

Apalachee Region Comprehensive Economic Development Strategy 2013-2017 **2016 Update**



Apalachee Regional Planning Council



Apalachee Region Comprehensive Economic Development Strategy

2013-2017

2016 Update

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Apalachee Regional Planning Council

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Executive Summary

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

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

The 2013 report was reformatted from previous editions. There is far less examination of the geology and setting and a purposeful restructuring to align this document with the Florida Chamber Foundation's Six Pillars of Economic Development. This effort has been followed by most of Florida's Regional Planning Councils to reflect the state's adoption of the Six Pillars framework for discussion, measurement, and comparison of key indicators of growth and community and economic health.

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

There are ongoing projects that may have substantial impact on the Region if they come to fruition. Some of these may require EDA involvement in addition to assistance from State and Regional institutions. Most promising are the Port of Port St. Joe, a mega-site certification in Jackson County, industrial sites identification prioritization in Gadsden County, redevelopment of an aging interchange truck stop in Jefferson Co, and a new pellet mill in Liberty County that will, when completed, revive a fading shortline railroad and energize Port St. Joe. Other projects are expected to arise from Franklin County's Long-term Diversification Strategy. Two of the Region's counties, Gulf and Gadsden, were selected by the Department of Economic Opportunity's Competitive Florida Partnerships program. The 2014 activity in Gulf County saw

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



significant community involvement in inventorying the communities cultural, economic, industrial, historical, and tourism assets and developed a framework for moving forward with a common vision. Gadsden was successful for the 2014-15 cycle and the Gadsden County Development Council will support the County Planning Department in the execution of the program. At this writing new projects are in planning or underway as a result of these partnerships.

The CEDS committee met in August of 2015 to review the status of the Vital Projects list and any recent changes in the regional outlook. The SWOT analysis and table have been reviewed and updated where necessary by the CEDS committee.

Following the example of the 2014 update, not all of the tables in this updated CEDS are revised. In the last revision, education was unchanged, as were tourism income and GDP. Travel for work, left out of the original 2013 edition has been reintroduced to reinforce the interdependence of our regional economic base within the region and to adjacent counties.

For ease of navigation throughout the document, the Table of Contents has been bookmarked. Using MS Word, simply tap control and click to shift to the selected topic or table. In Adobe, the bookmarked contents entries should highlight as a short cut on rollover.



Comprehensive Economic Development Strategy

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

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

Goals: - Leverage locational assets and amenities to attract new companies / industries

Provide a well trained and ready workforce to meet the needs of new and expanding businesses

Increase standard of living for citizens in the ARPC Region

Cross Cutting Strategies					
Strengthen collaboration and alignment among state, Regional and local entities toward common Economic Development Strategies Develop and implement statewide strategies to develop Regional talent and innovation clusters using industry accepted best practices Connect economic development talent, infrastructure, housing, partnerships to ensure North Florida's partnership in Florida's ascendance to global competitiveness.					
Area Specific Strategies These strategies align with the pillar specific Goals contained in the report, See page 7.					
Talent Supply and Education	Innovation and Economic Development	Infrastructure and Growth Leadership	Business Climate and Competitiveness	Civic and Governance Systems	Quality of Live and Quality Places
<p>Develop a strong talent supply chain encompassing education, training and workforce development programs.</p> <p>Greater coordination between emerging business sectors and career training or vocational education institutions.</p> <p>Provide vocational curricula that reflect the current and projected needs for training in the Region.</p> <p>Coordinate with the Job Training Partnership Act programs and other vocational and education programs in the Region to develop and implement training programs that will complement economic diversification efforts.</p>	<p>Increase growth in the number of firms and employment in sectors or industries where the Region has little employment.</p> <p>Promote private sector investment in commercial start-ups and expansion, early stage investments, seed funding and venture capital for expansion.</p> <p>Grow intellectual capital in rural areas.</p> <p>Assist small businesses in obtaining capital for start-up and expansion.</p>	<p>Ensure adequate transportation exists to effectively develop market access</p> <p>Increase access to broadband internet access in underserved areas.</p> <p>Provide economic development leadership training and coordination to maximize the limited resources of local economic development organizations.</p>	<p>Streamline permitting.</p> <p>Develop better understanding of market weakness and threats.</p> <p>Increase efforts to develop international markets and contacts for businesses in the Apalachee Region.</p> <p>Increase the flow of capital aimed at assisting entrepreneurs with job creation.</p> <p>Improve the flow of information to businesses and industries inside and outside the Region to better inform them of the opportunities for startup, expansion, or relocation in the Region.</p> <p>Integration of Comprehensive Planning and Economic Development Programs.</p>	<p>Educate leadership on what is needed to promote healthy economic development.</p> <p>Incentivize growth directed at areas that seek responsible, sustainable development.</p>	<p>Ensure the economic development strategies are sustainable and that they protect the environment and the quality of life.</p> <p>Support development of Tourism as an economic development fundamental.</p> <p>Sustainable use of the Region's natural resources: Develop initiatives to increase and promote ecotourism as an alternative use of natural resources.</p> <p>Promote the Region's unique natural features and tourism activities to areas of the state and nation most likely to send visitors.</p> <p>Develop employment opportunities and improve their accessibility households living in poverty.</p>



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Florida's Apalachee Region

**COMPREHENSIVE ECONOMIC
DEVELOPMENT STRATEGY**



Apalachee Region

Comprehensive Economic Development Strategy

A. Background

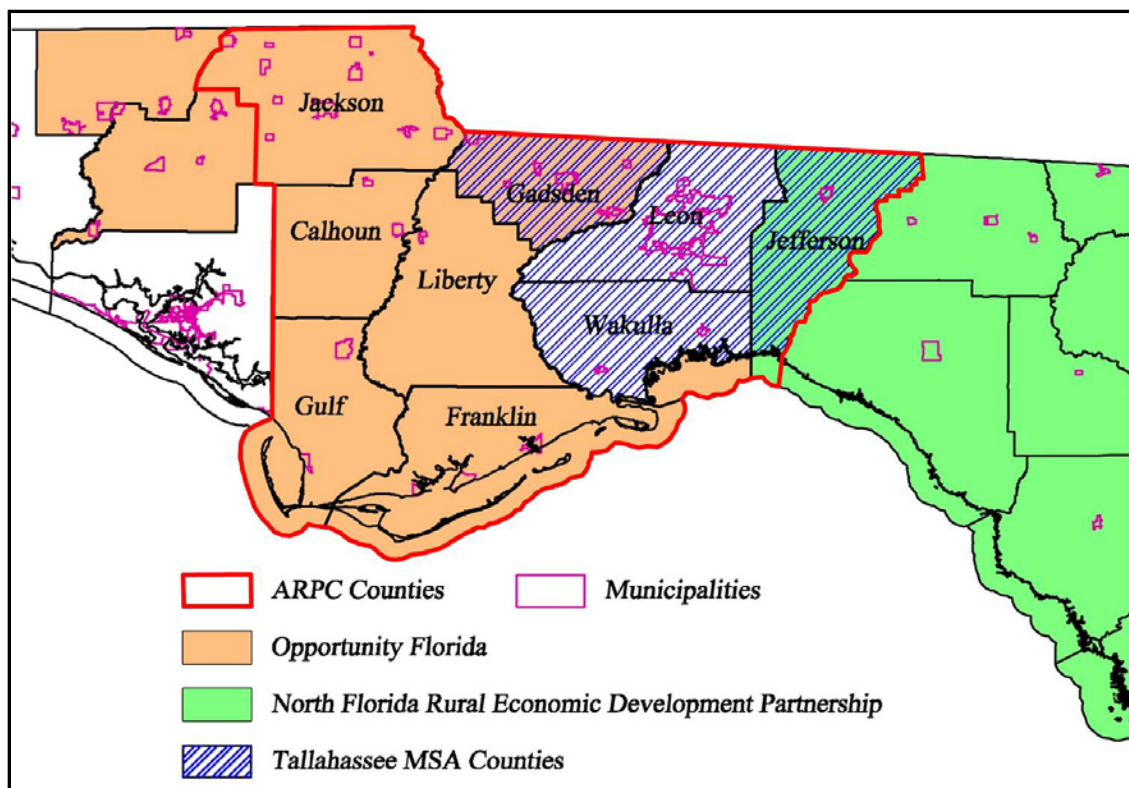
The Comprehensive Economic Development Strategy (CEDS) is an ongoing, participatory planning process which includes input from a steering committee. Where possible, the committee should represent the major interests of the community. The Apalachee Regional Planning Council, ARPC, invited leaders of organizations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

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

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

The Apalachee Region is encompassed in the larger ED organization, Florida's Great Northwest, which overlays the counties included in the ARPC and the West Florida Regional Planning Council. There are also numerous workforce boards comprised usually of three or four counties that do not share boundaries, but do share the ARPC's service area.

Figure 1 – Apalachee Region and Regional Economic Development Organizations



The Region has one Metropolitan Statistical Area, the Tallahassee MSA, which includes Leon, Gadsden, Wakulla, and Jefferson counties. The one other major developing economic center in the Region is the City of Marianna, Jackson County. Except for the significant coastal development in Gulf and Wakulla Counties, (and to a lesser extent Wakulla)² a majority of the Region is a typically rural agrarian and silvicultural southern pattern economy. While the Region has experienced minor population growth in the last three years, with a 0.8% change in the Region's population since the decennial census, the state of Florida has grown by 4.0%.¹ Within the Region, Wakulla had the highest growth rate with 0.8% and Gadsden the lowest with a drop of 3.3% since the 2010 Census.

Leon is the only county that could be considered an urban or urbanizing county. The other eight are considered rural by statutory definition and aspect. All eight rural counties are included in one of the Governor's designated Rural Areas of Opportunity (RAOs). Jackson, Calhoun, Gulf, Gadsden, Liberty, Franklin, and Wakulla are in the Northwest RAO, also known as Opportunity Florida. Jefferson County is included in the North Central RAO, which is organized as the North Florida Rural Economic Development Partnership. Wakulla was recently granted RAO status as an act of the 2011 Florida Legislature. Counties located in Rural Areas of Opportunity receive

¹ Wakulla had been growing rapidly in the 1990s, but it could not be characterized as coastal development as the rest of Florida experiences it. Once, Florida's fastest growing county, it has since sought and received RAO status.

certain priorities in grant applications, waivers or relief from some state level regulatory thresholds, and other advantages that may assist in their economic development initiatives such as expedited permitting and pre-application agency review. Five of the nine ARPC counties are also included in the twelve-county economic development organization; Florida's Great Northwest which dropped three of the four Tallahassee MSA counties from its region of responsibility in 2015.

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

These many facets of change will be discussed in detail later in the report, but no introduction should be concluded without mention of some of the notable factors changing the economic shape of the Region's future. The St Joe Companies have shifted to land sales and development operations with far reaching effects. As one of the major non-governmental land owners in the Region, its efforts to divest itself of real estate either by wholesale transfer of timber tracts or redevelopment into commercial and residential projects is transforming the Region. Two of the company's flagship projects, Summer Camp in Franklin County and WindMark in Gulf County have stalled due to the housing crash. In November, 2013, the Joe Company sold 380,000 acres to Ag Reserves, a company held by the Mormon Church of Utah. It is believed that the timberlands may, in part, be converted to cattle operations as these timber stands mature.

The final plant closings in Port St Joe had dramatic impacts on Gulf County particularly, but multiple closings can have similar disastrous impacts on local economies. As a result of the crash in home building, a major Gulf County employer, Taunton Truss had to temporarily shutter its building products and truss factory in the Gulf County Industrial Park near Wewahatchka for a job loss of 150 and loss of payroll of almost \$5 million to Gulf and Liberty Counties.³

The hurricane impacts to the state over the 2004 and 2005 hurricane seasons not only caused severe physical damage along the Region's coastal counties, but it is a distinct possibility that the seafood industry may never fully recover from the loss of coastal businesses involved in processing, packaging and shipping. Many of the seafood houses in Franklin and Wakulla Counties remain closed eight years after that disastrous season. The value-added seafood operations were vital segments of the economies of Gulf, Franklin and to a lesser extent, Wakulla Counties. Those storms also temporarily impacted the coastal tourism and real estate markets. Although St. Joseph Peninsula and St. George Island State Parks have reopened; the storms'

³ Interview with Ms. Taunton, Nov. 2012 The losses were not reflected in any of the state reports on closings because the employment reductions took place over two years as the housing market withered.

impacts on property insurance rates put an additional strain on the coastal property real estate market.

Ongoing low rainfall conditions in the watershed of the Apalachicola River combined with aggressive water impound policies in Georgia reduced the flows in that river to impassable depths in 2011-2012. Low flows have also resulted in higher than normal salinity levels in Apalachicola Bay and estuary with resulting losses to the oyster harvest and incalculable losses to shrimping, crabbing and spawning rates for offshore sport and other fin fish. Over harvesting of the surviving oyster beds has led to closure of some portions of Apalachicola Bay. Recently Wakulla County fishermen have been experimenting with commercial scale vertical oyster farming.

Fast air freight deliveries from remote import markets are making some truck farming operations marginal. These impacts have been felt in the loss of large scale tomato farming in Gadsden County. Similarly, it has become economically competitive to fly in frozen seafood to area markets, augmenting demand for Florida fresh seafood produced within the Region. To continue to compete, local agricultural and seafood producers are going to need to work on synergistic solutions and develop value added processes and components to their raw crop products.

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

New developments are taking place throughout the Region which could point to new directions in economic focus. Jackson County secured the relocation of a linen and fabrics plant that signals a return to textile manufacturing in the south. Jackson County is also in the final stages of securing mega-site certification for one of its five large acreage sites that are suitable for future development. A second wood pellets manufacturing facility is planned for Liberty County which plans to export through the Port of Port St. Joe via the Apalachicola Northern Railroad, thereby providing revenue to the shortline RR and providing much needed throughput and impetus to the port. As a participant in the Enterprise Florida/Duke Energy Strategic Sites Inventory Program, Gadsden County has identified 20 potential industrial sites ranging in size from 100 acres to over 500 acres. These sites leverage the county's 4 interstate interchanges, 2 US highways, 2 shortline railroads and the CSX mainline railroad.

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

Florida State University in partnership with the ARPC has developed ExpertNet, a web-based development tool designed to link business needs for technical expertise with the leading researchers in the State University System. (<http://expertnet.org/>). These researchers are seeking additional funding to further market their efforts and enroll additional professional talent into the network.

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

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

A report from the Florida Department of Economic Opportunity focusing on Rural Areas makes several important suggestions for state policymakers. One important recommendation is the inclusion of Agribusiness as a targeted sector. This status would confer additional benefits from the State's incentive program. For the 2016 Florida Legislative session, making value added agriculture a Quality Targeted Industry is an objective of the Small County Coalition. Another is additional effort to train elected officials in the basics of economic development. The Study makes numerous other recommendations that, if adopted as policy, will permit rural Florida to be much more competitive in the global marketplace. These include:

- Incentives/Funding – Increase the credit amount available under the Rural Job Tax Credit from \$3,000 to \$5,000 per job. Provide cities and counties with the ability to enact local option sales taxes from .05% to 1.0% to fund economic development projects, including but not limited to: land acquisition; site development; local incentives; and economic development organization funding.
- Marketing and Communications – Integrate key marketing messages about Rural Florida in the new marketing brand. Regularly share information with all paid and volunteer economic development leaders in rural areas. Create a LinkedIn group, and develop a sales training program. Launch a Governor's Summit on Rural Economic Development.

- Product Development – Resurrect the Catalyst Sites project, and market existence of Catalyst Sites to site selection consultants and targeted sectors. Support Regional broadband projects, and support identification/development of a megasite in the Opportunity Florida Region.
- Program Development – Increase number of training programs that align with demands of military bases in rural areas. EFI should partner with the Florida Department of Agriculture to create an export development program series designed for rural companies and deliver it within each of the three rural Regions.
- Small Business/Entrepreneurship – VISIT FLORIDA should develop an entrepreneur support program for rural areas to assist fledgling entrepreneurs, and to help develop tourism infrastructure in Rural Florida. Specific incentives targeted to small business/entrepreneurs in Rural Florida should be considered.

More recently, a formal agreement between Houston County, Alabama and Jackson County, Florida, in cooperation with the economic development agencies in both states has led to the development of a Mega-Site near Campbellton, Florida. Funding is being sought for certification of the Campbellton site. Looking forward, Gadsden County is making preliminary steps toward identifying a Mega Site on I-10 at the Greensboro-Gretna exit at State Road 12. If either of these sites is chosen for a major manufacturer, tremendous changes in the Regional employment base would have far reaching effects on our economy.

Most recently, completion of the Wakulla Environmental Institute, a satellite campus of Tallahassee Community College, will open its doors in the Spring of 2016. New curriculum offerings in environmental management, habitat preservation and restoration, aquaculture, tourism support and other topics related to the rich natural resource assets of the region will educate and prepare students for sustainable employment and entrepreneurship in the region. This project was funded in part with financial assistance from the Economic Development Agency that provided \$1.5 million for site improvements.

B. Goals and Objectives - Building the Pillars

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

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

Cross Cutting Strategies apply to more than one pillar and are broader in impact.

Cross Cutting Strategies

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

The Six Pillars

1. Talent Supply & Education - Goals

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

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

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

GOAL 2, Greater coordination between emerging business sectors and career training or vocational education institutions.

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

Objective 2.2, Increase graduation rates throughout the Region.

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

GOAL 3, Provide vocational curricula that reflects the current and projected needs for training in the Region.

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

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

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

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

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

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

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

2. Innovation & Economic Development - Goals

GOAL 1, Increase growth in the number of firms and employment in sectors or industries where the Region has little employment.

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

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

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

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

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

GOAL 3, Grow intellectual capital in rural areas.

Objective 3.1, Make better use of existing IFAS infrastructure.

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

GOAL 4, Assist small businesses in obtaining capital for start-up and expansion.

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

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

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

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

3. Infrastructure & Growth Leadership - Goals

GOAL 1, Ensure adequate transportation exists to effectively develop market access.

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

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

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

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

GOAL 2, Increase access to broadband Internet access in underserved areas.

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

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

GOAL 3, Provide economic development leadership training and coordination to maximize the limited resources of local economic development organizations.

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

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

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

4. Business Climate & Competitiveness - Goals

GOAL 1, Streamline permitting.

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

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

GOAL 2, Develop better understanding of market weakness and threats.

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

GOAL 3, Increase efforts to develop international markets and contacts for businesses in the Apalachee Region.

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

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

GOAL 4, Increase the flow of capital aimed at assisting entrepreneurs with job creation.

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

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

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

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

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

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

GOAL 6, Integration of Comprehensive Planning and economic development programs.

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

5. Civic & Governance Systems - Goals

GOAL 1, Educate leadership on what is needed to promote healthy economic development.

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

GOAL 2, Incentivize growth directed at areas that seek responsible, sustainable development.

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

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

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

6. Quality of Life & Quality Places - Goals

GOAL 1, Ensure the economic development strategies are sustainable and that they protect the environment and the quality of life.

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

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

GOAL 2, Support development of tourism as an economic development fundamental.

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

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

GOAL 3, Sustainable use of the Region's natural resources: Develop initiatives to increase and promote ecotourism as an alternative use of natural resources.

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

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

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

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

GOAL 4, Promote the Region's unique natural features and tourism activities to areas of the state and nation most likely to send visitors.

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

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

Objective 4.3, A team, consisting of representatives of local government, Chambers of

Commerce, Florida Department of State, Florida Department of Economic Opportunity, business, and public land stewards, should prepare a study determining the geographic areas to target when promoting the Region's attractions.

GOAL 5, Develop employment opportunities and improve their accessibility to households living in poverty.

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

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

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

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

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

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

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

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

The Comprehensive Economic Development Strategy must contain a section which identifies Regional projects, programs and activities designed to implement the Goals and Objectives of the Comprehensive Economic Development Strategy. This section should identify and describe:

All suggested projects, programs and activities and the projected number of jobs to be created as a result.

Lead organizations responsibilities for execution of the projects where identified.

Vital Projects:

A prioritization of vital projects, programs, and activities that address the Region's greatest needs or that will best enhance the Region's competitiveness, including sources of funding for past and potential future investments. These can be overarching "themes" for Regional economic development success and is expected to include components. Funding sources should not be limited to EDA programs. Incorporation of the Six Pillars framework into the EDA required Vital Projects List develops the following list of investment and support opportunities. Strategic Findings derive from the technical analysis provided in the Appendix.



Talent Supply & Education

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

Career Training Academy – Wakulla Environmental Institute:

The academy will be focused on providing training in the environmental, ecological, and biological assets of the Region. Florida's Big Bend area is an environmental hot spot for diversity and much of the lands are protected by Federal or State preserves which will provide the field laboratories. The campus's first structure was completed in January, 2016 with EDA assistance of \$1.5M to help build the needed quarter mile access road and utility extensions to the wooded campus. The WEI director has indicated that there are new projects for expansion on the near horizon that will be appropriate for additional EDA participation.

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

The Region is blessed with an existing network of workforce development, continuing education and career training assets. A possible project, led by an interested investment initiative might require facilities or other physical assets to carry out higher skill training. As an example, the TCC campus in Gadsden County is constructing a solar array test bed. A similar investment might be appropriate should the Region develop solar cell manufacturing as a related industry. The lead organizations are the Workforce boards and the state college system with support from the Panhandle Area Educational Consortium. PAEC supports advanced classes for exceptional students in rural counties where small county resources are minimal for advanced or college level classes.

Development of Comprehensive Workforce Development Strategy – Many good programs exist throughout the region to serve various workforce segments ranging from those individuals escaping generational poverty to persons with graduate degrees being trained in commercialization of university and federal labs research and entrepreneurialism. However, the labor force statistics used by site selection consultants are not competitive. The Gadsden County Development Council will assemble all education and workforce development stakeholders into one workforce development council to cross-train on programs, find synergies and create economies of scale in improving the skills of the current workforce, aligning those skills with the targeted sectors of the county and integrating K-12 to introduce students to current and future jobs and careers available in their community.

Assemble the following education and workforce development stakeholders in Gadsden County to serve on the GCDC Workforce Development Council:

- Career Source Capital Region
- TCC Workforce Development
- TCC FL Public Safety Institute
- Gadsden County Technical Institute
- Gadsden County Schools
- PAEC Migrant Services Program and STEM Initiative
- Capital Area Community Action Agency Ruby Payne Program
- Shadetree Ministries/Gretna
- Talquin Electric
- FL Department of Education Division of Career & Adult Education
- Gadsden County Extension Office and UF/IFAS Center
- College Board (SAT) representative who is a resident of Gadsden County

Measureable Outcomes: number of synergies discovered, coordination of populations served, number of success stories documented, number of adult worker skills improved, development of marketing collateral to augment the raw labor force data and bring to life the workforce development opportunities to prepare job seekers for manufacturing, warehousing, distribution and logistics positions, which reflect the growth sectors of the region.

Innovation and Economic Development

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

Development of Site Location Assets: REDI Catalyst Site, Calhoun County Airport Ind. Park:

A continuing project of the Florida Department of Economic Opportunity (DEO), the Calhoun County Catalyst site has had most of its Phase I improvements installed. Additional acreage is available by agreement with the adjacent landowners. Should the State's marketing initiatives require expansion of the site to assure an interested party's expansion concerns, this acreage would need to be permitted, prepared and have appropriate utility extensions provided. The principal party would be Calhoun County and its Industrial Development Board in cooperation with Enterprise Florida and DEO.

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

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



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

As a participant in the Enterprise Florida/Duke Energy Strategic Sites Inventory Program, Gadsden County has identified 20 potential industrial sites ranging in size from 100 acres to over 500 acres. These sites leverage the county's 4 interstate interchanges, 2 US highways, 2 shortline railroads and the CSX mainline railroad.

Develop Interstate Commercial/Industrial Opportunities: The Region's best transportation resource is Interstate 10. Multiple opportunities exist for expansion at undeveloped or underdeveloped interchanges. Of the following examples, the Lloyd interchange in Jefferson County is moving forward in preliminary planning stages with the County's BOCC.

Examples:

Cottdendale, Jackson County: Industrial park expansion
Grand Ridge, Sneads, Jackson County: Site Planning, Initial development
Chattahoochee, Gadsden County: Site Planning, Initial development
Gretna/Greensboro: Site Planning, Mega Site Certification
Quincy, Midway, Gadsden County: Commercial expansion
Capital Circle West and East, Leon County: Commercial expansion
Lloyd, Jefferson County: Commercial re-development, expansion
Monticello, Jefferson County: Commercial expansion
Summit East, Leon County at 10/90 east
Principal partners will be identified as they step forward.

Develop Alternative Energy Assets: Solar, Biofuels, Alternative Energy.

The Region may soon benefit from the development of a 700MW solar photovoltaic (PV) array to generate electricity. A proposal from National Solar would use panels manufactured in the US and installed in Gadsden, Liberty and Hendry Counties. With 400MW planned for Gadsden and another 100MW in Liberty, the Apalachee Region would have the largest solar energy footprint in Florida. This project underscores the need to develop a more energy independent and resilient power source for the State. Principal partners will be identified as they step forward. The ARPC will support, as requested, new proposals for solar PV, biofuel, waste-to-fuel or other



alternative energy projects as a means of furthering Florida's energy assurance and resiliency. The ARPC should support development and expansion of 'Green' curricula as exemplified by Tallahassee Community College's Florida Green Academy. The Academy provides training dedicated to existing and emerging "green" occupations and industries, such as energy, construction, and transportation. Currently, FGA is focusing on the following broad areas:

- Alternative energy sources
- Energy efficiency in buildings and construction
- Environmental management
- Sustainability practices
- Water management, including waste water reuse

Alternative Fuels Processing Facility: Bio-fuels, as a value added agricultural product, can produce thousands MWHs of fuel supply either as ethanol, advanced refraction and recombination for exotic fuels and petro-chemicals or as minimally processed solids as pellets to replace coal. Recent studies show that the economic model is viable and there are thousands of acres of north Florida woodland producing low return pulp that could be put to a higher use. Even as pulp, an existing Regional plant is producing low ash fuel pellets for export. An additional pellet plant is under consideration at Lowry in Liberty County.

Investment from USDA, EDA or CDBG might be necessary to develop an appropriate site for bio-fuel extraction. Still under consideration is the development of a 'Green Park', a Regional facility that would be a full service timber products facility and bio mass conversion facility including stepped up infrastructure to support the facility from forestry operations in a 50 to 75-mile radius. Five sites were submitted from Jackson County, two from Liberty County, one from Gulf County and the Catalyst site in Calhoun. Principal partners will be identified as they step forward. Several initiatives came forward in the last CEDS cycle but were dropped for varying reasons.

Develop Entrepreneurial and Expansion Support: GrowFL, SBA, TCC, Gulf Coast and Chipola College Entrepreneurial Training

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

Intermodal Logistics Center

Transfer of materials from bulk or container transport to trucks for delivery to other materials transfer stations or to market is an increasing market. The Region is poised to

benefit from new shipping diverted from the major ports that are converting their waterfront freight handling capacity for the new mega-ships. The several miles of waterfront along the Gulf County Canal provide ample area for the development of an ILC located on a moderate draft canal, with readily expandable rail access and highway access. Planning by the Northwest Florida Transportation Corridor Authority has prioritized a connection from Gulf County to the US 231 corridor which provides 4-lane access to I-10 and points north. The AN Railway provides rail access to the CSX rail yard in Chattahoochee. These connections lack the developed space for an ILC which could be developed along the Gulf Canal. Key partners would be the St. Joe Company, the Port Authority. As the development of any project affecting the AN railroad would affect all of its through counties, Gadsden, Liberty, Franklin and Gulf would all be included and affected.

Infrastructure & Growth Leadership

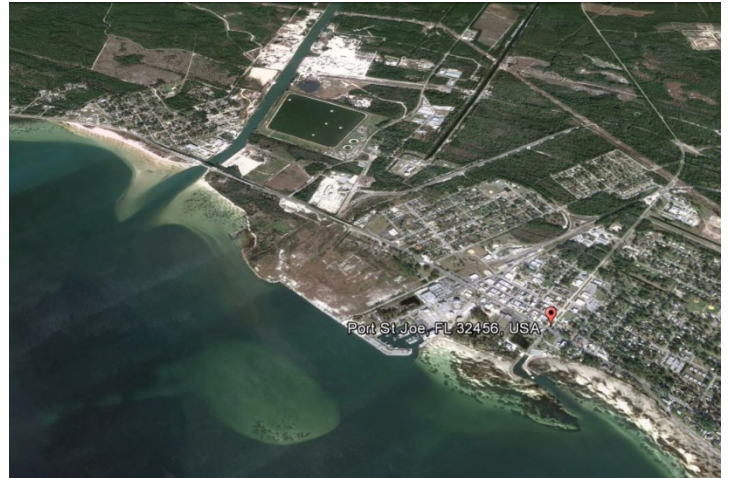
Strategic Finding: Population has increased as would be expected. However, two counties that had been estimated to have reached a 50,000 threshold in the decennial count did not. Gadsden and Wakulla County had anticipated that the 2010 census would find them over that mark but fell short. The drop in building permits in the latter part of the period is the tell-tale indicator. Transportation is also on the increase as a reflection of the gradual rise in population, but only two significant transportation projects have been completed in the decade, the widening of Leon County's stretch of Interstate 10 and some minor segments of Tallahassee's Capital Circle. Needed projects to support the Region's economic development are:

- Increased volume on SR71 through Gulf, Calhoun and Jackson Counties,
- Construction of the Gulf Coast Parkway from US 98 in Gulf County to US 231,
- Enhancements to the AN Railway,
- Improvements to the commercial support facilities at the Tallahassee Regional Airport,
- Upgrades to the offshore fleet support facilities along the coast.

I-10 Interchange upgrades: Gadsden County has utilities (water, wastewater, electric) at 3 of the four interchanges. They are working to extend water utilities to the Chattahoochee interchange. Gadsden has natural gas at the I-10 / US 90 interchange via City of Tallahassee, and are working to extend natural gas to Hwy 267 and Hwy 12 via City of Quincy and Florida Public Utilities. An existing prospect for CNG is a catalyst. Jefferson County has recently made significant steps toward development of Lloyd Crossing at the interchange of Interstate 10 and SR 59.

Port St. Joe Deepwater Port Facility:

The Port at Port St. Joe continues to be one of the hallmark projects for the Apalachee Region's Economic Development Plan. The site of a former paper mill, there are extensive existing bulkheads, mid-depth access to a 37' turning basin and connections to SR71, the AN Railway, the Intracoastal Waterway, and new partnerships developing with ports on the Caribbean side of Columbia's coastline. Multiple projects are planned dependent on client needs. A revised Port Master Plan 2013 has been drafted and its conclusions and recommendations are the recommended course of action for this CEDS report. The summary Capital Improvements Plan lays out the projected timing as published in 2013. All of these would be qualifying projects with a participating private investor's guarantee. Lead agencies are Gulf County, the City of Port St. Joe and the Port St Joe Port Authority. The following page of the Port's recently adopted Capital Improvements Plan demonstrates the very great need for financial assistance to the port to fund the needed dredging



Tommy Pitts
Chuck Livengood

PSJ PORT AUTHORITY
CAPITAL IMPROVEMENT PLAN (CIP)
FY1516 THRU FY1920
BOARD APPROVED: 2/10/2016

Page 1 of 1
As of 2/13/2016

Port of Port St. Joe						
Capital Improvement Plan FY 15/16 – FY 19/20						
Project Description	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	TOTALS
Dredging						
Design of Dredge Material Disposal Areas	\$1,000,000					\$1,000,000
Construction of Dredge Material Disposal Areas		\$15,900,000				\$15,900,000
Maintenance Dredging to 36'-35'		\$20,000,000	\$17,900,000			\$37,900,000
TOTALS	\$1,000,000	\$35,900,000	\$17,900,000	\$0	\$0	\$54,800,000

Apalachicola Seafood Industrial Park: This project has been funded jointly by EDA, CDBG and the City of Apalachicola. The project was completed in the summer of 2015.

Maintenance Dredging of Eastpoint Commercial Marina: The unincorporated community of Eastpoint in Franklin County is a historical landing site for thousands of pounds of Apalachicola Bay Oysters. West Bay oystermen have benefited from the

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

Commercial Support Facilities at Tallahassee Regional Airport (TLH): The Tallahassee business hub provides fixed base operations for private and business air travel to the Apalachee Region's primary airport. The hub is also the site for a planned hotel, missing from the TLH campus, and additional business support facilities. The City of Tallahassee is currently revising and updating its master plan on the departure of HondaJet from its facilities and is planning for future facility expansion and additional support facilities. Lead agencies are the City of Tallahassee and Millionaire, the fixed base operator at the airport.

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

New Directions in Tallahassee: A recent overhaul of the Region's largest EDO replaced the Tallahassee/Leon County EDC with a new department with less independent autonomy. The Blueprint Intergovernmental Agency, made up of the combined City and County Commissions voted to create the new Tallahassee/Leon County Office of Economic Vitality, OEV, which now located in the joint city-county Department of Planning, Land Management and Community Enhancement (PLACE), which is led by the former executive director of the EDC. As the OEV is only days old at this writing, it is far too soon to see what new direction or focus the new agency will seek.

Business Climate & Competitiveness

Strategic Finding: The Region's two largest employment sectors are State Government and Retail Trade. The first is tax supported by the remainder of the state the second does little more than redistribute those 'transfer' payments as state wages to a larger retail service industry. The next two, Health Services and Local Government, provide normally stable career paths, but are not in themselves basic industries. These data document the Region's dependence on government and education and its lack of a manufacturing base.

Although the Region's small manufacturing sector is relatively well paid at almost \$40K annually, it comprises less than 6,000 of the Region's jobs.

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

Examples:

Lloyd Crossing Re-development, 150 Employees, 24M in pvt investment

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

WEI Oyster spawning, farming and harvesting operations, 3M public/pvt investment

Coordination With Other Regional and Local Economic Organizations: The ARPC, in its day-to-day operations, will support to the extent practicable, the mission and goals of the US Department of Commerce' Economic Development Agency, Florida's Department of Economic Opportunity and its subordinate agencies, Opportunity Florida, Florida's Great Northwest, the Florida Regional Councils Association, and local government based industrial and commercial development boards and chambers of commerce as each might serve its jurisdiction's economic development interests. The ARPC will strive to attend these agencies' periodic meetings in order to maintain an 'overview' of Regional plans and aspirations and to assist in leading project management to appropriate sources of technical and fiscal aid.

Broadband and Internet Systems: Completion of the last mile internet to rural areas is a must have. Private sector providers have proven intransigent in participating in the Florida Rural Broadband project as implemented by the three RAOs. In the Apalachee Region's western counties a dual loop wireless tower to tower has been constructed and is in place ready to provide service through last mile providers. There has been minimal progress in encouraging these companies to step forward to provide lighted fiber on the ground along rural rights of way to provide access to the usually dispersed rural business locations. It very well may be that these existing providers will not make any progress unless local governments, with federal assistance, begin to extend their own systems into less dense areas.



In addition to the existence of rural broadband, most small businesses will need training and other technical assistance in developing and maintaining a web presence. EDOs will

also have to become more aggressive in targeting for specific local talent clusters and in marketing their available acreage and built assets.

Civic & Governance Systems

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

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

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

Quality of Life & Quality Places

Strategic Finding: The Region both benefits and is harmed by its rural aspect. Lower than standard wages and higher than average poverty rates are offset somewhat by lower housing costs. The Region does have significant natural and cultural assets that remain as reasons people move to the Region and call it home. University cultural activities from fine dance to football and outdoor activities from kayaking to spelunking provide a wealth of activities that few places can match, while still retaining the rural character. Making life better for all of its inhabitants, many of whom cannot afford to kayak or attend cultural functions will require higher employment in a wider economic base. Diversification into higher technical occupations, expansion of the Region's medical centers, and continued

diligence in protecting the natural assets we all enjoy is paramount. Several recreational assets are Regional such as the Big Bend Scenic Byway, the developing Capital City to the Sea bike/ped trail and the Florida Birding Trail. RiverWay South, our Regional tourism marketing NFP, is developing a series of driving touring and destination trails in its 'Get Off 1-10' campaign.

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

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



One example of a Regional initiative designed to enhance local quality of life and attract participation is the Capital City to the Sea Trail. The 120-mile trail corridor, beginning near the Florida Capitol at the Capital Cascades Park in Leon County, will extend through Wakulla County to the Carrabelle River in Franklin County. Future extensions deeper into Franklin County are envisioned.

Trails have a big although hard to quantify economic impact. Several initiatives in the Region will boost trail usage and help to get people with spare time out into rural communities to spend money on gas, lunch, equipment, etc. An expansion of the National Scenic Trail System in Florida is seeking a route west from its current end in Liberty County. A new trail in Leon and Wakulla counties, the Capital City to the Sea trail is designed and has some segments under construction. In its very early stages, a trail is planned along the eastern shore of the Apalachicola River from Chattahoochee to Bristol. That trail would have a connection and car park at the much loved rest stop on I-10 at the Apalachicola River Bridge.

Organized Fish, Hunt, Athletic and Lifestyle Promotions: The Region's many sporting assets are primed for external marketing of its hook and gun sporting opportunities. Becoming an annual tour site for traveling sportsman brings families who fill hotels and

RV parks pursuing competition or relaxation based on their chosen outdoor passion or hobbies.

Examples:

Bass tournaments on freshwater lakes and rivers

Scallop harvesting from Wakulla to Gulf Counties

Deep sea offshore fishing tournaments

Organized sports hunting Warrior dash and mud runs

Mud Bogging and tractor pulls

Runner and bicycle races

BBQ and other cooking competitions

Youth and adult league Baseball/Softball/Soccer (travel team) tournaments, especially stay-to-play development.

Example: Lloyd Crossing Sports Park and Interchange Improvements – The proposed facility would provide indoor and outdoor venues for training, travel teams and other recreational and competitive programs in multiple sports. A current proposal involves a public/private partnership to construct a 104,000sf indoor facility and supporting outdoor fields and other recreational activities, a hotel, fast food restaurants, a sit-in restaurant, retail and a rebuilt gas station/c-store at I-10 Exit 217. It would serve as a catalyst for additional commercial development at the interchange. Projected capital investment: \$42 million. Projected jobs: 270. Proportionate public/private cost share: 17%.

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

Economic Analysis - SWOT

E. Strengths, Weaknesses, Opportunities, and Threats.

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



Figure 2 – SWOT Analysis Summary

STRENGTHS
<p>Location: Quality of Place Recreation Opportunities FSU/FAMU Cultural Experiences Regional Historical Experiences Tri-State Distribution Hub Medical Care Facilities</p> <p>Infrastructure: I-10 and CSX Transportation routes US231 and Bayline RR from Port Panama City AN Railway from Port St Joe to Chattahoochee</p> <p>Workforce: Post Secondary Opportunities FSU/FAMU TCC Chipola State College Gulf Coast State College Tech training: Lively, Pat Thomas/Public Safety Institute, Wakulla Environmental Inst.</p> <p>Stable government base Low unemployment Active Workforce Boards and State agency support Competitive Worker's Compensation Rates.</p> <p>ED Initiatives: ARPC/EDA Revolving Sm Business Loans Domi Station Florida Department of Economic Development, (DEO) Alignment of ED initiatives with FL Chamber's Six Pillars framework NW RACEC. (Opportunity Florida) Florida's Great Northwest Rural Economic Development Initiative Re-visioning at Innovation Park Tallahassee/FSU Local ED offices established in 7 of 9 counties Big Bend Scenic Highway Gadsden County and Port St. Joe Competitive Florida Initiatives</p>
WEAKNESSES
<p>Location: Port of Port St Joe in need of dredging and bulkhead development Lack of rail access to mainline for many counties Shortage of available industrial park space High Insurance Cost Air Service – Few direct flight routes Loss of Enterprise Florida incentive package Need to 4-Lane portions of FL71 or add new left turn lanes.</p>

Infrastructure:

Lack of piped utilities and broadband to major industrial locations and key commercial nodes.

Lack of major multimodal access to most of the Region's counties (south of I-10)

Inability of local governments to invest for growth with existing and/ or increasing fiscal burdens

Tightened Credit overall

Lack of Regional Angel Investor Pool

2-Lane US 319 creates severe bottlenecks in capital to coast traffic, impacting local businesses in Wakulla County

2-Lane FL71 access to I-10 restricts development along route through Calhoun Co. and at the Port of Port St. Joe.

Lack of Diversified base

Low HS Graduation rate

Low Upper division graduate retention

Condition of AN RR bridge at Apalachicola River

ED Initiatives:

The State of Florida has, in 2015's session, eliminated key Corporate Tax abatement incentives in the Enterprise Zone program, neutralizing thousands of hours of local ED planning effort and millions of dollars of potential economic incentives.

Employment:

Widespread under employment

Prolonged unemployment leading to loss or 'registered unemployed' from unemployed rolls

Lack of opportunities to seek living wage employment

Land Use: Need visioning programs to designate and pursue land use changes to increase stock of available commercial/industrial land in appropriate locations.

OPPORTUNITIES**Location:**

Port of Port St Joe

Availability of Natural Resource Opportunities

New Veteran's Administration Outpatient Facility

Tallahassee Regional Airport seeking International Status

Sister Port designation with Columbia's Northwestern ports

Growing Florida Angel Investors Network

Infrastructure:

Regional wastewater planning efforts

Port of Port St Joe with SR71 and rail connections to CSX at Chattahoochee

Opportunity Florida's Rural Broadband project

4-Lane US 319 - Blue sink to Medart

Opportunity Florida has completed redundant WiFi wireless loop throughout Region

Workforce:

Jackson Co Industrial Diversification

Leon Co Industrial Diversification

Gadsden Technical Institute

Regional Workforce Boards

Workforce Opportunities Investment Act

DOMA Station

ED Initiatives:

British Petroleum Lawsuit Settlement funds

RACEC Catalyst-Site

Florida's Great Northwest - Marketing efforts

RiverWay South Apalachicola-Choctawhatchee

County ED Initiatives:

<p> Jackson County / Houston Co Mega Site Certification Visioning Project in Gadsden Development of Regional New Market Tax Credit Program ED visioning in Wakulla Imagine Jackson Redux Visioning project in Jefferson County Marianna/Jackson Co. Industrial Park Marianna/Jackson Constr. Services. Park Jackson Co. Intermodal Park Aerospace Alliance Leon's Blueprint 2000 Capital City to the Sea Trail Lloyd I-10 Interchange Improvements </p>
<p>THREATS</p> <p>Location: Lack of critical occupation housing Lack of affordable workforce housing, especially coastal communities Conversion of seafood production and processing areas to residential/retail Fiscal Constraints on Local Governments to Facilitate ED initiatives</p> <p>Infrastructure: Rising Construction costs of basic constr. commodities; concrete, steel, asphalt Lack of local government fiscal ability to respond to shortfalls. Proposed changes in tax law will further restrict local government capital investment. Loss of Enterprise Zone designations. Loss of use of AN RR shortline. Lack of last mile providers for regional WiFi efforts.</p> <p>Workforce: No. of qualified teachers will not meet demand of minimum class size amendments. No. of qualified medical support staff will not meet demand for aging population Reduced Public School Budgets: More difficult to maintain basic K-12 education requirements</p> <p>Employment: Federal reporting methods consistently discount actual unemployment rates Reductions in state and local government employment levels will affect dependant local employment and service provision.</p>

E.1 Strengths

Location: The Region's quality of place provides ample impetus for some retirees and/or visitors to return on future visits and others to relocate permanently. Easy access to one of the few remaining pristine natural shorelines, variety of terrain and habitat, availability of cultural amenities all combine to make the Region attractive. The Region offers miles of backwoods hiking, from the easy tramways of the St. Marks National Wildlife Refuge to the rigors of the backwoods Florida Scenic Trail, boating experiences from offshore and black-water kayaking, to sailing and flats or deep sea fishing.



Florida State University, Florida Agricultural and Mechanical University, and Tallahassee Community College all provide cultural activities from fine arts to NCAA championship sports teams. The Region's wealth of historical sites ranges from the Fort at San Marcos de Apalache in St Marks, to the origins of the State Capital in Tallahassee and its State Museum.

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

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

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

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

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

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

agency headquarters for all state agencies. For many of these former agency employees, there are not ready civilian workforce opportunities and those reemployed are often working below their capacity.

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

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

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

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

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

E.2 Weaknesses

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



Infrastructure: There is a lack of piped utilities and broadband access to many major key industrial sites and commercial nodes. Opportunity Florida's Rural Broadband project is key to getting bandwidth and speed into rural service areas but it is crucial to get end providers involved. Jefferson, Gadsden, and Jackson all have key Interstate nodes with limited or no piped utility services. There is no multi-modal access to the southern tier of counties. Freight rail service to the Port of Port St Joe is threatened due to structural repair needed for the bridge crossing at the Apalachicola River. Maintenance of this bridge and continuity of service for the AN Railway from Port St. Joe to the CSX yard at Chattahoochee is vital to future viability of the Port at Port St. Joe. At present, State and Federal funding agencies are holding designated funds hostage, waiting for a committed user. This cart after the horse mentality ignores the fast pace of more recent development initiatives and the need to move quickly. Any port freight contract is likely to be discouraged by a two year wait for adequate channel depth and lack of adequate quay side facilities.

Workforce: The Region does not have a broad base of employment opportunity. Primary employment sectors continue to be government, and education. Though this is not surprising in a capital region with two universities, three colleges, and the state's largest community college, this lack of a diversified base leads to a loss of upper division graduates. Florida lags far behind the rest of the country in high school attainment and especially retention of its lower division students through graduation. The low graduation rate combined with a service oriented economy ensures a large lower class of working poor and its commensurate social problems.

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

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

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

In 2015, the Florida Legislature allowed many of the incentives provided by Enterprise Florida to sunset. Failure to reauthorize the tax incentives was seen as a step toward the Governor’s move to eliminate all corporate taxes, which would have rendered the incentives meaningless. However, the executive’s failure to eliminate corporate taxes now leaves the State of Florida at a disadvantage compared to competing sites in Alabama and Georgia which have more favorable corporate tax structures.

Strategic Finding “Weakness”: Five of the Region’s counties do not have interstate access, and currently, there is no operating in-Region deep-water port facility. FDOT is not proposing significant investment in the Region. Many of the Region’s proposed industrial growth areas do not have piped utilities ready for service. Current workforce training efforts are hampered by low high school graduation rates, and high out-migration of trained baccalaureates. Florida’s high worker compensation rates are not competitive with neighboring states. Projected high growth sectors do not promise good family wages.

There are a few large acreage tracts, with transportation and piped utilities available for a bid for immediate relocation. The most common obstacle to most initiatives is lack of supporting infrastructure and the inability of small rural governments to supply them unassisted. Many local governments are understaffed and have minimal ad valorem support. Most of the region’s available commercial and industrial sites are not included in the State’s site finder database. This is primarily due to turnover and/or lack of available staff in the rural counties.

E.3 Opportunities

Location: There is a possibility that enhanced corridors now presently identified in the FDOT’s Corridor 2050 plan may be improved based on work underway by the Northwest Florida Transportation Corridor Authority (NWFTCA). The recommendations, if included in the State’s planning regime, could increase capacity along SR 20 and increase the reliability of the US Hwy 98 coastal corridor. Development of the deepwater Port at Port St. Joe, in Gulf County will not only



serve the Region as a bulk shipping point, but increase traffic and awareness of the under-utilized railway serving Gulf, Liberty and Gadsden Counties.

The Region's phenomenal natural resource attractions will serve as the core of a developing nature-based tourism economy which is seen as vital for development in many of the southern tier counties with limited coastal development options. A new initiative promoted by Tallahassee Community College is a new workforce training center being developed in Wakulla County which will promote career opportunities that cater to nature based tourism and habitat conservation, education on the area's unique flora and fauna, wildlife enjoyment and green guides. This EDA funded project is scheduled to be open for classes in the Spring of 2016.

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

US Hwy 319 is a major Capital to Coast corridor as well as the major commuter route for a majority of Wakulla County's workforce employed in Tallahassee. Completion of this route as a four-lane arterial will reduce congestion on Wakulla's primary commercial corridor and provide enhanced access for Tallahassee's weekend traffic to the coastal recreation attractions.

US Hwy 71 is the major highway link running parallel to the Apalachicola River. It connects the Port and the City of Port St. Joe to I-10 and further north to Marianna and to connections north in Alabama. Four-laning or upgrading with passing lanes has been considered to increase commerce along this arterial.

Jefferson County is providing significant political support to the redevelopment of the SR59/I-10 interchange. The four corners of the intersection were recently designated as a brownfields area and a new marriage of two separate projects: redevelopment of an aging travel center and an indoor/outdoor family sports center, may provide the synergy for successful development of the southwest corner of the interchange. Recent discussions indicate renewed interest in the southeast corner as well. EDA funding may well be a partner in future development depending on the pay scales of the targeted workforce.

Workforce: PAEC, the Panhandle Area Educational Consortium had its funding restored and can continue to provide STEM training to exceptional student programs in rural high schools. Florida's workforce boards have traditionally had regional branding and a lack of consistency across the state. Reorganization and branding of the training, recruitment and job-sourcing agency provides unified branding and operations statewide.

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

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

The Big Bend Scenic Highway will continue to enhance and co-promote the several nature-based tourism sites in the Region's southern counties. Its most recent initiative is the installation of way-pointing kiosks and visitor guides at entry points to the by-way and at strategic locations along the by-way. These locations are being truth tested by a mobility impaired test group to make recommendations to ensure that final design allows for impaired mobility access at all way-pointing locations.

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

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

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

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

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

An alliance with Houston County Alabama and Jackson County Florida is leading to the certification of a Mega-site located on the Florida side of the Alabama-Florida border on US 231. The site will have four-lane and RR access as well as planned expansions to water and wastewater capacity. Jackson County is pursuing three additional sites.

Gadsden County has recently committed serious funding to an economic development initiative to map out a long-term strategy for economic growth and development.

The ARPC is seeking an opportunity to serve as a Regional center for New Market Tax Credits.

Strategic Finding "Opportunities": Although there are few prepared commercial/ industrial sites, when relocation bids *are* received, there are numerous state and federal sponsored agencies in addition to the ARPC with specific targeted programs whose aim is to overcome problems in their service delivery area. The Region is rich not only in designated workforce development agencies,

but there are numerous parallel planning efforts at the local and regional levels with parallel but supporting Economic Development interests. Several initiatives including; the rural broadband project, the Wakulla County TCC campus expansion, and others are working to pull the Region out of its recessionary slide. The BP settlement and the RESTORE Act's designation of 80% of those funds to specified counties are likely to have a profound effect on local projects.

E.4 Threats

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

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

Destroyed coastal seafood processing facilities are still not restored and may never be due to REMA redevelopment restrictions. The Region's seafood wholesalers are seeing more international imports and less local production in their market share. In addition, displaced bay workers from the western gulf are still located in Apalachee and Apalachicola Bays contributing to overworking of weather damaged oyster beds. There is temporary relief for seafood workers as Federal fishery disaster funds of \$6.3M have been provided to Franklin County for re-shelling damaged oyster beds? This is a stop-gap funding measure that may not bring back a healthy sustainable population of oysters for a few more years.



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

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

Loss of use of the AN RR shortline due to needed maintenance on Apalachicola River Bridge will sever the Port of Port St. Joe from the CSX mainline.

Opportunity Florida has extreme challenges in attracting 'last mile' providers willing to serve new broadband wireless loop. The loop is complete but unavailable to the thousands of rural customers who are limited by dial-up or satellite connections.

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

The Region is facing increased shortages in professional and para-professional medical talent. The Region's aging population will see increasing demand not currently rising to meet that growth curve.

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

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

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

Technical Report:

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

Talent Supply & Education

It is widely reported that the United States is lagging behind the developed world in education at basic levels and at workforce preparation. Despite this trend, U.S. colleges and universities continue to be sought out by the world's student body for advanced degrees and for research. This will not continue if our supporting educational systems do not rise to the challenge of meeting basic preparation and workforce training. According to the National Information Center for Higher Education Policymaking and Analysis, Florida's graduation rate (Number of seniors graduating from cohort of entering ninth graders, four years prior) increased from only 71.0%% in 2005 to 81.2% in 2010. It will be seen that education and work readiness will underlie many of the problems in workforce development in the Region. Florida was a recipient of the Federal Race to the Top grant in 2010. That grant and those special assistance programs expired with this the recent 2014-15 school year.

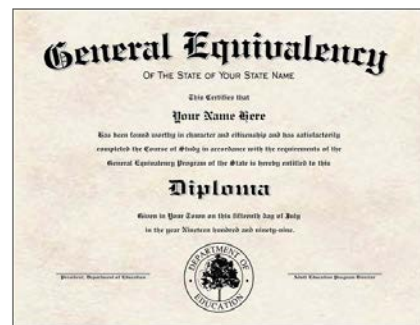
High School Graduation Rates

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

Since the 2012 CEDS was published, Florida's Dept of Education has again revised its reporting methodology. School district graduation rates reported now for past years differ from prior reporting. For that reason Table 1 below, as updated, includes revised graduation rates for earlier years. Throughout the last six years of reporting, there have been ongoing struggles within the Florida education network on testing, interpretation of results, and school institutional and district grading. That said, there is reason for optimism as there does seem to be progress in retention of high school students.

In Table 1 below, we see erratic year-to-year results, but overall system improvement in most of the Region's school districts with a 10% increase overall for all students in the Region as a whole. That said, there are school districts with systemic problems evident in lack of progress and/or negative progress over the last six years of data. Franklin County and Wakulla County are statistically flat over the period, while Gadsden and Jefferson show declining graduation rates.

Comparison of graduation rates vs. dropout rates is confusing due to the differences in data comparisons, single year dropout rates will not total the graduation rates over the four year tracking period of the 9th grade to 12th grade cohort measured for graduation rates. Per the Florida Department of Education, “These rates are not inverses of each other. The differences are as follows:



The rates apply to different periods of time.

- Graduation rate is a four-year, cohort-based indicator.
- Single-year dropout rate is a one-year indicator.
- The rates apply to different populations.
- Graduation rate tracks the progress of a group of students who entered the same grade at the same time over a four-year period.
- Single-year dropout rate identifies **all** ninth- through twelfth-grade students in **one** year.”

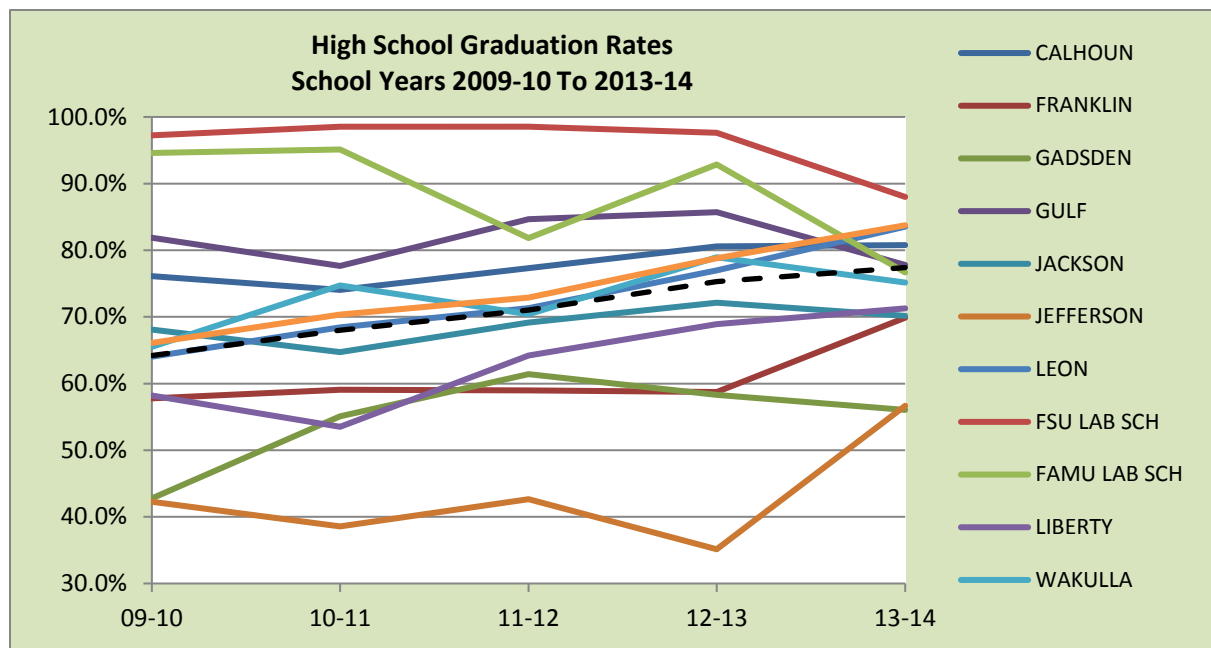
Therefore we are not reporting the single year dropout rates here. Rather, an examination of performance of the cohort. Table 1 below presents the graduation rates of the Regions County Schools by District. Figure 3 presents these same data graphically to demonstrate the variability over time within each district.

Table 1 – High School Graduation Rates Apalachee Region School Years 2008-09 to 2013-14

School Year	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
District	Percent Graduating					
CALHOUN	68%	76.1%	74.1%	77.3%	80.6%	80.8%
FRANKLIN	70%	57.8%	59.0%	59.0%	58.8%	69.9%
GADSDEN	63%	42.8%	55.1%	61.4%	58.3%	56.0%
GULF	57%	81.9%	77.6%	84.7%	85.7%	77.8%
JACKSON	69%	68.1%	64.7%	69.2%	72.1%	70.2%
JEFFERSON	66%	42.3%	38.6%	42.6%	35.1%	56.7%
LEON	66%	64.0%	68.4%	71.3%	77.0%	83.5%
FSU LAB SCH	-	97.2%	98.5%	98.5%	97.6%	88.0%
FAMU LAB SCH	-	94.6%	95.1%	81.8%	92.9%	76.7%
LIBERTY	68%	58.2%	53.5%	64.2%	68.9%	71.3%
WAKULLA	74%	65.5%	74.7%	70.4%	78.9%	75.1%
Leon Consolidated	-	66.1%	70.4%	72.9%	78.8%	83.7%
ARPC	67%	64.2%	68.0%	71.0%	75.3%	77.4%

<http://www.fldoe.org/schools/k-12-public-schools/profiles-of-fl-school-diss.html>

Figure 3 – High School Graduation Rates Apalachee Region and State 2009-10 to 2013-14



<http://www.fldoe.org/schools/k-12-public-schools/profiles-of-fl-school-diss.stml>

Table 2 - Cohort Outcomes by Withdrawal Code Category, 2012-13

District	Adjusted Cohort Total	% Graduating with Standard Diploma	% Special Diplomas	% Graduating with GED or GED-based Diplomas	% Other Non-graduates	% Dropping Out
Calhoun	170	80.60%	4.10%	7.60%	1.80%	5.90%
Franklin	80	58.80%	0.00%	2.50%	31.30%	7.50%
Gadsden	302	58.30%	4.00%	0.30%	30.50%	7.00%
Gulf	147	85.70%	1.40%	0.00%	12.20%	0.70%
Jackson	488	72.10%	0.80%	4.10%	18.60%	4.30%
Jefferson	74	35.10%	4.10%	1.40%	47.30%	12.20%
Leon	2,049	77.00%	1.60%	0.90%	17.50%	3.00%
Liberty	90	68.90%	3.30%	0.00%	24.40%	3.30%
Wakulla	304	78.90%	1.30%	2.60%	11.80%	5.30%
FSU Chtr Sch	168	97.60%	0.00%	0.00%	2.40%	0.00%
FAMU Lab Sch	42	92.90%	0.00%	0.00%	7.10%	0.00%
FLORIDA	197,709	75.60%	1.40%	1.30%	17.10%	4.60%

Sources: http://www.fldoe.org/contact-us/search.stml?q=dropout+rates0075753-fedgradrate_1213.doc

Table 2 above presents the distribution of graduates or true dropouts by type of diploma or summary dropout status for 2012-13. Note the graduation rates for that year are very similar to the reported graduation rates for standard diplomas in. Understanding the outcomes of the system's dropouts is important as these students are often seen as unemployable, when in fact many attain work certificates in one of several workforce training programs.

In 2010 FDOE began to report on graduation rates at the educational lab schools attached to the teaching departments of the State's universities. These are included above beginning with the 2010 graduating cohort.

Current reporting from the Florida Department of Education shows gradual improvements overall for the region with considerable variability at the county level. Reporting criteria have been revised with differing numbers for districts being reported by FDOE for the 08-09 and 09-10 years than previously reported. In Table 1 above, data from the earlier reporting is shown for the 08-09 school year. Leon Consolidated includes data from the two university lab schools. Their students, though low in number, have higher retention rates and marginally increase Leon County's overall graduation rate.

The university lab schools, attached to their departments of education are usually diverse ethnically and draw students from varied economic strata. They usually performed as well as the best county level schools.

School District Performance

The Florida DOE's data system reports on school academic performance by giving letter grades ranging from an A for excellent results overall to F, for failing to meet minimum standards. It is clear the some of the region's school systems are performing very well, and others are struggling to meet standards. A few of the rural counties are doing exceptionally well with Wakulla doing best averaging the past three years of reporting. Table 3 below presents the DOE scoring for the past 11 school years. We have averaged the performance for the past three to give a more appropriate score for the present administration in each district. Leon, the Apalachee Region's most populace and best funded system was historically an A system until recently, as were the much smaller Wakulla and Calhoun districts. The bad news is the two of the Region's districts are in distress and have been historically. Gadsden and Jefferson, both MSA counties, are understood to either offer in county private school offerings or commute with their children to Leon and use its public and private school options.

Now, with funding following the student, neighboring county school systems are reaping the benefits of the funding that would have come to the student's home county. Difficult to prove, but apparent in the



enrollment numbers, a significant portion of the commuting workforce delivers their school age children to neighboring Leon County. The situation is especially dramatic in Jefferson whose enrollments have plummeted from 1,192 in 2009 to only 882 for the 2014 school start. The resulting loss of funding will require the shuttering of most non-academic programs. The district's new administration is making gains in performance, with increases in recent year's test scores. Anticipated funding cuts will only frustrate those efforts.

Table 3 – District Performance Grades, 2004-14

District	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Avg. 12-14
CALHOUN	A	A	A	A	A	A	A	A	B	B	B	B
FRANKLIN	C	C	C	C	C	B	B	C	C	C	C	C
GADSDEN	D	D	C	F	C	C	C	C	C	D	D	D+
GULF	B	B	B	B	A	A	A	A	B	C	C	C-
JACKSON	B	B	B	B	B	B	B	B	B	C	C	C-
JEFFERSON	D	D	C	C	D	F	D	C	D	F	F	F+
LEON	A	A	A	A	A	A	A	A	B	C	B	B-
LIBERTY	B	B	B	C	B	C	B	A	B	C	B	B-
WAKULLA	A	B	A	A	A	A	A	A	A	B	B	B+

<http://www.fldoe.org/schools/k-12-public-schools/profiles-of-fl-school-diss.html>

The region's private schools complicate analysis of overall school data and student outcomes. There are overall attendance numbers for private schools, but they are graded by school or institution and not reported by county averages. Enrollment in private schools tends to be highest in Pre-K and kindergarten and drops off in the higher grades. Calhoun County does not report a private school. Conditions supporting local or regional private schools vary from county to county with individual families seeking the best options available within their economic means with choices between local and out of county public and private schools.

Table 4 – Private School Enrollment – Apalachee Region 2013-14

District	Grade Level													
	PK/K	1	2	3	4	5	6	7	8	9	10	11	12	Total
FRANKLIN	30	4	6	5	7	5	4	4	6	13	6	2	3	95
GADSDEN	79	37	39	47	34	39	59	32	42	49	30	37	27	551
GULF	37	8	9	8	5	5	3	0	0	1	4	0	0	80
JACKSON	73	20	16	20	25	20	14	14	7	5	9	2	2	227
JEFFERSON	35	24	21	26	13	37	31	23	30	36	25	33	21	355
LEON	742	30	29	31	29	35	35	34	28	21	20	22	23	4,157
		0	3	0	5	2	4	6	6	5	1	7	6	
WAKULLA	71	10	11	19	18	8	8	16	10	21	7	5	4	208
TOTAL:	1,067	40	39	43	39	46	47	43	38	34	28	30	29	5,673
		3	5	5	7	6	3	5	1	0	2	6	3	

Source: http://www.fldoe.org/core/fileparse.php/5423/urlt/Private_School_Annual_Report_2013-2014.pdf

Enrollment in the upper division and performance in the college or career prep grades is most important in determining workforce readiness. Table 5 below presents enrollment data in the upper division public schools for the 07-08 and 12-13 school years. Over the five year period, only Liberty County's enrollments increased. This is counter-intuitive considering its flat population growth. It is understood only in the knowledge that it is taking on students from outside the county. Some of the decreasing enrollments in the rural counties *is* better

Table 5 – District Upper Division and Total Enrollments (Public) 2007-08 and 2012-13

DISTRICT	2007-08		2012-13		Change 07-08 to 12-13	
	9-12 Enrollment	Total Enrollment	9-12 Enrollment	Total Enrollment	9-12 Enrollment	Total Enrollment
CALHOUN	596	2,056	539	2,123	(57)	67
FRANKLIN	285	1,124	231	1,104	(54)	(20)
GADSDEN	1,469	5,534	1,269	5,245	(200)	(289)
GULF	653	2,032	525	1,828	(129)	(204)
JACKSON	1,846	6,644	1,559	6,290	(287)	(354)
JEFFERSON	273	1,096	183	955	(89)	(141)
LEON	9,454	31,042	8,595	32,287	(858)	1,245
LIBERTY	344	1,350	407	1,379	62	28
WAKULLA	1,240	4,901	1,113	4,847	(126)	(54)
ARPC	16,159	55,781	14,420	56,058	(1,739)	277
STATE	764,873	2,371,813	753,712	2,463,376	(11,161)	91,563

Source: <http://www.fldoe.org/schools/k-12-public-schools/profiles-of-fl-school-diss.stml>

understood in light of their generally aging populations. Adults of child-bearing age have often moved to urban areas where job opportunities exist. This does not explain Leon's County's drop in high school enrollments, unless the transfer out of the public school system to private schools is considered.

Overall ability to do math, whether understanding dimensional conversions from metric to English, currency conversions from dollars to Euros or Yen, or higher understandings of linear equations bring differing abilities to the workforce. The ability to apply these skills in workforce training programs or entry level college classes is important. Far too many students spend their first semesters in college taking remedial math or English classes to ready themselves for college level work. Certificate programs at community colleges and technical training programs also require a basic ability in solving simple equations and in written communication and reading understanding.

Similarly, both employers and college programs will require adequate verbal skills if the employee of student is to have advancement potential. In Florida, the tenth grade is the last level of statewide performance testing to determine whether the student and the school systems themselves are doing the job of educating. Florida's FCAT, The Florida Comprehensive Assessment Test(ing) program began in 1998. The program has matured under wide criticism that teachers were only "teaching to the test" out of fear that poor student results would result in poor retention results. Other criticisms leveled at the program expressed concerns that it was not properly aligned with national standards. How the testing is administered in its different forms, remains an issue.



The state and all public schools are now working within the framework of FCAT 2.0. Students are graded on a scale of 1 through 5. At level 3, "demonstrate a satisfactory level of success with the challenging content of the *Next Generation Sunshine State Standards*." These Next Generation Sunshine State Standards, or NGSSS are available for review in great detail at: <http://tools.fcit.usf.edu/sss/> by grade, subject and topic. Table 6 provides percent passing and percent of all students at level 3 or higher.

Table – 6 Tenth Grade Math and Reading District Statistics

	MATH			READING		
	Number Students	Percent Passing	Percent \geq Level 3	Number Students	Percent Passing	Percent \geq Level 3
CALHOUN	157	83	71	133	62	40
FRANKLIN	66	73	47	74	45	30
GADSDEN	199	79	58	306	28	12
GULF	140	81	65	154	62	38
JACKSON	441	80	68	458	55	34
JEFFERSON	63	65	41	48	31	19
LEON	1976	88	77	2104	64	47
LIBERTY	71	86	72	74	55	24
WAKULLA	259	92	81	275	61	38
FSU LAB SCH	178	99	94	158	81	47
FAMU LAB SCH	37	84	68	27	33	19

Source: <http://www.fldoe.org/accountability/assessments/k-12-student-assessment/history-of-fls-statewide-assessment/fcat/fcat-reading-mathematics-sss-scores.stml>

Workforce Education

The Region has long had the benefit of three community colleges that augment the two major universities, Florida State University and Florida Agricultural and Mechanical, AKA, FSU and FAMU. The two universities provide professional development for traditionally bound students seeking four year and beyond programs. Of the three community colleges, two have become four year state colleges. Chipola and Gulf Coast State colleges now provide four year degrees but continue to serve the region as workforce training institutions. In this capacity Chipola, Gulf Coast State Colleges and Tallahassee Community College continue to create innovative and responsive programs that work with cooperating businesses to stay ahead of demand for new skill sets.

Rick Frazier, at TCC's Workforce Center points to programs in place to provide onsite training as employers in the region need to update their manufacturing technologies to remain competitive. He noted an electronics manufacturer whose assembly line requirements have shifted from primarily circuit board place and solder tasks to machine programming skills that direct machines to do these same tasks. He also noted a long time producer of materials derived from the region's rich attapulgitite deposits who requested specific on-site training to increase efficiencies in the production line. The other two colleges have similar programs in place and are valuable partners in workforce training.

The Apalachee Region is served by four of Florida's Workforce Boards.

Strategic Finding –Talent Supply and Education

As a whole, the Region is performing at least as well as the State of Florida. That statement leaves much room for improvement as the State does not compare well with the rest of the U.S. which itself, lags behind most of the developed world in terms of secondary education and workforce training. The several initiatives for STEM training should be encouraged for workforce development as well as strong preparation for college level and advanced training in key professional fields. The CEDS committee provided strong support for regionally significant job training as well. It is understood that education begins at pre-kindergarten and does not end until mid-life. There are ongoing systemic paradigm shifts in education across the country and region with regard to the public vs. private provision of Pre-K to 12 Education. Society's failure of the current and recent cohorts must be rectified most probably by GED, and certificate programs. It would be truly tragic if the safety net for the State's Department of Education system is the State's Department of Corrections.

Innovation & Economic Development

Gross Domestic Product

Per Miriam-Webster: Gross Domestic Product: the total value of the goods and services produced by the people of a nation during a year not including the value of income earned in foreign countries. Taken regionally, goods and services produced in the Region, not including income earned outside the Region. It serves in our report as an indicator of the size or success of the economic base for each county and for the combine Regional economic engine.

Table 7 depicts changes in GDP per county over the last decennial. Not surprisingly, there is a correspondence between the population of a county and its economic output. The smallest county, Liberty has the lowest economic output. Its major economic components are timber operations and government or education. Jefferson County is somewhat larger, but a large part of its economic base is from employment in Leon County and these economic inputs do not show up in their county data. The most productive of the rural counties, Gadsden County had fallen off slightly from its high in 2006, but shows continuing signs of improvement. The Region's largest county, Leon dominates the Region with 76% of the Region's total GDP. The three adjacent MSA counties, combine for another 10% of the Region's GDP with the remaining 15% of GDP output shared among the six remaining rural counties. Jackson and Gadsden Counties each provided 6.3% of the region's GDP.

If 2005 could have been characterized as characteristic of the rising tide era, certainly the 2008-10 years represented an overall ebb. Although there is resurgence in most counties and the Region as a whole, in 2015 the Apalachee Region's GDP was still \$568 million short of its 2008 performance. By comparison, for that same period, Florida lost almost \$48 billion in GDP. Coastal counties Wakulla, Franklin and Gulf continue to be depressed for various reasons: drops in retail and residential construction in Wakulla, losses in the fishing industries in Franklin and a departure of industrial base employment in Gulf.

Table 7 – Gross Domestic Product Apalachee Region Billions of Fixed 2015 Dollars 2005-2015

	Real Gross Domestic Product in Fixed 2015 Dollars, (\$B)									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Calhoun	0.25	0.261	0.25	0.254	0.27	0.271	0.26	0.253	0.251	0.254
Franklin	0.565	0.509	0.508	0.506	0.484	0.471	0.435	0.409	0.400	0.406
Gadsden	1.241	1.255	1.259	1.256	1.179	1.15	1.123	1.078	1.108	1.131
Gulf	0.494	0.498	0.479	0.454	0.405	0.396	0.437	0.425	0.436	0.443
Jackson	1.194	1.216	1.215	1.192	1.177	1.179	1.157	1.145	1.119	1.133
Jefferson	0.317	0.331	0.328	0.284	0.262	0.228	0.22	0.219	0.229	0.233
Leon	13.458	13.627	13.942	13.846	13.513	13.705	13.678	13.326	13.552	13.728
Liberty	0.185	0.203	0.211	0.216	0.161	0.162	0.19	0.184	0.191	0.194
Wakulla	0.523	0.551	0.562	0.565	0.54	0.521	0.472	0.447	0.477	0.483
TLH MSA	15.787	15.942	16.27	16.173	15.716	15.847	15.708	15.26	15.537	15.748
ARPC	18.226	18.451	18.753	18.574	17.99	18.083	17.972	17.486	17.764	18.006

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

Tourism Development Tax Collections

The Apalachee Region had only been marginally affected by the infamous hurricane seasons of 2004-2005. By 2007, regional receipts were trending upward by 2008. The fiscal crisis of 2008 lowered total receipts nationwide, the effects on travel and tourism were down. Historical trends for Florida indicate that the State responded and the effects were short-lived. Gadsden county, whose primary tourism income comes from interstate based traffic has already reached 2008 levels and should reflect increasing levels of interstate traffic with no major increases from other



sectors. Franklin and Gulf Counties both have significant beach rental markets, which we would have expected to see significant drops in revenues due to the 2010 BP Deepwater Horizon oil spill. Overall, that does not appear to be the case. Revenues were lower than expected at the end of the season and vacancies over the Labor Day weekend were significant, but the Region had benefited early on from displaced tourism from the Mississippi and Alabama coastal sites that were more severely impacted by the spill. Significantly lower than all other counties'

sales were those of Calhoun and Liberty which do not have Interstate exits or coastal frontage. Franklin and Gulf lead in taxable sales in short term rentals, which includes hotel/motel and vacation rentals. Leon has the year round draw of the Capital City's government operations and especially full collegiate sports weekends in football season. Figure-4 below shows the sales

reported for the Region from 2007-2014 with Dept. of Revenue's projections for 2015. The figure is color coded with counties having interstate access in green-gold tones. Counties with coastal waterfront properties are shown in red tones and Calhoun and Liberty which have neither are in blue. Wakulla, even though it has a significant coastal waterline, has most of that property in Federal lands ownership. The St. Marks Wildlife refuge is itself a significant draw for tourism, but many of its out of region visitors are transient, day visitors, or have lodgings in Leon.

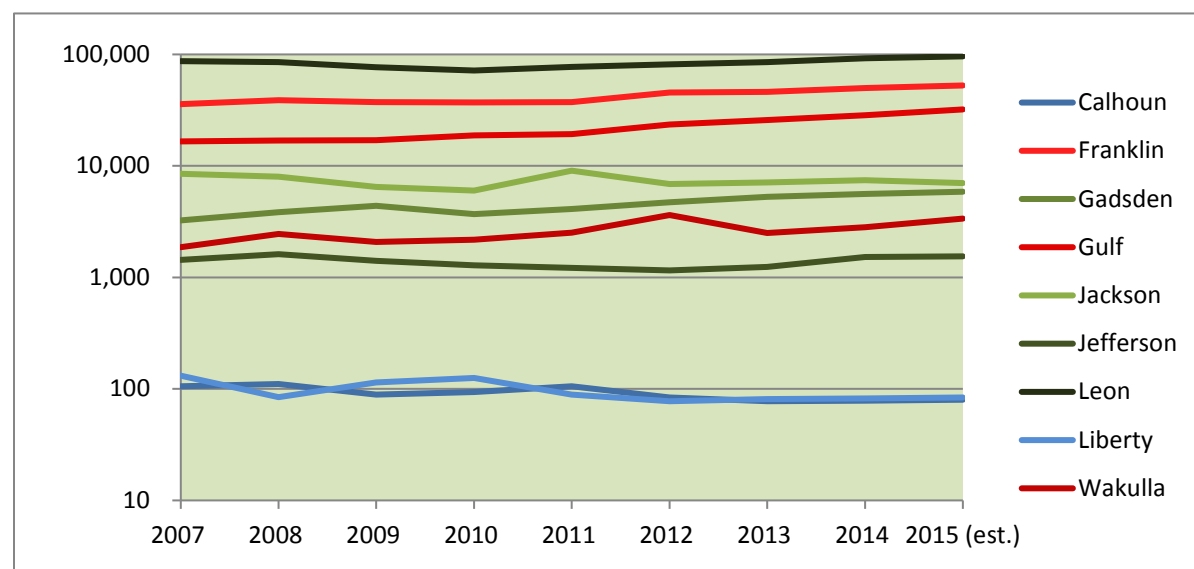
Table 8 – Taxable Sales Reported by Transient Rental Facilities FY 2008-2014 (Thousands)

Area	Year							
	2008	2009	2010	2011	2012	2013	2014	2015 (est.)
Calhoun	110.6	88.9	93.6	105.7	84.1	77.6	78.3	80.7
Franklin	38,940.9	37,386.3	37,048.2	37,386.0	45,578.1	46,215	49,916.1	52,654.2
Gadsden	3,844.0	4,377.6	3,691.5	4,119.5	4,707.5	5,276.3	5,607.0	6,077.0
Gulf	16,869.5	16,977.0	18,808.4	19,253.3	23,563.8	25,707.3	28,524.9	32,110.2
Jackson	7,997.8	6,502.0	6,009.8	9,063.1	6,894.6	7,116.7	7,426.0	7,024.3
Jefferson	1,615.6	1,409.1	1,286.0	1,219.7	1,155.5	1,244.7	1,523.6	1,549.4
Leon	85,372	76,790	71,710	77,170	81,430	71,710	77,170	81,430
Liberty	84.1	114.2	125.3	89.2	77.5	81.2	82.0	83.7
Wakulla	2,452.2	2,074.6	2,177.1	2,514.7	3,625.3	2,499.7	2,820.9	3,369.6
ARPC	159,295.2	147,728.9	142,960.2	152,931.9	169,015.7	175,755.3	190,069.2	198,780.1
ARPC Chg	31.3%	-15.4%	4.9%	15.5%	44.2%	-31.0%	12.9%	19.4%
Florida	11,638,533	10,282,440	10,051,282	10,949,584	12,139,331	10,051,282	10,949,584	12,139,331

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

<http://edr.state.fl.us/Content/local-government/data/county-municipal/index.cfm>

Figure 4 – Taxable Sales Reported by Transient Rental Facilities FY 2008-2014 (Thousands)



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

Trade Exports and Imports

The Region's dependence on government and education becomes apparent when examining the area's Trade Exports. Florida as a whole had almost \$67 Billion in trade in 2014 while the nine-county Region only had 1.25% of that trade at \$834.8M. Leon County on its own had almost two thirds of that export activity. Some of this low activity in reporting may actually disregard the wealth of timber taken from the rural counties if the home address of those timber companies is in other counties. This is significant to point out in reporting as most of the timber operations are owned by Plum Creek, St. Joe Timber, and more recently, Ag Reserves, all with home offices outside the Region. A large portion of the St. Joe Timber holdings in the Region were purchased in 2014 by Ag Reserves from Utah. One success story that becomes apparent in reading the data is the near doubling of Liberty County's export value over the decade. The completion of the Georgia Pacific and North Florida Lumber wood products plants in that county brought 250 jobs to the area which is significant for a county with a labor force of less than 4,000.

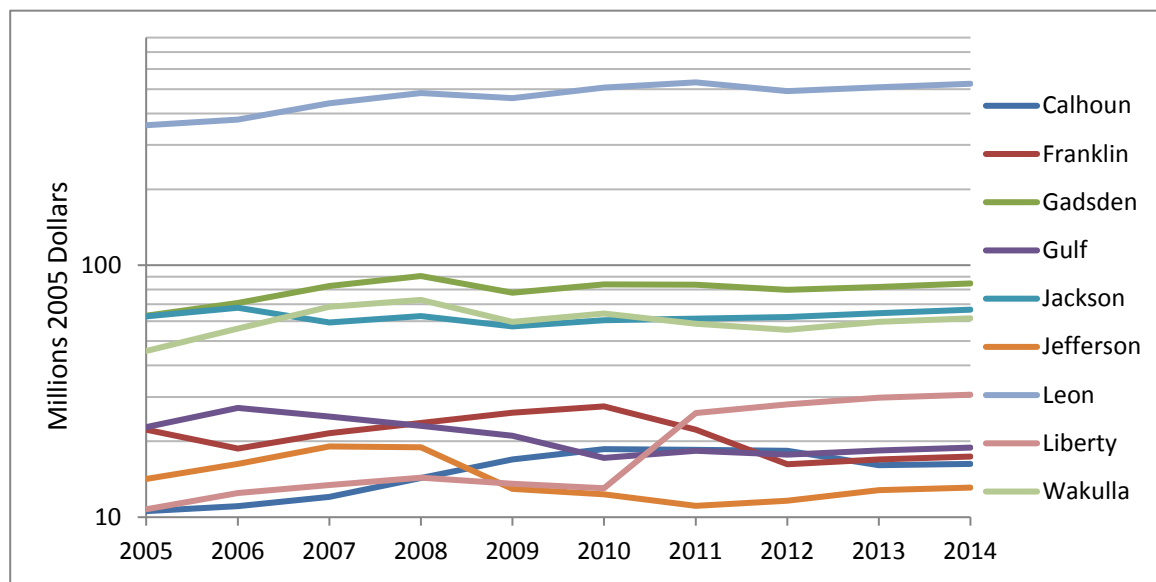
Evident in the curve plots for individual counties is the gradual decline in Gulf County exports as the industrial producers in the closed or relocated. Also apparent are the effects of the overall dip in most curves due to the 2008 recession and later in Franklin county, the loss of seafood exports after the 2010 -2012 droughts began to take hold on Apalachicola Bay productivity.

Table 9 – Trade Exports Apalachee Region and State Millions of Fixed 2005 Dollars

	YEAR									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Calhoun	10.569	11.045	12.035	14.296	16.965	18.623	18.509	18.322	16.058	16.284
Franklin	22.263	18.7	21.528	23.651	25.957	27.519	22.278	16.221	16.963	17.427
Gadsden	63.023	70.912	82.793	90.564	77.679	83.866	83.575	79.796	81.877	84.757
Gulf	22.744	27.139	25.103	23.049	21.049	17.189	18.362	17.691	18.416	18.896
Jackson	62.652	67.774	59.238	62.866	57.154	60.466	61.323	62.176	64.562	66.643
Jefferson	14.192	16.289	19.086	18.918	12.958	12.323	11.092	11.628	12.806	13.12
Leon	359.22	378.63	439.63	482.04	459.86	507.32	531.39	491.12	508.54	525.48
Liberty	10.748	12.452	13.415	14.34	13.581	13.026	25.862	27.996	29.772	30.62
Wakulla	45.649	55.983	68.292	72.806	59.632	64.387	58.484	55.394	59.655	61.542
Region	611.06	658.93	741.12	802.53	744.84	804.72	830.88	780.34	808.65	834.77
Florida (\$B)	46.04	50.049	54.207	56.541	51.67	56.409	59.755	61.809	64.424	66.6

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

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



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

In 2010 Florida as a whole had a nearly balanced economy with slightly more imports, \$521 Billion, than exports, \$507 Billion. With minimal manufacturing, this is may be due to the high level of transfer payments into the state to retirees and the high influx of tourist dollars. Apalachee Region was much more imbalanced with \$14 Billion in imports compared to only \$9.5 Billion in exports. This is due to the large employment base of government and higher education employees whose export is government services and education, neither of which have dollar value export although they serve import ant state and cultural functions.



Table 10 below depicts retail trade flows within the region and between individual counties and external locations. For example, look at the trade relationship between adjacent counties, Leon and Jefferson. Reading across from Jefferson's output row, we find that it provides 140 Million of Leon's retail 1.05 Trillion trade demand. On the other not so equal footing, Leon satisfies 10.5 Billion of Jefferson's 44.1Billion trade demand. In another example of this table, Leon County's

total output is 1.34 Trillion dollars of which 34.5 Billion goes to Georgia. Where a county's row and column intersect, there is the reflection of how much commercial retail activity is captured within the county.

Table 10 – Retail Trade within the Region and to Adjoining States, 2014

Retail Trade Flows from Row to Column													
Origin	Calhoun	Franklin	Gadsden	Gulf	Jackson	Jefferson	Leon	Liberty	Wakulla	Georgia	Alabama	Nation	Output
Calhoun	23.64	0.03	0.16	0.08	0.44	0.02	0.04	1.44	0.05	0.45	0.36	5.12	32.22
Franklin	0.06	31.76	0.08	0.23	0.04	0.03	0.05	0.13	0.16	0.37	0.24	8.06	41.61
Gadsden	0.18	0.04	98.27	0.04	0.20	0.12	0.65	0.64	0.37	2.27	0.54	10.53	114.56
Gulf	0.11	0.15	0.05	34.58	0.06	0.01	0.02	0.13	0.05	0.30	0.29	7.12	43.40
Jackson	1.06	0.05	0.44	0.11	127.85	0.05	0.10	0.67	0.12	3.14	3.36	23.40	162.75
Jefferson	0.01	-	0.04	-	0.01	19.65	0.14	0.01	0.07	0.72	0.08	3.03	24.12
Leon	1.07	0.67	17.68	0.50	1.24	10.52	1,032.28	3.11	25.13	34.52	6.72	196.17	1,342.47
Liberty	0.22	0.01	0.09	0.01	0.04	0.01	0.02	5.63	0.03	0.11	0.06	1.15	7.46
Wakulla	0.04	0.06	0.28	0.03	0.04	0.15	0.70	0.14	59.16	0.68	0.22	7.35	69.39
Georgia	1.33	0.58	9.40	0.68	3.07	6.58	4.06	2.36	2.95				
Alabama	1.45	0.36	1.76	0.68	9.02	0.57	0.71	1.57	0.84				
Demand	34.94	36.86	135.15	45.71	151.28	44.13	1,051.17	22.01	96.03				

All values in 2015 Billions of dollars. Source: Regional Economic Models, Inc.

Strategic Findings – Innovation and Economic Development

Many of the indicators for the decennial period 2010-2020 are up. This is encouraging. However, the Region's deficit of \$9.5B exports vs. \$14B in imports underscores the Region's dependence on government, education and transfer payments vs. productive sectors that are the basis of a vibrant economy. Sector analyses will follow that will document the Region's small share in manufacturing and value added activities.

The Region needs to pursue activities that will provide underpinnings for future opportunities. Recent trends in site selection indicate that most corporate location decisions are based on the availability of shovel ready and in some cases turn-key facilities, usually with substantial tax deferments and other financial incentives. The Region, to be competitive, must have a selection of sites of varying sizes and capabilities with appropriate utilities and transportation assets in place or planned.

Infrastructure & Growth Leadership

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

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

Population Counts, Estimates and Projections

Population data are taken from the Florida Statistical Abstract, a research and publication effort of the Florida Housing Data Clearinghouse, FHDC, at the University of Florida. In this century's first decade Florida's average growth rate was 118% for an annual rate of 1.8% per year. In the next three decades that growth rate is expected slow to 1.3% annually for a projected state population of 26.1 million Floridians.

The Apalachee Region grew at an average annual rate of 1.4% from 2000 to 2010, but is expected to grow at a faster rate than the rest of Florida and swell to a population of 566,287 from its current estimated (2015) 480,589. Where will these additional 85,000 people live and work? According to the FHDC model, 62,300 of these new humans will live in Leon County with the remaining 22,700 distributed among the rural counties. According to the FHDC projections, Franklin and Jackson Counties are expected to have minimal growth at about 3% for the 25 year period. Conversely, Calhoun, Gulf, and Jefferson are projected to grow by 9% to 14%. Leon and

Wakulla are projected to grow by 22% and 34% respectively. During the last 10 years, Wakulla was the local star, growing 35% over the decade. Gadsden and Jackson counties, gained least with only 3% and 6% respectively in that period.

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

Table 11 – Population Counts, Estimates and Projections 2000 to 2040

	Census		Est.	Projections				
	2000	2010	2015	2020	2025	2030	2035	2040
Calhoun	13,017	14,625	14,596	15,096	15,504	15,901	16,300	16,599
Franklin	9,829	11,549	1,799	11,900	12,001	12,001	2,101	12,103
Gadsden	45,087	46,389	48,398	49,203	49,994	50,806	51,408	51,898
Gulf	14,560	15,863	16,501	16,900	17,201	17,402	17,699	17,995
Jackson	46,755	49,746	50,296	50,801	51,199	51,598	51,695	51,791
Jefferson	12,902	14,761	14,701	15,003	15,400	15,702	16,000	16,201
Leon	39,452	275,487	284,100	298,302	311,200	323,800	335,801	346,400
Liberty	7,021	8,365	8,700	9,200	9,698	10,100	10,599	11,000
Wakulla	22,863	30,776	31,498	33,901	36,096	38,300	40,402	42,300
Region	411,486	467,561	480,589	500,306	518,293	535,610	552,005	566,287
Florida	15,982,378	18,801,310	19,789,666	21,236,471	22,600,621	23,872,523	25,027,706	26,081,396

Source: Florida Housing Data Clearinghouse, 2015

Annual Building Permits

A strong indicator of the Region's growth is the number of building permits issued. A time series over the last ten years demonstrates the sharp decline in construction activity since the housing collapse. The Nation has experienced numerous real estate collapses on a more or less periodic basis as new generations ignore the hard lessons learned by previous generations. The collapse in 2007-08 was a result of unfounded hope. Relaxation of prudent lending requirements gave thousands of aspiring home owners the ability to acquire unaffordable mortgages on first homes and in many cases income properties. Fueled by less than scrupulous financiers, the bubble popped as futures based on bundled packages of worthless promissory notes failed.

Locally, the collapse was not as sudden as it was for the State as a whole. However, when the crisis hit, many local banks founded on real estate speculation closed. Some residential units

along the coast remained unfinished and exposed to the elements as construction loans were withdrawn. Several commercial building pads remained undeveloped as business confidence waned. The Statewide market was already beginning to soften in 2006 as oversupply based on pure speculation began to fill the marketplace. As the Region and Florida move onward, we see that the revised lending model has allowed some steady but slow growth in construction. With speculative lending nearly eliminated, a 'build on demand' model is providing new units where needed.



Often these are on already platted parcels created in the subdivision boom prior to 2008. The most recent year reported, 2014, shows mixed results. Overall, fewer new building permits were issued than the prior year or years.

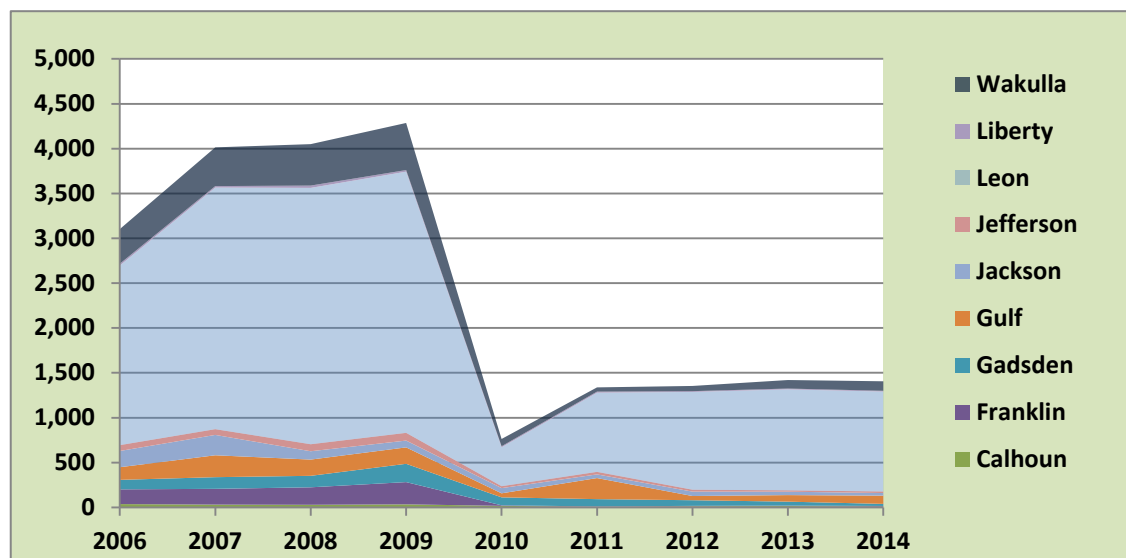
Tallahassee has seen a recent boom in commercial construction of restaurant and retail and one of its major malls, essentially an empty shell for the last decade except for a few holdouts, his being remodeled and repurposed to contain an amphitheatre, multi-family housing and a different mix of indoor – outdoor retail than the previous totally enclosed version.

Table 12 – Annual Building Permits Region and State, Residential Units 2006 - 2014

Area	Year								
	2006	2007	2008	2009	2010	2011	2012	2013	2014
Leon	1,894	2,430	4,185	3,819	434	883	1,090	1,126	1,114
Wakulla	5,322	5,449	7,906	8,310	81	47	58	95	106
Gulf	24	38	48	85	45	49	47	73	92
Gadsden	93	79	107	102	89	81	63	44	23
Jackson	211	121	158	76	58	41	49	29	29
Calhoun	247	299	380	580	17	6	12	8	8
Jefferson	25	23	27	29	21	28	21	15	17
Liberty	16	26	18	17	12	12	9	9	9
Franklin	67	96	133	410	6	5	5	5	8
Region	7,899	8,561	12,962	13,428	763	1,152	1,354	1,404	1,406
Florida	203,238	102,551	61,042	35,329	38,679	42,360	64,810	86,752	84,075

Source: <http://censtats.census.gov/bldg/bldgprmt.shtml>

Figure 6 – Annual Building Permits Apalachee Region Total Units 2006 -2014

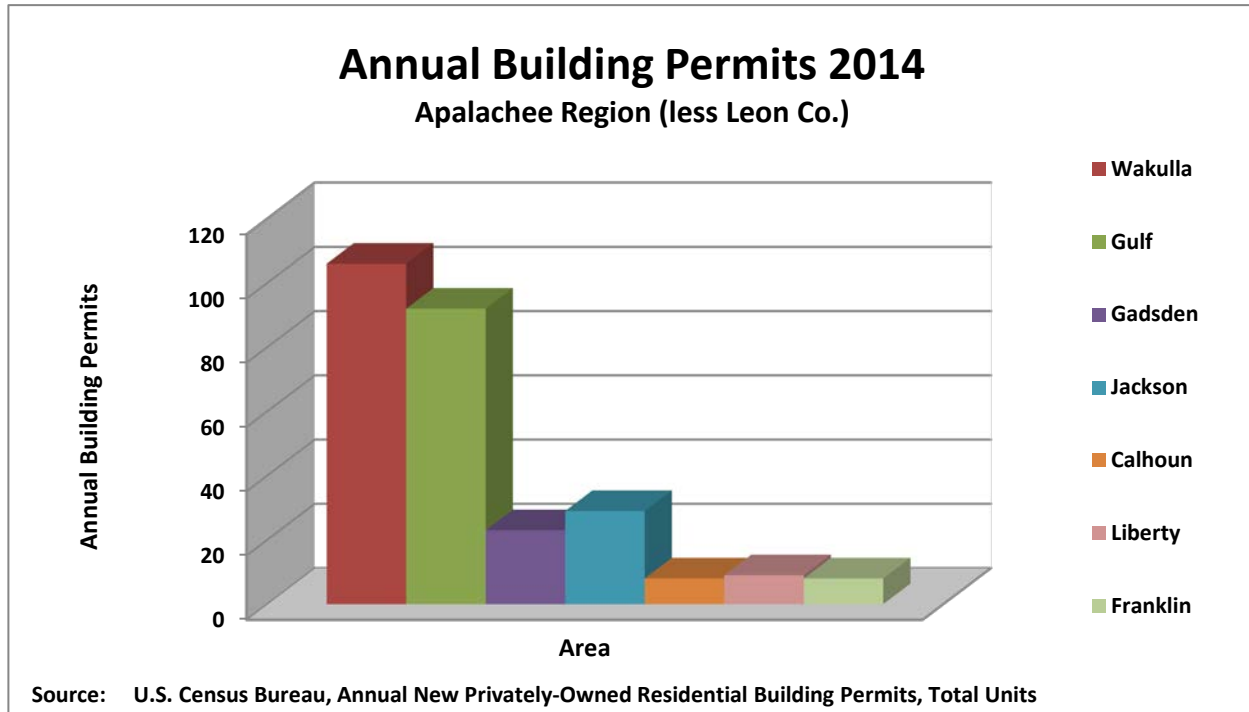


US Census, Building permits for Counties in Florida, Total Units, <http://censtats.census.gov/bldg/bldgprmt.shtml>

Prior to 2007, Wakulla County's land boom dominated regional rural construction on a percent growth basis. Post-crash details for the rural counties are lost at this figure's plot scale. From Table 12 above we see that Leon County now dominates Regional construction. Figure 6 is provided to provide appropriate scale to view relative development levels in the rural counties. In this data view for 2013, Leon County's 1,126 building permits are removed. Franklin County, still impacted by damage to its seafood industry, has had the least construction activity reflecting an oversupply of beach rental property for out of county vacationers and a working class hard hit by both construction losses and long term damage to the seafood industry. It should be noted that of the 1,126 units constructed in Leon County in 2014, over half, or 634 were multi-family units. Combined with the 652 multi-family units constructed in Leon in 2013, there is a considerable push to provide new starter unit and student oriented apartment living in Leon County. Immediately prior to the crash, the City of Midway experienced a remarkable but short lived boom providing significant new workforce housing. This boom was squashed by new lending restrictions imposed after the economic crash.



Figure 7 – Building Permits Apalachee Region Total Units 2013 (less Leon County)



Vehicle Miles Traveled

Vehicle miles traveled, VMT, is a measure of both urban density as well as connectivity. The obvious highest rank for the Region is held by Leon County which experienced 17 million vehicle miles traveled in 2010. It is both the economic center of the Region and a major hub along Interstate 10. In contrast, Franklin which is a very low density county with only US 98 as its single corridor, had less than half a million VMT. Rural counties with connections to I-10 saw the effect not only in pass through traffic but the opportunity to gain an economic boost from their businesses located along that major arterial. Jackson County has a major presence at the interchange on SR 71 but also benefits from the unrestricted arterial, US 231, that connects



Apalachee Region and State 2001 to 2010

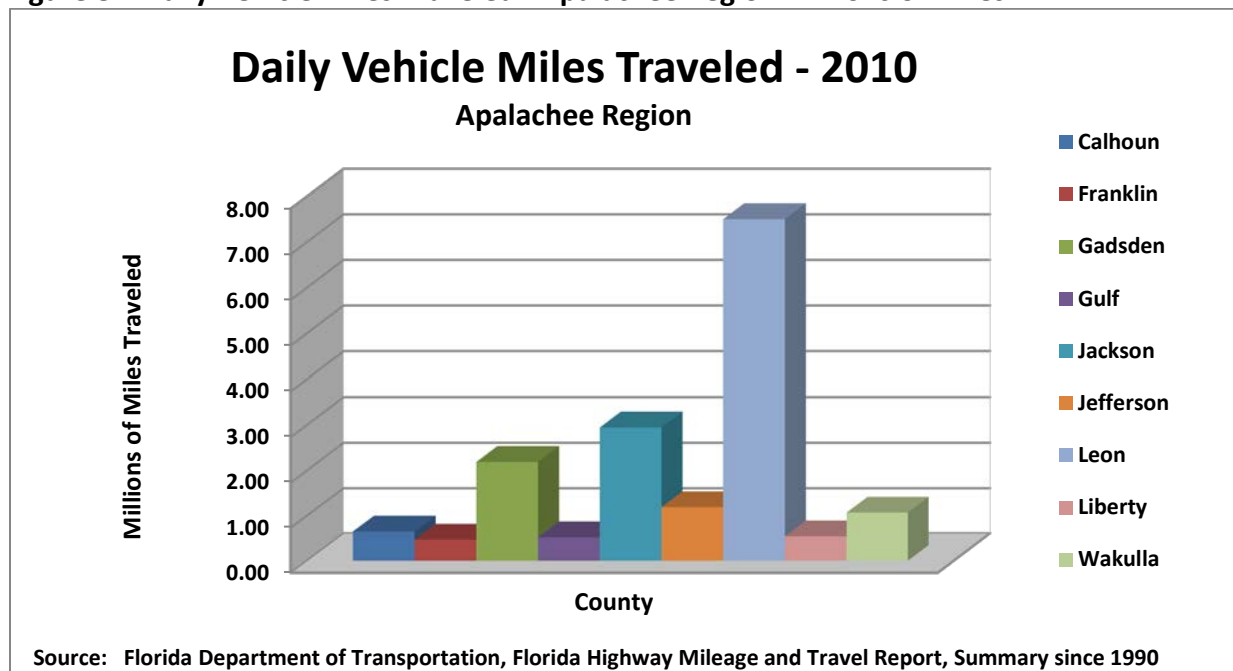
southeastern Alabama with the coast. Coordinating with FDOT, there is hope that future capacity enhancements up to and including 4-laning portions of SR 71 will help not only the port at Port St. Joe but also improve commerce options for the communities along that corridor, Wewahitchka, Blountstown, Altha and the Calhoun County Airport Industrial Park which is the Region's Catalyst site.

Table 13 – Daily Vehicle Miles Traveled

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

Source: US Census

Figure 8 – Daily Vehicle Miles Traveled - Apalachee Region Millions of Miles



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

Strategic Findings – Infrastructure and Growth Leadership

Population has increased as would be expected. However, two counties that had been estimated to have reached a 50,000 threshold in the decennial count did not. Gadsden and Wakulla County had anticipated that the 2010 census would find them over that mark but fell short. The drop in building permits in the latter part of the period is the tell-tale indicator. Transportation is also on the increase as a reflection of the gradual rise in population, but only two significant transportation projects have been completed in the decade, the widening of Leon County's stretch of Interstate 10 and some minor segments of Tallahassee's Capital Circle. Needed projects to support the Region's economic development are increased volume on SR 71 through Gulf, Calhoun and Jackson Counties, enhancements to the AN shortline railroad, improvements to the commercial support facilities and the Tallahassee Regional Airport and upgrades to the offshore fleet support facilities along the coast.

Business Climate & Competitiveness

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

Average Annual Unemployment Rates

The Region's unemployment statistics reflect the pain of the rest of the country as the economic crash took its toll on local businesses and their employees. In addition, cuts in government employment, the life blood of the Tallahassee MSA, laid off an additional 1,500 to 2,000 employees over a two-year period. The Region is performing better than the state as a whole and there were improvements in few counties as 2011 ended. Table-14 below provides the raw data evidencing the enviable unemployment rates reached by mid-decade and the tripling of unemployment rates over the next few years. The Table portrays the different response the Region had through the crisis, but also the beginnings of the regional rebound.

Table 14 – Average Annual Unemployment Levels 2011 to 2nd Qtr 2015

UNEMPLOYMENT RATE						
	2011	2012	2013	2014	Jun-15	2011-14 change
CALHOUN	5,296	5,139	4,956	4,943	4,900	-6.67%
FRANKLIN	5,125	5,038	5,004	5,038	4,804	-1.70%
GADSDEN	19,601	18,895	18,857	19,039	18,749	-2.87%
GULF	6,239	6,099	6,179	6,309	6,348	1.12%
JACKSON	18,858	18,447	18,167	17,948	17,650	-4.83%
JEFFERSON	5,911	5,499	5,457	5,535	5,400	-6.36%
LEON	149,922	149,460	148,512	150,980	147,030	0.71%
LIBERTY	2,873	2,775	2,836	2,802	2,674	-2.47%
WAKULLA	14,594	14,129	14,102	14,266	13,805	-2.25%
ARPC	228,419	225,481	224,070	226,860	221,360	-0.68%
TALLAHASSEE MSA	190,027	187,983	186,928	189,819	184,984	-0.11%
PANAMA CITY MSA	93,409	92,821	92,709	94,086	94,194	0.72%
FLORIDA	9,302,000	9,395,000	9,473,000	9,638,000	9,535,000	3.61%
UNITED STATES	153,617,000	154,975,000	155,389,000	55,922,000	157,037,000	1.50%

Note: Items may not add to totals or compute to displayed percentages due to rounding. All data are subject to revision.

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>

Employment by Industry

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

Data are from the Regional Economic Models Inc.® from data published by the BLS. Table 14 Employment by Sector Apalachee Region and State 2001 to 2010 and its accompanying graphic below present the relative size of public and private employment. Figure 9 clearly demonstrates the stabilizing effect of the government sector employment has on overall employment. Tax supported employment; local government, education and state government provided over 86 thousand jobs in 2014.

This chart does not show the effect of state layoffs that became effective in 2010 and 2011. According to the Florida Department of Economic Development's Quarterly Census of Employment and Wages, the Leon County alone lost 1,000 jobs between June and October of 2010 as cuts to state agencies began to take effect. The following section will discuss the Region's unique dependence on public sector employment as economic base.

Figure 9 – Employment by Industry Sector Apalachee Region 2014

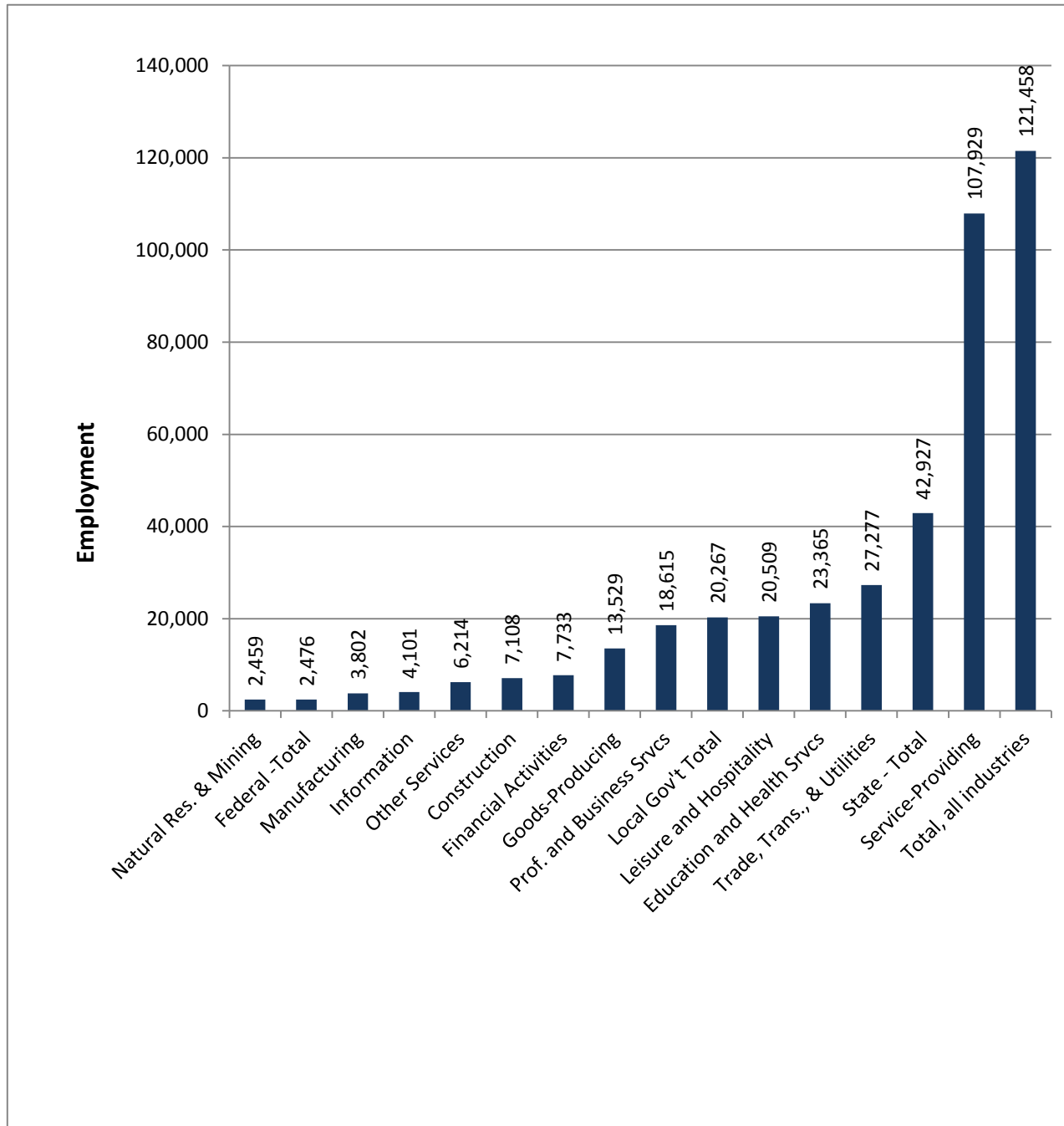
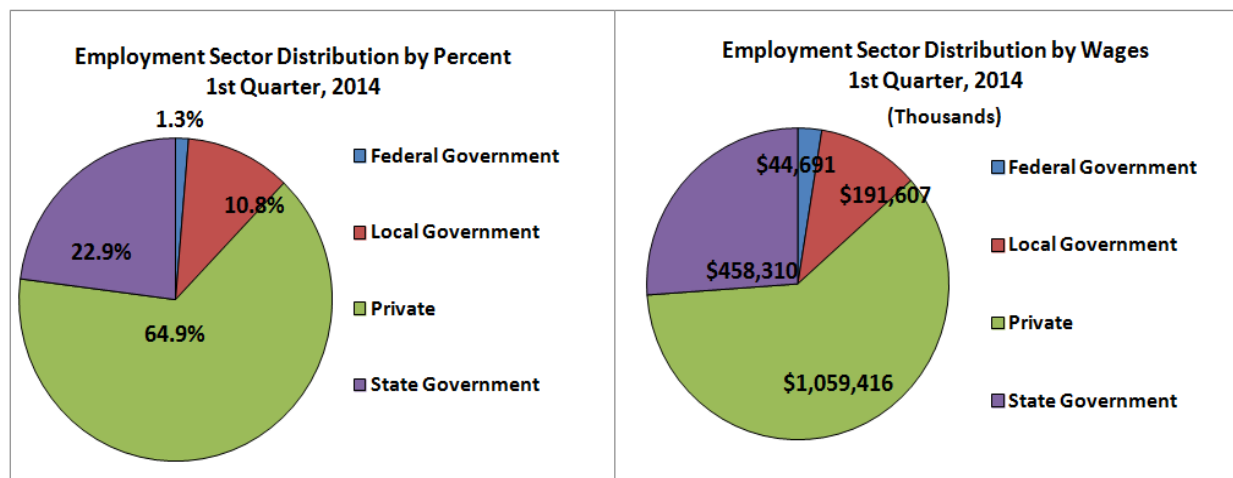


Figure 10 - Employment by Public vs. Private Sector Apalachee Region 2014



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

Public vs. Private

Florida's government sector was hard hit after 2008 from a number of different factors. The gubernatorial election of 2008 saw a paradigm shift toward smaller state government and a hoped for shift toward private sector provision of services. The Florida Department of Health was hard hit with reduced staffing at central state offices and at local county health departments. The State's Land Planning Agency was eliminated with a few of that agency's employees moving to a new Department of Economic Development. Other agencies from the Departments of Transportation, Environmental Protection, Agriculture, Education and others all received direct staffing cuts and hiring moratoria. Tallahassee's capital region was hard hit. This effect wasn't immediately felt, lagging behind legislative and budgetary authority. The data for 2007 show no meaningful change between Regional state employment in the region from 2007 to 2010. State employment dropped by over 10% from 2010 to 2014. That downward trend is still continuing.

The economic downturn of 2008 resulted in losses of ad valorem tax base, placing additional hardship on county governments large and small to provide basic services. The data in Table 15 indicates that the trend toward smaller government is continuing. The values are for average employment for 2010-2014 and the 2nd quarter of 2015, the last quarter available at this writing and are totals for the nine county Region. These impacts were much more quickly felt at the county level than with state employment. A before and after the recession shot is apparent looking at 2007 and 2010. The private sector lost over eleven thousand jobs. Due to loss of tax base, local government staff reductions cost 725 jobs. Many of these were from small counties with already slim local services. Gadsden and Jackson counties both lost over a hundred staff positions in that period.

The good news is that private sector employment increased from a low in 2010 to 2014 and that trend is still ongoing.

Table 15 – Employment by Private vs Public Employment

Sector	Average Employment				Change	
	2007	2010	2014	2Q 2015	Δ 2010 - 2014	Δ 2014 - 2015
Private	129,522	118,487	122,589	124,462	3.46%	1.53%
Federal	2,468	2,742	2,492	2,494	-9.12%	0.08%
State	45,069	45,045	42,683	42,575	-5.24%	-0.25%
Local	20,608	19,883	19,466	17,935	-2.10%	-7.86%

Source: <http://www.floridajobs.org/labor-market-information/data-center>

Wages by Industry

Regional wages have been steadily rising over the last decennial period for most industry sectors. Leading the increases with decennial increases of over 130% are Accommodation and Food Services (131%), Health Care and Social Assistance (131%), Federal Civilian (134%), State and Local Government (134%), Transportation and Warehousing (136%), Administrative and Waste Services (138%), Construction (140%), and Federal Military (201%).

Regional wages have also decreased for some sectors with results falling off significantly in some cases. Sectors losing over the decennial are Utilities (90%), Arts, Entertainment, and Recreation (86%), Real Estate and Rental and Leasing (82%), and Forestry, Fishing, and Related Activities falling off the most at 57%. The following Figure demonstrates the impact in wages by industry in 2010. Federal Civilian appears abnormally high in this graphic as there are relatively few rank and file military servicemen and women in this Region and most employed are at officer levels.

Per the US Bureau of Labor Statistics, for Florida in May, 2014, the median wage for all industries was \$ 41,820, up from \$40,750 in 2010. Leading the way were most medical professionals with incomes varying from \$250K range to agricultural and fast food workers at \$18,800 to 19,150. These data are not available at the county level, but the Tallahassee MSA's data was comparable to state levels.

Table 16 – Avg. Annual Wages by Industry Thousands of Current Dollars 2001 to 2010

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

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

Figure 11 - Average Annual Wages by Industry Apalachee Region (Thousands Dollars 2010)

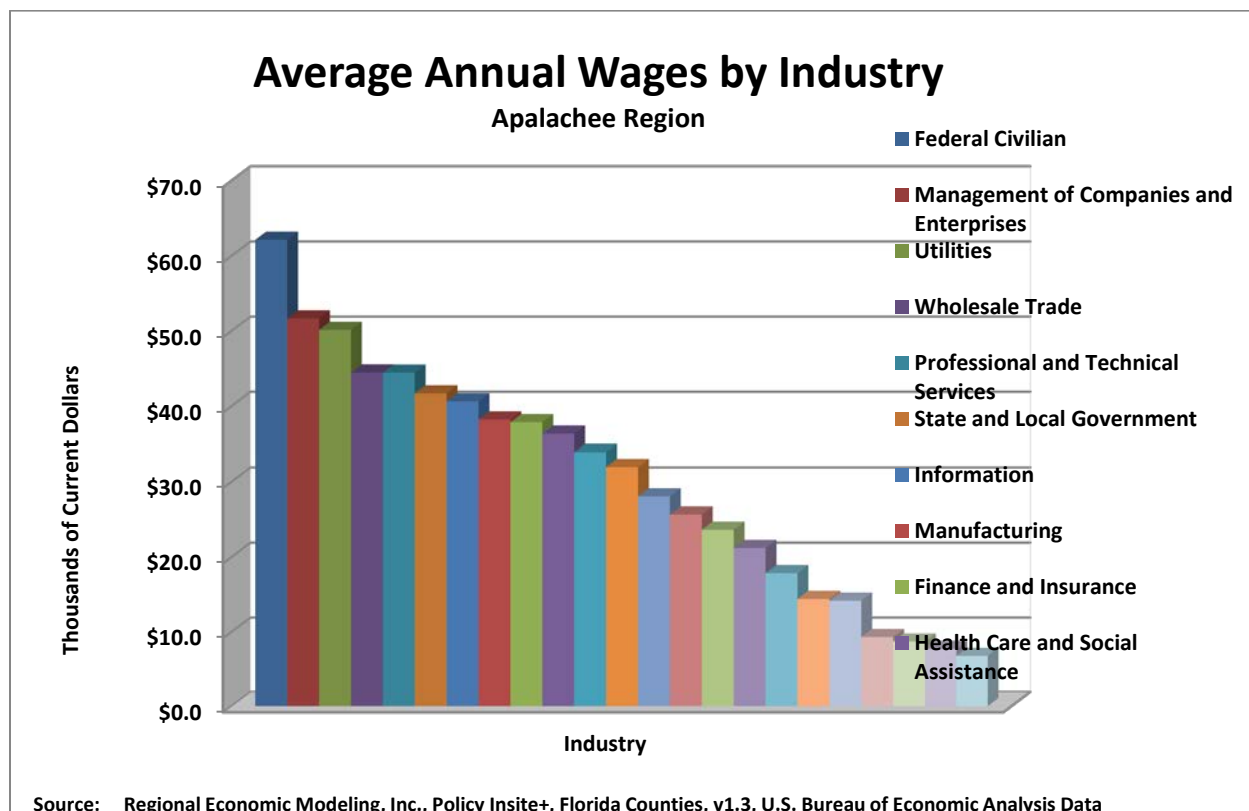
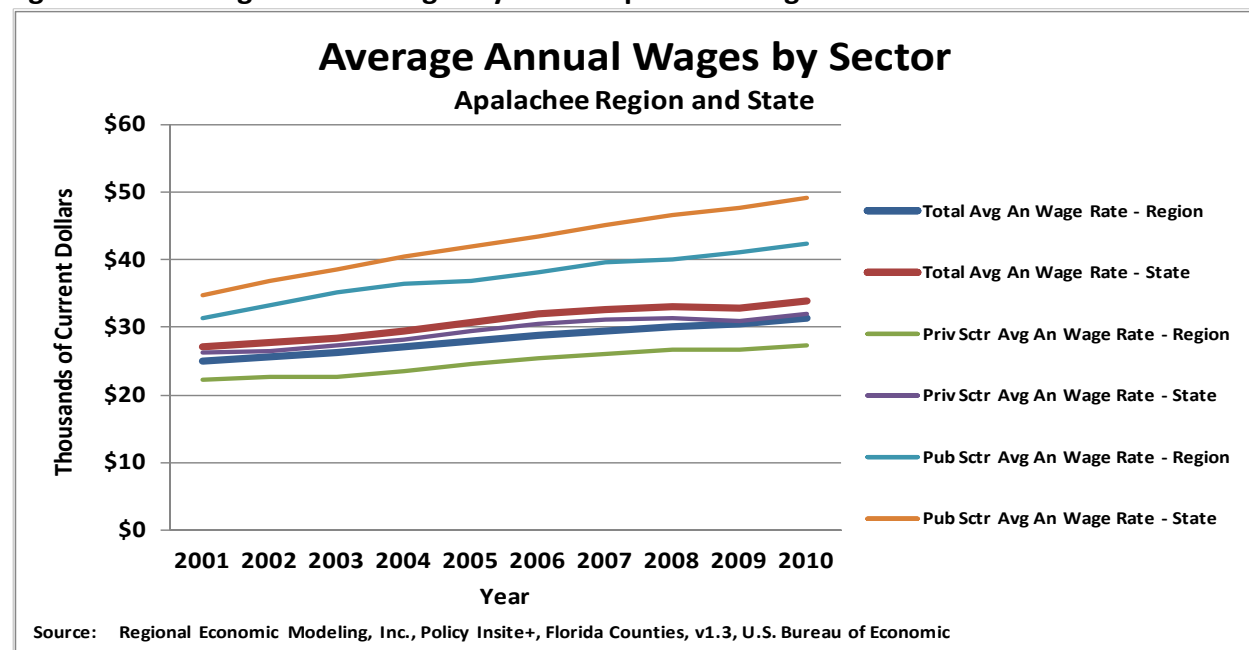


Figure -12 Average Annual Wages by Sector Apalachee Region and State 2001 to 2010



Strategic Findings - Business Climate & Competitiveness

As shown in Figure 9, the Region's two largest employment sectors are State Government and Service providing. The first is tax supported by the remainder of the state the second does little more than redistribute those 'transfer' payments as state government and university wages to a larger retail service industry. The next two Health Services and Local Government provide normally stable career paths but are not in themselves basic industries. These data document the Region's dependence on government and education and its lack of a manufacturing base. Although the Region's small manufacturing sector is relatively well paid at almost \$40K annually, it comprises less than 6,000 of the Region's jobs.

The prior CEDS attributed the Region's stability to the high employment in government and education due to the State Capital and three major education institutions. Due to the current administration's efforts to decrease state employment, the Region has lost 2,500 State jobs since 2010 and another 2,000 in local government employment. Economic belt tightening at the universities has cost additional formerly secure positions. The Region must continue its efforts to attract manufacturing and value added firms to diversify its economic base beyond government and education.

Civic & Governance Systems

Millage Rates

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

Local governments go through their annual budget hearings each July through September as they plan for their next fiscal year. It is not surprising to see annual fluctuations and even some decreases in good years as assessments go up. This is apparent through the 'good' years prior to the recession's peak as most of the Region's county's approached lows in 2007-08. The following graphic demonstrates the fluctuation in millage rates throughout the decade as the counties tried to respond to these forces. This was done in all cases after painful decisions were made as to which departments would receive cuts and which non-profits would no longer be supported. Many of the counties that do have board supported Economic Development Agencies or Chambers of Commerce reduced support for those entities. Franklin, Wakulla and Gulf, all with substantial coastal properties, experienced the highest FY08 to FY 10 increases.

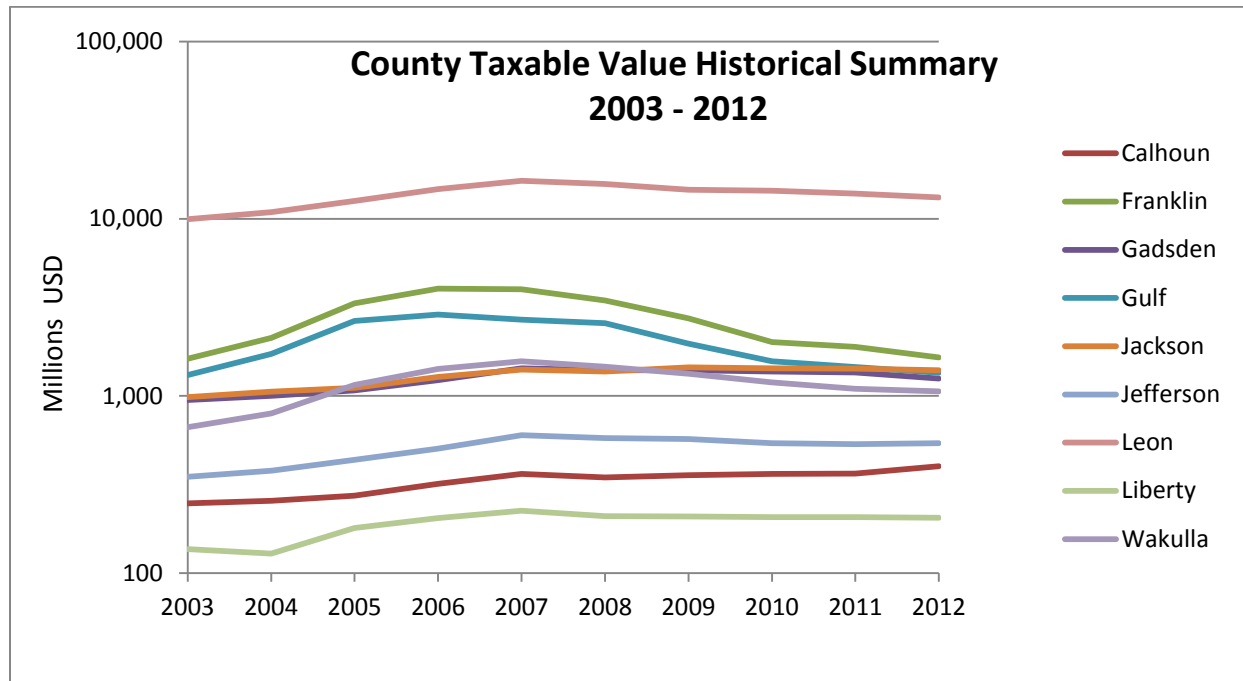
Table 17 – Millage Rates Apalachee Region and State 2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	15.83	15.79	16.66	16.67	15.69	15.63	17.55	17.28	17.29	17.58
Franklin	12.96	12.45	21.11	7.66	8.34	7.88	7.49	7.12	8.27	9.75
Gadsden	19.85	18.65	18.70	18.17	18.17	17.90	16.49	16.55	16.93	17.03
Gulf	13.96	13.43	15.45	12.99	11.41	9.10	9.52	9.82	12.46	13.05
Jackson	15.14	15.89	16.18	14.79	14.50	13.72	12.99	13.19	13.49	13.58
Jefferson	18.74	18.77	19.25	18.38	18.22	17.60	15.81	15.68	16.12	16.13
Leon	18.15	17.35	17.82	17.67	17.26	16.50	15.18	15.72	15.64	15.93
Liberty	17.07	16.54	17.26	16.41	16.20	17.94	17.61	17.83	17.74	18.16
Wakulla	19.94	18.83	19.42	18.76	17.01	16.58	15.75	16.19	16.64	17.34
Region	16.85	16.41	17.98	15.72	15.20	14.76	14.27	14.37	14.95	15.39
Florida	17.31	17.12	18.96	16.20	15.75	15.25	13.93	14.05	14.53	14.77

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

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

Figure-13 County Taxable Value Historical Summary 2000 - 2012



Registered Non-Profit Organizations

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

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

Table 18 – Registered 501(c)3 Organizations Public and Private Foundation Charities Apalachee Region and State 2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	22	23	25	31	29	31	33	34	35	36
Franklin	25	29	35	38	41	44	44	48	50	55
Gadsden	107	111	119	128	135	136	152	157	168	188
Gulf	35	37	44	47	50	53	58	61	63	69
Jackson	119	123	138	143	147	153	157	170	181	186
Jefferson	30	33	40	43	48	52	53	48	57	66
Leon	909	969	1,076	1,138	1,149	1,191	1,275	1,314	1,390	1,479
Liberty	12	13	19	20	20	21	22	28	30	33
Wakulla	37	43	50	56	56	56	59	68	75	90
Region	1,296	1,381	1,546	1,644	1,675	1,737	1,853	1,928	2,049	2,202
Florida	35,368	37,894	43,176	46,191	47,690	49,817	52,756	55,048	58,209	61,047

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

Voter Participation

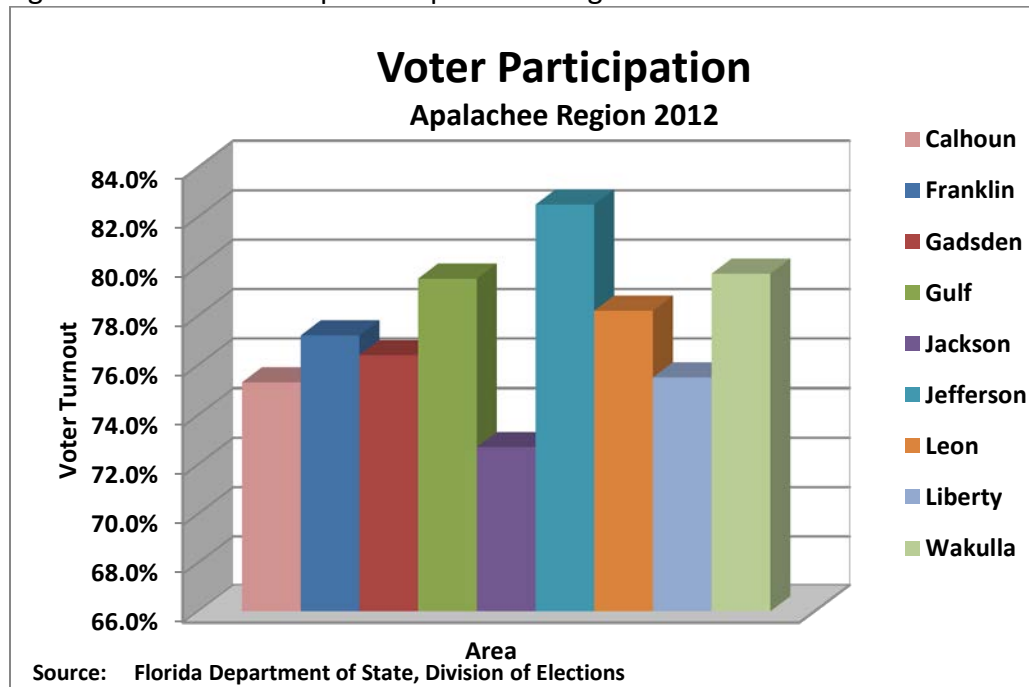
The Apalachee Region typically shows up at the polls more often than the average Florida voter. Regional voters also follow the typical pattern of lower turnout in the ‘off’ years, or non-presidential years with voting rates generally around 50-60%. Presidential elections have much higher stakes, due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

Table 19 – Voter Participation Apalachee Region and State Biennial General Elections 2002 to 2014

Area	General Election Year						
	2002	2004	2006	2008	2010	2012	2014
Calhoun	56.6%	72.0%	48.9%	73.3%	51.8%	75.3%	51.5%
Franklin	55.0%	78.4%	49.1%	79.4%	53.8%	77.2%	60.6%
Gadsden	60.5%	78.5%	48.6%	75.1%	57.2%	76.4%	61.1%
Gulf	60.7%	76.0%	61.8%	79.8%	54.9%	79.5%	54.9%
Jackson	58.1%	73.4%	47.0%	77.4%	54.5%	72.7%	54.4%
Jefferson	70.6%	80.7%	45.2%	77.8%	64.9%	82.5%	67.7%
Leon	64.6%	79.8%	45.4%	85.5%	60.0%	78.2%	57.0%
Liberty	64.9%	74.9%	52.6%	77.5%	52.6%	75.5%	60.7%
Wakulla	62.0%	76.8%	57.8%	77.8%	62.9%	79.7%	62.1%
Region	62.9%	78.4%	58.6%	82.1%	58.9%	77.6%	60.5%
Florida	55.3%	74.2%	46.8%	75.2%	48.7%	71.2%	50.5%

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

Figure-14 Voter Participation Apalachee Region – 2012 Election



Strategic Findings – Civic and Governance Systems

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

Quality of Life & Quality Places

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

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

Per Capita Income

In the last decennial, the Region and Florida both experienced an overall growth in personal income per person or per capita income of about 9%, or a little less than 1% per year. Although inflation has been slow, the core consumer price index rose at about 21% for the period causing reductions in purchasing power. Within the Region, Wakulla County did the worst with only a 1% rise in PCI over that period while Gulf and Liberty made the most headway with 21% and 18% rises respectively. Table-20 and Figure-15 present the data for the period and a comparison between state and regional per capita income curves.

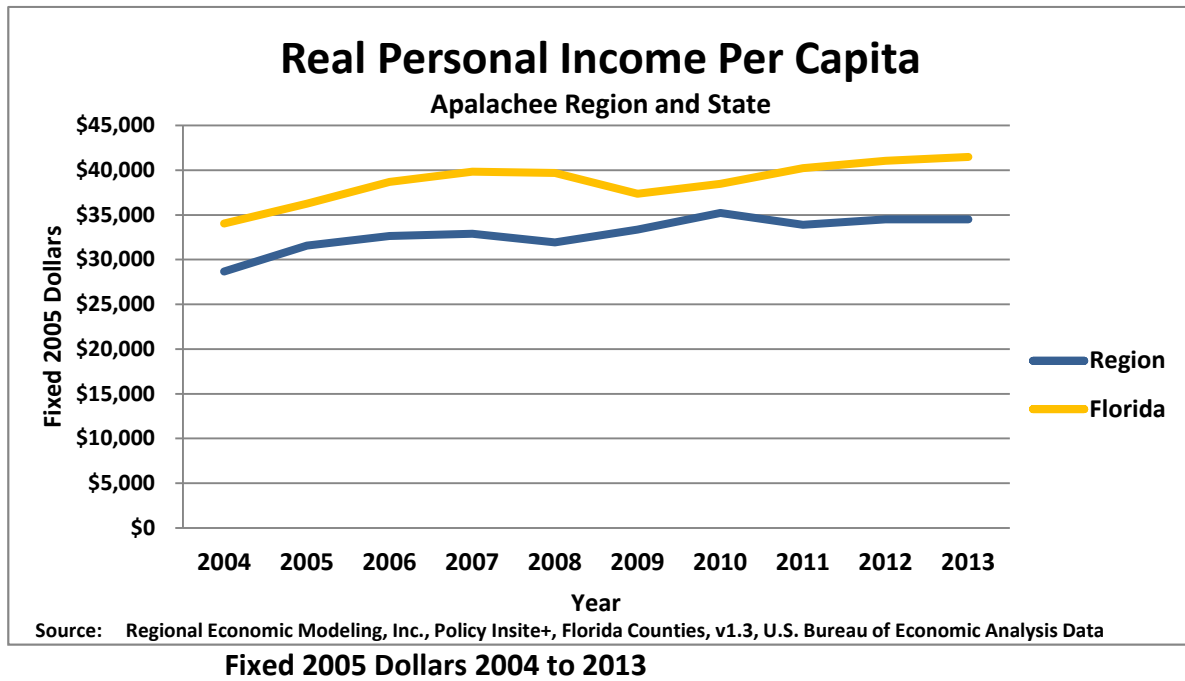
**Table20 – Real Personal Per Capita Income Apalachee Region and State
Fixed 2005 Dollars 2005 to 2013**

Area	Year								
	2005	2006	2007	2008	2009	2010	2011	2012	2013
Calhoun	\$20,330	\$20,835	\$21,392	\$22,004	\$21,170	\$22,439	\$22,854	\$23,043	\$23,484
Franklin	\$28,754	\$28,187	\$29,186	\$28,634	\$27,051	\$28,142	\$28,961	\$29,444	\$30,301
Gadsden	\$26,274	\$27,449	\$27,715	\$28,114	\$27,425	\$27,233	\$28,743	\$27,762	\$28,290
Gulf	\$22,804	\$24,482	\$24,974	\$25,975	\$24,657	\$25,597	\$26,546	\$26,615	\$27,053
Jackson	\$24,566	\$24,794	\$26,180	\$26,621	\$27,044	\$28,724	\$29,678	\$29,476	\$30,037
Jefferson	\$27,409	\$28,320	\$29,871	\$29,662	\$28,809	\$29,373	\$30,113	\$30,674	\$31,183
Leon	\$34,150	\$35,466	\$36,589	\$36,695	\$35,560	\$37,420	\$39,857	\$37,644	\$38,345
Liberty	\$22,492	\$23,334	\$24,330	\$24,361	\$23,785	\$24,652	\$24,892	\$24,833	\$25,062
Wakulla	\$26,997	\$28,237	\$29,594	\$30,723	\$28,873	\$29,207	\$29,974	\$30,256	\$30,699
Region	\$31,580	\$32,653	\$32,888	\$31,933	\$33,350	\$35,218	\$33,900	\$34,513	\$34,513
Florida	\$36,258	\$38,693	\$39,819	\$39,709	\$37,350	\$38,478	\$40,215	\$41,041	\$41,497

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

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

Figure 15 – Real Personal Per Capita Income Apalachee Region and State



Housing Price Cost Index

The discussion above would indicate that conditions are dire in the Region, but the average household's highest monthly expense is for housing. Housing in the Region is much more



affordable than in the remainder of Florida. The housing bubble grew large in the Apalachee Region with housing costs approaching or surpassing national rates in the run up to 2007. Leon County's rate rose to 110% of the national average with Franklin County following at 98%. This belies two very different conditions. In Leon, most of this housing was for new owner occupied housing. In Franklin County, where there is a large investment property industry in vacation homes, the

average is pushed highly upward because of this industry while its workforce housing has seen little construction or improvement off the barrier island where new home construction is primarily for the vacation rental market. Much of the workforce housing in Franklin is modest site built of modular/mobile homes typical of the Region.

Table 21 – Relative Housing Price Region and State National Index = 1.0 2001 to 2010

Area	Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Calhoun	0.36	0.36	0.37	0.39	0.43	0.45	0.41	0.38	0.35	0.35
Franklin	0.78	0.79	0.81	0.84	0.94	0.98	0.90	0.82	0.76	0.77
Gadsden	0.53	0.54	0.55	0.57	0.64	0.67	0.61	0.56	0.52	0.52
Gulf	0.43	0.43	0.44	0.46	0.52	0.54	0.49	0.45	0.42	0.42
Jackson	0.66	0.66	0.67	0.70	0.79	0.82	0.75	0.69	0.64	0.65
Jefferson	0.42	0.43	0.44	0.46	0.51	0.53	0.49	0.45	0.41	0.41
Leon	0.75	0.78	0.79	0.87	1.10	1.04	0.98	0.69	0.45	0.45
Liberty	0.39	0.40	0.41	0.42	0.48	0.49	0.45	0.41	0.39	0.39
Wakulla	0.57	0.57	0.59	0.61	0.69	0.71	0.66	0.60	0.56	0.57
Region	0.68	0.70	0.71	0.78	0.95	0.92	0.86	0.66	0.48	0.48
Florida	0.68	0.69	0.71	0.75	0.85	0.86	0.81	0.75	0.66	0.66

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

Persons Living in Poverty

In 2015, the National Poverty Rate was 15.3% of the population of the U.S. While this in itself was a discouraging statistic, in the state of Florida, it is now worse at 17.1%, but much worse for the Apalachee Region which had an overall rate of 22.3% in 2013. In 2014, the effective rate of poverty for the region has increased to 23.0%. With minor variations from county to county, the poverty levels are about the same as reported for 2014. Rural counties: Calhoun, Franklin, Jackson, Jefferson, Liberty and Wakulla all are reported by the Census' American Community Survey as having reduced rates of poverty in 2014, vs. the previous year. Strikingly, the Region's most populous county, Leon is reported as having an increase from 21.7% to 23.3% from 2013 to 2014. That amounts to over 4,500 additional individuals in poverty in Leon County. With the definition of poverty related to a person or household's buying power in the local economy vs. annual income, this effect could be a result of increases of commodity prices compared to flat income levels per household. Source: US Census Quickfacts.

Table 22 – Percent of Persons Living in Poverty, Region and State 2004 to 2013

Area	Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Calhoun	21.7%	20.2%	18.2%	17.2%	21.2%	20.4%	23.3%	25.9%	24.0%	23.8%
Franklin	17.7%	15.2%	14.7%	13.5%	18.3%	18.5%	18.6%	22.3%	24.5%	25.9%
Gadsden	19.3%	18.2%	18.0%	15.8%	17.7%	19.7%	25.4%	25.2%	26.7%	25.3%
Gulf	20.5%	18.9%	15.5%	14.5%	17.6%	19.2%	16.7%	23.2%	24.4%	22.4%
Jackson	17.9%	17.0%	16.2%	15.7%	16.9%	19.1%	27.3%	20.5%	21.4%	26.3%
Jefferson	17.7%	16.8%	16.3%	14.5%	18.7%	18.1%	17.8%	18.7%	21.3%	19.6%
Leon	12.6%	12.8%	14.1%	12.7%	17.2%	18.7%	17.0%	22.7%	21.2%	21.7%
Liberty	20.7%	20.3%	17.4%	16.9%	21.6%	19.4%	18.4%	23.5%	26.0%	27.7%
Wakulla	13.0%	12.2%	11.1%	10.4%	11.8%	12.2%	11.3%	14.6%	16.1%	15.9%
Region	14.8%	14.5%	14.9%	13.5%	17.1%	18.5%	18.8%	20.4%	20.0%	22.3%
Florida	12.6%	12.8%	13.0%	11.9%	12.8%	12.6%	12.1%	17.0%	17.2%	17.1%

Source: US Census; Small Area Income and Poverty, 1/15

Figure 16 - Percent of Persons Living in Poverty Apalachee Region and State 2004-13

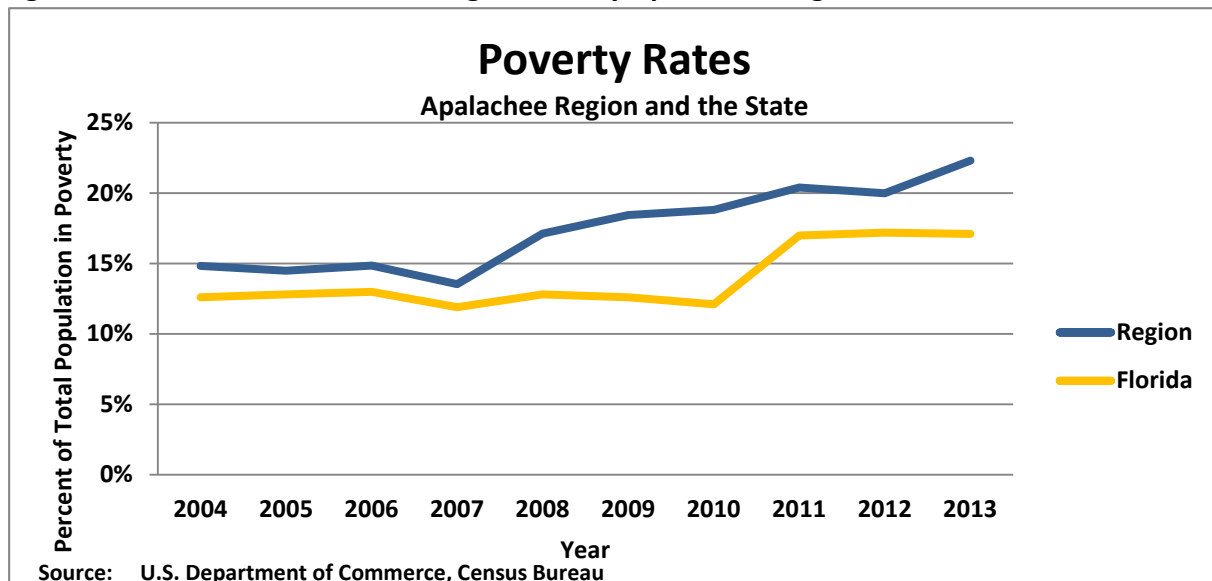
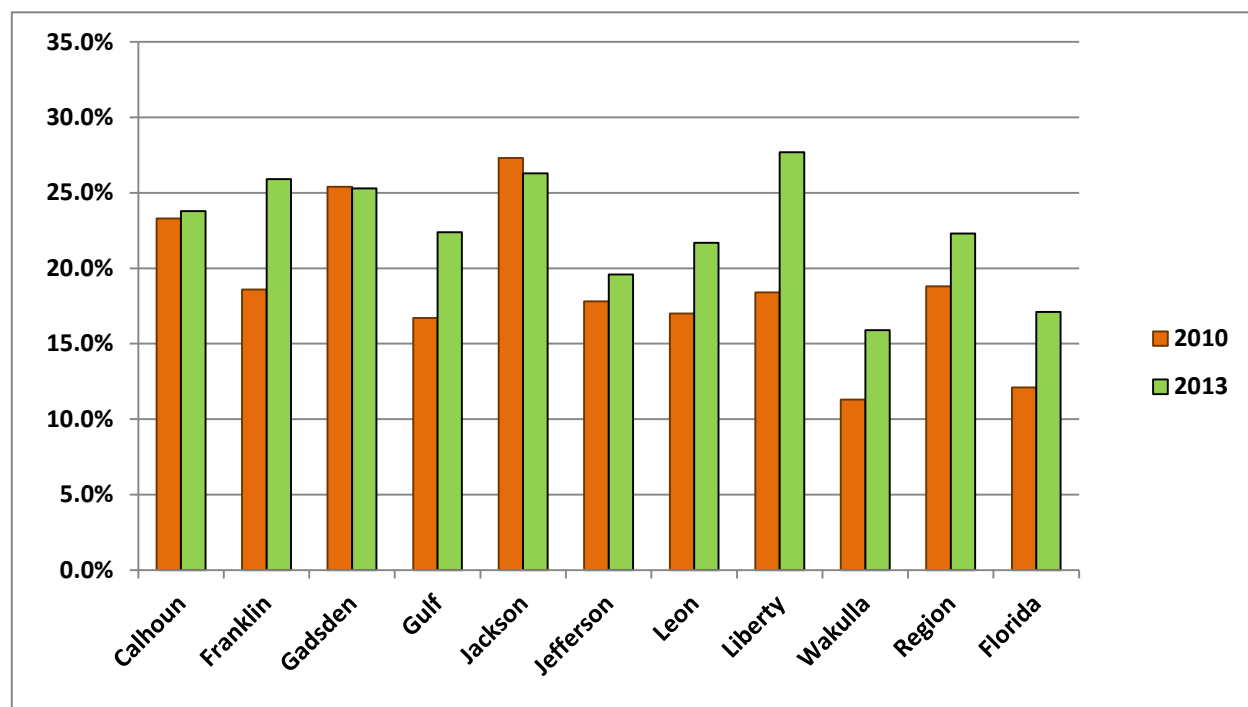


Figure 16 above demonstrates that Florida's poverty rate, though high, leveled off in 2011 while the Apalachee Region's took another uptick. The poverty rates for the nation, state and Region were dropping through the 1990s, but appear to have tapered off in the first few years of the decennial. Almost in anticipation of the coming hard times, poverty rates across the nation, state and Region began to rise in 2005 with the percentages running higher in most of the Apalachee Region's counties. Calhoun and Liberty Counties were the first to cross the 20% line in 2005 being joined by four more by the end of the decade. National trend lines reflect the recession's trend with unemployment levels increasing in 2008, rising sharply through 2009 to 2011 and tapering off toward 2013. This is coupled with a drop in unemployment levels to 2007 levels, which is a result of a large number of previous higher wage jobs being replaced by lower wage service sector employment.

The following Figure 17 presents the change in poverty rates from 2010 to 2013 for the Region's counties and the State of Florida. Calhoun, Gadsden, and Jackson had the least change with Jackson being the only county to show improved levels. All other counties in the region had increasing levels of poverty with Liberty spiking from 18.4% to 27.7%.

Figure-17 Change in Poverty 2010 – 2013, Counties, the Region, and the State of Florida



Source: US Census; Small Area Income and Poverty, 1/15

Strategic Findings – Quality of Life and Place:

The Region both benefits and is harmed by its rural characteristic. Lower than standard wages and higher than average poverty rates are offset somewhat by lower housing and other cost of living expenses. The Region does have significant natural and cultural assets that remain as reasons people move to the Region and call it home. University cultural activities from fine dance to football and outdoor activities from kayaking to spelunking provide a wealth of activities that few places can match while still retaining that rural character. Making life better for all of its inhabitants, many of whom cannot afford to kayak or attend cultural functions will require higher employment in a wider economic base. Diversification into higher technical occupations, expansion of the Region's medical centers, and continued diligence in protecting the natural assets we all enjoy is paramount.

The most recent negative trend is the increasing poverty rate vs. falling unemployment. Job losses have come from decreasing State employment in the Capital offices to failures in the oyster beds of Apalachicola. Replacement employment has come largely from lower paying positions. We would have to conclude that the increasing poverty rates are also indicative of higher economic stresses in middle income households as well.

Appendices

Appendix 1	Apalachee Regional Planning Council Membership, June 2013
Appendix 2	ARPC CEDS Committee Membership
Appendix 3	Abbreviations

APALACHEE REGIONAL PLANNING COUNCIL - 2016 BOARD OF DIRECTORS					
NAME	OCCUPATION	COUNTY RESIDENCE	ELECTED OFFICE	LOCAL GOVERNMENT	APPOINTED DATE
Darrell McDougald	Retired Business Owner	Calhoun	County Commissioner	Calhoun County	1/13
Wes Johnston	Retired Military	Calhoun	Mayor	Town/Altha	1/09
Don Stephens	Retired Seafood Broker	Calhoun	Governor's Appointee	Calhoun County	2/14
William Massey	Full Time Commissioner	Franklin	County Commissioner	Franklin County	11/15
Brenda Ash	Full Time Commissioner	Franklin	City Commissioner	City/Apalachicola	1/16
Dawn Radford	Writer	Franklin	Governor's Appointee	Franklin County	12/05
Brenda Holt	Business Owner / Teacher	Gadsden	County Commissioner	Gadsden County	1/13
Karen Bass	Owner, Civil Engineering Firm	Gadsden	City Commissioner	Town of Havana	9/15
Henry Grant	County Extension Director	Gadsden	Governor's Appointee	Gadsden County	11/06
Ward McDaniel	Full Time Commissioner	Gulf	County Commissioner	Gulf County	1/14
Tony Justice	Landscape Bus. Owner	Gulf	City Commissioner	City/Wewahitchka	1/06
Michael Hammond	Prison Warden	Gulf	Governor's Appointee	Gulf County	2/12
Eric Hill	Construction (Retired)	Jackson	County Commissioner	Jackson County	1/15
Gene Wright	Retired	Jackson	Mayor	Town/Malone	1/11
Vacant		Jackson	Governor's Appointee	Jackson County	
Stephen Walker	Tallahassee Utilities	Jefferson	County Commissioner	Jefferson County	1/11
John Jones	County Sanitation Dir.	Jefferson	City Commissioner	City/Monticello	1/09

NAME	OCCUPATION	COUNTY RESIDENCE	ELECTED OFFICE	LOCAL GOVERNMENT	APPOINTED
Vacant		Jefferson	Governor's Appointee	Jefferson County	
Jane G. Sauls	Full Time Commissioner	Leon	County Commissioner	Leon County	12/98
Nancy Miller	Full Time Commissioner	Leon	City Commissioner	City/Tallahassee	1/11
Lisa Miller	Lobbyist/Consultant	Leon	Governor's Appointee	Leon County	11/13
Dexter Barber	Construction	Liberty	County Commissioner	Liberty County	1/15
Woody Stewart	Retired Air Force Officer	Liberty	City Commissioner	City/Bristol	1/10
Steve Cutshaw	State Park Manager	Liberty	Governor's Appointee	Liberty County	1/08
Randy Merritt	Engineer / Contractor	Wakulla	County Commissioner	Wakulla County	01/11
Gail Gilman	Tax Accountant	Wakulla	City Commissioner	City/St. Marks	01/12
Ed Brimner	Realtor	Wakulla	Governor's Appointee	Wakulla County	
Ex-Officio Members:					
Benjamin Blitch	FL Department of Environmental Protection				1/14
Christine Coger	Northwest Florida Water Management District				4/04
Virgie Bowen	Department of Transportation				01/13
Diane Scholz	Enterprise Florida, Inc.				5/08

ARPC CEDS Committee Members

County	Name	Title/Representing	FIELD OF EXPERTISE
Calhoun	Vicki Montford	Century Bank Exec. and Chamber of Commerce Board	Banking/Finance
Calhoun	Danny Ryals	Calhoun County School Board	Education/Real Estate
Franklin	Mark Curenton	Franklin County Planning Director	Community Planning
Franklin	David Butler	Carabelle EDC	Banking/Finance
Gadsden	Henry Grant	Gadsden EDC Chairman and Agricultural Extension Director	Agriculture/Rural Development
Gadsden	Allara Gutcher	Gadsden Co. Planning Department	Planning/Economic Development
Gulf	Towan Kopinski	Gulf Co. EDC	Grants/Economic Development
Gulf	Bobby Pickels	Duke Power	Community Planning
Jackson	Paul Donofro	Architect – EDC member	Business
Jackson	Bill Stanton	Director Jackson Co. Dev. Council	Economic Development
Jefferson	Julie Conley	Director Jefferson Co. Economic Dev. Council	Economic Development
Jefferson	Paul Michael	Business Owner	Business
Leon	Kyle Touchstone	Tallahassee/Leon EDC, Inc.	Economic Development
Leon	Rick Frazier	Tallahassee Community College	Workforce - Education
Liberty	Woody Stewart	Retired Military	Management/Local Government
Liberty	Davis Stoutamire	ARPC Board Member/ Liberty County Commission	Local Government
Wakulla	Pam Portwood	Ex. Dir. RiverWay South	Tourism/Economic Development
Wakulla	Jay Westmark	Wakulla Co. Economic Dev. Council	Business, Corp. Sales – Telecom
Ex. Officio	Jim Brook	Ex. Dir. Opportunity Florida	Economic Development

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

Abbreviations

ABBR	Abbreviation
ARRA	American Recovery and Reinvestment Act of 2009
BCC	Board of County Commissioners
BLS	Bureau of Labor Statistics
BP	British Petroleum
CDBG	Community Development Block Grant
CEDS	Comprehensive Economic Development Strategy
DEO	Department of Economic Opportunity
ED	Economic Development
EDA	Economic Development Administration (US Department of Commerce)
EDC	Economic Development Council
EDD	Economic Development District
EFI	Enterprise Florida, Inc.
FAMU	Florida Agricultural and Mechanical University
FCAT	Florida Comprehensive Assessment Test
FDOT	Florida Department of Transportation
FSU	Florida State University
GED	General Education Development
IDB	Industrial Development Board
IFAS	Institute of Food and Agricultural Sciences
MSA	Metropolitan Statistical Area
NAFTA	North American Free Trade Agreement
NFTCA	North Florida Transportation Corridor Authority
OTTED	Office of Tourism, Trade and Economic Development
PAEC	Panhandle Area Educational Consortium
PV	Photo-Voltaic
RACEC	Rural Area of Critical Economic Concern
REDI	Rural Economic Development Initiative
REMI	Regional Economic Models, Inc.

SBA	Small Business Administration
STEM	Science, Technology, Engineering and Math
STEMM	Science, Technology, Engineering, Math and Medicine
SWOT	Strengths, Weaknesses, Opportunities and Threats
TARP	Troubled Asset Relief Program
TBD	To Be Determined
TLEDC	Tallahassee/Leon Economic Development Council
TLH	Tallahassee Regional Airport (Airport Code)
USACE	United States Army Corps of Engineers
USDA	United States Department of Agriculture
WIRED	Workforce Innovation in Regional Economic Development

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Apalachee Region
Comprehensive Economic
Development Strategy

2013-2017

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