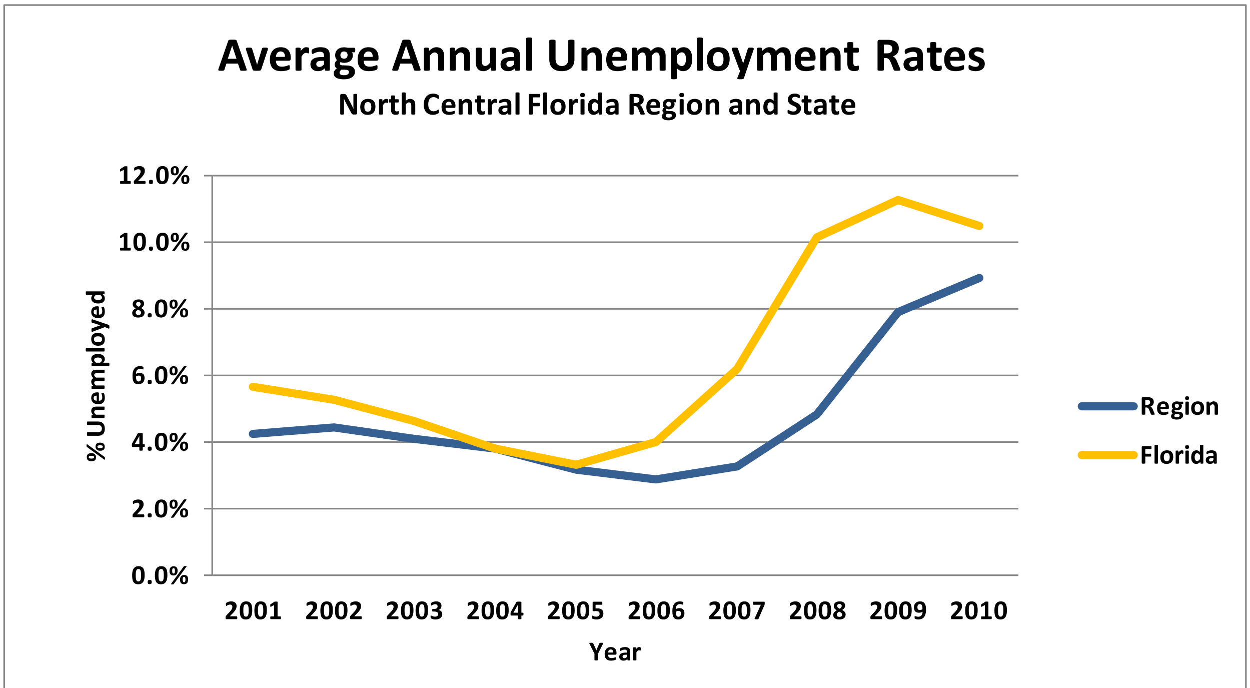
Average Annual Unemployment Rates
North Central Florida Region and State
2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	3.5%	3.9%	3.6%	3.4%	2.9%	2.6%	2.9%	4.2%	6.9%	7.9%
Bradford	4.4%	4.3%	4.0%	3.8%	3.1%	2.8%	3.3%	4.7%	7.8%	9.2%
Columbia	5.4%	5.3%	4.7%	4.2%	3.4%	3.2%	3.5%	5.4%	9.0%	10.1%
Dixie	5.5%	5.1%	5.1%	5.1%	3.7%	3.4%	4.2%	7.2%	11.1%	13.0%
Gilchrist	4.3%	4.9%	4.3%	3.9%	3.1%	2.8%	3.7%	5.5%	9.1%	9.9%
Hamilton	7.5%	6.1%	5.4%	4.7%	4.0%	3.7%	4.5%	7.0%	10.8%	11.8%
Lafayette	5.3%	4.8%	4.1%	3.2%	3.0%	2.7%	2.9%	4.4%	7.3%	8.6%
Madison	5.0%	5.2%	5.0%	5.2%	4.6%	5.0%	5.9%	6.8%	10.4%	11.4%
Suwannee	5.0%	5.0%	4.6%	4.2%	3.6%	3.2%	3.5%	5.8%	9.4%	10.0%
Taylor	6.6%	6.6%	6.6%	5.3%	4.0%	3.9%	4.1%	6.4%	10.4%	11.2%
Union	5.0%	3.8%	3.7%	3.6%	3.0%	2.6%	3.0%	4.7%	7.3%	8.7%
Region	4.3%	4.5%	4.1%	3.8%	3.2%	2.9%	3.3%	4.9%	7.9%	8.9%
Florida	5.7%	5.3%	4.7%	3.8%	3.3%	4.0%	6.2%	10.2%	11.3%	10.5%

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

Illustration A-10

**Average Annual Unemployment Rates
North Central Florida Region and State
2001 to 2010**



Source: Florida Department of Economic Opportunity Local Area Unemployment Statistics

b. Employment by Industry

As shown in Table A-11a and Illustration A-11a, state government, health care, retail trade and local government have remained the predominant employment industries from 2001 to 2010 in the region. While still the largest single employer in the region in 2010, employment in State Government did decline by nearly 9 percent over the period. Private sector industries that posted significant employment gains over the period include Health Care, Accommodation and Food Services, Professional and Technical Services, Real Estate, Transportation and Warehousing and Utilities.

Table A-11a

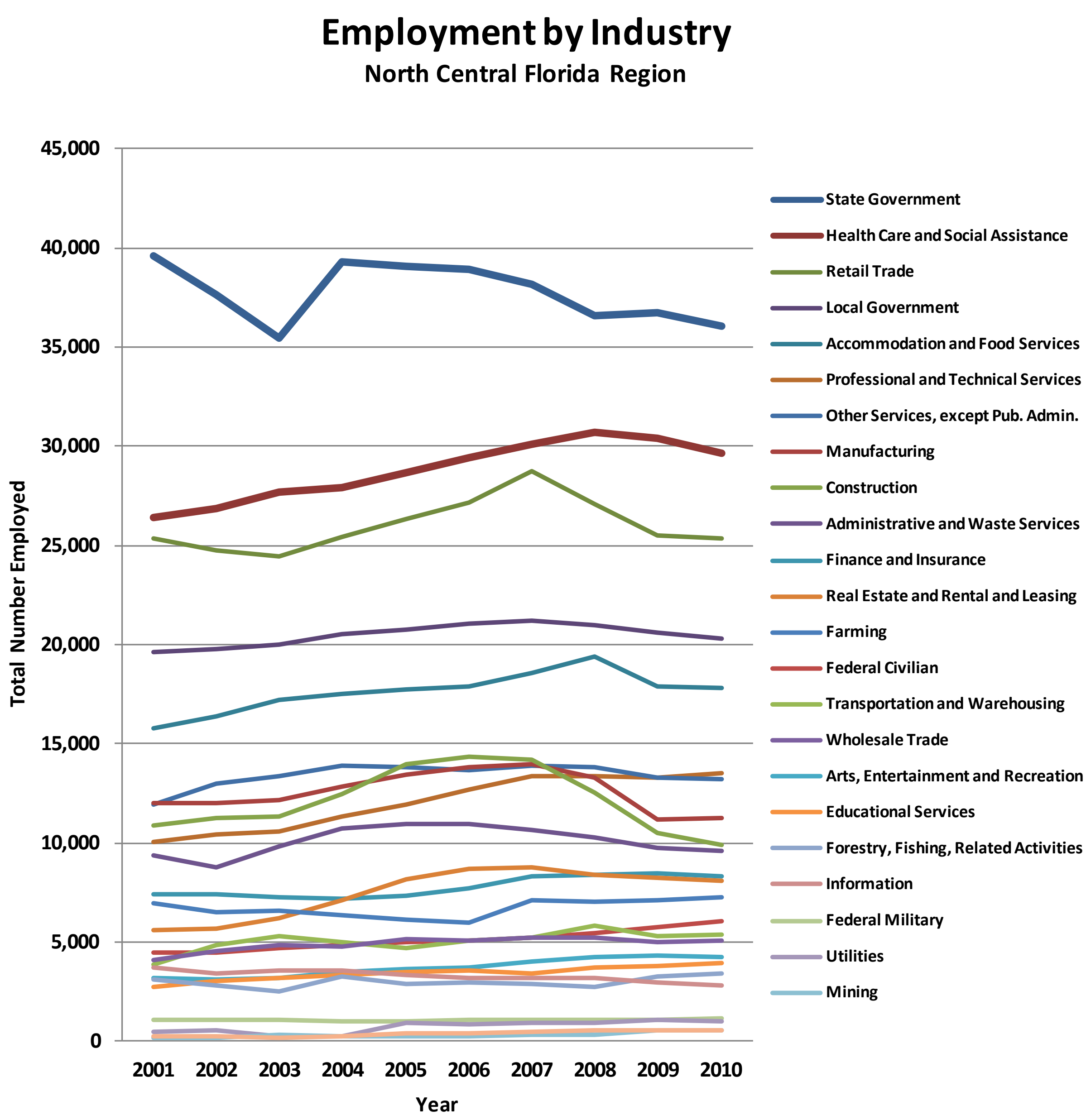
Employment by Industry
North Central Florida Region
2001 to 2010

Industry	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
State Government	39,578	37,652	35,485	39,290	39,111	38,917	38,161	36,609	36,777	36,044
Health Care and Social Assistance	26,444	26,858	27,677	27,951	28,702	29,439	30,074	30,717	30,433	29,625
Retail Trade	25,367	24,769	24,432	25,451	26,357	27,164	28,717	27,079	25,538	25,400
Local Government	19,599	19,752	20,006	20,546	20,772	21,044	21,191	21,006	20,596	20,290
Accommodation and Food Services	15,809	16,394	17,197	17,529	17,758	17,893	18,587	19,381	17,897	17,814
Professional and Technical Services	10,078	10,475	10,610	11,370	11,955	12,736	13,396	13,361	13,271	13,512
Other Services, except Pub. Admin.	11,921	13,020	13,356	13,884	13,862	13,647	13,928	13,858	13,318	13,211
Manufacturing	12,059	12,021	12,177	12,863	13,436	13,821	13,955	13,312	11,203	11,239
Construction	10,916	11,268	11,356	12,473	13,989	14,355	14,190	12,515	10,529	9,934
Administrative and Waste Services	9,408	8,753	9,800	10,710	10,978	10,998	10,701	10,324	9,753	9,608
Finance and Insurance	7,425	7,408	7,250	7,223	7,311	7,705	8,329	8,419	8,446	8,325
Real Estate and Rental and Leasing	5,587	5,685	6,187	7,126	8,167	8,715	8,751	8,404	8,239	8,096
Farming	6,983	6,512	6,561	6,349	6,108	6,014	7,104	7,073	7,098	7,251
Federal Civilian	4,481	4,499	4,713	4,824	5,025	5,077	5,267	5,501	5,757	6,032
Transportation and Warehousing	3,877	4,888	5,315	5,028	4,720	5,117	5,270	5,824	5,280	5,410
Wholesale Trade	4,129	4,545	4,863	4,793	5,150	5,076	5,217	5,205	4,997	5,075
Arts, Entertainment and Recreation	3,221	3,124	3,233	3,484	3,654	3,752	4,034	4,271	4,317	4,264
Educational Services	2,785	3,067	3,238	3,344	3,518	3,574	3,410	3,756	3,835	3,946
Forestry, Fishing, Related Activities	3,120	2,824	2,559	3,302	2,886	3,000	2,900	2,783	3,301	3,427
Information	3,736	3,421	3,550	3,593	3,318	3,193	3,232	3,210	2,975	2,802
Federal Military	1,106	1,105	1,102	1,011	1,013	1,079	1,106	1,096	1,116	1,154
Utilities	481	592	282	268	905	840	905	970	1,059	1,032
Mining	214	220	365	240	269	271	321	371	528	599
Management	255	235	217	283	442	446	463	580	549	559

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

Illustration A-11a

Employment by Industry
North Central Florida Region
2001 to 2010



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

As shown in Tables A-11b and A-11c and Illustrations A-11b and A-11c, public sector employment in the region has declined from 2001 to 2010, both in real numbers and as a percentage of total employment. This trend is likely to continue as government budgets continue to be constrained due to sluggish state and national economies.

Table A-11b

Employment by Sector (Thousands)
North Central Florida Region and State
2001 to 2010

Sector	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Employment-Region	229	229	232	243	249	254	259	256	247	245
Total Employment-State	8,915	9,054	9,284	9,660	10,086	10,407	10,577	10,304	9,840	9,796
Private Sector Employment-Region	164	166	170	177	183	188	193	191	183	181
Private Sector Employment-State	7,803	7,929	8,143	8,499	8,909	9,211	9,363	9,085	8,636	8,588
Public Sector Employment-Region	65	63	61	66	66	66	66	64	64	64
Public Sector Employment-State	1,112	1,125	1,141	1,161	1,178	1,195	1,214	1,220	1,204	1,208

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

Table A-11c

Percent Employment by Sector
North Central Florida Region
2001 to 2010

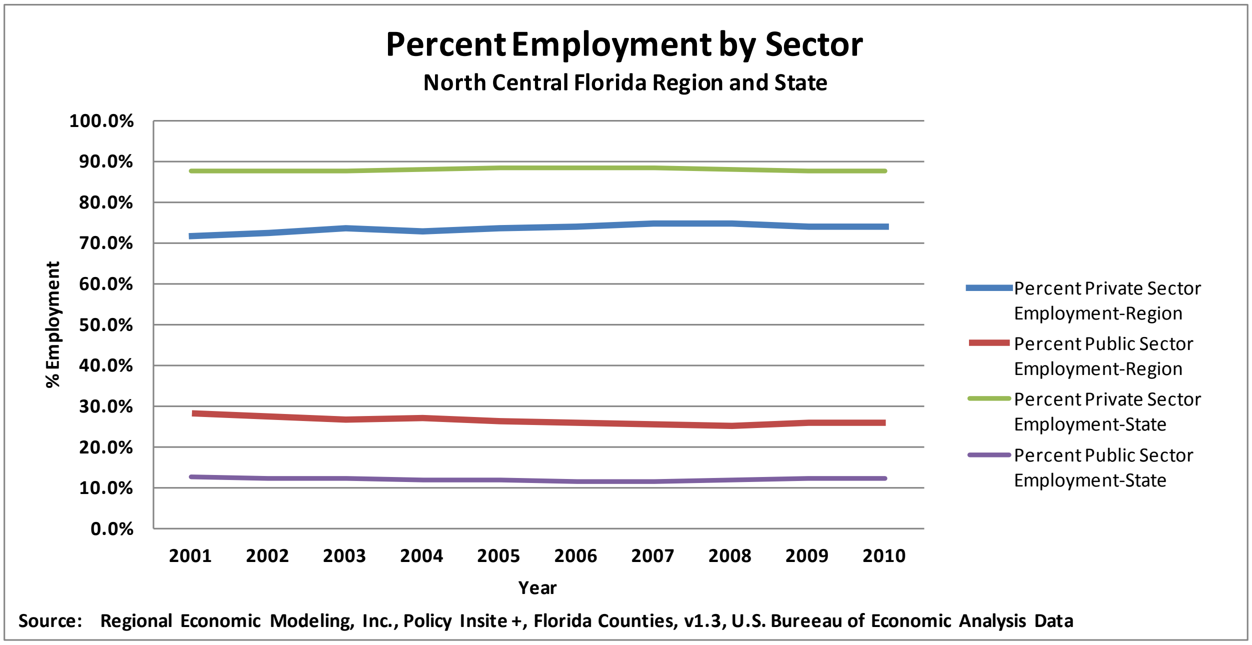
Sector	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Percent Private Sector Employment-Region	71.7%	72.5%	73.5%	73.0%	73.6%	74.0%	74.6%	74.9%	74.0%	74.0%
Percent Public Sector Employment-Region	28.3%	27.5%	26.5%	27.0%	26.4%	26.0%	25.4%	25.1%	26.0%	26.0%
Percent Private Sector Employment-State	87.5%	87.6%	87.7%	88.0%	88.3%	88.5%	88.5%	88.2%	87.8%	87.7%
Percent Public Sector Employment-State	12.5%	12.4%	12.3%	12.0%	11.7%	11.5%	11.5%	11.8%	12.2%	12.3%

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

Illustration A-11b demonstrates that over the 2001 to 2010 period, public sector employment as a percent of total employment in the region has declined from a high of over 28 percent down to 26 percent in 2010. Public Sector employment remains considerably higher in the region than in the state, due in large part to the concentration of public university and prison employment in the region, as well as a greater overall diversification in the regional and state economies.

Illustration A-11b

Percent Employment by Sector
North Central Florida Region and State
2001 to 2010



c. Wages by Industry

As shown in Table A-12a and Illustration A-12a, the majority of industries experienced stable wage growth from 2001 to 2010. Sixteen of the 23 industries measured had overall wage growth that met or exceeded the rate of inflation for the period. Industries that had the highest overall growth in average annual wages include Federal Military, Farm, Transportation and Warehousing, and State and Local Government. Only three industries, Mining, Management and Real Estate had overall declining average annual wages for the period.

Table A-12a

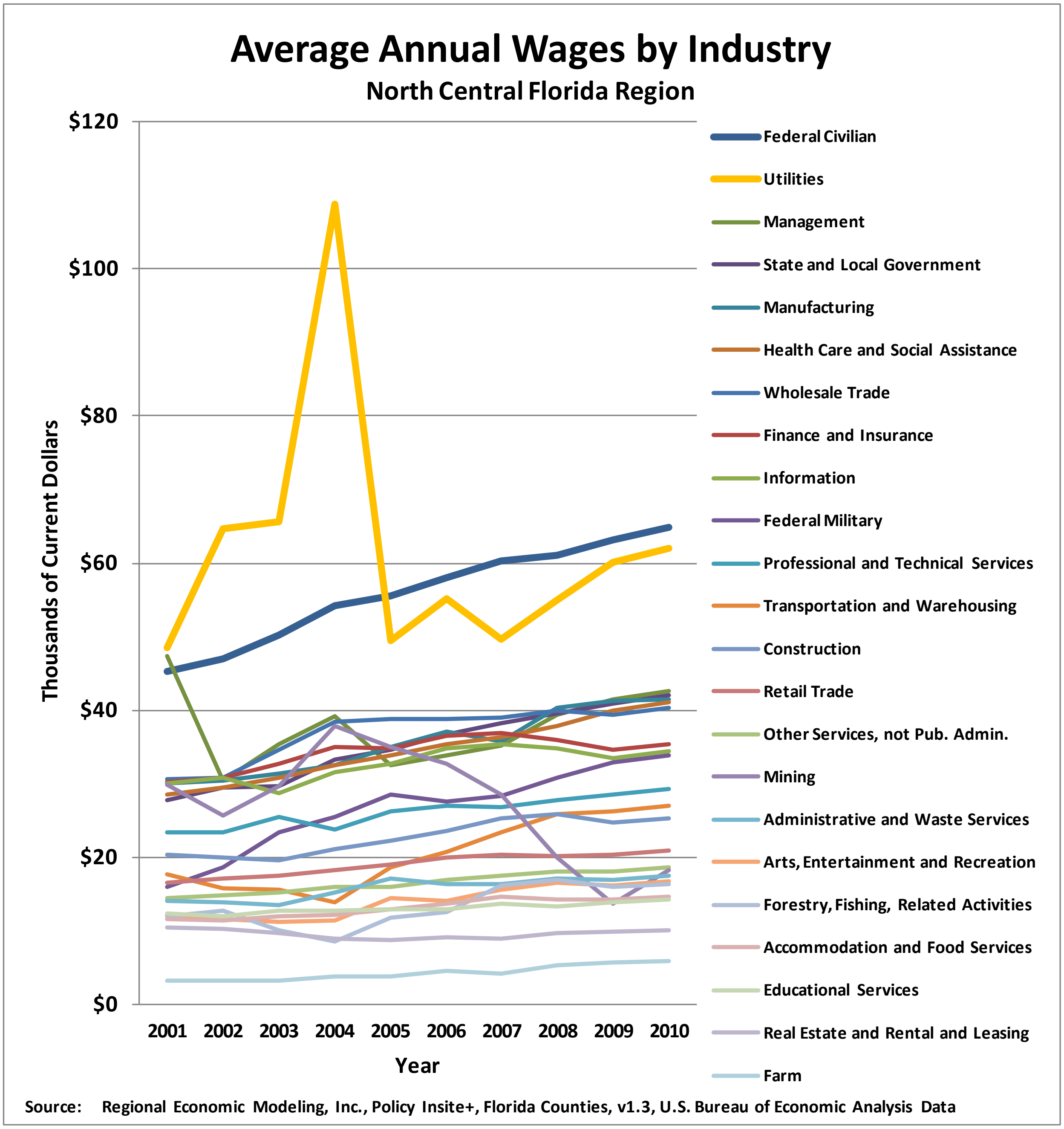
Average Annual Wages by Industry
North Central Florida Region
Thousands of Current Dollars
2001 to 2010

Industry	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Federal Civilian	$45.3	$46.9	$50.3	$54.2	$55.6	$57.9	$60.4	$61.1	$63.1	$64.8
Utilities	$48.5	$64.6	$65.7	$108.7	$49.5	$55.2	$49.6	$55.0	$60.2	$62.0
Management	$47.3	$30.5	$35.4	$39.2	$32.4	$33.8	$35.2	$39.3	$41.5	$42.6
State and Local Government	$27.8	$29.5	$29.7	$33.2	$34.7	$36.6	$38.2	$39.6	$40.9	$42.0
Manufacturing	$30.1	$30.4	$31.3	$32.4	$35.0	$37.1	$35.7	$40.4	$41.3	$41.5
Health Care and Social Assistance	$28.6	$29.5	$30.7	$32.6	$33.9	$35.3	$36.4	$37.9	$40.0	$41.1
Wholesale Trade	$30.7	$30.8	$34.6	$38.5	$38.8	$38.7	$39.0	$39.9	$39.3	$40.3
Finance and Insurance	$30.3	$30.8	$32.7	$34.9	$34.8	$36.5	$36.9	$35.9	$34.5	$35.5
Information	$30.1	$30.9	$28.7	$31.6	$32.8	$34.9	$35.4	$34.9	$33.5	$34.5
Federal Military	$16.1	$18.6	$23.4	$25.5	$28.6	$27.6	$28.4	$30.8	$33.0	$33.9
Professional and Technical Services	$23.4	$23.4	$25.4	$23.9	$26.3	$27.0	$26.9	$27.8	$28.5	$29.2
Transportation and Warehousing	$17.7	$15.7	$15.6	$13.9	$18.7	$20.8	$23.3	$25.9	$26.3	$27.0
Construction	$20.4	$19.9	$19.5	$21.2	$22.3	$23.6	$25.4	$25.9	$24.7	$25.3
Retail Trade	$16.6	$17.1	$17.6	$18.2	$19.1	$20.0	$20.3	$20.1	$20.4	$21.0
Other Services, not Pub. Admin.	$14.6	$14.9	$15.3	$16.0	$16.1	$16.9	$17.4	$18.1	$18.1	$18.6
Mining	$29.8	$25.7	$29.6	$37.8	$34.9	$32.8	$28.6	$20.0	$13.7	$18.3
Administrative and Waste Services	$14.1	$13.9	$13.4	$15.2	$17.1	$16.4	$16.4	$17.1	$17.0	$17.5
Arts, Entertainment and Recreation	$12.1	$11.6	$11.3	$11.5	$14.4	$14.2	$15.6	$16.6	$16.3	$16.7
Forestry, Fishing, Related Activities	$12.0	$12.8	$10.1	$8.7	$11.8	$12.5	$16.2	$17.0	$16.0	$16.4
Accommodation and Food Services	$11.5	$11.4	$12.0	$12.2	$13.0	$13.7	$14.7	$14.3	$14.4	$14.7
Educational Services	$12.3	$12.1	$12.7	$12.8	$13.0	$13.0	$13.7	$13.3	$13.9	$14.3
Real Estate and Rental and Leasing	$10.5	$10.3	$9.7	$9.0	$8.8	$9.1	$9.0	$9.7	$9.9	$10.2
Farm	$3.2	$3.3	$3.2	$3.7	$3.8	$4.6	$4.2	$5.4	$5.8	$6.0

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

Illustration A-12a

Average Annual Wages by Industry
North Central Florida Region
Thousands of Current Dollars
2001 to 2010



As shown in Table A-12b and Illustration A-12b, in both public as well as private sector employment, average annual wages in the region continue to lag those of the state. The gap between state and regional average annual wages did, however, narrow from 2001 to 2010 in both public and private sector employment.

Table A-12b

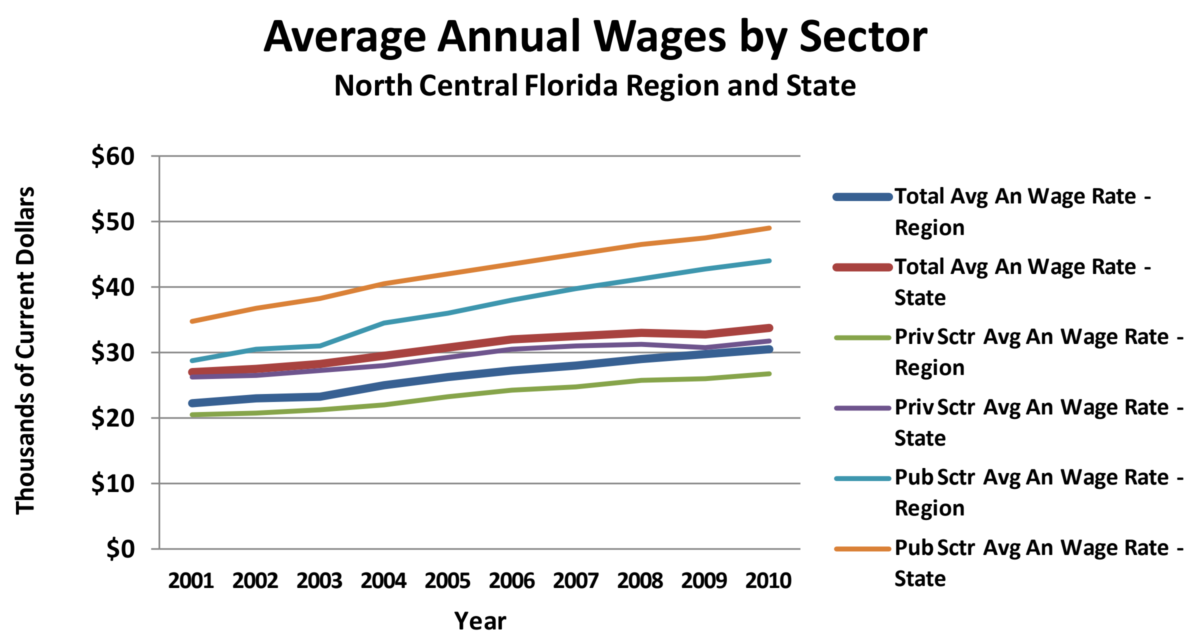
Average Annual Wages by Sector
North Central Florida Region and State
Thousands of Current Dollars
2001 to 2010

Sector	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Avg An Wage Rate - Region	$22.4	$23.0	$23.4	$25.0	$26.2	$27.4	$28.1	$29.1	$29.9	$30.6
Total Avg An Wage Rate - State	$27.1	$27.7	$28.4	$29.5	$30.7	$32.0	$32.5	$33.0	$32.8	$33.9
Priv Sctr Avg An Wage Rate - Region	$20.6	$20.8	$21.3	$22.1	$23.3	$24.3	$24.9	$25.8	$26.1	$26.7
Priv Sctr Avg An Wage Rate - State	$26.2	$26.6	$27.2	$28.2	$29.4	$30.6	$31.1	$31.4	$30.9	$31.9
Pub Sctr Avg An Wage Rate - Region	$28.8	$30.6	$31.1	$34.6	$36.2	$38.1	$39.8	$41.3	$42.7	$44.0
Pub Sctr Avg An Wage Rate - State	$34.8	$36.7	$38.4	$40.5	$42.0	$43.5	$45.2	$46.6	$47.7	$49.1

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

Illustration A-12b

Average Annual Wages by Sector
North Central Florida Region and State
Thousands of Current Dollars
2001 to 2010



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

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5. Civic & Governance Systems

Civic & Governance Systems:

"Markets need structure to deliver services and organize business."

Free markets need structure in place to deliver services, set rules that organize business and society, and provide vehicles for the public to engage in, influence, and change how society works. These include things such as constitutional integrity, ethics and elections, redundancy and government spending.

a. Millage Rates

As shown in Table A-13 and Illustration A-13, millage rates across the region shared a substantial downward trend from 2001 to 2007, due primarily to rising property value assessments. By 2008, however, effects of the national real estate crash had caused property values to decline rapidly, and millage rates across the region were raised accordingly as local governments adjusted millage rates to meet budgetary requirements.

Table A-13

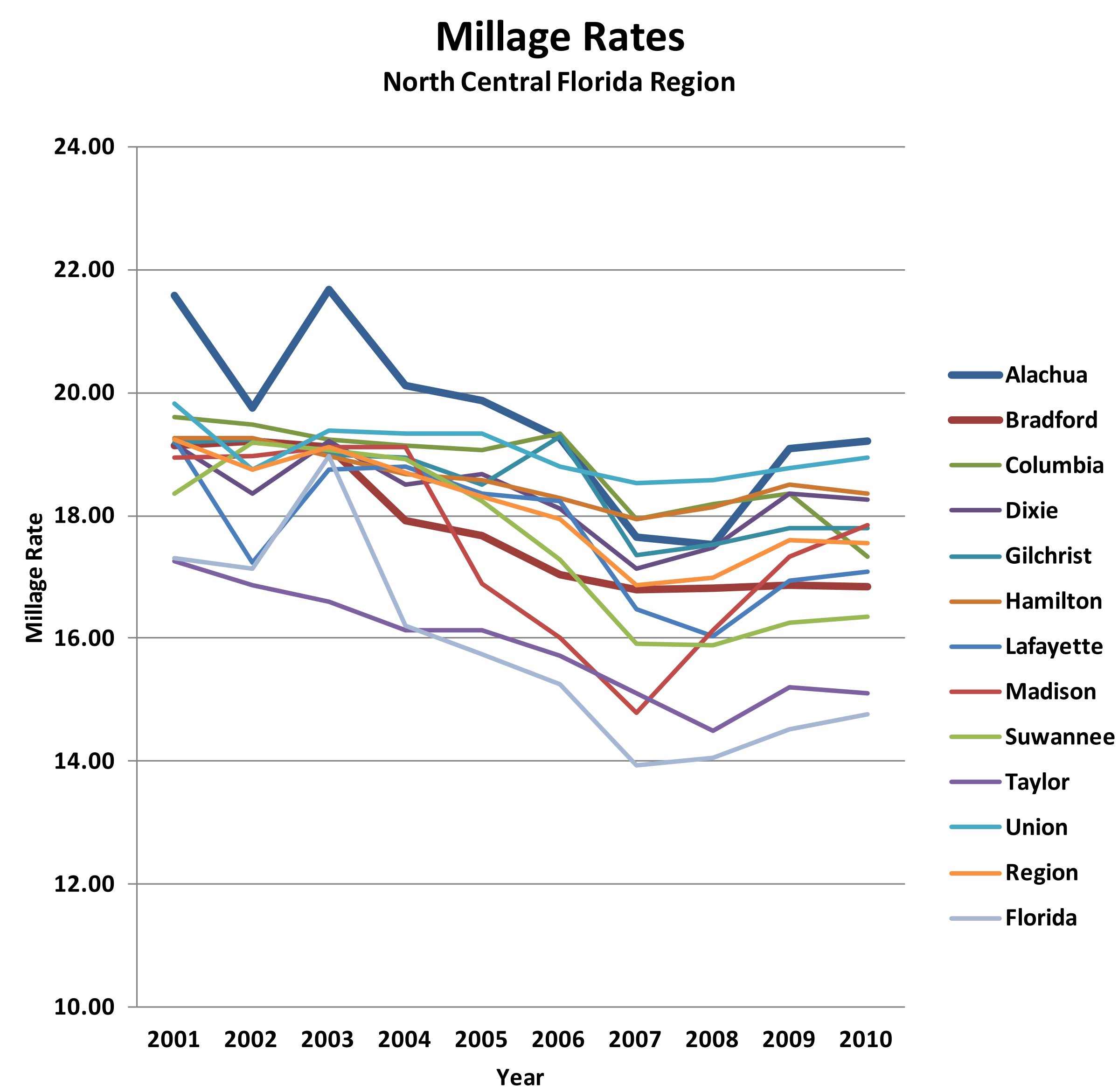
Millage Rates
North Central Florida Region and State
2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	21.58	19.76	21.68	20.12	19.86	19.27	17.65	17.52	19.08	19.21
Bradford	19.14	19.21	19.12	17.93	17.67	17.05	16.80	16.81	16.86	16.85
Columbia	19.60	19.49	19.24	19.15	19.06	19.34	17.95	18.19	18.36	17.33
Dixie	19.15	18.35	19.22	18.50	18.68	18.11	17.14	17.47	18.35	18.25
Gilchrist	19.18	19.24	18.99	18.95	18.51	19.28	17.34	17.52	17.81	17.80
Hamilton	19.27	19.26	18.96	18.67	18.57	18.29	17.93	18.15	18.50	18.35
Lafayette	19.23	17.24	18.75	18.79	18.35	18.24	16.47	16.02	16.93	17.08
Madison	18.95	18.97	19.11	19.11	16.88	16.01	14.79	16.13	17.33	17.84
Suwannee	18.36	19.19	19.07	18.92	18.22	17.29	15.93	15.88	16.26	16.36
Taylor	17.26	16.87	16.61	16.14	16.14	15.73	15.11	14.51	15.20	15.12
Union	19.83	18.74	19.39	19.33	19.33	18.79	18.54	18.58	18.78	18.94
Region	19.23	18.76	19.10	18.69	18.30	17.95	16.88	16.98	17.59	17.56
Florida	17.31	17.12	18.96	16.20	15.75	15.25	13.93	14.05	14.53	14.77

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

Illustration A-13

Millage Rates
North Central Florida Region and State
2001 to 2010



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

b. Registered Nonprofit Organizations

As shown in Table A-14 and Illustration A-14, the number of registered public and private charities in the region has grown consistently over the 2001 to 2010 period. Each of the counties in the region experienced substantial increases in the total number of registered charities, and as a whole, the region experienced an increase of over 50 percent compared with over 70 percent for the state.

Table A-14

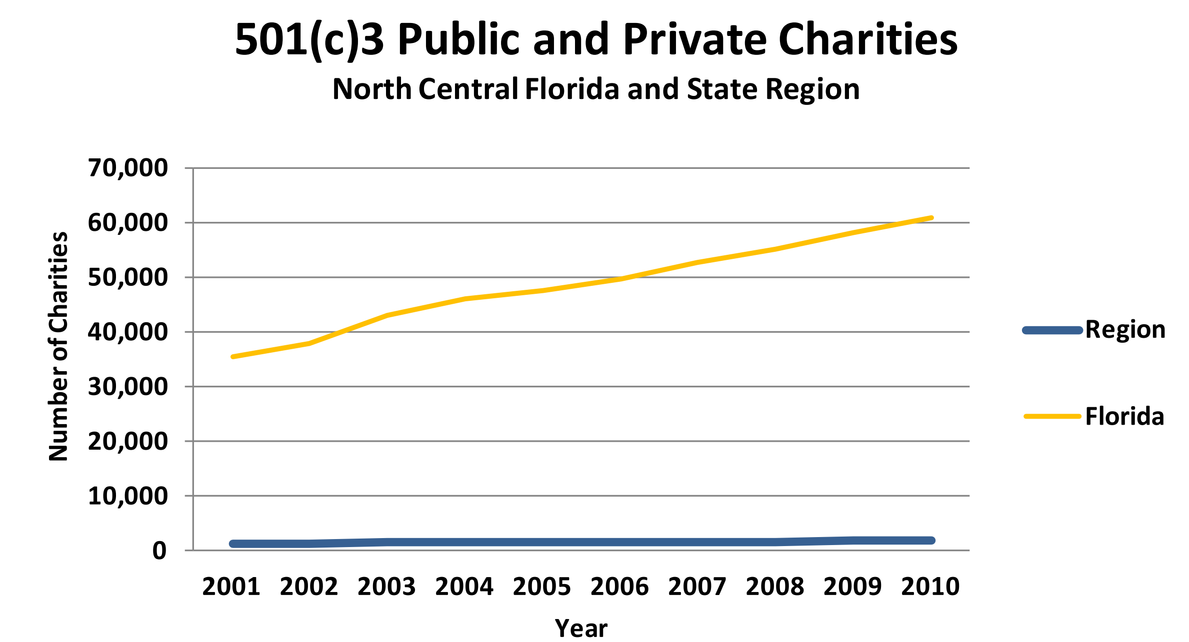
Registered 501(c)3 Organizations
Public and Private Foundation Charities
North Central Florida Region and State
2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	842	891	972	1,023	1,047	1,091	1,137	1,135	1,219	1,266
Bradford	39	45	48	52	52	59	60	63	67	65
Columbia	118	124	143	156	163	170	172	182	192	200
Dixie	26	29	32	32	31	32	31	30	34	35
Gilchrist	31	32	34	36	37	38	39	40	43	48
Hamilton	26	24	32	34	35	34	33	36	36	38
Lafayette	16	14	19	19	19	20	22	25	26	29
Madison	42	40	54	56	58	57	61	66	67	74
Suwannee	78	81	100	104	107	109	110	110	109	115
Taylor	35	34	39	43	44	48	51	48	49	53
Union	17	22	31	29	29	29	30	26	31	32
Region	1,270	1,336	1,504	1,584	1,622	1,687	1,746	1,761	1,873	1,955
Florida	35,368	37,894	43,176	46,191	47,690	49,817	52,756	55,048	58,209	61,047

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

Illustration A-14

Registered 501(c)3 Organizations
Public and Private Foundation Charities
North Central Florida Region and State
2001 to 2010



Source: The Urban Institute, National Center for Charitable Statistics

c. Voter Participation

As shown in Table A-15 and Illustration A-15, voter participation in the region closely mirrored that of the state across the ten-year period from 2000 to 2010, with slightly greater regional participation in the 2004 election cycle and beyond. Voter participation was significantly greater during the presidential election cycle, and dropped off from 15 percent to 25 percent during non-presidential election years.

Table A-15

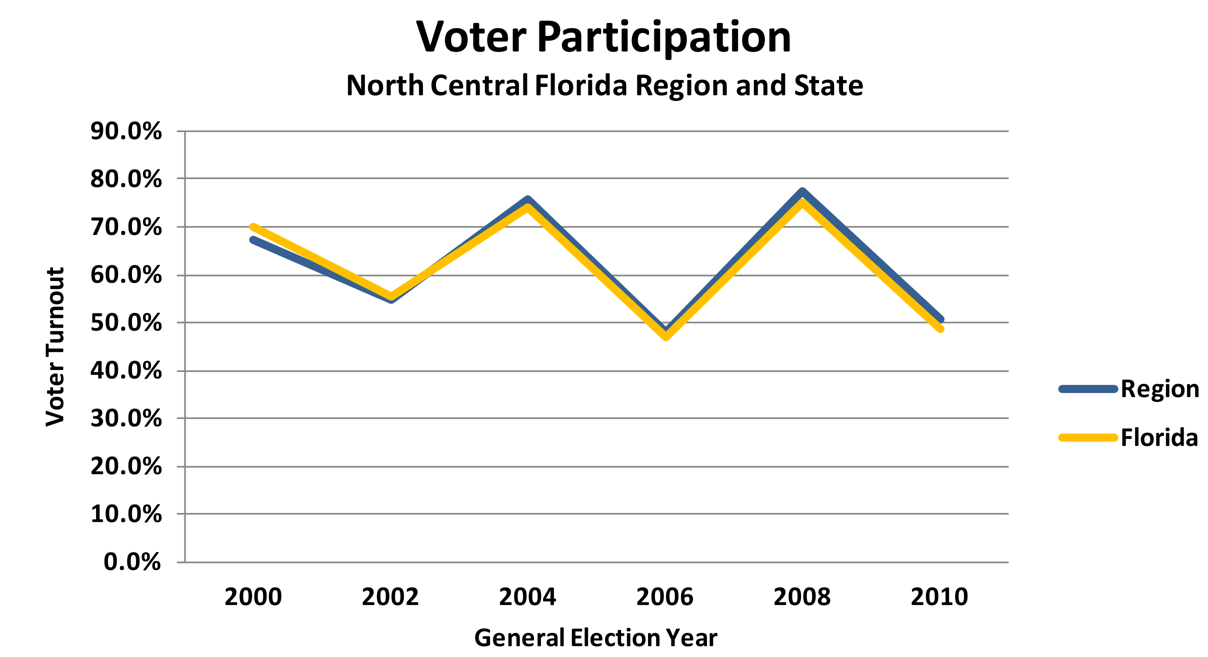
Voter Participation
North Central Florida Region and State
Biennial General Elections
2000 to 2010

Area	General Election Year					
	2000	2002	2004	2006	2008	2010
Alachua	71.3%	56.2%	78.4%	48.3%	81.7%	49.4%
Bradford	69.5%	57.4%	74.2%	50.7%	74.9%	51.8%
Columbia	61.7%	51.2%	73.2%	43.5%	74.1%	48.1%
Dixie	47.6%	44.1%	66.9%	48.9%	68.5%	53.5%
Gilchrist	82.7%	62.6%	78.0%	56.4%	73.4%	50.5%
Hamilton	62.7%	45.6%	67.1%	45.6%	73.5%	51.6%
Lafayette	66.4%	61.6%	77.8%	51.0%	76.4%	58.1%
Madison	64.0%	55.8%	73.4%	52.3%	73.0%	55.5%
Suwannee	64.0%	54.2%	72.4%	47.0%	71.8%	54.7%
Taylor	60.2%	52.9%	75.0%	45.2%	72.2%	52.4%
Union	60.5%	55.3%	66.7%	45.4%	73.7%	52.3%
Region	67.1%	54.8%	75.6%	47.9%	77.5%	50.6%
Florida	70.1%	55.3%	74.2%	46.8%	75.2%	48.7%

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

Illustration A-15

Voter Participation
North Central Florida Region and State
Biennial General Elections
2000 to 2010



Source: Florida Department of State, Division of Elections

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6. Quality of Life & Quality Places

Quality of Life & Quality Places:
"The future economy of the region depends on preservation and enhancement of quality of life."

Economic and urban theorist Richard Florida underscores the importance of place as an integral component of prosperity. He documents the shift from generations that once chased the job and landed by coincidence in a particular city, to the current cohort that selects geography first and then lands the job. The future economy of the region depends on the preservation and enhancements of a wide range of integrated elements that together express the robustness of our culture and the positive perceptions of those things that make us healthy, safe, comfortable and secure.

a. Per Capita Income

As shown in Table A-16 and Illustration A-16, per capita incomes in the region grew across all counties from 2001 to 2010. Eight of the 11 counties in the region experienced double digit rates of increase over the time period, and the region as a whole had a higher rate of per capita income growth than the state. However, the gap between state and regional per capita incomes remained virtually unchanged from 2001 to 2010.

Table A-16

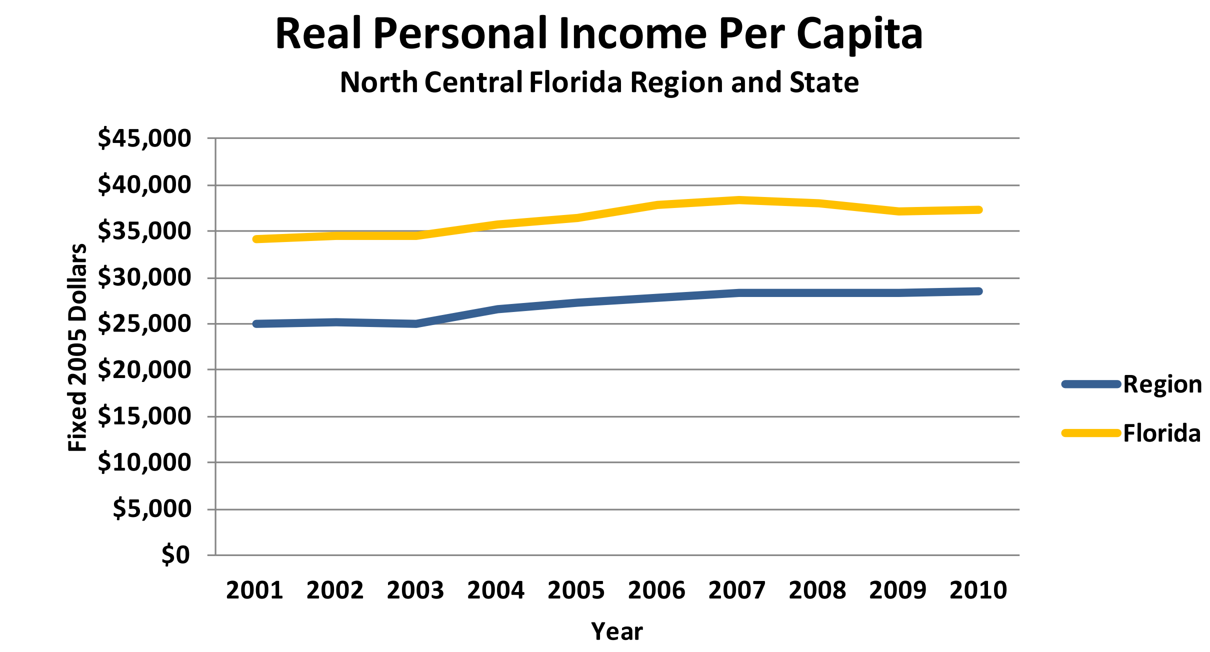
Real Personal Per Capita Income
North Central Florida Region and State
Fixed 2005 Dollars
2001 to 2010

	Year									
Area	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	$28,684	$28,794	$28,716	$31,172	$32,182	$32,776	$33,281	$33,353	$32,933	$33,177
Bradford	$22,747	$23,310	$23,131	$23,839	$24,319	$24,848	$25,369	$25,332	$25,569	$25,728
Columbia	$22,333	$22,463	$22,006	$23,210	$23,610	$23,345	$24,257	$24,045	$24,305	$24,314
Dixie	$18,539	$18,438	$18,523	$19,215	$19,885	$19,786	$19,873	$20,246	$20,414	$21,265
Gilchrist	$25,217	$24,659	$24,248	$26,028	$25,797	$26,727	$27,064	$27,294	$27,439	$27,936
Hamilton	$14,825	$14,348	$15,190	$15,263	$17,087	$17,134	$17,528	$17,946	$18,258	$17,872
Lafayette	$17,680	$15,807	$16,916	$18,570	$16,193	$15,349	$17,459	$17,827	$17,993	$18,675
Madison	$20,360	$20,274	$20,152	$21,229	$21,764	$21,673	$21,979	$22,328	$22,564	$23,108
Suwannee	$24,068	$23,894	$23,089	$24,296	$24,814	$25,219	$26,042	$26,216	$26,183	$26,381
Taylor	$21,173	$21,392	$20,866	$22,137	$22,873	$23,135	$23,539	$23,793	$23,890	$24,137
Union	$16,302	$16,448	$17,217	$16,832	$17,656	$18,161	$17,063	$17,061	$18,069	$18,271
Region	$25,031	$25,081	$24,928	$26,635	$27,356	$27,723	$28,250	$28,327	$28,249	$28,447
Florida	$34,195	$34,509	$34,416	$35,708	$36,408	$37,905	$38,413	$38,016	$37,063	$37,235

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

Illustration A-16

**Real Personal Per Capita Income
North Central Florida Region and State
Fixed 2005 Dollars
2001 to 2010**



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

b. House Price Cost Index

As shown in Table A-17 and Illustration A-17, housing prices in the region as well as the state remained a bargain relative to national average home prices. With the exception of Alachua County, the relative cost of a home in the region was less than one-half that of the nation and significantly less than other areas of the state. From 2001 to 2010, the region as a whole rose slightly relative to the nation, while the overall relative prices of the state fell slightly by 2010.

Table A-17

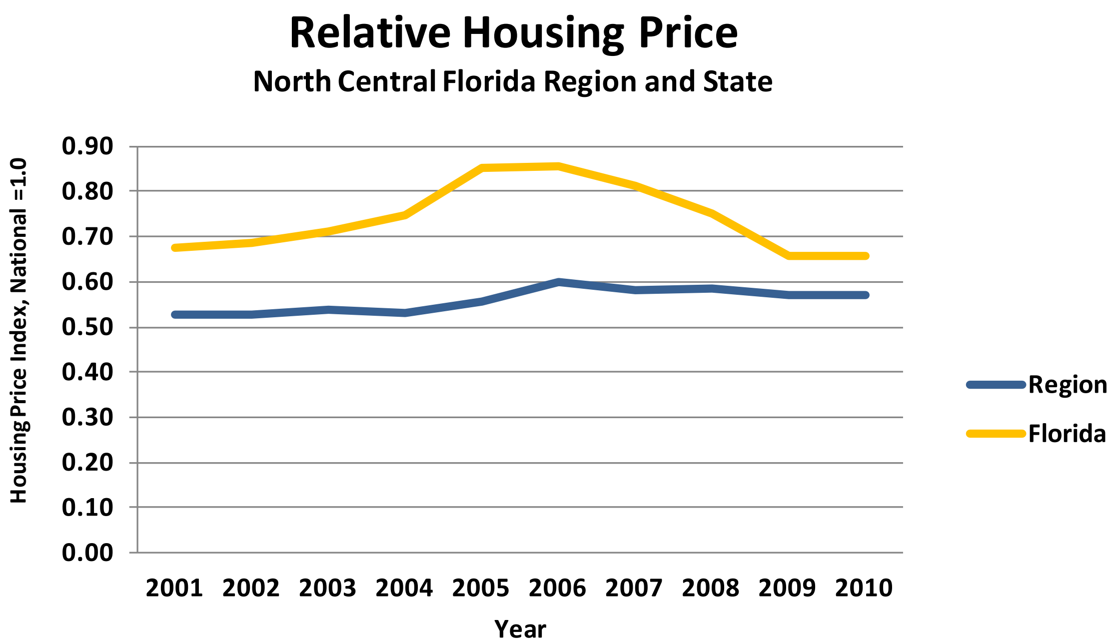
Relative Housing Price
North Central Florida Region and State
National Index = 1.0
2001 to 2010

	Year									
Area	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Alachua	0.60	0.60	0.61	0.58	0.59	0.65	0.65	0.68	0.67	0.67
Bradford	0.44	0.43	0.44	0.42	0.43	0.47	0.47	0.49	0.49	0.49
Columbia	0.45	0.46	0.47	0.49	0.55	0.57	0.52	0.48	0.44	0.45
Dixie	0.40	0.40	0.41	0.43	0.48	0.50	0.46	0.42	0.39	0.39
Gilchrist	0.44	0.44	0.45	0.47	0.53	0.55	0.50	0.46	0.43	0.43
Hamilton	0.49	0.49	0.50	0.52	0.59	0.61	0.56	0.51	0.47	0.47
Lafayette	0.50	0.50	0.51	0.54	0.60	0.62	0.57	0.53	0.49	0.49
Madison	0.36	0.36	0.37	0.38	0.43	0.45	0.41	0.38	0.35	0.35
Suwannee	0.41	0.42	0.43	0.45	0.50	0.52	0.48	0.44	0.40	0.41
Taylor	0.39	0.39	0.40	0.41	0.47	0.48	0.44	0.41	0.38	0.38
Union	0.40	0.40	0.41	0.43	0.48	0.50	0.46	0.42	0.39	0.39
Region	0.53	0.53	0.54	0.53	0.56	0.60	0.58	0.58	0.57	0.57
Florida	0.68	0.69	0.71	0.75	0.85	0.86	0.81	0.75	0.66	0.66

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

Illustration A-17

Relative Housing Price
North Central Florida Region and State
National Index = 1.0
2001 to 2010



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

c. Persons Living in Poverty

As shown in Table A-18 and Illustration A-18, the percentage of persons living in poverty in the region increased over the 2001 to 2010 period. The gap between the region and state also increased over the period, from 4.4 percent in 2001 to 7.1 percent in 2010. The largest increases in poverty rates in the region occurred in 2005, indicating that the collapse of the national housing market had a significant negative impact on the economy of the region.

Table A-18

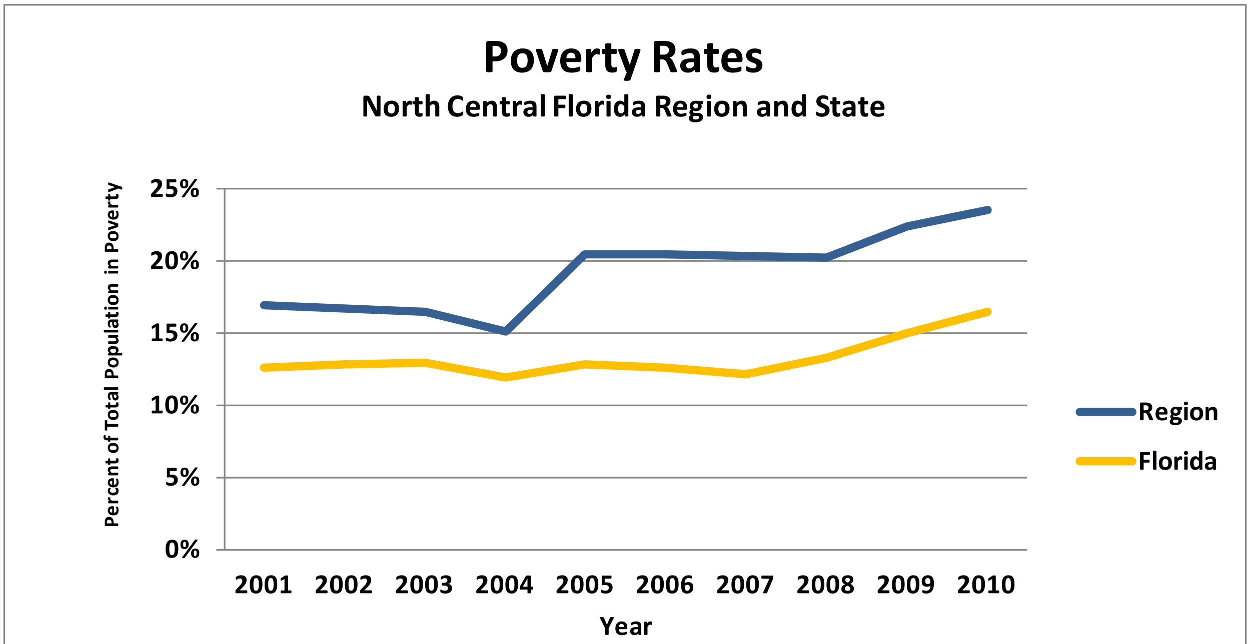
Percent of Persons Living in Poverty
North Central Florida Region and State
2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Alachua	15.1%	15.1%	16.2%	14.5%	21.8%	21.8%	22.8%	20.0%	23.0%	25.3%
Bradford	18.2%	17.8%	16.2%	14.8%	15.9%	16.3%	16.9%	19.3%	22.5%	19.4%
Columbia	17.2%	17.2%	15.7%	14.1%	19.0%	18.2%	13.9%	18.0%	19.1%	19.5%
Dixie	21.9%	20.8%	18.8%	18.0%	24.0%	22.6%	21.6%	22.8%	23.7%	26.6%
Gilchrist	17.5%	16.6%	14.2%	13.0%	13.7%	17.6%	15.4%	16.8%	18.0%	21.0%
Hamilton	26.2%	25.3%	22.0%	20.9%	26.6%	24.3%	27.7%	29.3%	28.5%	30.8%
Lafayette	23.5%	23.3%	19.0%	18.6%	23.6%	22.3%	22.0%	25.6%	24.6%	26.0%
Madison	20.5%	19.8%	18.5%	17.7%	23.8%	20.9%	21.0%	23.6%	26.2%	23.4%
Suwannee	17.5%	16.9%	16.5%	15.3%	17.5%	18.1%	17.8%	19.9%	19.7%	20.9%
Taylor	18.1%	17.3%	16.9%	15.9%	18.4%	20.6%	18.5%	22.9%	23.8%	20.6%
Union	21.4%	21.3%	18.1%	18.2%	20.3%	19.4%	21.5%	23.6%	26.5%	24.3%
Region	17.0%	16.7%	16.5%	15.1%	20.5%	20.4%	20.3%	20.3%	22.4%	23.6%
Florida	12.6%	12.8%	13.0%	11.9%	12.8%	12.6%	12.1%	13.3%	15.0%	16.5%

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

Illustration A-18

Percent of Persons Living in Poverty
North Central Florida Region and State
2001 to 2010



Source: U.S. Department of Commerce, Census Bureau

7. Shift-Share Analysis

Shift share analysis is used to examine employment changes over time in the growth or decline of employment by specific industries in a region. To understand these changes, the analysis breaks employment changes into three categories: **Share Change; Mix Change**; and **Shift Change**.

- **Share Change** is the employment change due to general growth or decline in the national economy, comparing the overall employment growth rate of the region to the growth rate of the nation.
- **Mix Change** is the portion of employment change attributed to the growth of the specific industry, and measures the difference in the industry employment growth in the region compared to the industry growth that would have occurred as a result of the national employment growth rate for that industry.
- **Shift Change** is the competitiveness of the region and measures the difference between the regional industry change in employment compared to the employment change had employment within the industries of the region grown at the rate of the nation.

The shift-share equation is as follows:

$$e_i^{t+n} - e_i^t = share\ change + mix\ change + shift\ change$$

Or;

$$e_i^{t+n} - e_i^t = e_i^t\left[\frac{E^{t+n}}{E^t} - 1\right] + e_i^t\left[\frac{E_i^{t+n}}{E_i^t} - \frac{E^{t+n}}{E^t}\right] + e_i^t\left[\frac{e_i^{t+n}}{e_i^t} - \frac{E_i^{t+n}}{E_i^t}\right]$$

Where:

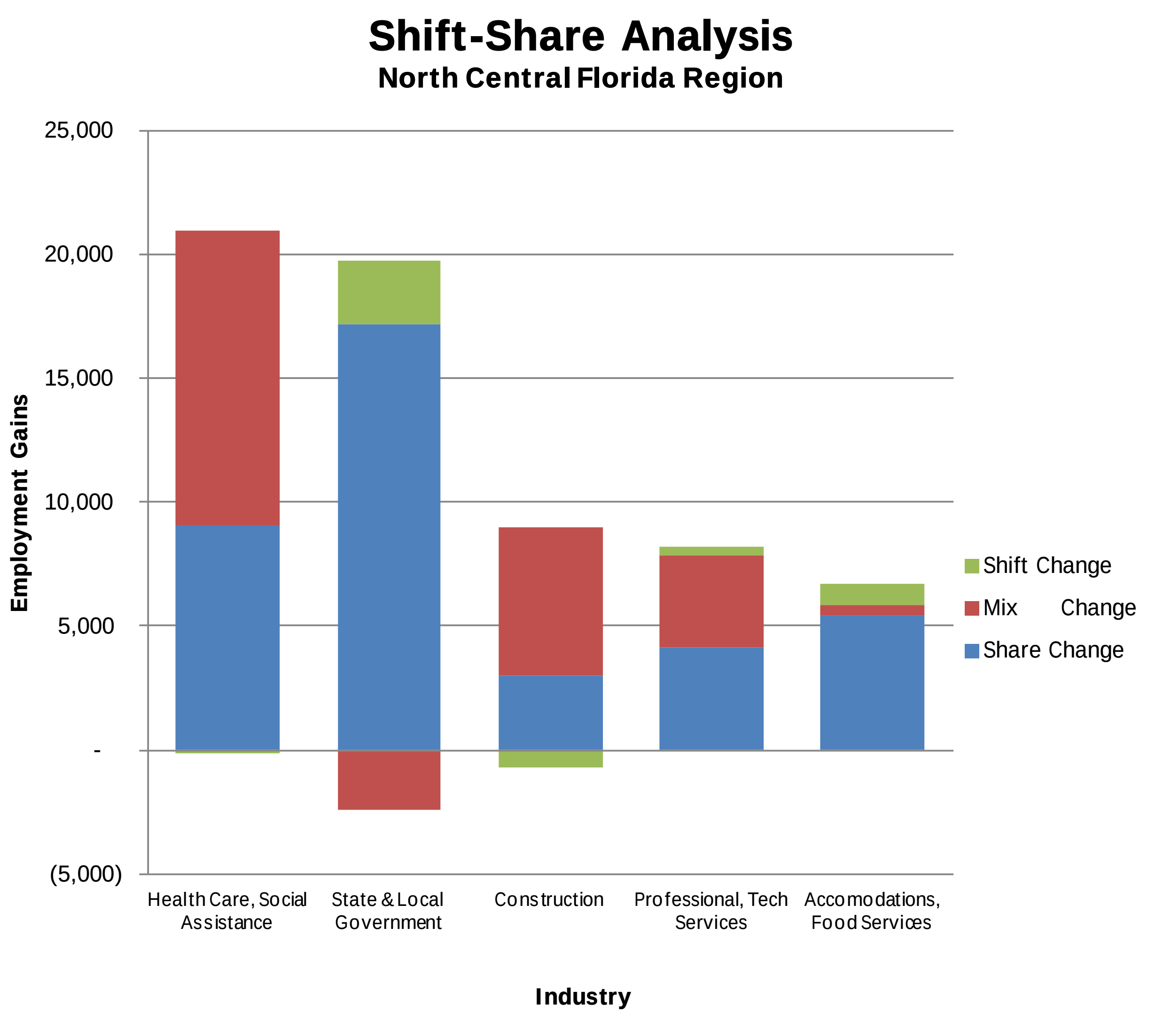
e = regional employment E = national employment t = base year
n = the number of years i = specific industry

Illustration A-19 demonstrates the components of the estimated employment gains in the top five industries in the north central Florida region from 2010 to 2030 based upon the Shift-Share analysis.

As shown in Illustration A-19, the largest projected employment gains are anticipated be in Health Care, State and Local Government, Construction, Professional Services and Accommodations and Food Services. The combined employment gains in these five industries are projected to exceed 60,000 new jobs in the region by 2030, which accounts for 73 percent of the total anticipated employment gains.

Illustration A-19

Shift-Share Analysis
North Central Florida Region
Top Five Projected Industry Employment Gains
2010 to 2030



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

Table A-19 lists the 22 industry sectors measured and the components of estimated employment change for each industry, ranked from highest to lowest projected gain. The Health Care and Social Assistance industry is anticipated to have the highest employment gains in the region, due primarily to growth of the industry at the national level. State & Local Government is also anticipated to have substantial growth over the period, due primarily to growth in the national economy and a local competitive advantage.

Table A-19

Shift-Share Analysis
North Central Florida Region
Top 10 Projected Industry Employment Gains
2010 to 2030

Industry	2010 to 2030			
	Share Change	Mix Change	Shift Change	Shift-Share Change
Health Care, Social Assistance	9,044	11,928	(114)	20,858
State & Local Government	17,193	(2,428)	2,506	17,271
Construction	3,031	5,931	(711)	8,251
Professional, Technical Services	4,124	3,739	322	8,185
Accommodations, Food Services	5,437	419	833	6,689
Other Services (excluding Government)	4,031	1,447	876	6,354
Retail Trade	7,752	(5,661)	1,471	3,562
Administration, Waste Services	2,933	774	(535)	3,173
Real Estate, Rental, Leasing	2,471	78	485	3,034
Finance, Insurance	2,540	(877)	1,177	2,840
Educational Services	1,204	716	(44)	1,876
Arts, Entertainment, Recreation	1,301	146	266	1,714
Transportation, Warehousing	1,651	(189)	139	1,601
Wholesale Trade	1,550	(1,420)	226	355
Forestry, Fishing, Related Activities	1,044	(785)	63	323
Mining	183	(125)	264	322
Information	855	(781)	42	116
Management of Companies/Enterprises	171	(138)	(2)	30
Utilities	314	(543)	163	(65)
Federal Military	352	(449)	(0)	(97)
Federal Civilian	1,841	(2,465)	0	(623)
Manufacturing	3,432	(6,537)	1,446	(1,659)
Total:	72,454	2,782	8,874	84,110

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

a. Share Change - Change of Industry Due to National Growth

As shown in Table A-20, Share Change, which is a measure of how much of the growth of an industry is attributable to movement in the national economy, is the primary growth factor for industries in the region. State and Local Government, followed by Health Care and Retail Trade are the industries projected to experience the highest growth and comprise nearly one-half of all employment gains in the share change category.

Table A-20

**Employment Share Change
North Central Florida Region
2010 to 2030**

Industry	2010 to 2030 Share Change
State & Local Government	17,193
Health Care, Social Assistance	9,044
Retail Trade	7,752
Accommodations, Food Services	5,437
Professional, Technical Services	4,124
Other Services (excluding Government)	4,031
Manufacturing	3,432
Construction	3,031
Administration, Waste Services	2,933
Finance, Insurance	2,540
Real Estate, Rental, Leasing	2,471
Federal Civilian	1,841
Transportation, Warehousing	1,651
Wholesale Trade	1,550
Arts, Entertainment, Recreation	1,301
Educational Services	1,204
Forestry, Fishing, Related Activities	1,044
Information	855
Federal Military	352
Utilities	314
Mining	183
Management of Companies/Enterprises	171
Total:	72,454

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

b. Mix Change - Actual Industry Growth

As shown in Table A-21, Mix Change, which represents the share of regional industry growth attributed to the growth of the industry at the national level, accounts for much less of the overall employment growth of the region. The Health Care industry, however, is expected to demonstrate strong growth as the baby boom generation continues to age, and those expectations are reflected in significant regional growth projections. Manufacturing is expected to continue to decline over the time period.

Table A-21

Employment Mix Change
North Central Florida Region
2010 to 2030

Industry	2010 to 2030 Mix Change
Health Care, Social Asst	11,928
Construction	5,931
Professional, Technical Services	3,739
Other Services (excluding Government)	1,447
Administration, Waste Services	774
Educational Services	716
Accommodations, Food Services	419
Arts, Entertainment, Recreation	146
Real Estate, Rental, Leasing	78
Mining	(125)
Management of Companies/Enterprises	(138)
Transportation, Warehousing	(189)
Federal Military	(449)
Utilities	(543)
Information	(781)
Forestry, Fishing, Related Activities	(785)
Finance, Insurance	(877)
Wholesale Trade	(1,420)
State & Local Government	(2,428)
Federal Civilian	(2,465)
Retail Trade	(5,661)
Manufacturing	(6,537)
Total:	2,782

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

c. Shift Change - Regional Competitiveness

As shown in Table A-22, Shift Change is the component of employment growth that measures the competitive advantage that a region possesses in a specific industry and for that reason is often considered the most important component of the three. In the analysis of the region, by far the most apparent competitive advantage is in State and Local Government, due to the University of Florida located in Gainesville, and numerous state prisons located throughout the region. In addition, the Manufacturing industry in the region shows a significant projected competitive advantage over national trends. This advantage may be the result of the concentration of high-tech business incubators in the region, which are fostering a rise in local manufacturing enterprises.

Table A-22

Employment Shift Change
North Central Florida Region
2010 to 2030

Industry	2010 to 2030 Shift Change
State & Local Government	2,506
Retail Trade	1,471
Manufacturing	1,446
Finance, Insurance	1,177
Other Services (excluding Government)	876
Accommodations, Food Services	833
Real Estate, Rental, Leasing	485
Professional, Technical Services	322
Arts, Entertainment, Recreation	266
Mining	264
Wholesale Trade	226
Utilities	163
Transportation, Warehousing	139
Forestry, Fishing, Related Activities	63
Information	42
Federal Civilian	0
Federal Military	(0)
Management of Companies/Enterprises	(2)
Educational Services	(44)
Health Care, Social Assistance	(114)
Administration, Waste Services	(535)
Construction	(711)
Total:	8,874

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

d. Location Quotient Analysis

Location Quotient Analysis uses industry employment to determine whether that industry is basic or non-basic relative to national employment norms. The underlying concept is that if a local industry has a higher concentration of workers than the concentration of workers at the national level, then that industry is "basic" in nature, producing more goods and services than the local market can consume. The excess production is then exported outside the region, bringing new money into the local economy. If an industry has an equal or lower concentration than national levels, then likewise, that industry is assumed to be producing primarily for local markets only.

The location quotient equation is as follows:

$$LQ = \frac{e_i \ /e}{E_i \ /E}$$

Where:

e_i = Local employment in industry i e_i = Total local employment

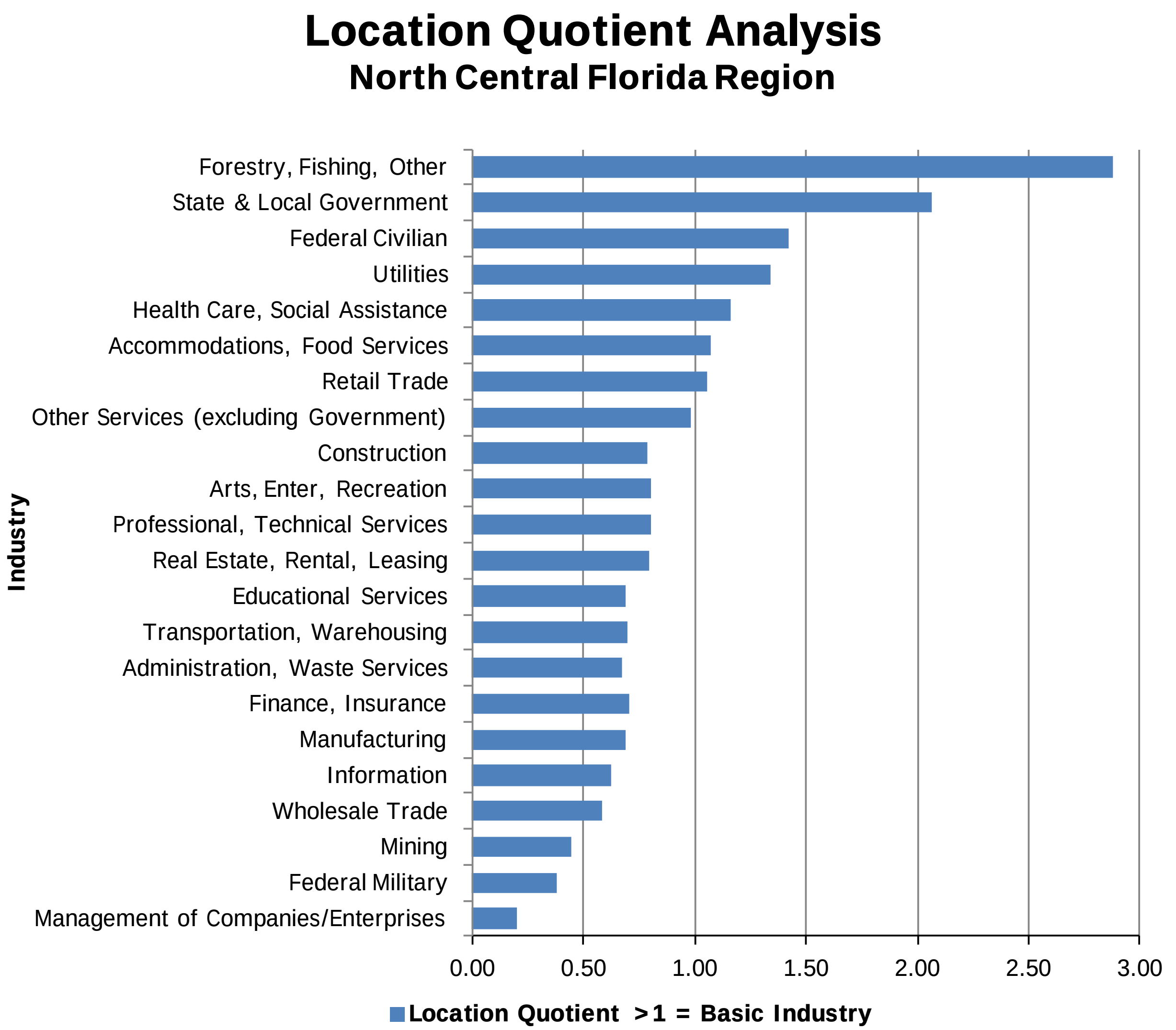
E_i = Reference area employment in industry i E_i = Total reference area employment

Industries with a ratio greater than or equal to 1.0 are considered basic industries, while those with a ratio less than 1.0 are assumed to be non-basic.

Illustration A-20 provides a breakdown of the basic and non-basic industries in the region. Seven industries in the region have a location quotient greater than one: Forestry and Fishing, State and Local Government, Federal Civilian Government, Utilities, Healthcare, Accommodations and Food Services and Retail Trade. The high concentration of employment in the Forestry and Fishing industry reflects the abundant timber lands in the region. Employees of the University of Florida are state employees, and the University "exports" the vast majority of the educational goods and services it produces to communities outside the area. In addition, there is a considerable concentration of state prisons in the region which provide services to the surrounding areas of the state. Therefore, State and Local Government is considered a basic industry for the region.

Illustration A-20

**Location Quotient Analysis
North Central Florida Region
2010**



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

As shown in Table A-23, the relative concentrations of industries in the region as compared with the nation and a projection of future concentrations based upon population projections through 2030. The industries are ranked highest to lowest by their location quotient scores in 2010. The table demonstrates the strength of each industry relative to national concentrations, with a score of 1.0 equaling the national average concentration.

Table A-23

**Location Quotient Analysis
North Central Florida Region
2010 to 2030**

Industry	Year				
	2010	2015	2020	2025	2030
Forestry, Fishing, Related Activities	2.82	2.88	2.80	2.77	2.77
State & Local Government	2.07	2.06	2.15	2.17	2.07
Federal Civilian	1.43	1.43	1.42	1.35	1.38
Utilities	1.26	1.34	1.38	1.42	1.47
Health Care, Social Assistance	1.16	1.16	1.12	1.11	1.11
Accommodations, Food Services	1.06	1.07	1.05	1.06	1.06
Retail Trade	1.03	1.05	1.04	1.04	1.05
Other Services (excluding Government)	0.96	0.98	0.97	0.97	0.97
Construction	0.81	0.78	0.78	0.76	0.75
Arts, Entertainment, Recreation	0.80	0.81	0.79	0.80	0.81
Professional, Technical Services	0.79	0.80	0.79	0.78	0.78
Real Estate, Rental, Leasing	0.78	0.79	0.78	0.79	0.79
Educational Services	0.70	0.69	0.67	0.66	0.67
Transportation, Warehousing	0.69	0.70	0.68	0.68	0.68
Administration, Waste Services	0.69	0.67	0.66	0.65	0.64
Finance, Insurance	0.65	0.71	0.71	0.70	0.70
Manufacturing	0.65	0.69	0.72	0.72	0.73
Information	0.62	0.62	0.61	0.61	0.61
Wholesale Trade	0.57	0.58	0.58	0.58	0.58
Mining	0.39	0.44	0.48	0.55	0.53
Federal Military	0.38	0.38	0.37	0.35	0.37
Management of Companies/Enterprises	0.20	0.20	0.19	0.19	0.19

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

As previously noted, the region has a high concentration of Forestry workers as well as State and Local Government employees. Projections of future employment indicate that most of the industries in the region will remain at or close to their current levels of concentration for the foreseeable future. As the population of the region grows and the economy diversifies, there should be a gradual trend towards employment concentrations equal to national averages across a broader spectrum of industries.

8. Regional Economic Clusters

A regional Targeted Industry study was conducted as part of the Rural Economic Development Catalyst Project led by the State of Florida's public-private partnership, Enterprise Florida, Inc., to identify those industries with the greatest potential for creating high value-added jobs, capital investment, and economic benefits in the region. These industries are either currently expanding or have potential for high-wage job growth.

a. Logistics & Distribution

The logistics and distribution sector is growing in the region and totaled nearly 15,000 jobs in 2010. The number of jobs in logistics and distribution in the region surged by 54 percent between 1995 and 2005, well above the national growth rate of nine percent. Despite this strong growth, the industry is still considered under-represented compared to national average employment, as the share of industry employment remains about one-third below that of the nation. The combination of a strong growth rate and room for expansion in the industry is a positive indicator for future economic opportunities in this sector. In addition, the development of the North Florida Intermodal Park in Columbia County will provide direct access to the deep water port in Jacksonville with increased activity from the completion of the Panama Canal expansion in 2014.

b. Building Component Design and Manufacturing

While the Building Component Design and Manufacturing industry has declined across the nation, prior to the national economic downturn it experienced significant growth in the region as manufacturers of building components expanded in the region to meet the demands of the fast growing Florida market. Between 1995 and 2005, the number of building component jobs in the region increased by 28 percent. The strength of the region in wood products and fabricated metals, two key components of the building component design and manufacturing sector, are anticipated to make this a growth industry in the region once slumping national housing markets begin to rebound.

c. Aviation Services and Products

The region possesses a national caliber aviation services industry due to the presence of a major maintenance, repair and overhaul company, TIMCO, headquartered in Lake City (Columbia County). They service military transport planes, commercial jetliners and private aircraft. Customers have included the U.S. Coast Guard, Delta and United Airlines, as well as overseas companies. The aviation maintenance, repair and overhaul industry is anticipated to continue to grow considerably for several years, and should provide additional growth opportunities for the region. Other fast growing segments of the aviation market, such as Very Light Jets, will give the region an opportunity to expand in aircraft parts manufacturing as well building on its momentum in the maintenance, repair and overhaul segment.

d. Bio-fuels and Renewable Energy

Facing growing energy demands and dwindling supplies of conventional fuel sources, alternative sources of energy are being pursued for both power generation and automotive needs. The development of alternative fuels, including biofuels such as ethanol, has become a priority. United States automakers have modified vehicle engines so they can now run on a mixture of gasoline and ethanol. In response, corn production has increased significantly and a number of biorefineries have been constructed around the country. A refinery in the region could serve Florida and Southeastern U.S. markets, and could utilize local agricultural and forestry waste cellulose products to produce ethanol. Due to its extensive forestry resources, the region is also well positioned to take advantage of rapidly growing demand in the European market for wood pellets to fuel power generation plants.

e. Healthcare Services and Products

Healthcare services and products remains one of the fastest growing employment sectors in the United States, due in large part to the aging domestic population and the position as the global leader in healthcare technology development. Nationally, the number of jobs in these fields increased by over 21 percent between 2000 and 2010, while in the region the growth rate of the industry was nearly 17 percent, which equates to approximately 18,700 jobs. Due to the broad range of skills levels in the Healthcare Services and Product industry, wage levels vary greatly. However, overall average wages for the industry are still higher than most regional industry averages. The region is also home to the Sid Martin Biotechnology Business Incubator, which continues to launch successful healthcare start-up companies, and should provide the basis for additional healthcare industry employment opportunities.

9. State and Local Economic Development Plans and Programs Affecting the Region

Several economic development plans and programs being conducted in the region will have an impact on the Comprehensive Economic Development Strategy and the overall regional economy. Effective collaboration between state, regional and local plans is vital to the success of the regional economy. Below are descriptions of some of the key economic development programs that will affect the region.

a. Rural Economic Development Catalyst Project

Enterprise Florida, Inc. has implemented an ongoing rural strategic marketing program for three areas in the state identified as Rural Areas of Critical Economic Concern. The project is designed to use catalyst sites to attract industries with large numbers of high value-added jobs and capital investment that will have a positive ripple effect throughout the region. Ten of the 11 counties in the North Central Florida Economic Development District are also located within the 14-county North Central Rural Area of Critical Economic Concern. Due to the large geographic area covered by the region, two counties, Columbia and Suwannee, were selected to host catalyst sites. The North Florida Economic Development Partnership was formed to oversee the Catalyst Sites project and to implement economic development programs for the North Central Florida Rural Area of Critical Economic Concern. The Partnership is comprised of local economic developers, county commissioners, workforce development boards, regional planning councils and private businesses.

The 500-acre Columbia County site is part of the North Florida Intermodal Park, a master planned site owned by Plum Creek, and part of the Port of Jacksonville Foreign Trade Zone. The North Florida Intermodal Park will be an inland port designed to move freight efficiently between trains and trucks, and is positioned in close proximity to the Interstate 10 and 75 corridors, as well as the Lake City Gateway Airport.

The Suwannee County catalyst site is also approximately 500 acres and is located at the intersection of Interstate 10 and U.S. Highway 90 northwest of Live Oak. Initial engineering studies have been completed on the site and it is currently under development in preparation for anticipated economic development projects.

b. Florida Strategic Plan for Economic Development

The Florida Department of Economic Opportunity has developed the Florida Five-Year Strategic Plan for Economic Development based on the Florida Chamber Foundation's Six Pillars of Florida's Future Economy concept. The strategy was developed as a collaborative effort with input from a series of 14 forums held throughout the state, which had extensive participation from private, public and civic sector stakeholders. In total, over 1,200 stakeholders participated in the process.

The table below is the, “at-a-glance,” version of the state five-year economic development plan.

Florida Strategic Plan for Economic Development
July 2012 – June 2017 *(V16, www.floridajobs.org/FL5yrPlan)*

At-A-Glance

Vision
- Florida will have the nation’s top performing economy and be recognized as the world’s best place to live, learn, work and do business.

Goals
- Lead the nation in global competitiveness as a location for business, investment, talent, innovation and visitors.
- Lead the nation in economic growth and prosperity.
- Lead the nation in quality of life.

Objectives
- Improve employment in Florida.
- Foster opportunities for prosperity.
- Grow businesses.
- Expand global commerce.
- Increase Florida’s attractiveness to workers, residents and visitors.

Cross-Cutting Strategies

1. **Strengthen collaboration and alignment among state, regional and local entities toward the state’s economic vision.**
2. **Develop and implement a statewide strategy to develop regional talent and innovation clusters using global best practices.**
3. **Connect economic development, talent, infrastructure, partnerships and other resources within and across regions to build Florida as a globally competitive megaregion.**
4. **Position Florida as a global hub for trade, visitors, talent, innovation and investment.**

Area-Specific Strategies

Talent Supply & Education	Innovation & Economic Development	Infrastructure & Growth Leadership	Business Climate & Competitiveness	Civic & Governance Systems	Quality of Life & Quality Places
5. Align education and workforce development programs to develop and retain talented workers with the skills to meet current and future employer needs. 6. Develop an integrated pre-K through career education system to prepare students for becoming successful workers or entrepreneurs. 7. Lead the nation in science, technology, engineering, and mathematics (STEM) research, education and market-relevant technical skills. 8. Expand access to education and training programs for talent in distressed markets.	**9. Strengthen Florida’s leadership in expanding and emerging talent and innovation clusters and help transition established clusters to serve new markets.** 10. Grow, sustain, and integrate efforts related to research and development, technology transfer and commercialization, and capital to create, nurture and expand innovation businesses. 11. Expand the number of Florida businesses selling goods and services internationally and diversify the markets they serve. 12. Brand and consistently market Florida as the best state for business.	**13. Coordinate decision making and investments for economic development, land use, transportation, infrastructure, housing, water, energy, natural resources, workforce and community development at the statewide, regional and local levels.** 14. Develop and maintain multimodal, interconnected trade and transportation systems to support a prosperous, globally competitive economy. 15. Develop and maintain a cutting-edge telecommunications infrastructure. 16. Ensure the future supply and quality of water to meet Florida’s economic and quality of life goals. 17. Develop and maintain diverse, reliable, and cost effective energy sources and systems to meet Florida’s economic and environmental goals.	**18. Renovate permitting, development, and other regulatory processes to meet changing business needs and provide a predictable legal and regulatory environment.** 19. Ensure state, regional and local agencies provide collaborative, seamless, consistent and timely customer service to businesses. 20. Reduce barriers to small/minority business and entrepreneurial growth. 21. Expand opportunities for access to capital for businesses throughout their life cycle. 22. Work with industry to ensure property and health insurance rates are competitive with other large states. 23. Develop a government revenue structure that encourages business growth and development.	**24. Support and sustain statewide and regional partnerships to accomplish Florida’s economic and quality of life goals.** 25. Improve the efficiency and effectiveness of government agencies at all levels. 26. Invest in strategic statewide and regional economic development priorities.	**27. Create and sustain vibrant, safe and healthy communities that attract workers, businesses, residents and visitors.** 28. Ensure Florida’s environment and quality of life are sustained and enhanced by future growth plans and development decisions. 29. Promote, develop, protect and leverage Florida’s natural, art and cultural assets in a sustainable manner.

c. Innovation Gainesville

Innovation Gainesville (iG) began as a community initiative to harness innovation to create jobs in health and green technologies and thereby to raise the standard of living in the community. Innovation Gainesville has transformed into a cultural mindset with hundreds of individuals and organizations working to grow an environment that fosters innovation and success.

A key facet of the program is the Innovation Gainesville Angel Network of experienced mentors and local accredited investors. The Innovation Gainesville Angel Network helps its members discover and evaluate notable new technology companies in the Gainesville area that are ready for mentoring and/or investment. The Innovation Gainesville Angel Network arranges periodic presentations by investor-ready companies and creates opportunities for local accredited investors to network with one another and review new startups in the area.

d. Santa Fe College Center for Innovation and Economic Development

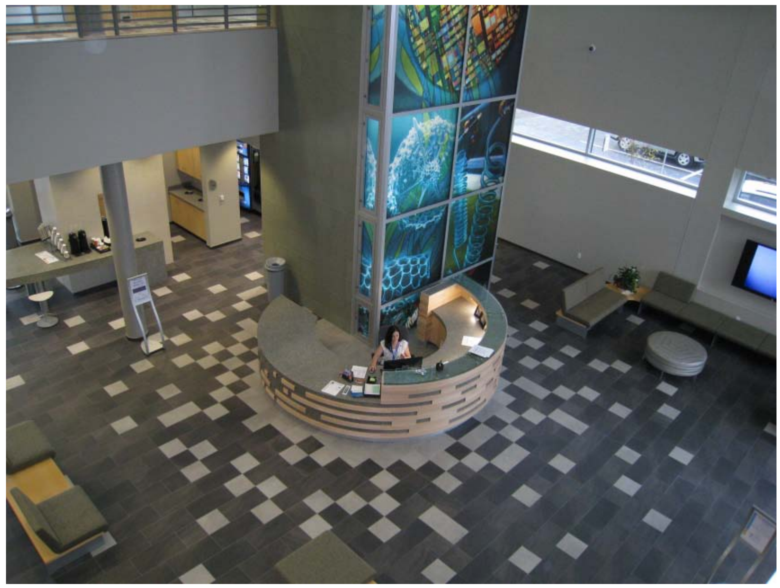
Santa Fe College located in Gainesville, with a service area of Alachua and Bradford Counties, administers a comprehensive economic development program through its Center for Innovation and Economic Development. The Center provides continuing workforce education (non-credit, job related training), corporate training for local companies, Quick Response Training Grants and meeting spaces. To date, the Center has assisted over 100 new companies through its Entrepreneur Incubator.

Santa Fe College also enhances the local economy through its regular college degree and community education programs. The College is also an active participant in the Innovation Gainesville program, local chambers of commerce and regional workforce development boards.

10. Past, Present, and Projected Future Economic Development Investments

a. Recent Economic Development Investments

i. Florida Innovation Hub at the University of Florida

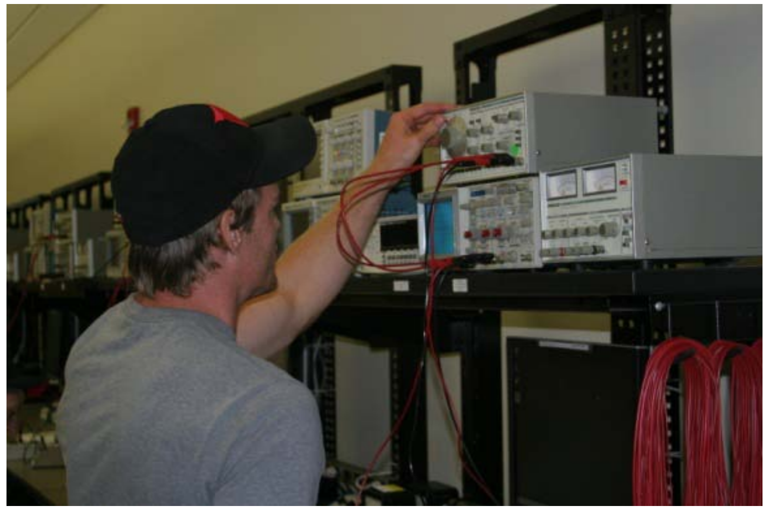

Florida Innovation Hub Incubator, Gainesville

The Florida Innovation Hub at the University of Florida was created to serve as a catalyst for start-up companies whose technologies emanated from laboratories at the University of Florida and throughout the state. The mission of the Innovation Hub is to provide technology start-ups with the infrastructure, logistics and resources needed to get up and running effectively and efficiently. In doing so, the Innovation Hub helps those companies and others bring research discoveries to the marketplace, creating additional jobs in the region and state. In the first 10 months of operation, Innovation Hub tenant companies secured $7.2 million in private funding and created 85 jobs.

The 48,000-square-foot facility was built with an $8.2 million grant from the U.S. Economic Development Administration and a $5 million contribution from the University of Florida. The Innovation Hub contains office space, wet and dry laboratories, support facilities and community spaces. The Innovation Hub is the anchor building of Innovation Square, which will bridge the University of Florida campus and downtown Gainesville, both figuratively and structurally.

ii. Perry Center for Emerging Technologies - Santa Fe College

The Charles R. and Nancy V. Perry Center for Emerging Technologies is located in the City of Alachua. The project began in 2005 with a substantial contribution from Charles and Nancy Perry totaling more than $1.36 million. The first phase opened for classes in 2009. The community embraced the Center concept and raised an additional $2 million to assist with the construction. The final phase of the Center was completed with assistance from the U.S. Economic Development Administration, which awarded the Center a $1.7 million grant to construct additional laboratory and classroom facilities.

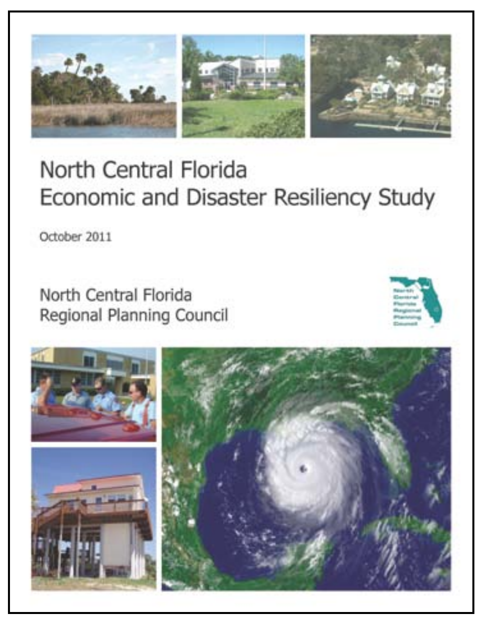


**Perry Center for Emerging Technologies
Electronics Lab, Alachua**

The new 17,367 square foot facility includes two classrooms, a computer lab, biology lab, biotech lab, director's office, five faculty offices, conference room, clean lab, prep room and storage area. The Center will promote the advancement of higher education in life sciences and health education and is the home of the College's Associate of Science Biotechnology program and the new Bachelor of Applied Science degree in Clinical Laboratory Sciences.

iii. North Central Florida Economic and Disaster Resiliency Study

In August 2008, seven of the counties in the region, Alachua, Bradford, Dixie, Hamilton, Suwannee, Taylor, and Union, sustained significant property damage caused by Tropical Storm Fay and were declared eligible for federal disaster relief funding. In order to prepare the region to rebound economically from future natural disasters and to aid in a more rapid recovery effort, funding was provided to the North Central Florida Regional Planning Council from the U.S. Economic Development Administration to conduct an economic and disaster resiliency study.



The first phase of the study developed a region-wide report detailing maps of Census Block Groups with employment by industry, housing by decade built, critical infrastructures and staging areas. Phase one also identifies which industries are densely located in hurricane/flooding prone areas allowing users to make better decisions.

The second phase of the study consisted of a economic analysis of the effects of a catastrophic event on the region. The report details the effects of the positive impacts (reconstruction spending, cleanup activity, influx of federal funds) and the negative impacts (employment, population loss, ad valorem tax loss) and their associated ripple effects across the region.

In partnership with the National Hurricane Center, the impacts of two Saffir-Simpson Category Five hurricanes were modeled using Federal Emergency Management Agency Hazus Multi-Hazard 2.0 computer program. Two hurricane paths were used to evaluate catastrophic damage resulting in the 11 counties of the region. Next, Policy Insight, an econometric model of the regional economy published by Regional Economic Models, Incorporated was used to forecast the economic impacts of these two catastrophic hurricanes. An in-depth analysis of the results was presented in the study.

b. Current Economic Development Investments

i. Innovation Square

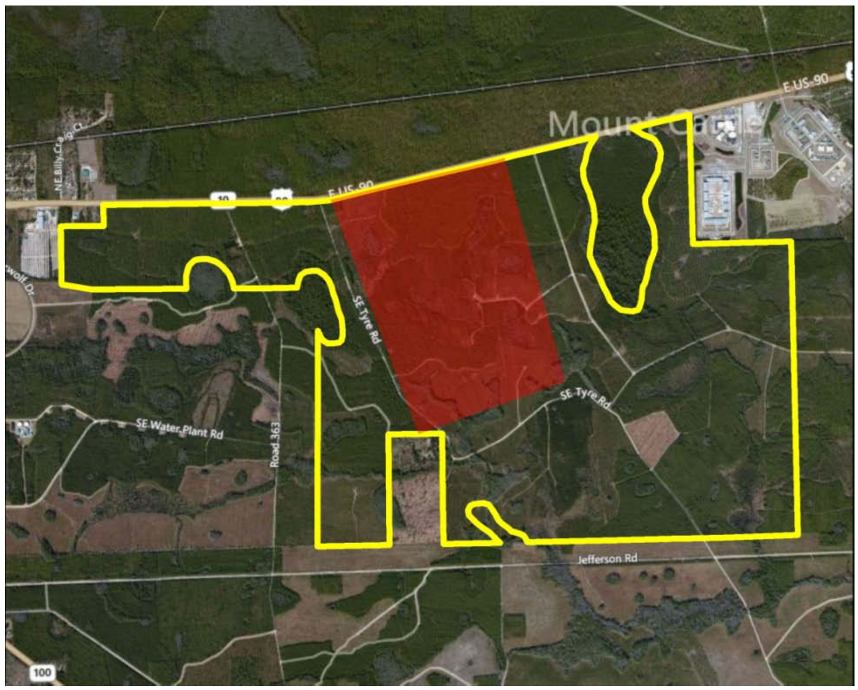
Innovation Square is a 40-acre urban master planned site for a modern innovation-based community in Gainesville. When complete the development will comprise over five million square feet of high-tech offices, research space, urban residences, community retail, boutique hotels and open space that connects the University of Florida with downtown Gainesville. The goal of the Innovation Square community is the fusion of the private sector with the University of Florida. This goal will be accomplished by providing businesses with access to a facility that is recognized for success in transferring new ideas to the marketplace through research, information, and collaboration with talented researchers.

At the heart of the Innovation Square community is a business super incubator that connects entrepreneurs with working capital, attracts the smartest people for a well-trained workforce of tomorrow, and establishes new relationships with forward-thinking companies to change the way residents live, work and play. Innovation Square is intended to create a long-lasting connection with the culturally rich and diverse urban lifestyle of Gainesville and to provide an affordable quality of life with access to premier healthcare, education from top schools and great career opportunities for all.

Innovation Square Master Plan, Gainesville

ii. North Florida Intermodal Park/Columbia County Catalyst Site

The North Florida Intermodal Park is anchored by a 500-acre tract of land owned by Plum Creek. The State has designated the tract as a catalyst site within the North Central Rural Area of Critical Economic Concern. The Catalyst Site is part of a larger 2,622-acre Plum Creek tract designated as a mixed use district. With approval for development of up to eight million square feet of industrial land use, 100,000 square feet of commercial land use, and 300 dwelling units, this district provides an opportunity for significant job creation within the region.

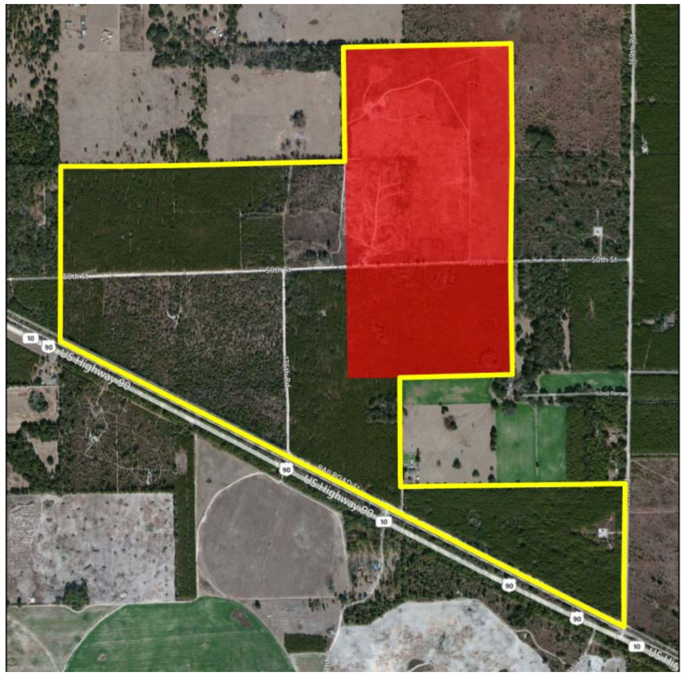


Catalyst Site, Columbia County

Legislation approved by Florida lawmakers provides additional incentives to attract business investment, including the establishment of the Catalyst Site as a Rural Enterprise Zone. This designation allows businesses that locate within the Zone an opportunity to apply for a variety of tax credits and incentives. Additionally, Congress acted to allow the Port of Jacksonville to expand their Foreign Trade Zone western boundaries to include the site. This will allow a portion of the North Florida Intermodal Park to become the magnet site for the Foreign Trade Zone in Columbia County. This designation links the site directly with the Port of Jacksonville, allowing duty free treatment for goods coming in through the Port of Jacksonville during processing/assembly in the Foreign Trade Zone; deferred duty payment until goods leave the Catalyst Site; and duty free treatment for merchandise shipped to foreign countries from the Foreign Trade Zone.

Plum Creek has retained the site location firm, McCallum Sweeney Consulting Services, to evaluate the Intermodal Park site for certification as a Mega Site. Mega site certification pre-qualifies the Intermodal Park site for immediate development, thereby reducing the risk of unanticipated development delays and allows for fast-tracking of development projects, thus lowering development costs.

iii. Suwannee County Catalyst Site



Catalyst Site, Suwannee County

The Suwannee County Board of County Commissioners purchased 100 acres to have available to incentivize potential economic development projects to locate at the State-designated Suwannee County Catalyst Site within the North Central Rural Area of Critical Economic Concern. The Suwannee County catalyst site consists of 500 acres adjacent to the CSX Railroad that runs along the U.S. Highway 90 corridor and within two miles of the Interstate-10/U.S. 90 Interchange. Suwannee County received a U.S. Economic Development Administration Master Plan Grant and a State Rural Infrastructure Fund grant to assist in funding a planning and feasibility study of the site to determine the infrastructure needed to develop and serve the site. The feasibility study and preliminary engineering report for the site have been completed, and site work to prepare the site for economic development projects is anticipated be completed in early 2013.

iv. Florida Energy Resiliency Strategy

Solar farm, Gainesville

Regional planning councils throughout the state are working on the development of a Florida Energy Resiliency Strategy that will examine both statewide and regional energy issues. Objectives of the program include identifying strategies to diversify future energy resources, reducing reliance on foreign energy sources, increasing employment in the domestic energy industry through increased domestic energy consumption and modeling the economic impacts of energy policies and the potential economic impacts of disruptions to energy supplies. Partners in the Energy Strategy development include regional planning councils, the U.S. Economic Development Administration, the U.S. Department of Energy, the Florida Office of Energy and energy industry stakeholders. Development of the Strategy is being funded by a grant from the U.S. Economic Development Administration.

c. Anticipated Economic Development Investments

i. Comprehensive Economic Development Strategy Priority Project Areas

The Comprehensive Economic Development Strategy Priority Project Areas serve as the roadmap for future economic development projects in the region. Future projects that fall within one of the priority project categories and are consistent with the goals and objectives of the Comprehensive Economic Development Strategy will be eligible for funding from the U.S. Economic Development Administration.

1. **Talent Supply & Education** - Support the development of educational programs to increase the labor force in the healthcare and life sciences industry.

2. **Innovation & Economic Development** - Support the development of the catalyst sites for the North Central Florida Rural Area of Critical Economic Concern and the development and expansion of regional business incubators and research parks.

3. **Infrastructure & Growth Leadership** - Support continuing improvements to multi-modal infrastructure, including highway interchanges along interstate corridors, railway corridors, airport facilities and broadband infrastructure.

4. **Business Climate & Competitiveness** - Support streamlining processes at the local level to encourage new businesses to open and help existing businesses thrive.

5. **Civic & Governance Systems** - Support programs to educate local government officials in the fundamentals of economic development.

6. **Quality of Life & Quality Places** - Support regional tourism promotional initiatives.

ii. Santa Fe College Economic Development Initiatives

Santa Fe College and the City of Gainesville are in the process of negotiating a ten-year agreement for the College to provide management for the 30,000 square foot Gainesville Technology Enterprise Center located in East Gainesville. The shared vision is to reposition the Center within the local innovation community and among the other existing incubators (Innovation Hub at UF, Santa Fe College Center for Innovation and Economic Development and Sid Martin Biotechnology Incubator). The broad goal will be to provide incubation and support for start-up and fledgling companies and then transition them to more permanent facilities within the local community. In addition to serving resident companies, there will be an effort to situate a prototyping laboratory and an office for community technology transfer within the Gainesville Technology Enterprise Center. These functions will provide significant assistance to inventors and entrepreneurs from the local community.

B. Performance Measures

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

a. Total Employment in Initial Year

b. Total Employment in Subsequent Years

2. Number and Types of Public Sector Investments Undertaken in the Region

a. EDA Sponsored Investments

b. Significant State and Local Investments

3. Number of Jobs Retained in the Region

a. Number of Jobs Retained as a Result of Federal Investments

b. Number of Jobs Retained as a Result of Select State and Local Investments

4. Amount of Private Sector Investment in the Region After Implementation of the Comprehensive Economic Development Strategy

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

C. Six Pillars Measures

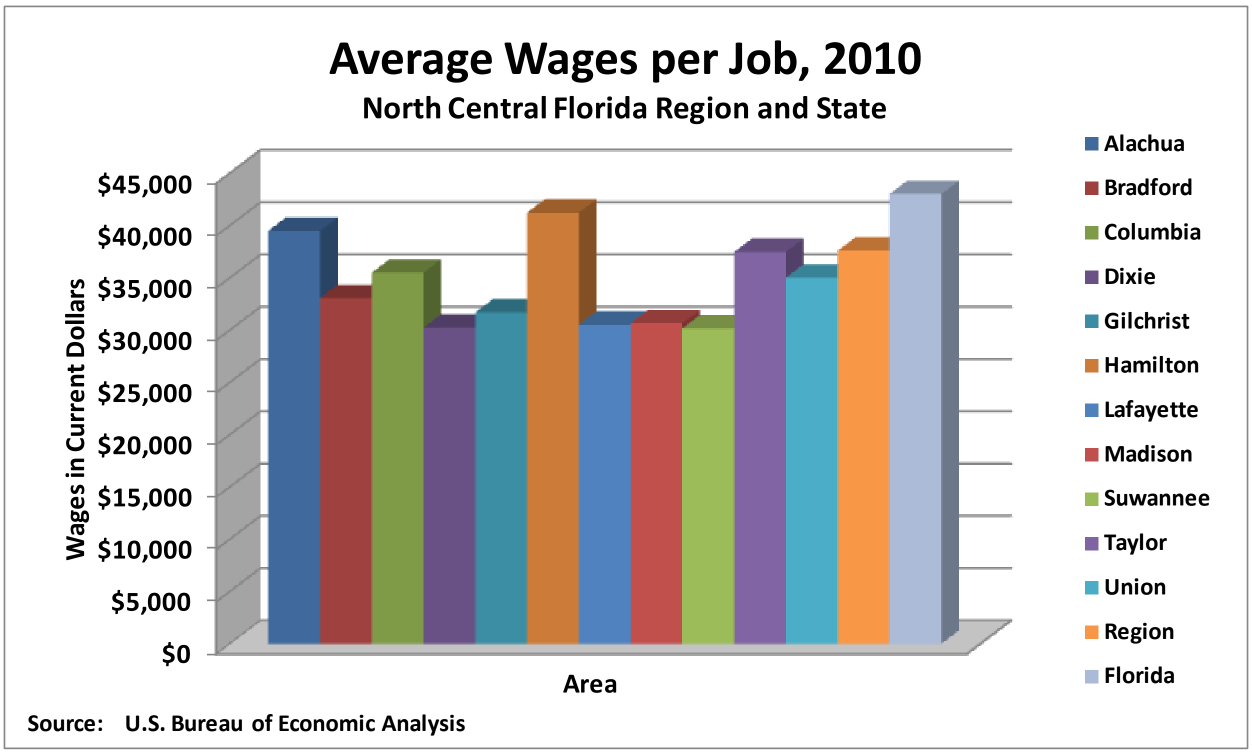
1. Talent Supply & Education

a. Average Annual Wage

As shown in Illustration C-1, average wages per job in most of the counties within the region are significantly lower than average wages for the state. In 2010, overall average wages per job across the region were more than $5,400 short of state average wages.

Illustration C-1

Average Annual Wages per Job
North Central Florida Region and State
Current Dollars
2010

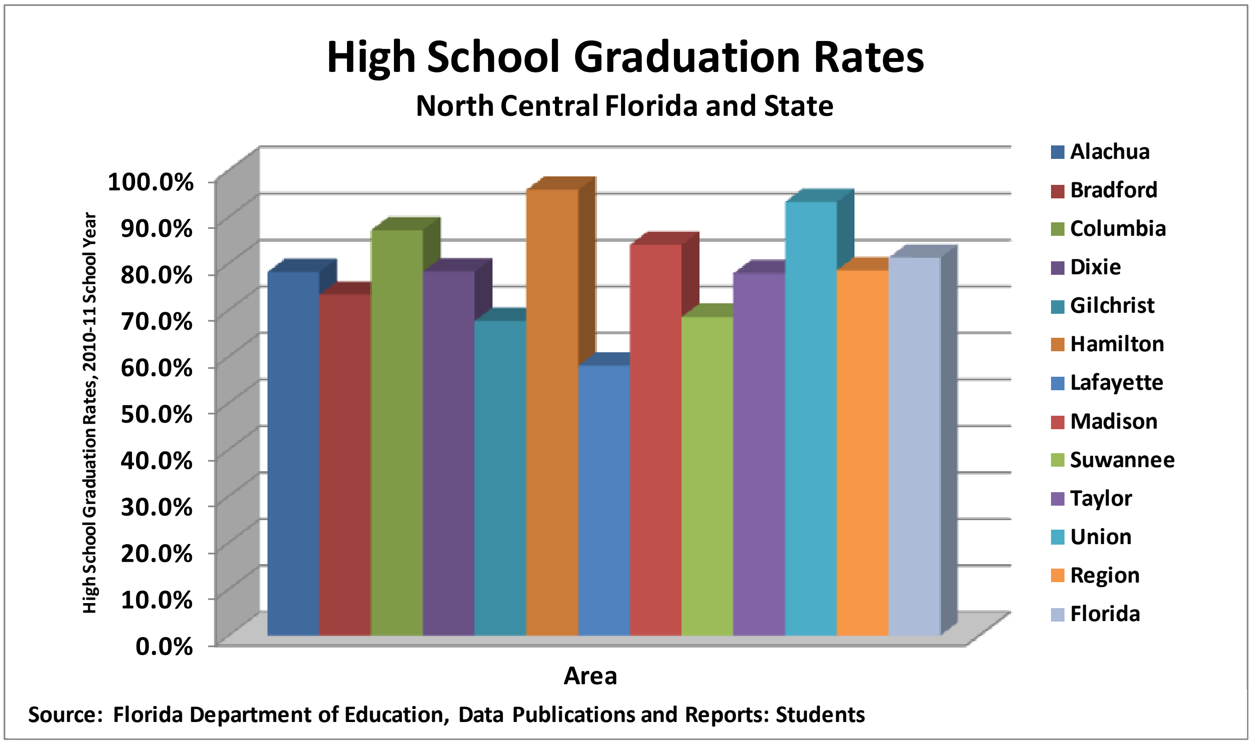


b. High School Graduation Rates

As shown in Illustration C-2, during the 2010-11 school year the high school graduation rate for the region was only slightly less than the state rate. Four counties, Columbia, Hamilton, Madison and Union have high school graduation rates higher that of the state, while the remaining seven counties fell below the state rate.

Illustration C-2

High School Graduation Rates
North Central Florida Region and State
School Year 2010-11

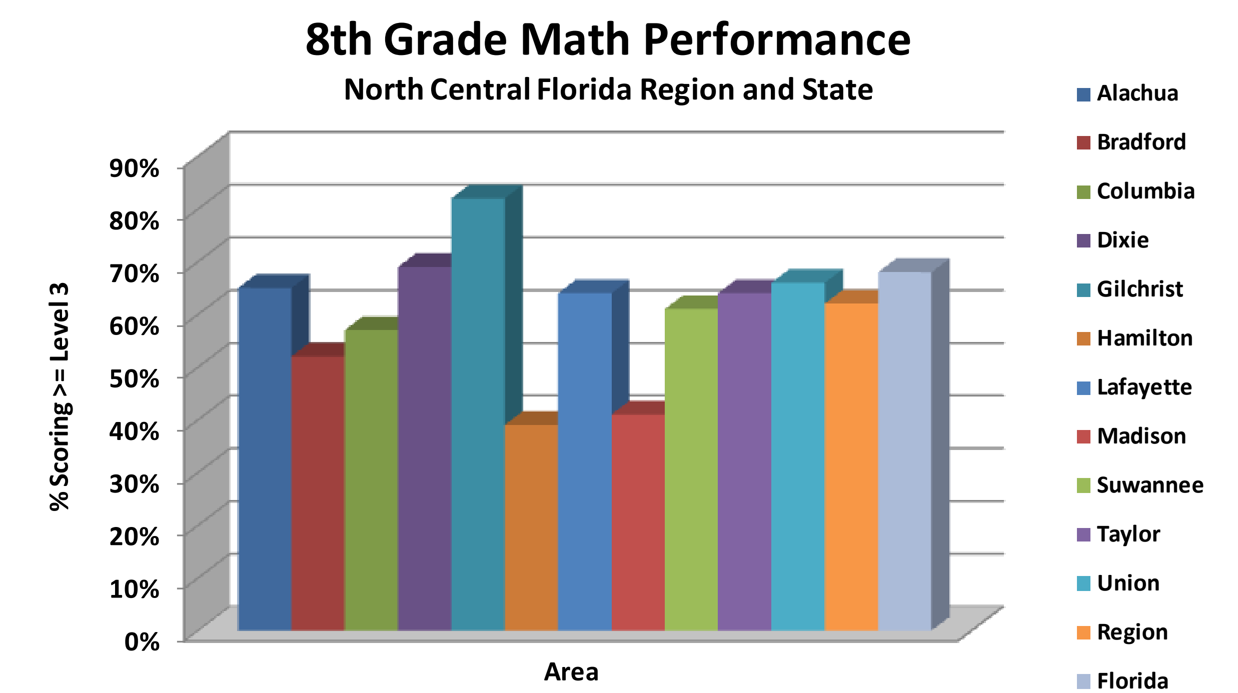


c. 8th Grade Math Performance

As shown in Illustration C-3, in 2010, the 8th grade math performance on the Florida Comprehensive Assessment Test of the region lagged behind that of the state. Only Gilchrist and Dixie Counties exceeded state averages for this measure.

Illustration C-3

8th Grade Math Performance on the Florida Comprehensive Assessment Test
Percent Scoring >= Level 3 of 5
North Central Florida Region and State
2010



Source: Florida Department of Education, Florida Comprehensive Assessment Test

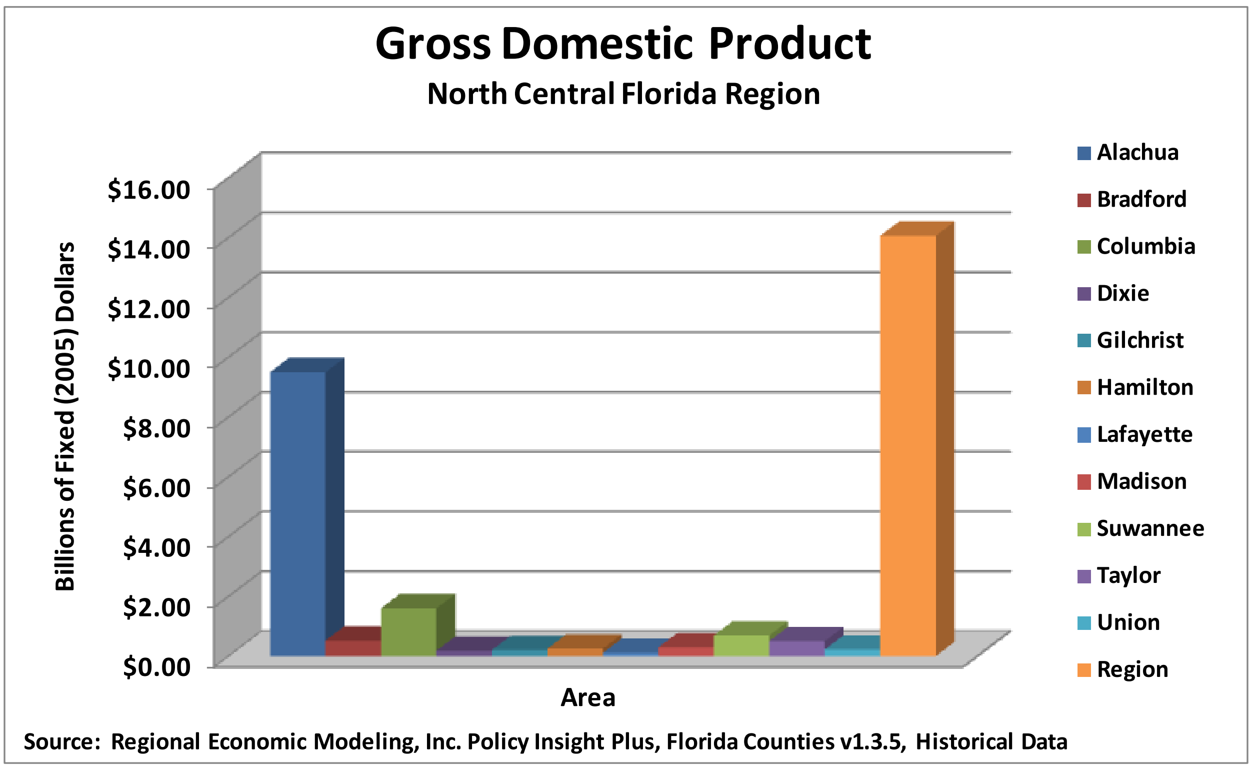
2. Innovation & Economic Development

a. Gross Domestic Product

Illustration C-4 shows that Alachua County is the largest economic engine of the region, accounting for nearly two-thirds of regional Gross Domestic Product. Alachua County is the only urban county in the region and the presence of the University of Florida and the economic activity surrounding it are major factors in the economic livelihood of the county.

Illustration C-4

Gross Domestic Product
North Central Florida Region
Billions of Fixed 2005 Dollars
2010

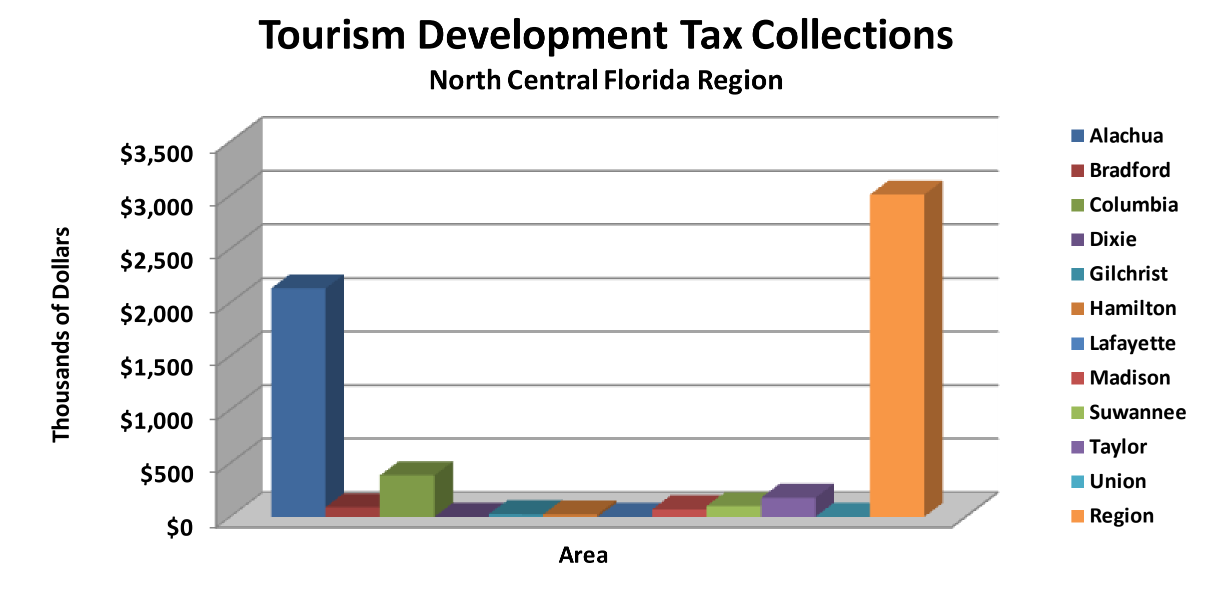


b. Bed Tax Collections

Illustration C-5 shows that the majority of Tourism Development Taxes in the region are generated in Alachua County. This is due in large part to the high volume of visitors generated by the presence of the University of Florida and the nationally acclaimed sports programs of the school. The other ten rural counties of the region rely on nature-based amenities such as springs, rivers and the Gulf of Mexico to attract visitors.

Illustration C-5

Tourism Development Tax Collections
North Central Florida Region
Thousands of Dollars
Fiscal Year 2009-10



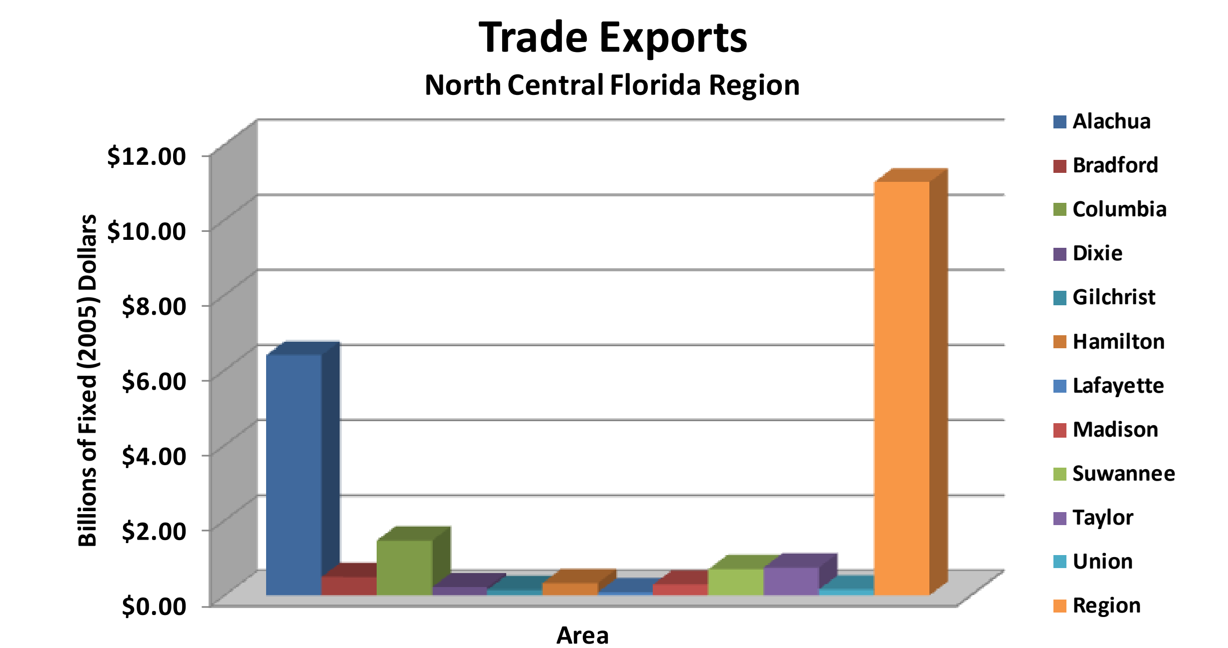
Source: Florida Department of Revenue, Local Government Tax Receipts by County

c. Trade Exports and Imports

Illustration C-6a shows that Alachua County accounts for over one-half of all exported goods and services from the region, followed by Columbia County with just over 13 percent. This is primarily due to the higher concentration of population and businesses located in the urbanized areas of Alachua County.

Illustration C-6a

Trade Exports
North Central Florida Region
Billions of Fixed 2005 Dollars
2010

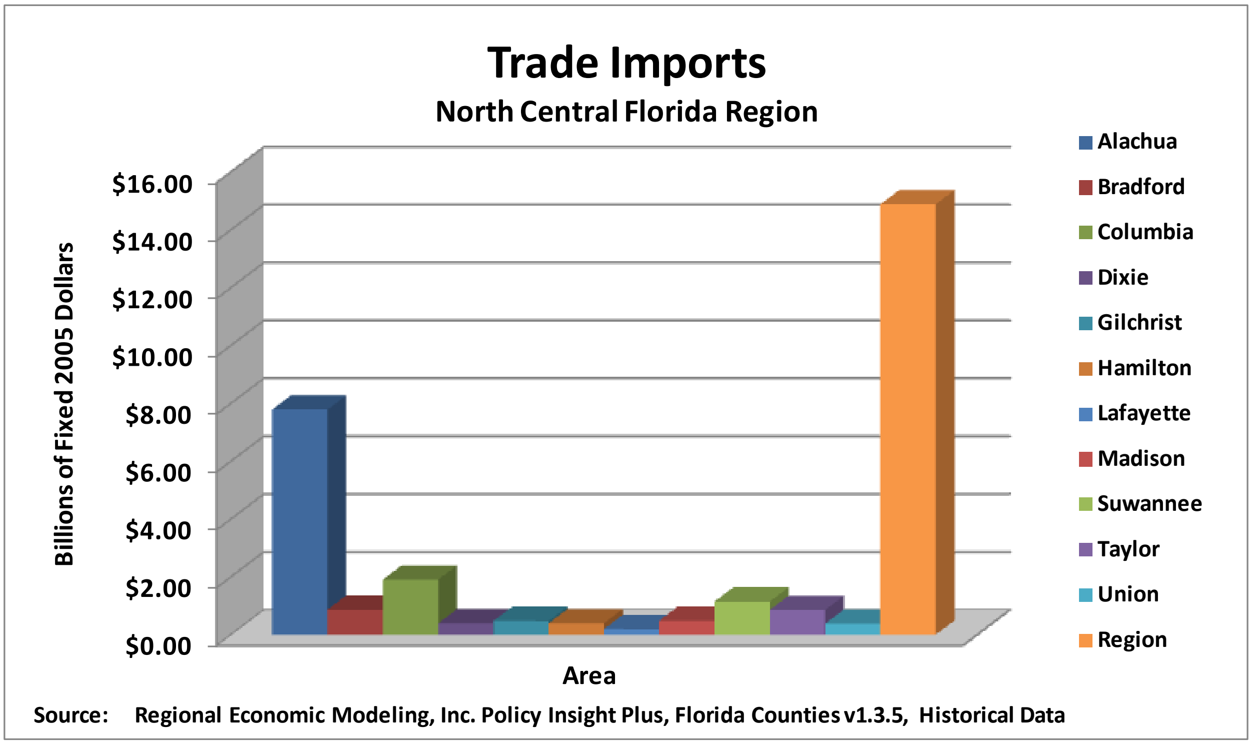


Source: Regional Economic Modeling, Inc. Policy Insight Plus, Florida Counties v1.3.5, Historical Data

Illustration C-6b shows that Alachua and Columbia Counties are the two largest importers of goods and services in the region, accounting for 52 percent and 13 percent respectively. In 2010, the region imported $3.9 billion more than it exported, meaning that the region as a whole is a net importer of goods and services, as are each of the counties within the region.

Illustration C-6b

Trade Imports
North Central Florida Region
Billions of Fixed 2005 Dollars
2010



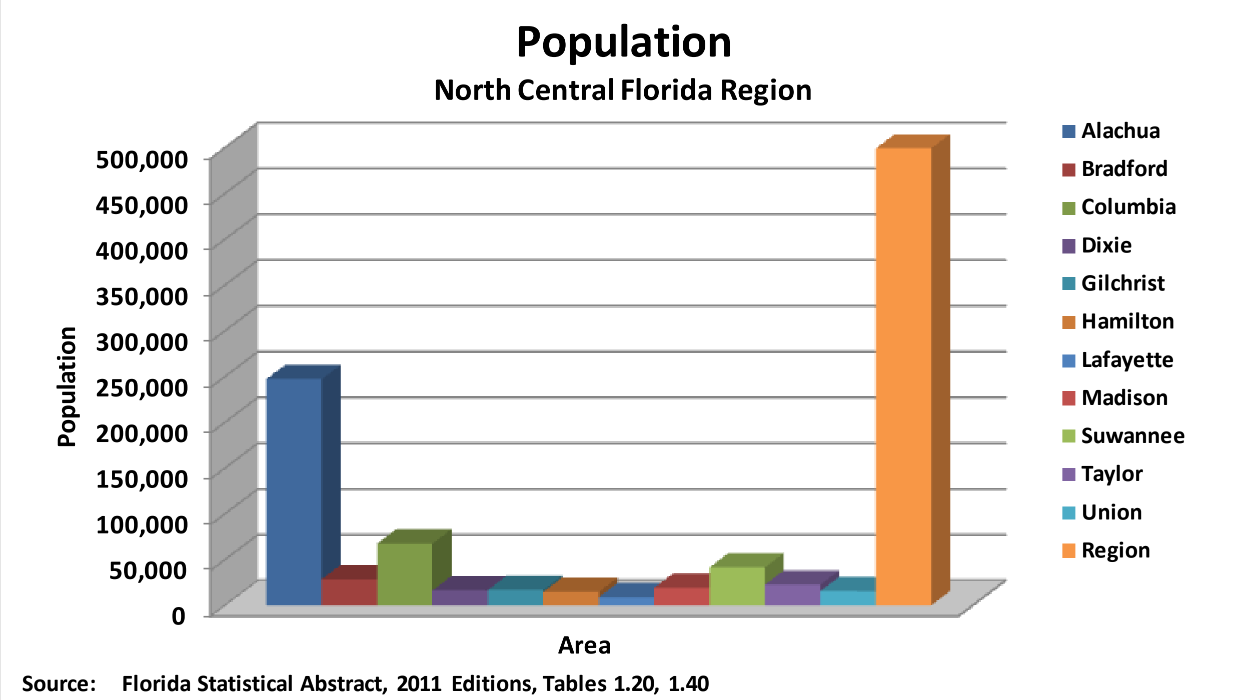
3. Infrastructure & Growth Leadership

a. Population Counts, Estimates and Projections

Illustration C-7 shows that in 2010, the region had just under one-half million residents, and that nearly one-half of the population of the region resided within Alachua County, the only urban county within the region.

Illustration C-7

Population Counts, Estimates and Projections
North Central Florida Region
2010



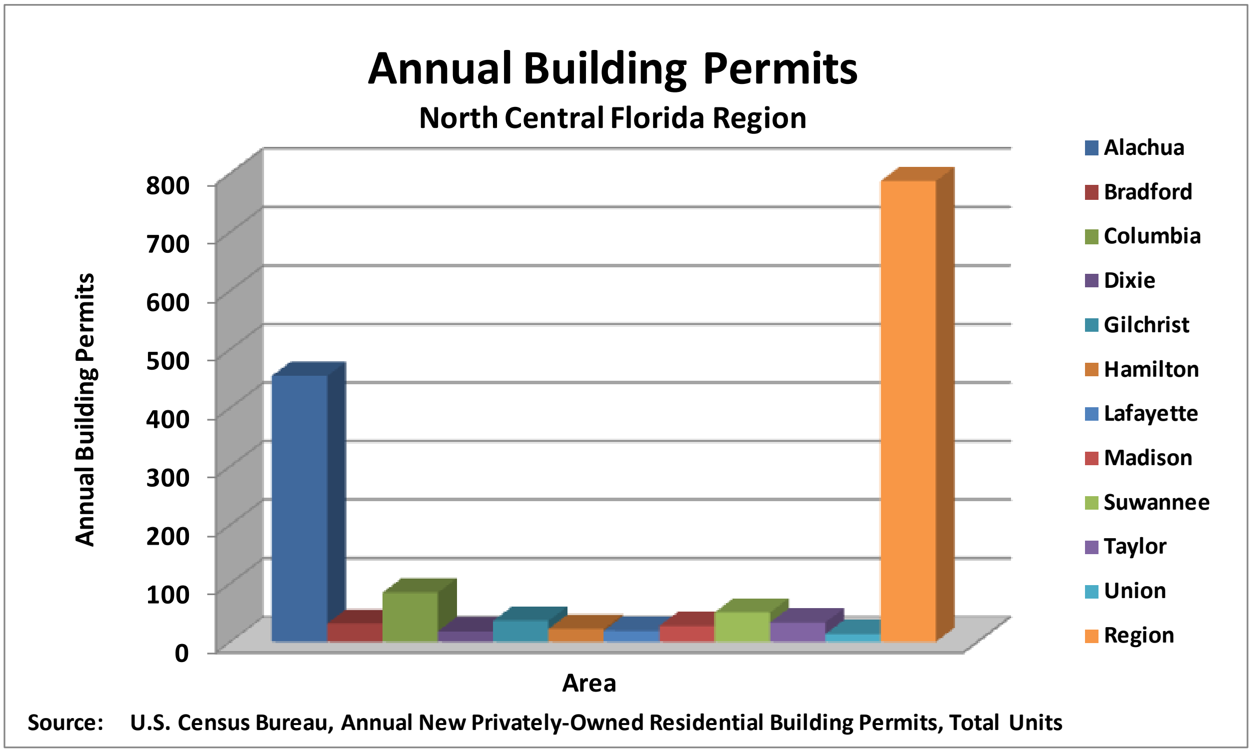
Source: Florida Statistical Abstract, 2011 Editions, Tables 1.20, 1.40

b. Building Permits

Illustration C-8 shows that in 2010, the majority of new residential construction activity in the region was centered in Alachua County. Residential construction in the region is still suffering from the after-effects of the national housing market collapse in 2006, and none of the counties in the region are building new homes at a rate similar to previous levels. The number of permits for new housing in the region as a whole is only 25 percent of the number of permits obtained in 2001.

Illustration C-8

Annual Building Permits
North Central Florida Region
Residential Units
2010

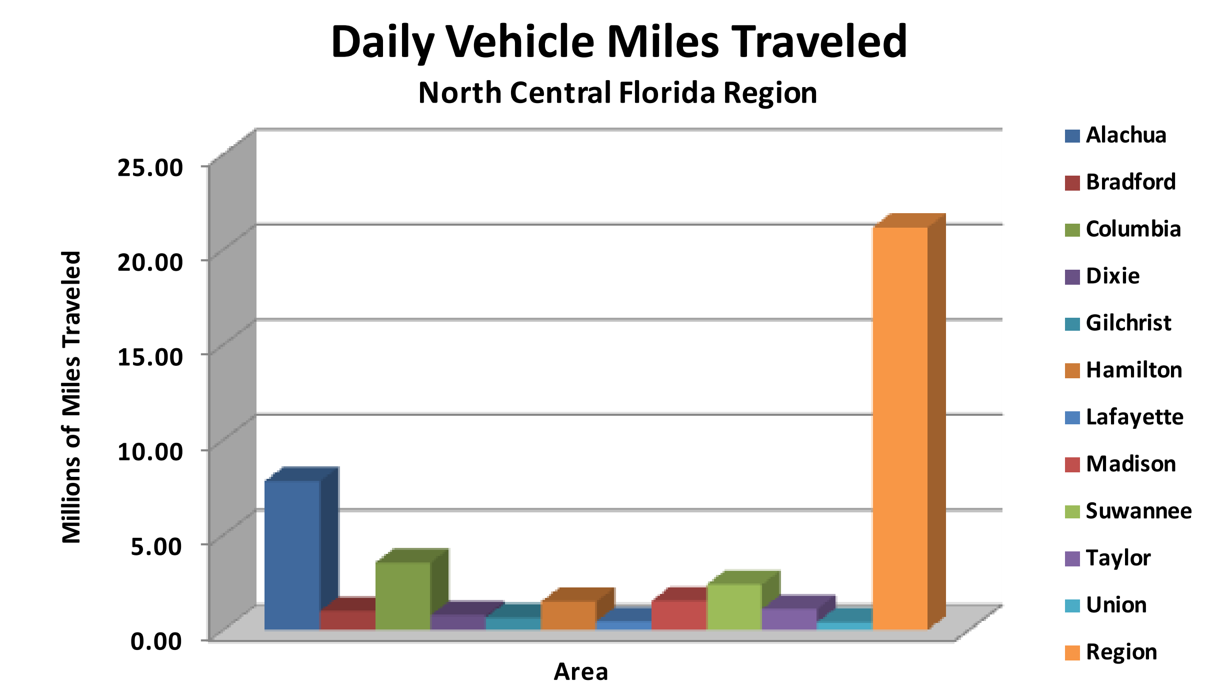


c. Vehicle Miles Traveled

Illustration C-9 shows average daily vehicle miles traveled in the region. The five counties with interstate highways, Alachua, Columbia, Hamilton, Madison and Suwannee, all have the highest daily traffic volumes in the region.

Illustration C-9

Daily Vehicle Miles Traveled
North Central Florida Region
Millions of Miles
2010



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

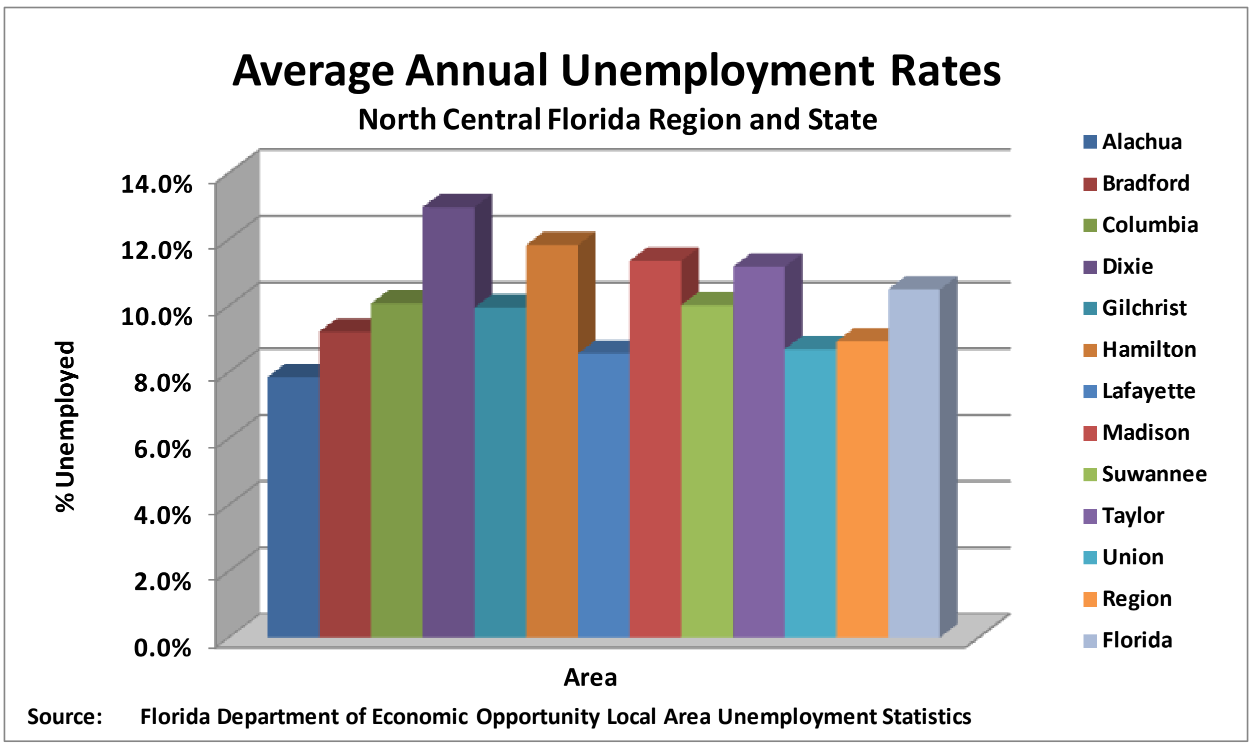
4. Business Climate & Competitiveness

a. Average Annual Unemployment Rates

Illustration C-10 shows the average unemployment rate for the region and state. In 2010, average annual unemployment in the counties within the region ranged from a low of 7.9 percent in Alachua County to a high of 13.0 percent in Dixie County. Overall, the regional annual unemployment rate of 8.9 percent was 1.6 percent lower than the state rate of 10.5 percent.

Illustration C-10

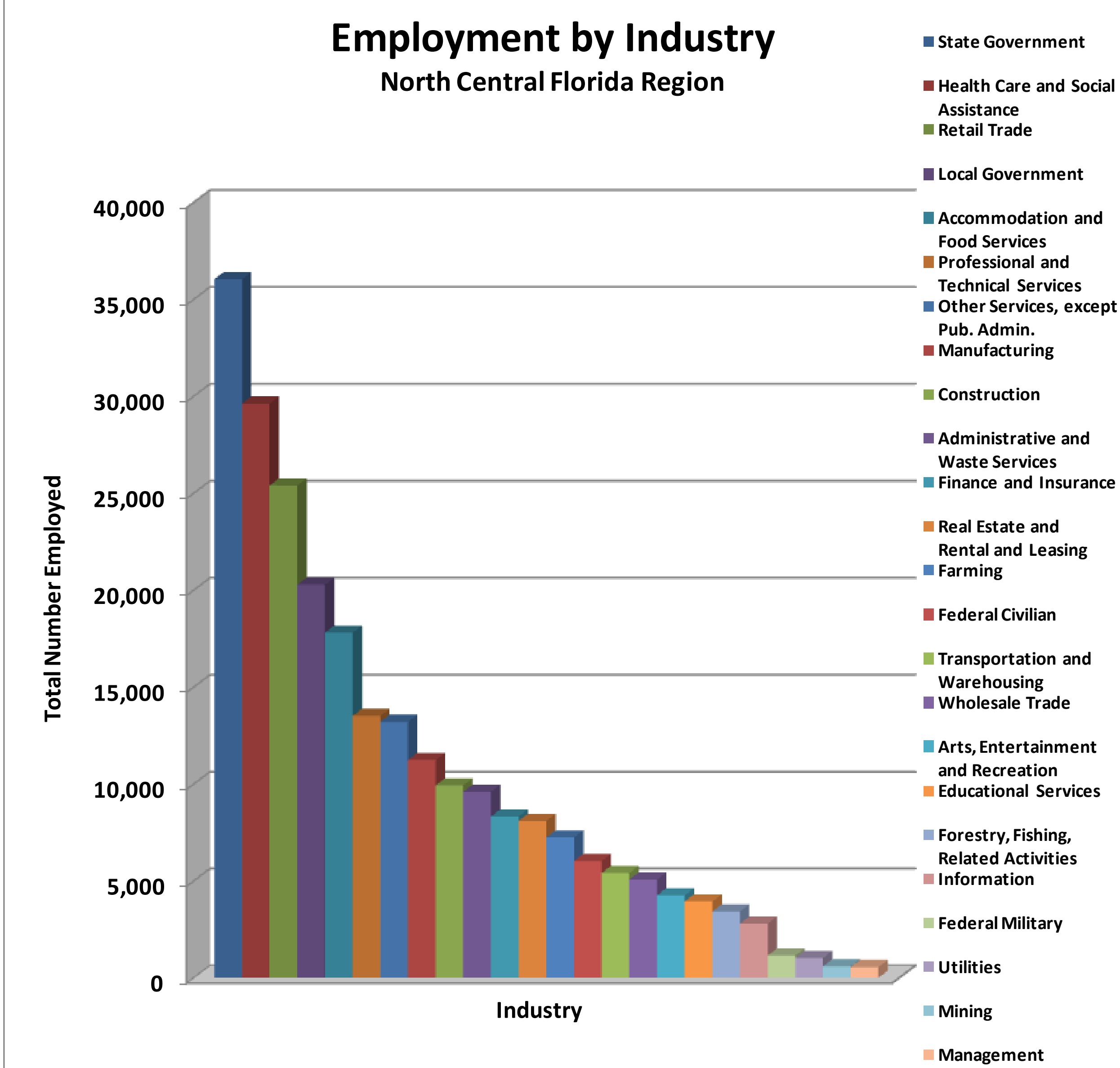
Average Annual Unemployment Rates
North Central Florida Region and State
2010



b. Employment by Industry

Illustration C-11a

**Employment by Industry
North Central Florida Region
2010**



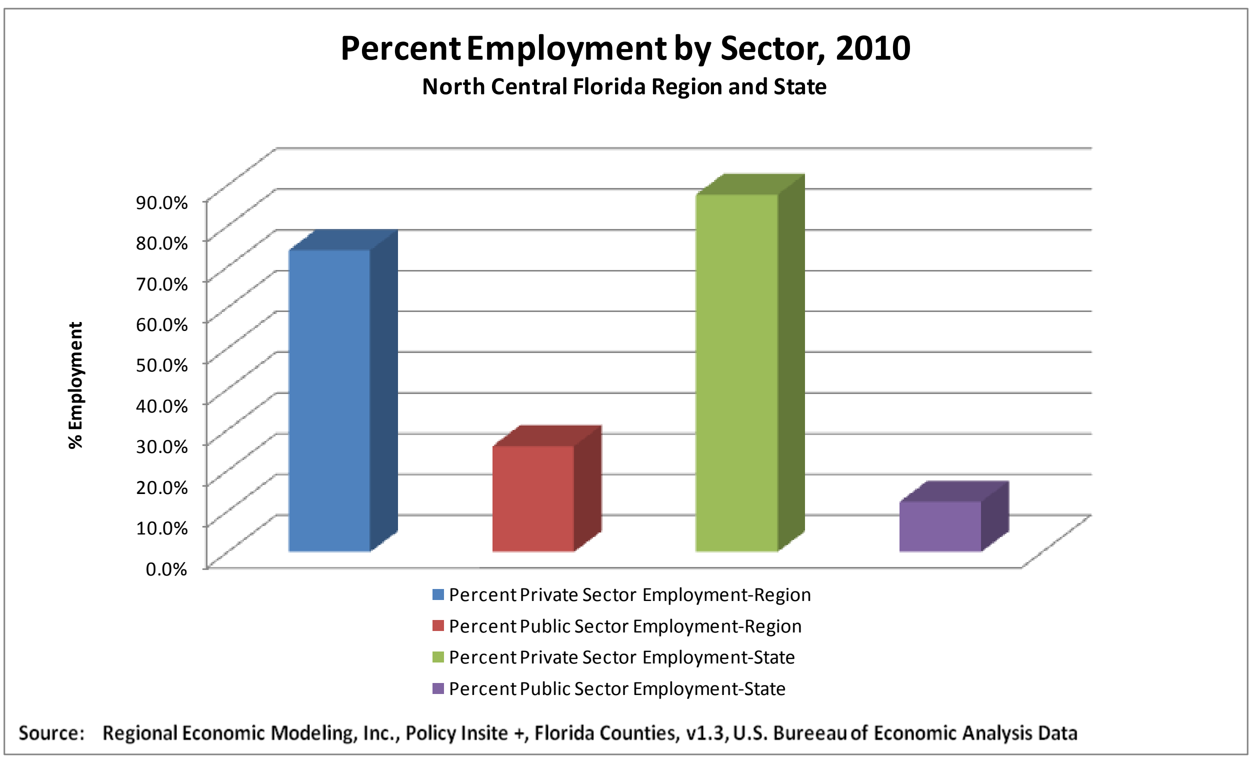
Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

Illustration C-11a above shows that in 2010, the top five employment industries in the region were State Government, Health Care and Social Assistance, Retail Trade, Local Government and Accommodation and Food Services. These five industries represent over 52 percent of total employment in the region.

Illustration C-11b shows percent employment by sector. In 2010, 74 percent were employed in the private sector, as opposed to 26 percent in the public sector, which is more than double the overall state employment in the public sector of 12.3 percent. The variance in employment patterns is due to a high concentration of state educational employees, as well as state prison employees in the region.

Illustration C-11b

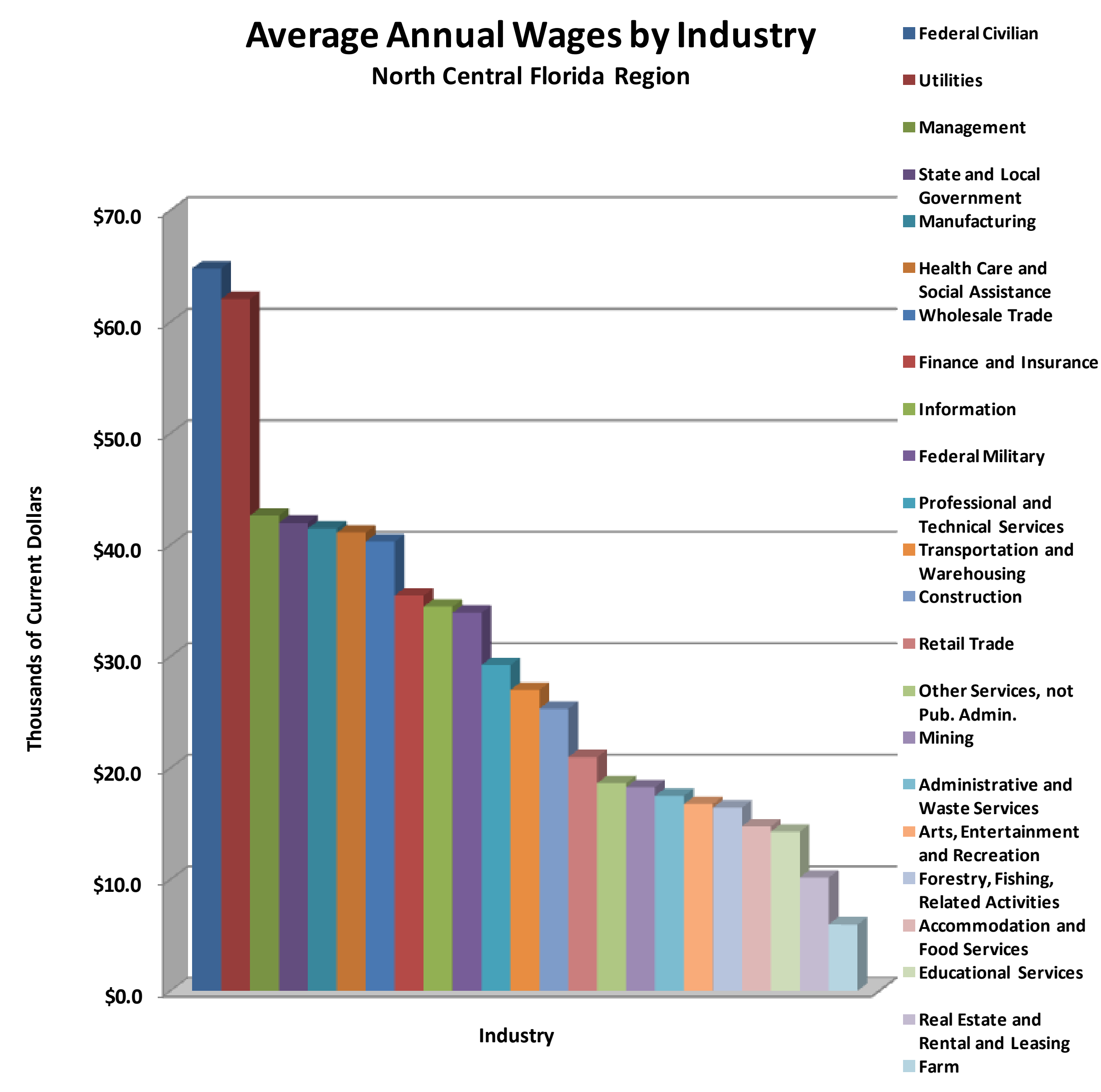
**Percent Employment by Sector
North Central Florida Region and State
2010**



c. Wages by Industry

Illustration C-12a

**Average Annual Wages by Industry
North Central Florida Region
Thousands of Current Dollars
2010**



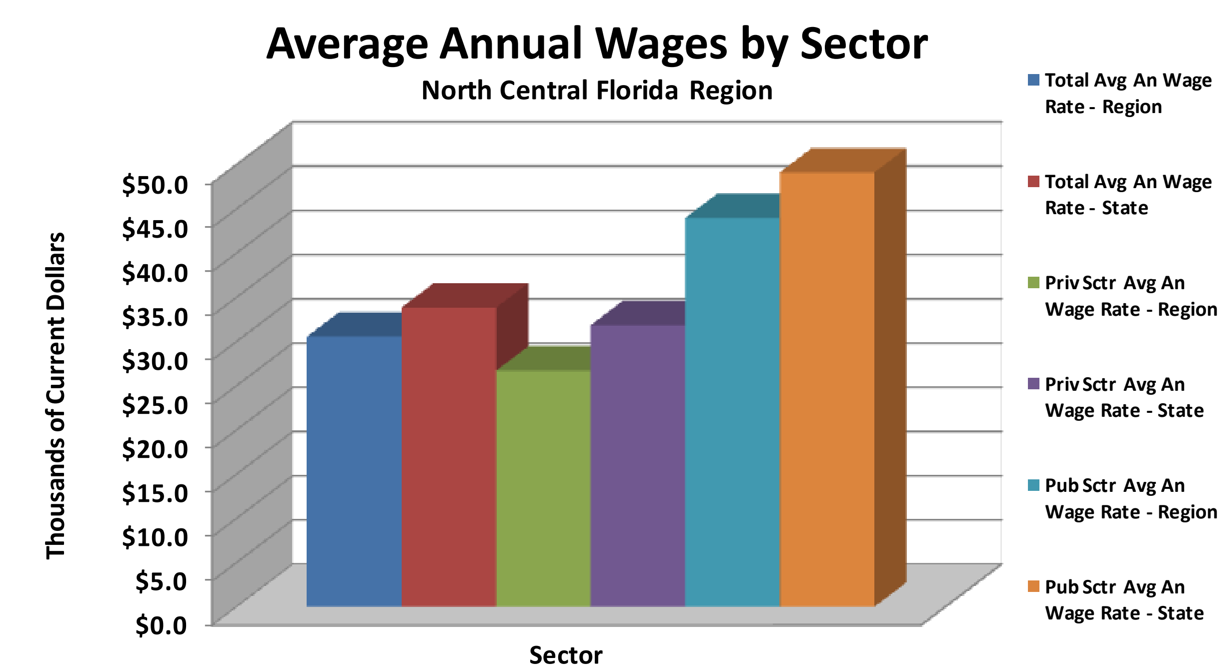
Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

Illustration C-12a above shows that in 2010, the Federal Civilian and Utilities employment categories paid substantially higher wages than any other category of employment. The difference between those two employment categories and all others can be attributed to the higher and more specialized educational requirements for employment in those fields.

Illustration C-12b shows that in 2010, in both the private as well as public sectors, regional average annual wages lag behind those of the state. Private sector average annual wages in the region were over 16 percent less that state average wages, while in the public sector, average annual wages were over 11 percent below state averages.

Illustration C-12b

Average Annual Wages by Sector
North Central Florida Region
Thousands of Current Dollars
2010



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

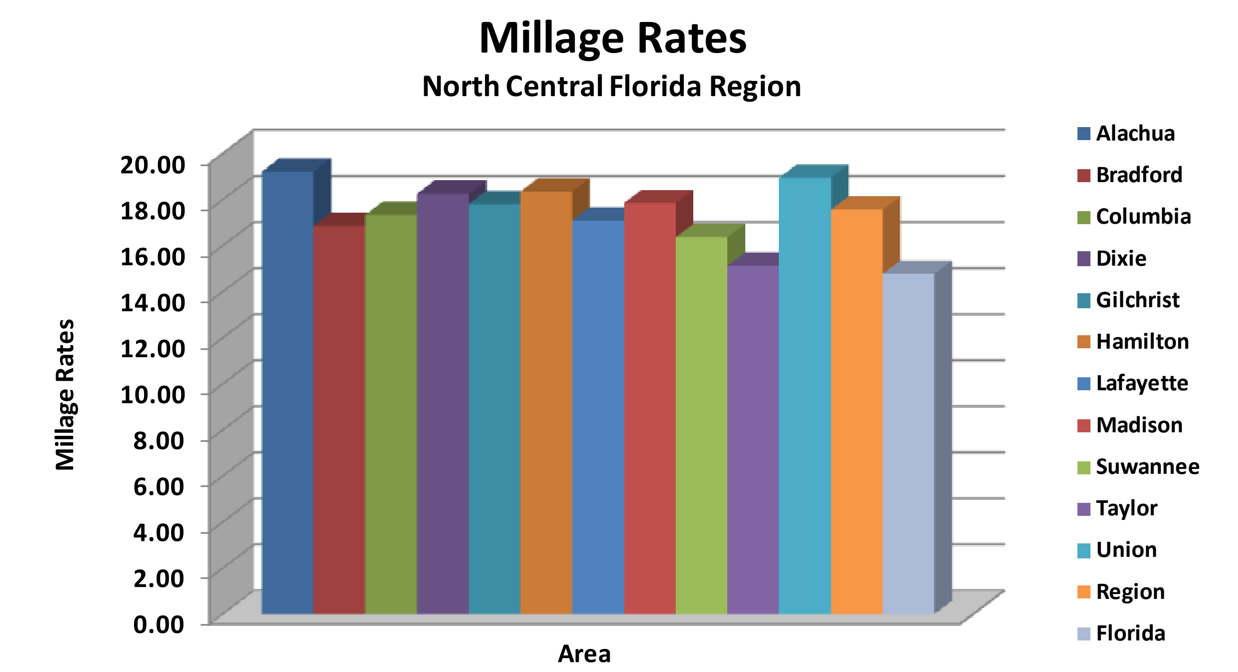
5. Civic & Governance Systems

a. Millage Rates

Illustration C-13 shows that in 2010, millage rates across the region were higher than the state average millage rate. The region generally has some of the lowest property values in the state, and also has significant publicly held lands that do not contribute to the tax base. Therefore, local governments must rely on higher millage rates to provide funding for services.

Illustration C-13

Millage Rates
North Central Florida Region and State
2010



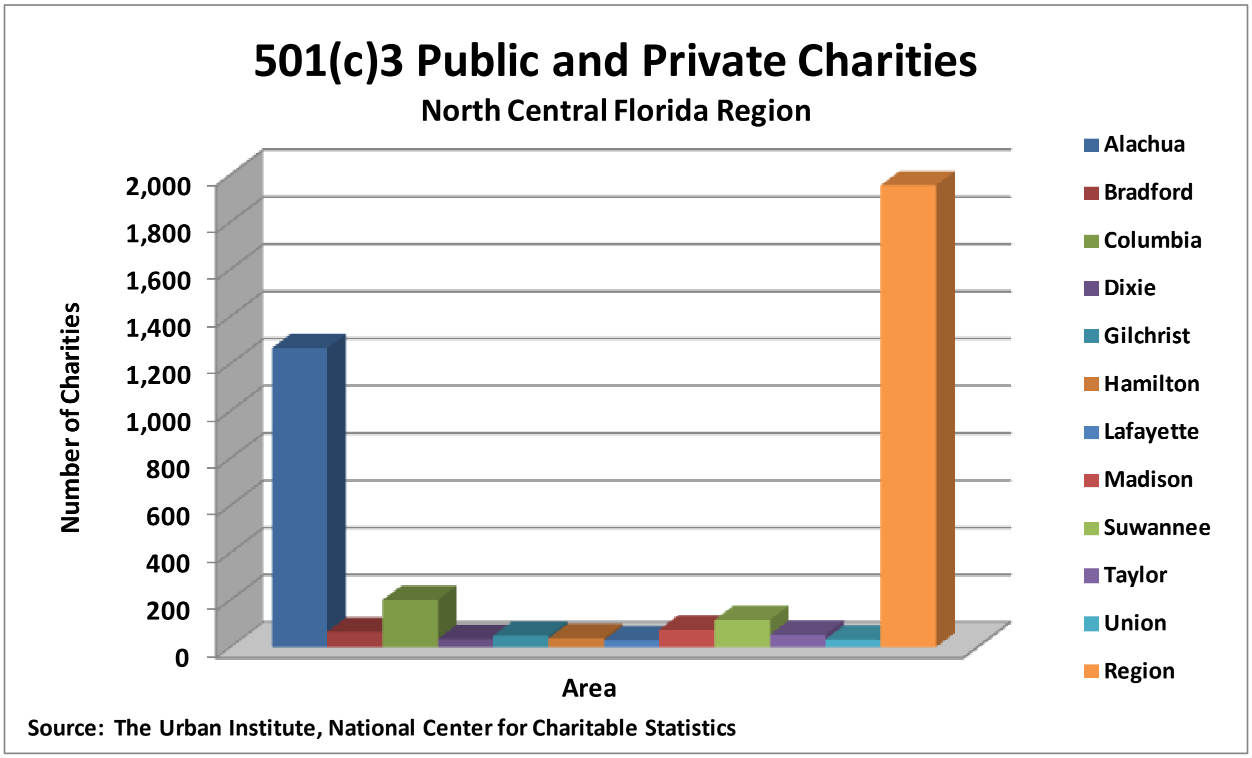
Source: Florida Department of Revenue, Millage and Taxes Levied Report

b. Registered Nonprofit Organizations

Illustration C-14 shows that in 2010, the majority of charitable organizations are located within the most populous three counties in the region, Alachua, Columbia and Suwannee. When combined, the top three counties represent over 80 percent of total registered charities in the region.

Illustration C-14

Registered 501(c)3 Organizations
Public and Private Foundation Charities
North Central Florida Region
2010

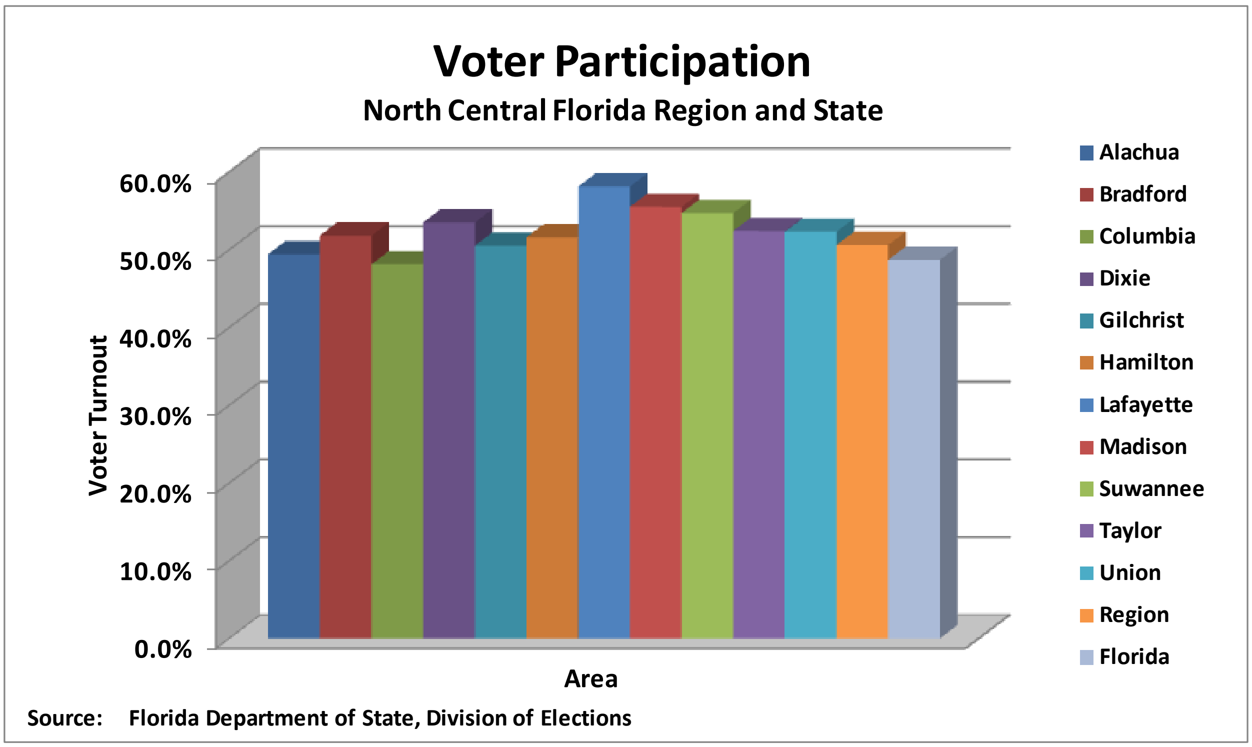


c. Voter Participation

Illustration C-15 shows that in the 2010, non-presidential biennial general election, voter participation across the region was somewhat higher than that of the state. Voter participation across the region fell within a range of 10 percentage points.

Illustration C-15

Voter Participation
North Central Florida Region and State
Biennial General Elections
2010



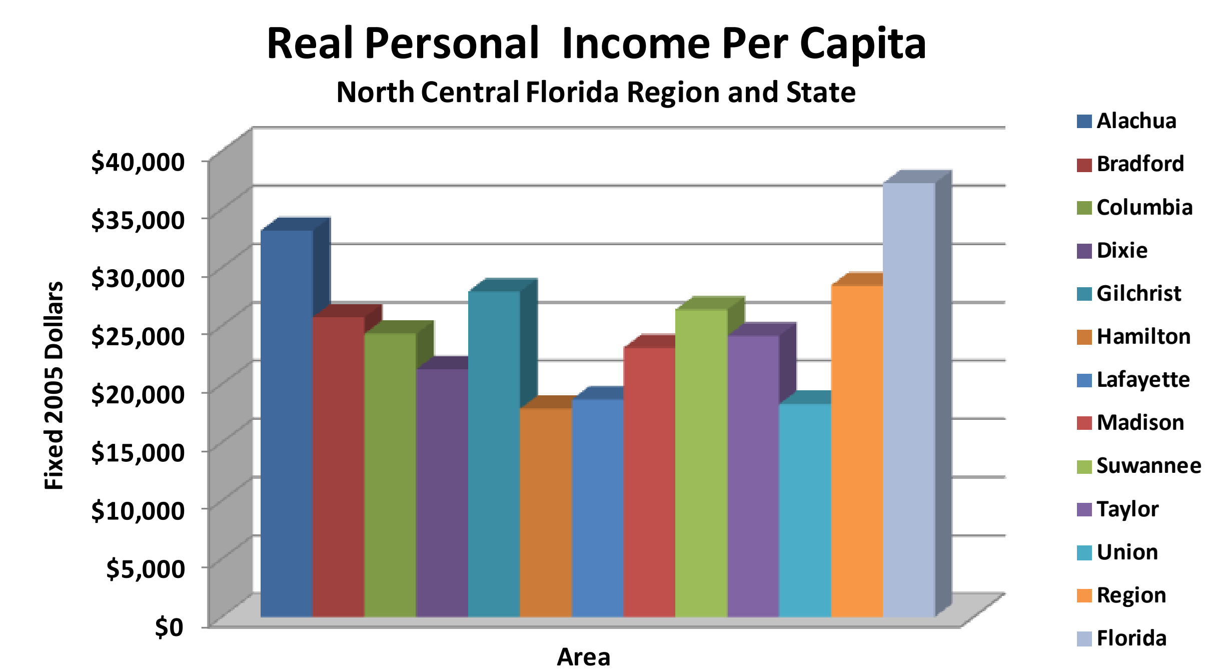
6. Quality of Life & Quality Places

a. Per Capita Income

Illustration C-16 shows that in 2010, per capita incomes across the region fell well short of the state average per capita income. The region as a whole had an average per capita income that was over 30 percent less than the state per capita income, Hamilton County had less than one-half the state average per capita income.

Illustration C-16

Real Personal Per Capita Income
North Central Florida Region and State
Fixed 2005 Dollars
2010



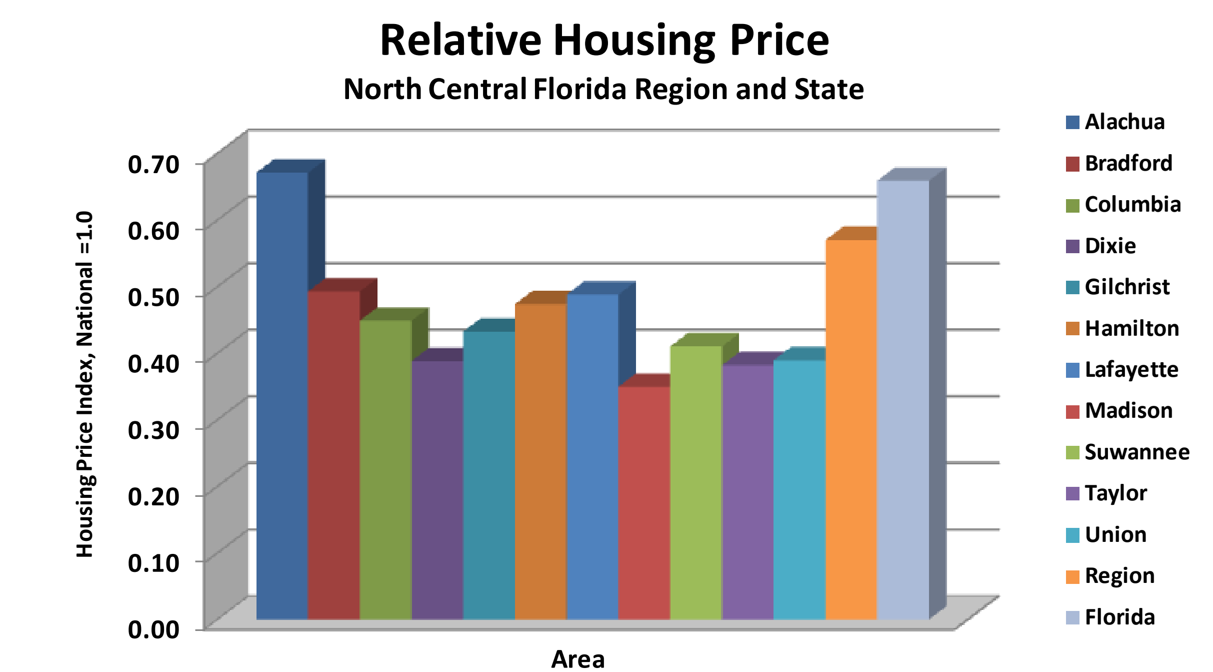
Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3, U.S. Bureau of Economic Analysis Data

b. House Purchase Price and Cost Index

Illustration C-17 shows that in 2010, housing in the region remained affordable relative to state and national averages. Only Alachua County had a housing price index value greater than that of the state. The majority of counties within the region had relative housing price index values less than one-half of the national average.

Illustration C-17

Relative Housing Price
North Central Florida Region and State
National Index = 1.0
2010



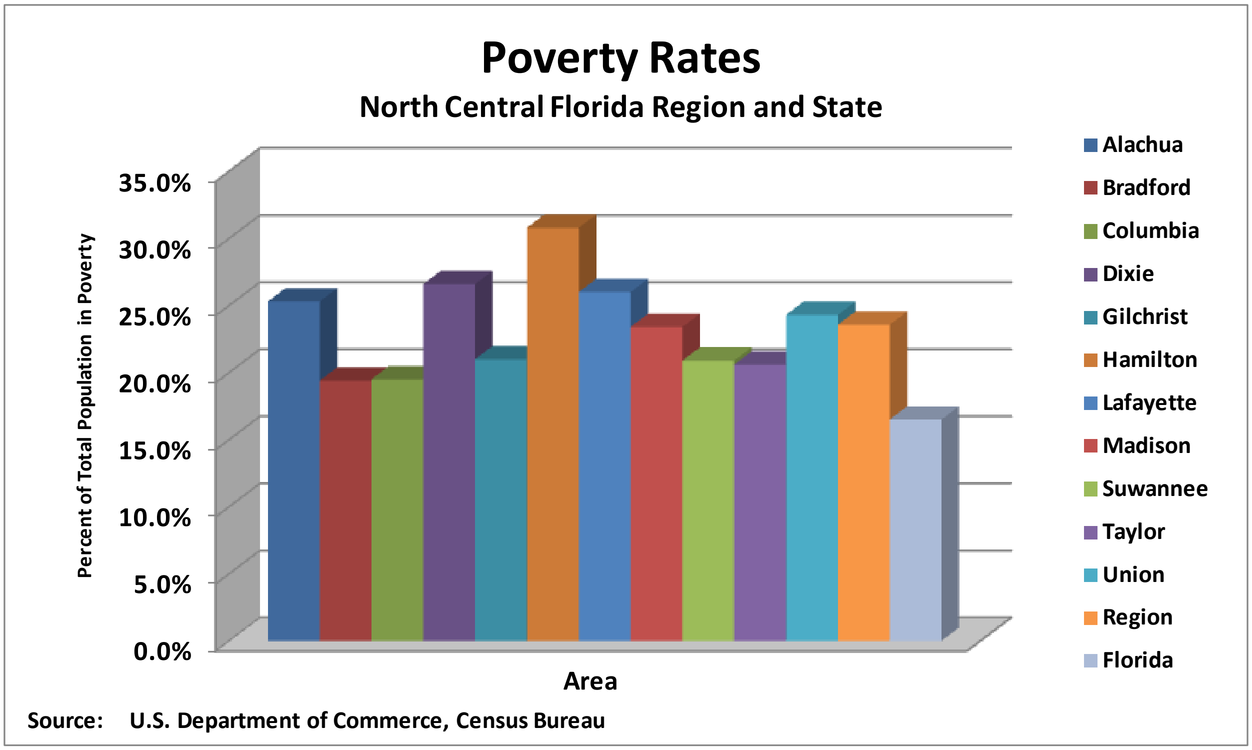
Source: Regional Economic Modeling, Inc., Policy Insite+, Florida Counties, v1.3

c. Persons Living in Poverty

Illustration C-18 shows that in 2010, poverty rates across the region exceeded the state poverty rate. As a whole, the regional poverty rate exceeded the state rate by over seven percent, while counties within the region exceeded the state rate by as much as 14.3 percent.

Illustration C-18

Percent of Persons Living in Poverty
North Central Florida Region and State
2010



D. Community and Private Sector Participation - The Six Pillars Caucus System and Comprehensive Economic Development Strategy Development

The members of the Comprehensive Economic Development Strategy Committee and Regional Planning Council performed the policy guidance function of a Six Pillars Caucus. The Comprehensive Economic Development Strategy Committee represents a broad range of community organizations. Members are invited to participate as members on the committee based on their experience in private enterprise, economic development, education, civic and minority representation and workforce development. The Goals, Objectives and overall Strategy were developed based on the collective understanding by the Committee of the economic development needs of the region. The Committee members responsible for drafting the 2013-2017 Comprehensive Economic Development Strategy are, as follows:

Harvey Campbell, Executive Director, Columbia County Tourist Development Council

Dennis Cason, President, Suwannee County Chamber/Economic Development Alliance

Allen Cherry, Executive Director, Madison County Development Council

Chris Coleman, Registered Representative, East Gainesville Corp./Falcon Financial Group

** Thomas Collett, President, TDC Entertainment

Dennille Decker, Director, Columbia County/Lake City Chamber

Scott Fredrick, Director, Taylor County Development Authority

Charles Hall, President, Florida Gateway College

Jeff Hendry, Executive Director, North Florida Economic Development Partnership

Dug Jones, Assistant Vice-President for Economic Development, Santa Fe College

Jesse Quillen, Director, Columbia County Economic Development

David Ramsey, Senior Director, Gainesville Area Chamber/Council for Economic Outreach

* Susan Ramsey, Executive Director, Hamilton County Development Authority

Sheryl Rehberg, Executive Director, North Florida Workforce Development Board

Kim Tesch-Vaught, Executive Director, Florida Works Workforce Development Board

* Chair
** Vice-Chair

North Central Florida Regional Planning Council

Comprehensive Economic Development Strategy Team

Scott R. Koons, AICP, Executive Director

* Bryan S. Thomas, Economic Development Program Director

** Kevin D. Parrish, Information Technology and Property Management Director

** Carol Laine, Executive Assistant to the Executive Director

** Jean Strong, Secretary II

* Primary Responsibility
** Secondary Responsibility

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Regional Planning Council

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