

Office of Economic Development City of Jacksonville



**PRESENTATION TO THE CONSOLIDATION
TASK FORCE**

**Ted Carter, Executive Director & CEO
Office of Economic Development**

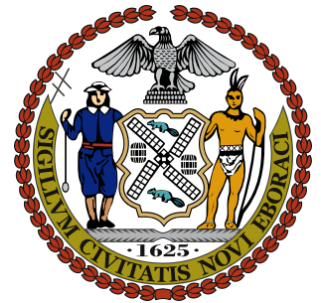
Economic Development Officer

20+ years of senior public and private sector economic development, real estate, and leadership and management experience.



New York
Public
Library

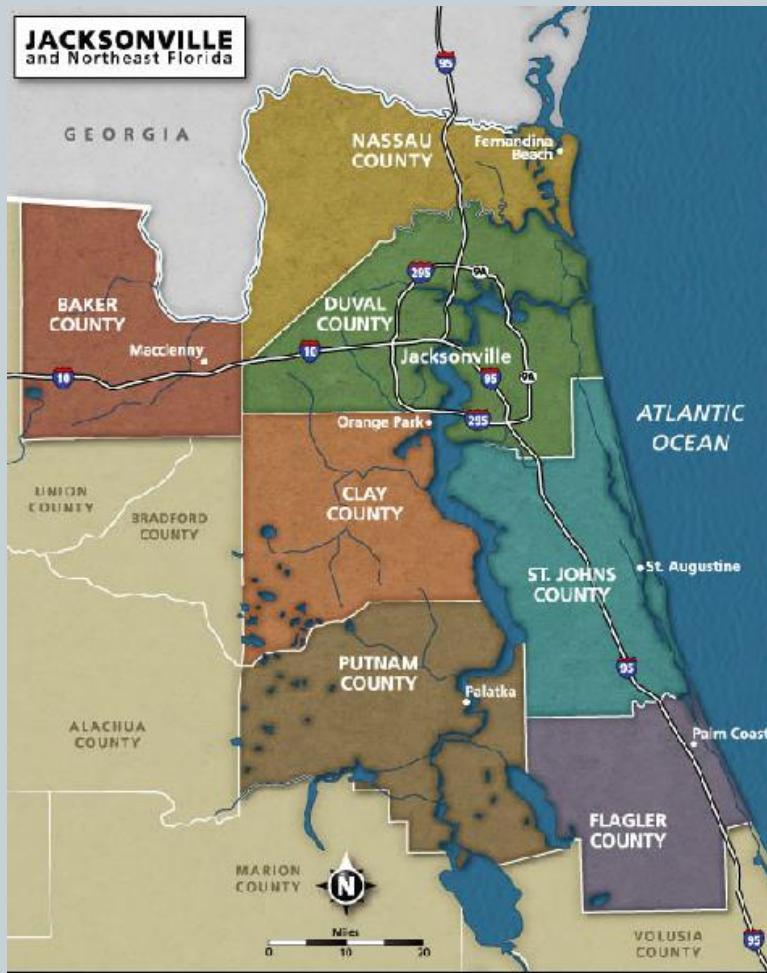
CBRE



 **FreeMarkets**

\$1.5+ Billion of Economic Development & Commercial Real Estate Activity

Jacksonville MSA



- MSA Population 1,345,596
- MSA
 - Relatively high population density at its core
 - Close economic ties throughout the area
 - Not legally incorporated as a city or town would be
 - No legal administrative divisions like counties and states
 - A typical MSA is centered on a single large city that wields substantial influence over the region

Duval County Economic Area



Area: 918.24 sq mi (2,378 km²)

Population:

- 2000 778,879
- 2010 864,263 (9.8% increase)
- 2012 875,809
- Projected Population (2017) 917,837
- Population Growth (2012 to 2017) 4.8%

Median Age: 36.0

- Population under 18 – 23.5%
- Population above 65 – 11.1%

Source: DemographicsNow, 2012

Key Economic Indicators

	Q3 2012	Q3 2013
Unemployment Rate <i>Data is from July/Aug 2012 & 2013. Sept. figures released 11/22.</i>	9.5%	7.5%
Average Wage	\$44,221	\$44,663
Vacancy Rates (Q3 2012 & Q3 2013)		
Office	20.8%	19.9%
Downtown Office	20.1%	20.4%
Industrial	11.9%	10.2%
Retail	11.2%	10.6%
Housing		
Permits <i>(Residential construction - new building)</i>	465	535
Foreclosures	2,328	918
JAXPORT Tonnage	2,077,372	2,241,986
JIA Passengers	1,297,602	1,277,942

Sources: FL Department of Economic Opportunity; U.S. Census Bureau; CBRE; City of Jacksonville; Florida State Courts; JAXPORT; JAA

Jacksonville Accolades



- **No. 3 in U.S. for digital city government – e.Republic**
- **No. 1 on the "Most Improved Markets" list from September 2012 to September 2013 – On Numbers**
- **No. 16 on the "Top U.S. Economies" list – On Numbers**
- **No. 3 for finding employment – Forbes**
- **No. 2 for technology services jobs growth – Forbes**
- **No. 2 in Florida and No. 31 in the U.S. for transportation & warehouse sector jobs – On Numbers**
- **Most small business friendly city in Florida – Kauffman Foundation**
- **Top 10 Best Big Cities for Homeownership – NerdWallet**
- **No. 15 in "Top 25 Arts Destinations" list – American Style**

Jacksonville Assessment

IBM Smarter Cities Grant Recipient (2012) *1 of 3 cities selected*

Strengths

- Private/public collaboration & engagement
- Business & tax environment
(Forbes ranked Jax No. 2 in U.S. in job growth)
- Cost of Living & quality of life
- Weather & amenities
- Passionate citizenry
- Bond rating
- Abundance & pricing of land
- St. Johns River
- Infrastructure: port, rail, airport & interstates
- Culture & history
- Military installations & employee base
(1/3 of local economy)
- Sports town- Jaguars

Threats

- Pension reform, morale & capabilities of employees
- Political decision making, consensus and stability
- National economy
- Plan vs. can-do mindset
- Lack of clearly defined systems & processes
- Sequestration's impact on military installations

Weaknesses

- Downtown core is underused & undervalued
- City has no clear identity
- City's brand is undervalued & unknown
- Water & parks not incorporated into city's fabric
- Employee morale & resources

Opportunities

- Blank slate to create a great riverfront city that is globally recognized
- Create an integrated kinetic brand and messaging that is vibrant & attractive
- Create world class design & architecture for downtown that is sustainable, attracts the creative class and embraces Jacksonville's rich history

Core Economic Engines



Quality of Life

THE PLAYERS[®]



Military

Sports and Entertainment



Downtown

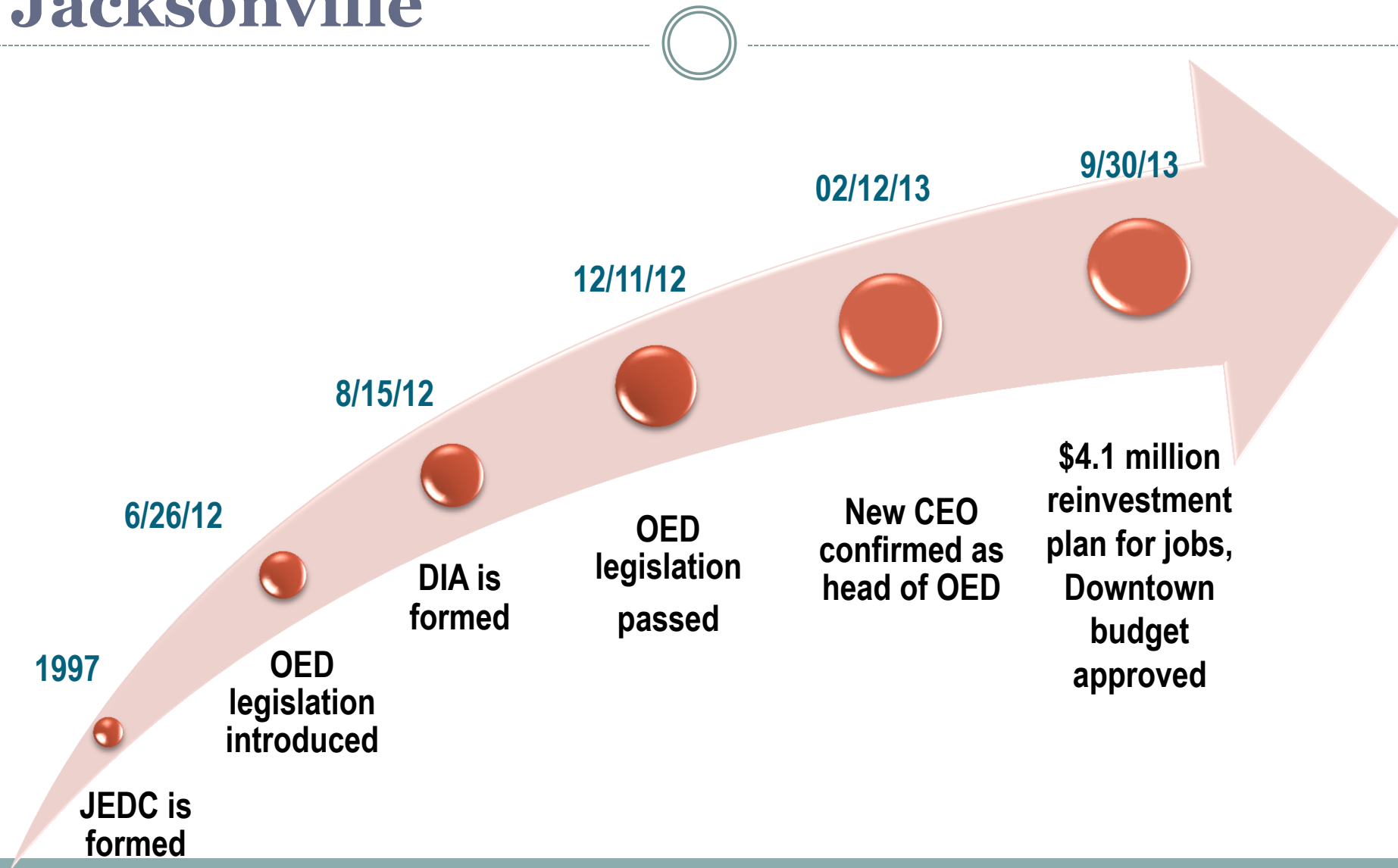
Port



Cecil Commerce Center



History of Economic Development in Jacksonville



Office of Economic Development

Ordinance 2012-212-E



Functions

- Negotiates economic incentive packages for the City
- Provides staff to the City's Enterprise Zone
- Provides support to City Council in CRA role
- Provides support to City Council as industrial development authority
- Manages Cecil Commerce Center / Alliance Florida
- Operates the Jacksonville Film and TV Office
- Manages and operates the Sports Complex 2.1M Square Feet
- Operates the Equal Business Opportunity Office
- Operates the Office of Public Parking
- Operates the Office of Special Events
- Operates the Office of Public Private Partnerships

Office of Economic Development Ordinance 2012-212-E



Goals

- Partner with business community
- Create high wage jobs
- Enhance economic growth
- Attract new business
- Encourage current business to grow
- Provide economic development resource within the Office of the Mayor in effort to be more accountable, efficient, and business friendly

OED Vision



OED will be the leading economic development entity in the State of Florida.

OED will be a results-focused, catalytic and collaborative organization that is responsive, transparent, predictable and ethical.

OED Mission



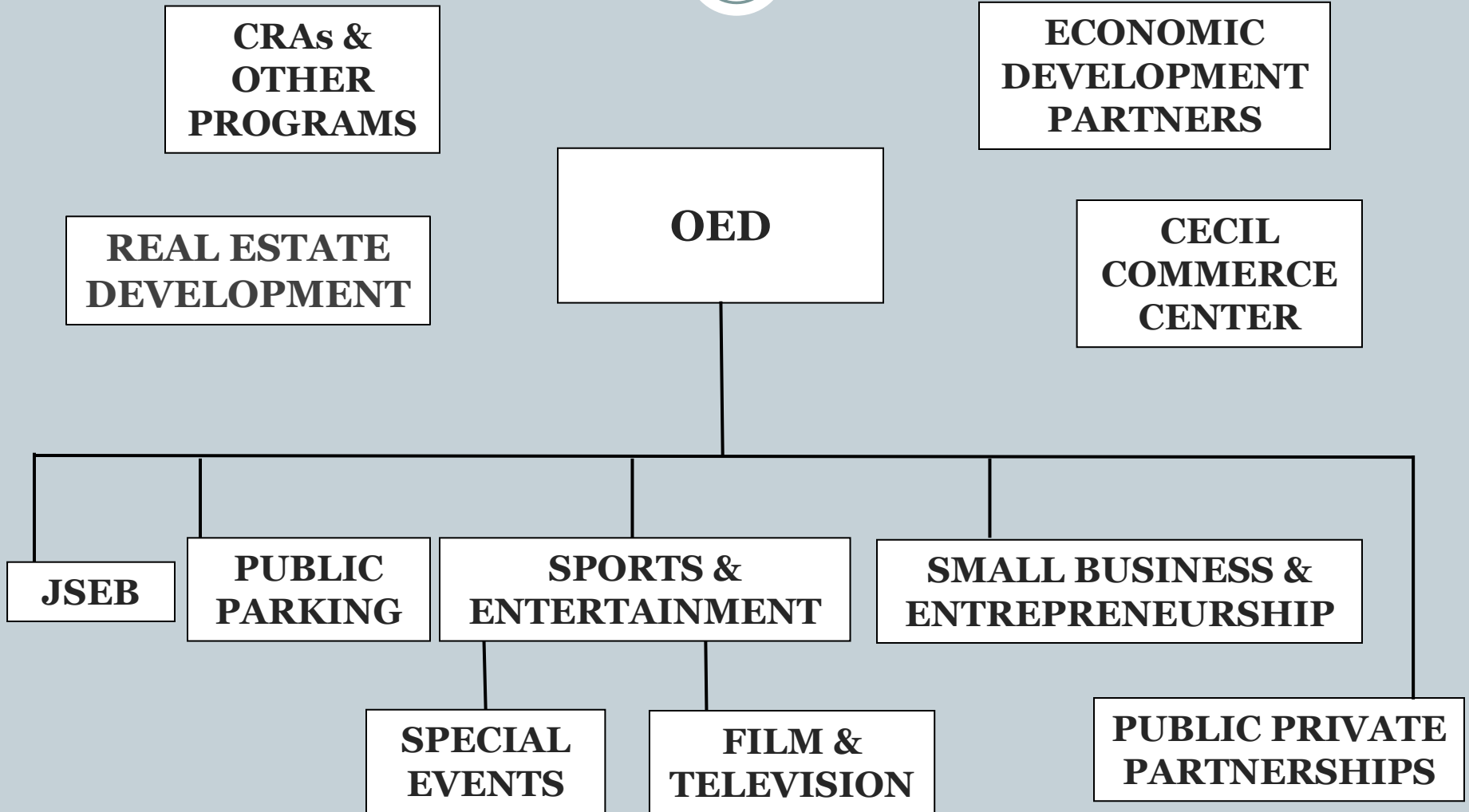
Mission

- **Attract Private Capital**
- **Facilitate Job Creation**
- **Market & Brand City**
- **Be an advocate & strong partner with the region's business community**
- **Enhance City's Tax Base**
- **Real Estate Development**

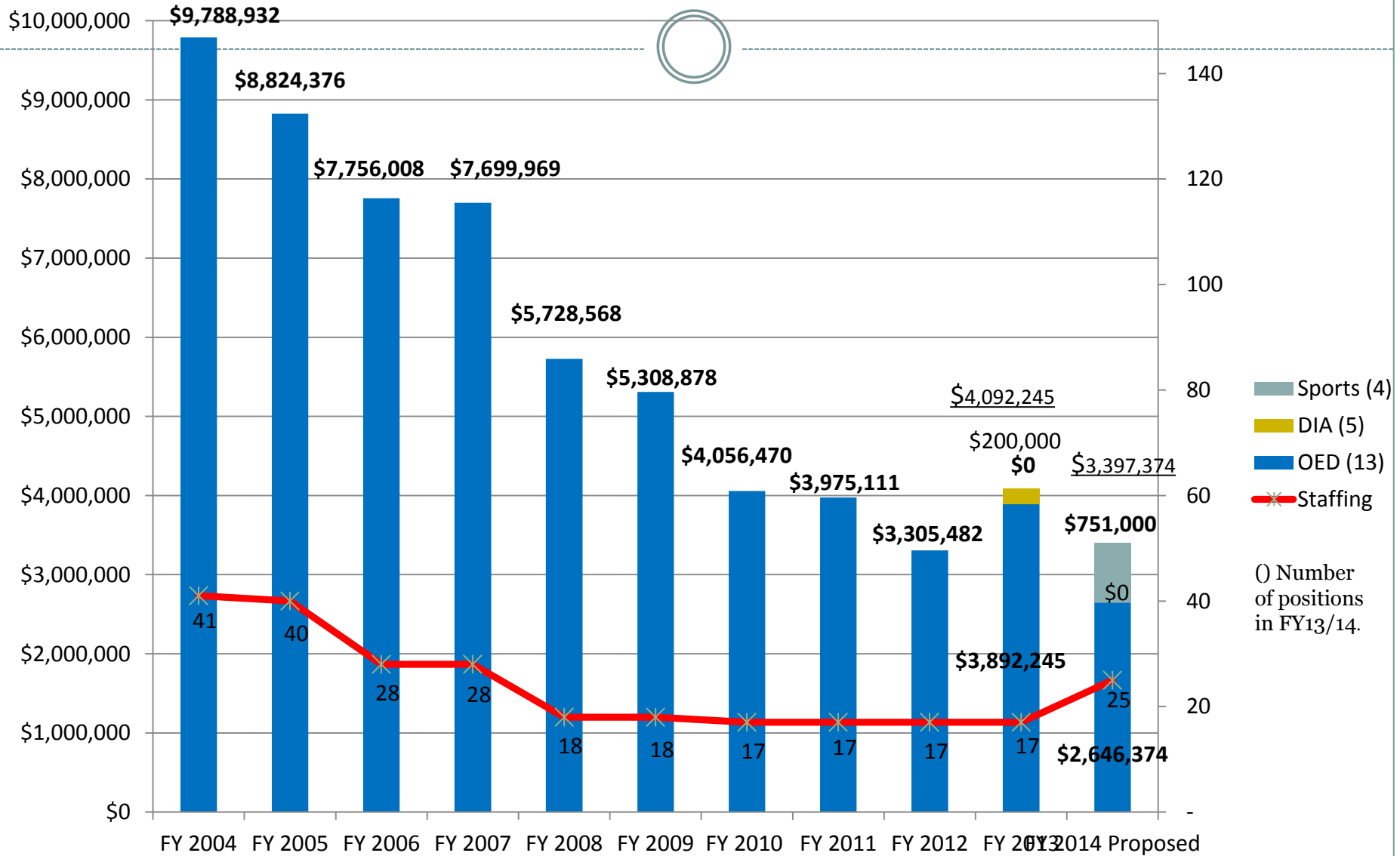
Tools

- **Incentives/Gov't programs**
- **Public/Private Partnerships**
- **Technical assistance**
- **Sports & Entertainment**
- **Special Events**

OED Organization and Functional Areas



OED Budget & Staffing



Note: Budget amounts does not include public parking, special events, or cecil trust fund.

Economic Development Partners



OED

- Countywide economic infrastructure and real estate development
- Mayor's Principal Economic Advisor
- Land use structure tools and incentive dollars
- Cecil Commerce Center
- Economic Development through Sports, Events & Film/Television
- Existing business retention and expansion

DIA

- Downtown public sector planning, real estate, and design initiatives
- Downtown revitalization
- Downtown CRA and business investment plan
- River focused master planned community

JAXUSA

- Prospect marketing and image development
- Regional partnership management
- International development
- Primary point of contact

OED Stakeholders

External Clients & Partners

Internal Clients & Partners

Mayor Brown
City Council
CFO
Housing & Community
Development
Military Affairs
Parks & Recreation
Planning & Development
Public Works

**Citizens of
Jacksonville**

Beaver Street Enterprise Center
Business Community
Cultural Council
DIA
Duval County Schools
DVI
JAA
Jacksonville Civic Council
Jacksonville Jaguars
JAX Chamber
JAXPORT
JAXUSA Partnership
JCCI
JEA
JTA
NAIOP
Non-Profits
SBDC
Visit Jacksonville

Incentive Process



A partnership between OED and JAXUSA

- JAXUSA acts as marketing arm in coordination with Enterprise Florida.
- OED performs due diligence and negotiates and approves incentives on behalf of the City of Jacksonville.
- OED shepherds incentive agreements through legislative process.
- OED manages contracts with businesses and coordinates with the Florida Department of Economic Opportunity.
- All incentives require some degree of performance before the value of the incentive is recognized by the company.
- Compliance oversight for incentives requiring additional performance after the payment has been made to the company, the agreement includes claw-backs in the contract in order to protect tax-payer investment.

Primary Tools Used



Federal Programs:

- Empowerment Zone
- HUD Section 108 Program
- Community Development Block Grant (CDBG)

State Programs:

- Brownfields Redevelopment Bonus
- Enterprise Zone
- Qualified Target Industry (QTI)
- Sales and Use Exemptions on Machinery & Equipment
- Capital Investment Tax Credit (CITC)

- Sales Tax Exemption on Electricity Used in Manufacturing Process
- Urban Job Tax Credit
- Gov't Quick Action Closing Fund
- Quick Response Training Fund (QRT)

Local Programs:

- Recaptured Enhanced Value (REV) Grant
- Historic Preservation Trust Fund
- Workforce Housing Program REV Grant
- JEA Economic Development Electric Usage Program

Corporate Investment Incentive Activity



Calendar Year	2011	2012	2013 	Total
<i>Jobs to be Created</i>	905	701	1,712	3,318
<i>Projected Capital Investment</i>	\$61,000,000	\$146,795,000	\$357,780,000	\$565,575,000



Medtronic



DIVISION OF
Johnson & Johnson Vision Care Inc.



DigitalRisk
Making Mortgages Safe



Deutsche Bank



OED Results 2013 Year to Date

Job Creation - 1,712 projected new jobs / \$357,780,000 in projected Private Capital Investment 2013

- Bank of America; SunGard; Deutsche Bank; Body Central; Cory's Thunder; Digital Risk; Rail Ex; Energy Intelligence Worldwide, Corp.; Total Quality Logistics; Vistakon
- C2C relocation of 200 jobs to Downtown, leased 30,000 sq. ft. in EverBank Building
- KCI - new hangar at Cecil/ 30 new jobs/ \$500,000 PCI/ \$45,000 average wage
- 600 Residential Unit with 50k square feet of commercial into Downtown's Brooklyn neighborhood - \$60 million of Capital Investment

OED Results 2013 Year to Date

Sports & Entertainment

- NASL Team *
- Taxslayer.com Gator Bowl
- Davis Cup *
- US Women's Soccer game vs. Scotland *
(record-breaking attendance)
- MLS Preseason Match *
- Florida vs. FSU Baseball Game
- THE PLAYERS *
- ESPN Friday Night Fights
- NBA Preseason Game
- Florida/Georgia

Special Events

- Jazz Fest
- One Spark
- Jax Fanatics



* New events or focused engagement

OED Results 2013 Year to Date



Equal Business Opportunity Office

- Created JSEB Vendor List Database and JSEB Newsletter
- Re-established Mentoring Program
- Increased Visibility in Community

Office of Public Parking

- Parking App
- Library Garage

Film & TV

- Positions Hired: 556
- Project Permitted: 44
- Production Days: 113
- Direct Economic Impact: \$849,250

University of North Florida

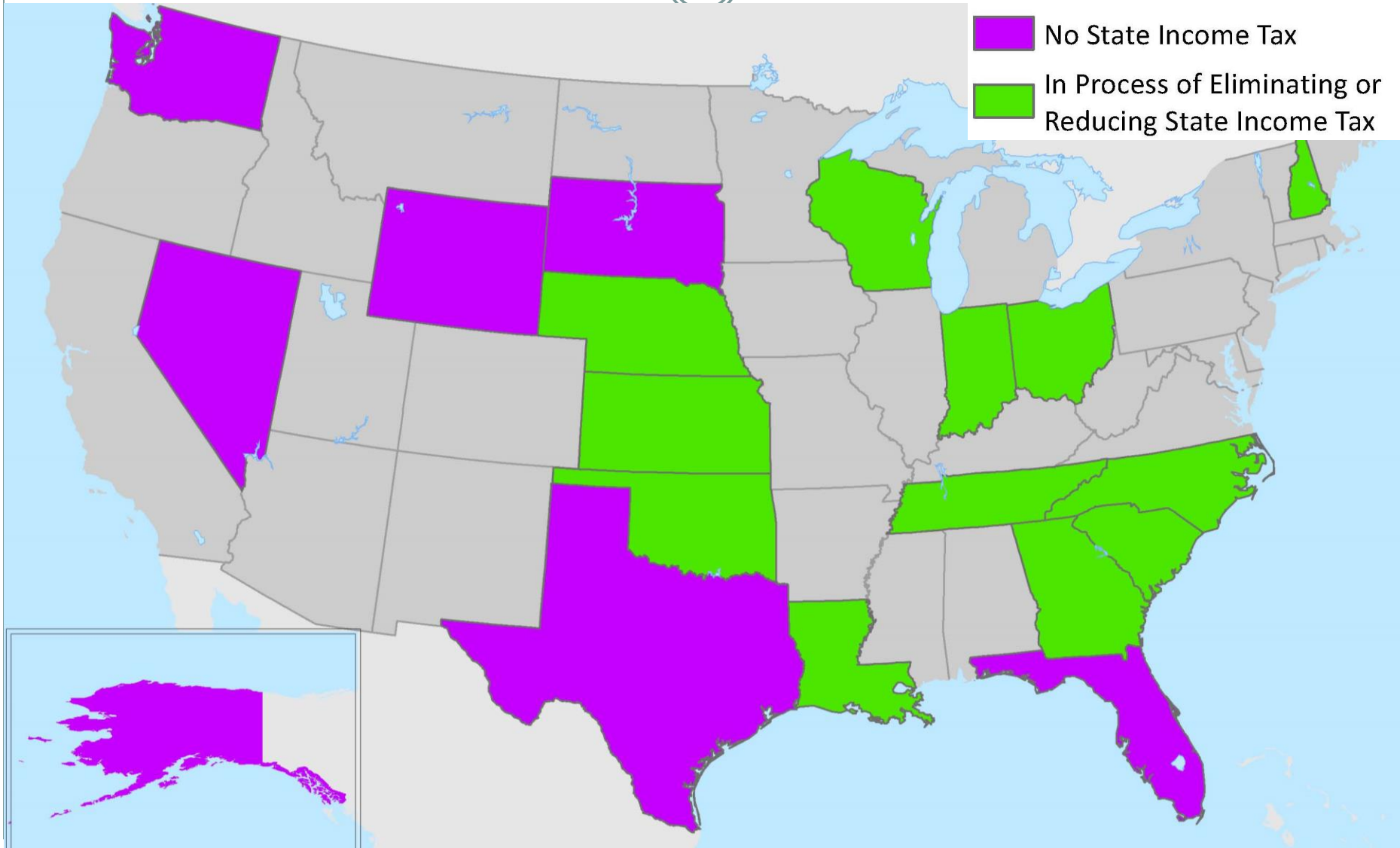
- Number of Individuals Counseled 689
- Total Hours of Consulting 5,957
- Average Hours of Assistance 8.6
- Jobs Created/Retained 699

Strategic Priorities



1. Improve and Market Jacksonville's Brand
2. Attract Companies and Investment
3. Workforce Development & Education
4. Support the Downtown Investment Authority
5. Sports & Entertainment Events
6. Growth of Small Business & Entrepreneurship
7. Cecil Commerce Center
8. Support military related businesses
9. Leverage Private Capital Investment
10. International Trade & Investment; JAXPORT

No Tax Environment



Economic Indicators - Unemployment



Aug (Year)	U.S.	Florida	Tampa	Duval	Miami
2007	4.6	4.1	4.3	4.5	4.9
2008	6.1	6.7	7.0	7.8	7.4
2009	9.6	10.9	11.1	11.3	12.2
2010	9.5	11.3	11.8	12.1	13.3
2011	9.1	10.3	10.5	11.1	11.2
2012	8.2	8.6	8.8	9.4	9.7
2013	7.3	6.7	6.7	7.4	8.4

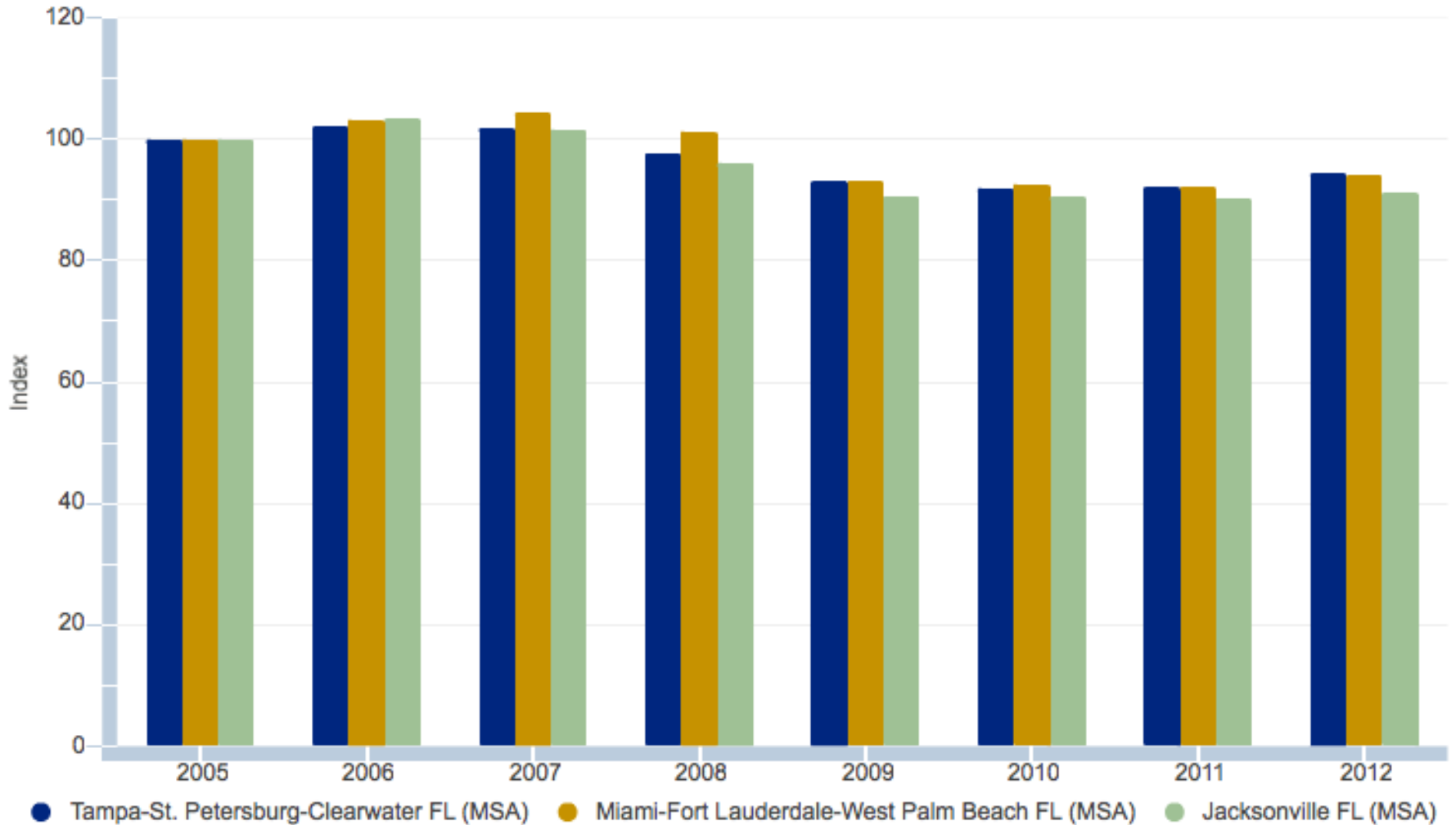
3 year drop 4.1 percentage points
Continuous Improvement

Median Income and Poverty Level



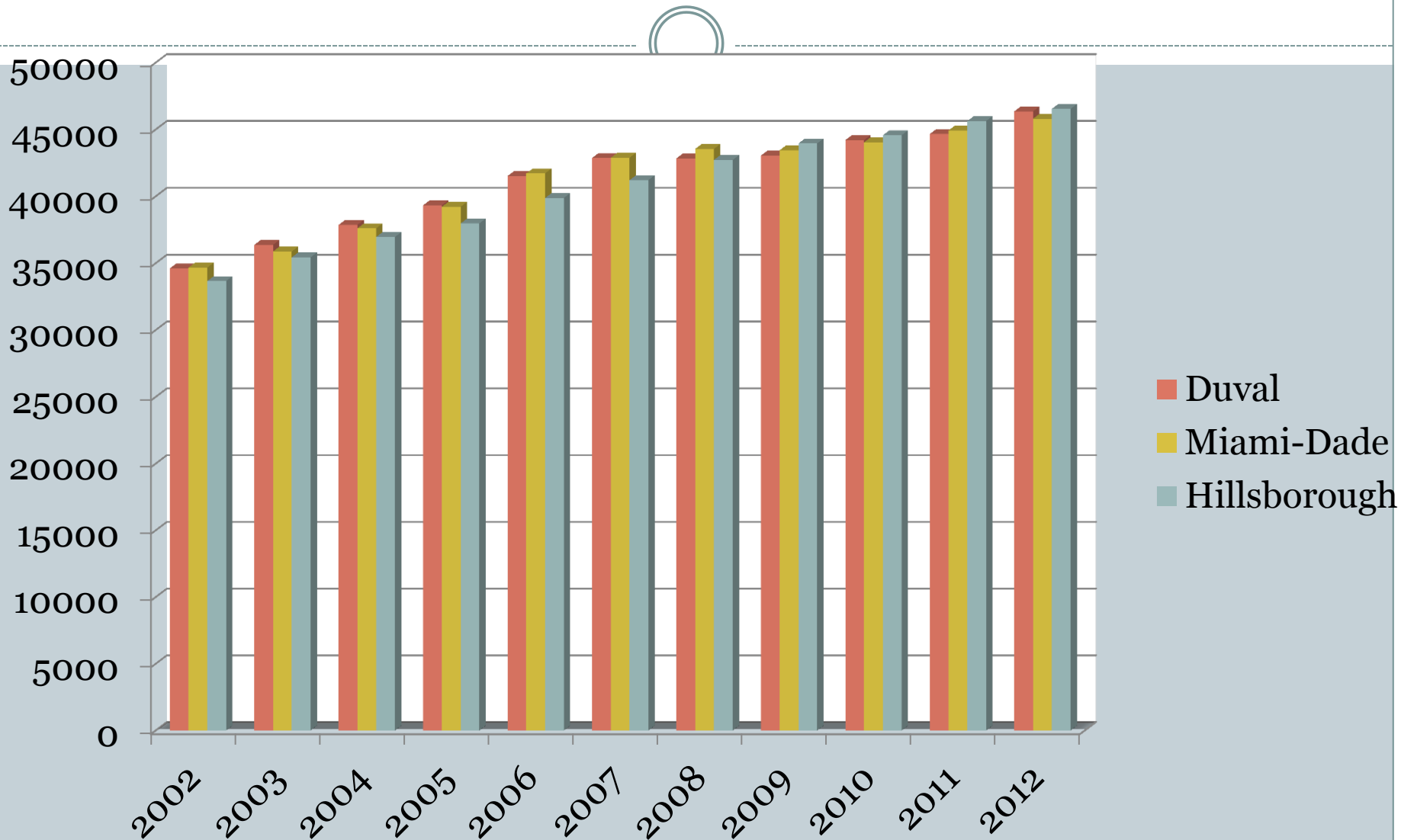
Median Income	Duval	Tampa	Miami	Florida
Household Income	\$49,964	\$50,195	\$43,957	\$47,827
Family Income	\$60,712	\$60,832	\$50,654	\$57,592
Percent in Poverty All Ages	17.7%	17.6%	20.9%	17%
Under age 18	25.5%	23.7%	28.9%	25%

Florida Per Capital Real GDP



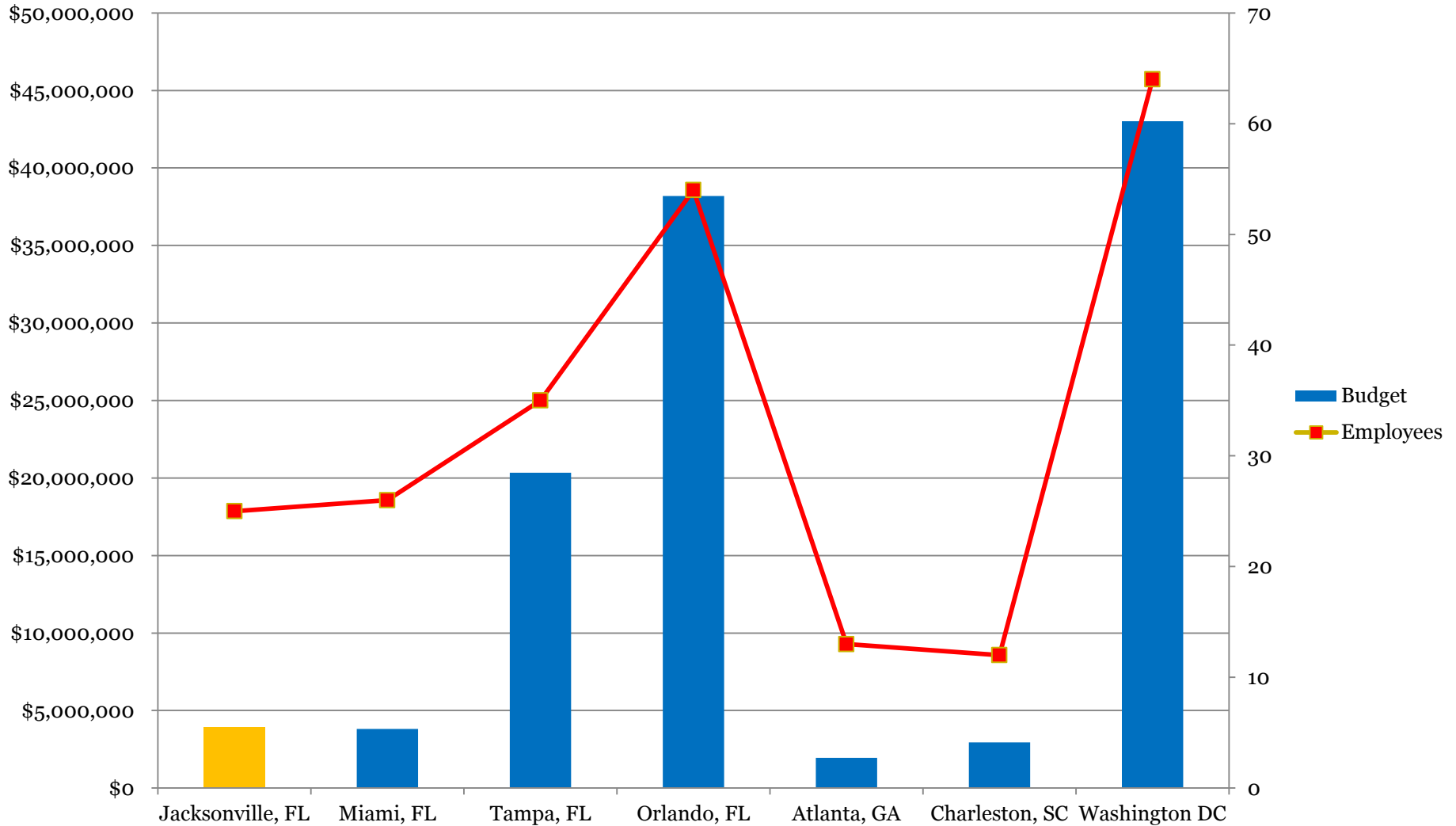
Source: U.S. Bureau of Economic Analysis

Average Annual Wages



Source: U.S. Bureau of Labor Statistics

EDO Comparison



The road ahead...



...the possibilities are endless.