COMPREHENSIVE

Economic Development Strategy (CEDS)

DATA DOCUMENT

2022

Economic Development District serving
DeSoto • Hardee • Highlands
Okeechobee • Polk

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United States Department of Commerce

Economic Development Administration

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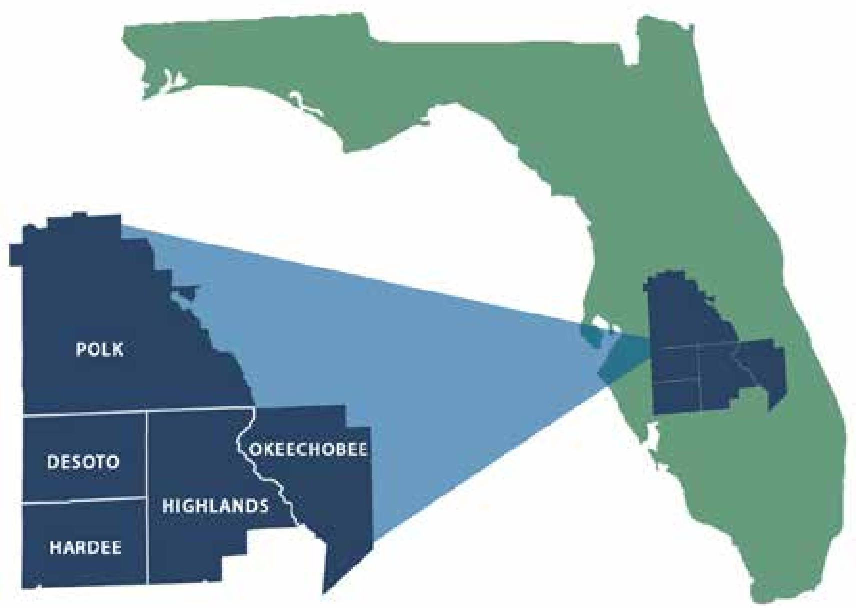
BACKGROUND

The Comprehensive Economic Development Strategy (CEDS) analyzes the regional economy and creates a road map to economic diversity, through private sector investment and job creation. The CEDS is developed in alignment with regional and state principles, primarily guided by Heartland 2060: Building a Resilient Region (www.heartland2060.org), which is the Heartland Region's long term vision plan for economic diversity and resiliency; the Florida Chamber's Six Pillars (http://www.flchamber.com/six-pillars/), which strategically plans for Florida's future; and the Florida Chamber's Florida 2030 Project (http://www.flchamber.com/florida-2030/), which serves as a blueprint for Florida's future through engagement with business and community leaders in each county. The CEDS goals are organized according to the Six Pillars, and data used to develop the CEDS is collected from sources as indicated.

The CEDS and the CEDS Committee enable coordination efforts amongst individuals, organizations, local governments, and private industry in the area of economic development. The Central Florida Regional Planning Council was designated as an Economic Development District (EDD) by the Economic Development Administration (EDA) in 1976. The functions of the EDD include, but are not limited to preparing and maintaining a CEDS, assisting in the implementation of strategies identified in the CEDS, and providing technical assistance to Economic Development Organizations throughout the region.

Although Polk and Highlands counties are urbanized, both include large rural areas. Unlike many rural areas across the country, the Central Florida Economic Development District's (CFEDD) five-county area of DeSoto, Hardee, Highlands, Okeechobee, and Polk counties (referred to as the "Region") is expecting population growth in the coming years. Wages and income are not keeping pace with statewide and national trends, however. Unemployment is largely higher, and educational attainment is overall lower than statewide and national averages.

Figure 1. CFEDD Five County Region



The region is surrounded by fast-growing metropolitan areas on the east and west coasts of Florida and the Orlando metro area to the northeast. Although the region is a mix of urban and transitioning suburban to the north and rural transitioning to a small urban mix to the south, there are still vast areas of agricultural and vacant land in the region.

The region has a number of assets and strengths to leverage in terms of enhancing economic conditions. There are economic opportunities in a number of industries, some of which are opportunity clusters for the future. This region provides another advantage in having relatively inexpensive land and housing prices in comparison with coastal metropolitan areas of the state.

Although the region is making progress in increasing the number of high school graduates, continued efforts to increase higher or specialized education are needed to attract industries and to retain the region's working age population.


Florida Polytechnic University

Companies considering starting up or relocating to the region will look at the available workforce skills as a major consideration as they proceed with site selection. The region will be better positioned to capitalize on future economic growth opportunities as its citizens gain more specialized skills and increase educational access and attainment.

The industry structure of the region reflects its rural roots. Agriculture and agricultural service industries are still prominent. Agricultural industries are a way of life, a long term livelihood, and a significant part of the region's culture, heritage, and community.

High unemployment rates are a factor of dependence on resource-intensive and seasonal industries for employment opportunities and the lack of educational attainment and opportunities. Economic diversification and progress toward the region's active economic development planning efforts will be a key component of the region's vision.

The Central Florida Regional Planning Council (CFRPC), as the Economic Development District (EDD), has been focusing efforts in the region to develop economic strategies that will be cohesive at all levels.

Some of the economic development issues in the region include:

- The need to diversify the region's economy for long term stability and prosperity;
- The need to build a skilled workforce and increase average wages;
- The need for greater infrastructure planning and capital commitment; and
- Insufficient resources, particularly for rural economic development.

Regional Economic Development

The Central Florida Regional Planning Council (CFRPC) is one of ten regional planning councils in the state of Florida, and covers a five-county area consisting of DeSoto, Hardee, Highlands, Okeechobee, and Polk counties. The entire region is inland, with no coastal areas, and is both urban and rural in character. Approximately two thirds of the population resides within the region's three urban areas: Lakeland, Winter Haven, and Sebring/Avon Park. In the remaining rural areas, the predominant industries—and the historical mainstays of the entire region's economy—are citrus groves, cattle production, and phosphate mining. The CFRPC was designated as the Economic Development District for the five-county region in 1976.

The Comprehensive Economic Development Strategy (CEDS) is designed to bring the public and private sectors together in an effort to provide a vision of the future for the Central Florida region and create an economic plan to diversify and strengthen the regional economy. Over a five-year time frame, the CEDS targets the near future's most promising industries with the goal of creating high-value-added jobs, capital investment, and economic benefit. The CEDS serves as a guide for establishing regional goals and objectives, developing and implementing a regional plan of action, identifying investment priorities and funding sources, and assigning lead organizations with responsibilities for the execution of action items. As a performance-based plan, the CEDS serves a critical role in the region's efforts to remain competitive in the face of economic pressures due to global trade, competition, and other events resulting in the loss of jobs and private investment. The CEDS is the product of a continuing economic development planning process, developed with broad-based and diverse public and private sector participation, and contains a specific program for intra-district cooperation and public investment.

Figure 2. CFRPC & FHREO Counties

The area served by the CFRPC is also known as the Central Florida EDD (Economic Development District) VII, and overlaps with one of the State of Florida's Rural Economic Development Initiative (REDI) regions. The REDI is a coalition of state and local governmental agencies whose aim is to foster economic development in economically distressed rural areas. Through this program, the REDI designation areas have an array of programs to assist the area's economic development activities. Four of the CFRPC's counties (DeSoto, Hardee, Highlands, and Okeechobee), plus two other non-coastal counties (Glades and Hendry), make up Florida's Heartland Regional Economic Region of Opportunity (FHERO). FHE RO's main function is to implement a business plan aimed at improving the population's quality of life through developing and improving infrastructure, securing waivers of state agency fees for communities, improving medical care, increasing the scope of cultural activities, and helping individuals and companies obtain federal grants, loans, or special designations (such as a Foreign Trade Zone or Empowerment Zone).

Polk County's economic development program is spearheaded by the Central Florida Development Council (CFDC). The goal of the agency is to recruit businesses to the county at the national and international level, and to retain and expand existing businesses. Another important function of the CFDC is to provide aid to businesses in negotiating governmental procedures, such as permitting and regulatory assistance. In addition, the Cities of Lakeland, Winter Haven, Haines City, Bartow, and Lake Wales have their own Economic Development Councils (EDCs), and DeSoto, Hardee, Highlands, and Okeechobee counties each have EDCs or other local economic development organizations.

Economic development in any given region takes place partly as an outcome of planned initiatives and partly as a result of market forces. Some aspects of economic development cannot be planned for at the local or regional level since they result from economic forces that are national or global in nature. Thus, the various bodies charged with economic development must conduct solid planning while also remaining flexible enough to respond to unplanned events. Successful public-private business relationships are formed through the facilitation of both planned and unplanned economic development.

The shortage of water supply, the lack of adequate transportation alternatives, the continuing stress on natural resources, and the combined problems of low educational attainment and low wage jobs led the public, private and civic leaders known as the Heartland 2060 Leadership Team in 2007. The CFRPC led a regional collaboration known as Heartland 2060: Building a Resilient Region. This effort encompasses seven counties in Central Florida including the EDD counties of Polk, Hardee, Highlands, DeSoto, and Okeechobee, and the two neighboring rural counties of Glades and Hendry located in the Southwest Florida Economic Development District. These counties have substantial rural and agricultural areas that have been impacted by growth pressures. The purpose of Heartland 2060: Building a Resilient Region was to create and maintain a vision for the future that enables growth while preserving natural areas and protecting wildlife and agricultural production; supporting healthy communities, large and small; and ensuring a vibrant economic and social life. CFRPC renewed this effort with Heartland 2060: Building a Resilient Region—Revisited (2020) convening hundreds of citizens both in-person and virtually; continuing the effort to become a more resilient region.

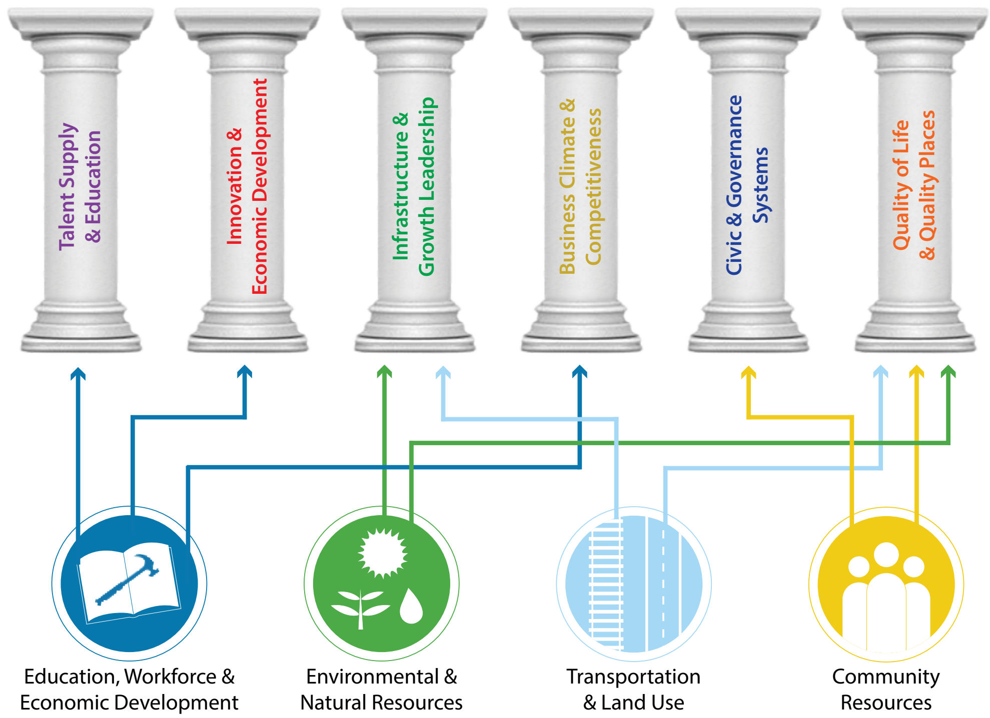
Figure 3. Heartland 2060 Region

While the region is characterized by unique natural habitats and agricultural heritage, it continues to face major changes and challenges due to growth and development. In establishing a clear vision, we can guide a strong future economy and economic diversification, and ensure preservation of our unique values, a mix of urban and rural lifestyles, and natural resources all while supporting growth and development in our communities. Heartland 2060: Building a Resilient Region (2020) addresses such issues as economic development, education and workforce; transportation and land use; environment and natural resources; and community resources such as health systems, healthy communities and cultural resources. Relationships continued to be developed among leaders from the public, private, civic, business, agricultural, cultural, educational and scientific communities. Engaged stakeholders, subject area experts, local and regional leaders worked with a Leadership Team led by the Central Florida Regional Planning Council.

Ultimately, Heartland 2060: Building a Resilient Region (2020) guides local decision makers in coordinating regionally in areas such as housing, economic development, environmental protection, access to education and employment, and quality of life issues in all communities of the region. Years of public engagement, research, and technical work produced tools for the Heartland Region to update as needed and assist with the multiple issues facing the region regarding economic resilience. These include outcomes generated through alternative future scenario modeling, which guides and informs projected employment, housing, and transportation; a Housing Toolkit including an Affordable Parcel Inventory, Housing Suitability Model, and GIS Inventory; and an Environmental and Natural Resources Database to assist with lessening the impacts of development on the region's natural resources.

The CEDS is driven by the research produced by Heartland 2060: Building a Resilient Region (2020) and the ongoing efforts of the stakeholders involved in that plan and the continual updating of the related research.

Figure 4. Six Pillars and Heartland 2060 Task Forces



The Florida Chamber Foundation's Six Pillars of Florida's Future Economy is the Foundation's strategic vision for the future of Florida. The Six Pillars themselves are the framework for accomplishing the vision on local and regional, and state levels. The Pillars are the critical factors affecting the future. Heartland 2060: Building a Resilient Region's Task Forces and the key issues addressed through their work, are closely aligned with the Six Pillars. Additionally, the Performance Measures used in the CEDS process and the CEDS goals and objectives are sorted by Pillar.

Economic Resilience

The ability for the region to recover from or prevent damage from man-made or natural disasters is a measure of its economic resilience and ability to navigate disaster related challenges. The loss of housing and infrastructure, along with the interruption of broadband capability and electrical power, greatly impacts the local economy during a disaster. Tropical storms and hurricanes, depending upon intensity, can impact Florida with high winds, torrential rain, flooding, tornadoes, and the interruption of critical infrastructure systems such as electricity, roadways, potable water supply, and emergency services. While tropical storms and hurricanes have historically posed the most significant threat to Florida and its economy, the coronavirus disease 2019 (COVID-19) global pandemic, greatly impacted the health of the state resulting in disruptions to businesses, the labor market, individual households, and communities. Businesses experienced a decrease in demand and supply chain issues led to staffing reductions, layoffs, decreases in operating hours, and business closures. The pandemic continues to have devastating impacts on individuals and communities, and unprecedented short term and long-term impacts on small businesses.

In an effort to advance disaster recovery planning during tropical storms and hurricanes, coastal regions typically focus much of their preparedness efforts around storm surge and coastal flooding. The Central Florida region, however, has uniquely different needs. While there are efficient evacuation routes throughout the region, there are potentially slower emergency response times for those who choose not to evacuate or for areas that are not in mandatory evacuation zones, during a disaster. Having no oceanic coastline, damage from hurricanes impacting the Central Florida region is generally caused by the combination of torrential rainfall and high winds resulting in a significant number of downed trees causing damage to homes, automobiles and power lines. Such damage from storm events may result in the interruption of the business operations. Likewise, freshwater flooding poses a significant threat during tropical storms and hurricanes. The Central Florida region is home to many rivers and streams, hundreds of named lakes, and significant land area below the 100 year flood zone. Any structures constructed near or within the flood zone are at risk during a major storm event.

To mitigate the impacts of an influx of temporary residents migrating inland during a coastal hurricane event to seek shelter, the Central Florida region must be prepared to provide temporary housing to those whose homes may have been lost or damaged. Additionally, the region must possess the ability to provide housing and transportation options to minimize the negative impacts on the local economy. Mobile and manufactured homes can be severely damaged from flooding, hurricane force winds, and debris. The 2015 Florida Statewide Regional Evacuation Study Program, identifies the Central Florida region as having about 176,157 people living in approximately 76,056 mobile homes, with ESRI Business Analyst reporting 91,853 mobile homes within the Central Florida Region (ACS 2016-2020). With increased storm intensity due to climate change, mobile homes (particularly those constructed prior to 1978) are vulnerable to storm related damage and populations living in mobile homes are at risk of sustaining injury.

State and Local Economic Development Plans

One of the roles of the Central Florida Regional Planning Council (CFRPC) as an Economic Development District (EDD) is to provide assistance to local governments and economic development agencies in securing Economic Development Administration (EDA) funding. CFRPC staff will work to ensure that viable economic development projects are identified for funding through EDA and also look to other potential funding agencies and programs. CFRPC will work closely with other agencies and local governments to ensure effective coordination. The CFRPC reviews plans for consistency with the region's Strategic Regional Policy Plan and the State Comprehensive Plan in the areas of economic and social development. The CFRPC is participating actively in other local, county, regional, and statewide economic development efforts in order to ensure consistency and cohesion amongst plans. In an effort to provide this consistency, the CFRPC adopted the Florida Chamber's Six Pillars framework for its CEDS as well as the other economic development activities in which it engages.

The CFRPC has a working partnership with CareerSource Heartland, CareerSource Polk, and the region's major colleges and universities. Transportation is one of the key issues with the Central Florida EDD. Development of a balanced system utilizing the existing road network and developing future transportation corridors for movement of goods and people requires ongoing coordination with the Florida Department of Transportation (FDOT, District One) and with local governments. CFEDD staff serves on the Polk County Transportation Planning Organization (TPO's) Technical Advisory Committee and staffs the new six-county Heartland Regional Transportation Planning Organization (HRTPO), and staffs and coordinates the Heartland Rural Mobility Plan Initiative in the southern rural counties.

The CFEDD will continue to work with key economic development partners in local communities and at the regional and state level to move forward existing plans for economic diversification and responsible development. The region's rural counties are defined by the State as a Rural Areas of Opportunity, a designation that carries planning resources and incentives.

As part of the ongoing coordination of economic development activities in the region, the CFEDD participates in the alignment of other economic development planning initiatives. The Department of Economic Opportunity does statewide economic planning, as well as support initiatives to generate employment into all areas of the state including the CFEDD. County and city economic development strategies are considered, as well as regional initiatives and plans such as Regional Workforce Plans, and the Southwest Florida Regional Planning Council's CEDS (as Hendry and Glades Counties are part of Heartland 2060: Building a Resilient Region).

Action Plan

The Central Florida Economic Development District will coordinate CEDS projects and activities with county economic development organizations within the region and state, and with additional agencies and entities. In addition, staff will assist in project development by providing technical assistance in grant preparation, needs analysis, site selection, and intergovernmental and public coordination of activities. The plan of action implements the goals and objectives of the CEDS in a manner that cooperates and aligns the CEDS with the State's economic development priorities.

- The CEDS Committee shall meet quarterly to monitor status of regional projects;
- The CFRPC shall monitor status of regional coordination;
- The CFRPC shall report on performance measures;
- The CFRPC and CEDS Committee will develop new regional projects;
- County Economic Development staff, FHERO, CFDC and Workforce staff shall track performance measures; and
- The CFRPC shall convene meetings, compile project status and report to EDA.

Central Florida Economic Development District staff will continue to coordinate the CEDS plan by participating in the economic development activities in the region, as well as locally and on statewide levels; and by fostering public-private partnerships.

Strategies to Support the Action Plan

Talent Supply & Education

- Establish career exploration programs and partnerships between public and private sectors in the Region's public schools
- Expand access to adult education and alternative learning
- Expand Science, Technology, Engineering, Mathematics (STEM) Education Programs in the region's Public Schools

Innovation & Economic Development

- Encourage a Mixed Use land use category supporting development regulations in developable areas along transportation corridors
- Pursue focused economic development strategies developing the Region as a major competitive logistics and distribution hub by expanding multimodal connectivity
- Support opportunities to stimulate economic development through assessment, cleanup, and reuse of Brownfields properties

Infrastructure & Growth Leadership

- Increase the number of critical conservation areas in public or private management through incentives and other funding mechanisms
- Utilize viable alternative water sources for public supply needs
- Reduce water consumption through conservation measures, incentives, education and innovative techniques
- Establish a regional framework and vision
- Identify sustainable revenue sources for maintenance and expansion of regional transportation systems

Business Climate & Competitiveness

- Increase agricultural domestic and international export markets
- Establish the Region's target industries with supporting educational and lifestyle resources and infrastructure in place

Civic & Governance Systems

- Increase citizen participation on local boards and committees
- Streamline alternative energy planning and permitting within governments in the Region

Quality of Life & Quality Places

- Restore function to preservation and conservation areas through natural resource management mechanisms and land development policies
- Provide full service hospitals within a reasonable distance to the Region's residents to provide immediate life saving services
- Increase the proportion of the Region's population that resides within 10 minutes of regional employment centers
- Affordable attainable housing will be available throughout the Region

CEDS Committee

The development of the CEDS is guided by the CEDS Committee. The Committee is comprised of representatives of both the public and private sectors.

Table 1. Economic Development CEDS Committee Membership

Name	Agency/Company Represented	EDA Criteria	Public Sector	Private Sector
Sondra Guffy	DeSoto County Economic Development Office	Economic Development	X	
Denise Grimsley	Hardee County Economic Development Council	Business Industry Economic Development	X	X
Jeff King	Highlands County Economic Development Council	Economic Development	X	X
Bruce Lyon	Winter Haven Economic Development Council	Economic Development	X	X
Sean Malott	Central Florida Development Council	Business Industry, Economic Development, Private Sector	X	X
Mike Willingham	Sebring Airport Authority	Business Industry	X	X
Kaylee King	Okeechobee County Economic Development Corporation	Private Sector, Economic Development	X	X
Cyndi Jantomaso	Haines City Economic Development Council	Business Industry, Economic Development	X	X
Donna Doubleday	CareerSource Heartland	Workforce Development	X	X
Stacy Campbell-Domineck	Career Source Polk	Workforce Development	X	X
Kris Hallstrand	Lakeland Linder Regional Airport	Business Industry		X
Drew Wilcox	Nucor Steel	Business Industry, Private Sector		X
Nicole Walker	UF/IFAS Extension	Business Industry, Local Government	X	
Marc Hoenstine	Duke Energy	Business Industry, Private Sector		X
Rex Jackson	LEGOLAND	Business Industry, Private Sector		X
Aubrey Brown	CSX	Business Industry, Private Sector		X

Name	Agency/Company Represented	EDA Criteria	Public Sector	Private Sector
Larry Black	Peace River Packing	Business Industry, Private Sector		X
Morgan Odum	Mosaic	Business Industry, Private Sector		X
Denise Grimsley	Advent Health	Business Industry, Private Sector		X
Gene Conrad	SUN 'n FUN Aerospace Expo	Business Industry, Private Sector		X
Terry Burroughs	FHERO (Florida's Heartland Economic Region of Opportunity)	Business Industry, Economic Development	X	X
Brent Ferns	South Florida State College	Educational Institution	X	
Paulette Wise	Okeechobee Chamber of Commerce Board	Economic Development, Public Sector	X	X
Jake Fojtik	Florida Farm Bureau Federation	Economic Development, Public Sector, Agriculture	X	

PERFORMANCE MEASURES

The Central Florida Regional Planning Council will submit an annual CEDS update reviewing the success of identified key projects in the region. In addition to the monitoring and evaluation of activities referenced in the Plan of Action, the following indicators may be used to measure the effectiveness of the project and the strategy.

The projects and programs included in the CEDS are identified for their potential for creating jobs and diversifying the economy. Through the CEDS Committee, the Regional Planning Council will gather information on the performance measures, and include the data in the CEDS update to demonstrate the region's progression towards economic diversification and the creation of permanent higher wage jobs.

Number of Jobs Created after Implementation of the CEDS

- Total Employment in Initial Year
- Total Employment in Subsequent Years

Number and Types of Public Sector Investments Undertaken in the Region

- EDA Sponsored Investments
- Significant State and Local Investments

Number of Jobs Retained in the Region

- Number of Jobs Retained as a Result of Federal Investments
- Number of Jobs Retained as a Result of Select State and Local Investments

Amount of Private Sector Investment in the Region after Implementation of the CEDS

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

Six Pillars Measures

Talent Supply & Education

- Average Annual Wage
- High School Graduation Rates

Innovation & Economic Development

- Gross Domestic Product
- Bed Tax Collections
- Trade Exports

Infrastructure & Growth Leadership

- Population Counts, Estimates, and Projections
- Building Permits
- Vehicle Miles Traveled per Lane Mile

Business Climate & Competitiveness

- Average Annual Unemployment Rates
- Employment by Industry
- Wages by Industry
- Civic and Governance Systems
- Registered Nonprofit Organizations

Quality of Life & Quality Places

- Per Capita Income
- House Purchase Price and Cost Index
- Persons Living in Poverty

Performance Measures Monitoring

The CEDS Performance Measures are tracked as part of The Florida Scorecard-Metrics to Secure Florida's Economy. The web-based tool found at thefloridascorecard.com is supported by the Florida Chamber of Commerce Foundation. The Performance Measures for each of Florida's 67 counties and the 10 regions are accessible through drop down menus located on the website. The website includes performance measures based upon the Six Pillars for Florida's Future Economy, and are supported by the 10 regional planning councils in Florida.

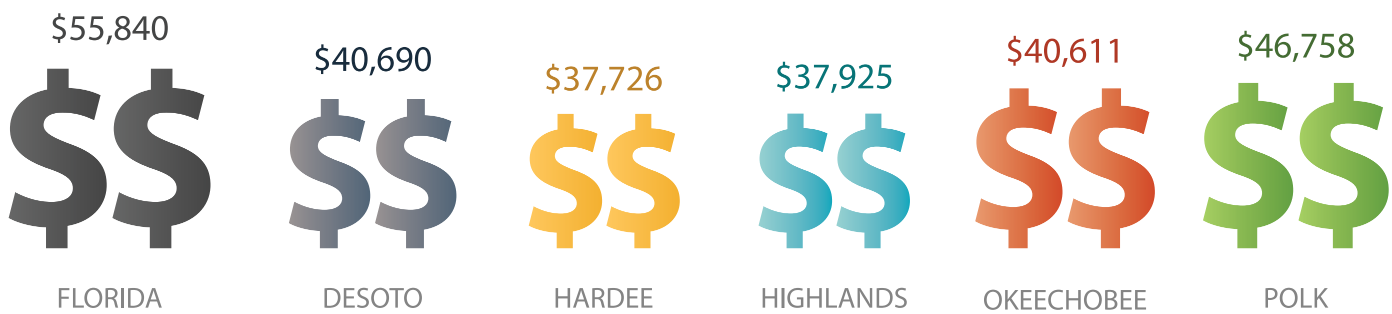
The CEDS Performance Measures also support a number of strategies identified in the Florida Strategic Plan for Development. Alongside the CEDS, the regional planning councils also track and report on additional measures based upon programs and projects they administer.

Talent Supply & Education

Average Annual Wage

Average annual wages in the region have increased over the past decade. The annual inflation-adjusted wage by county is shown below.

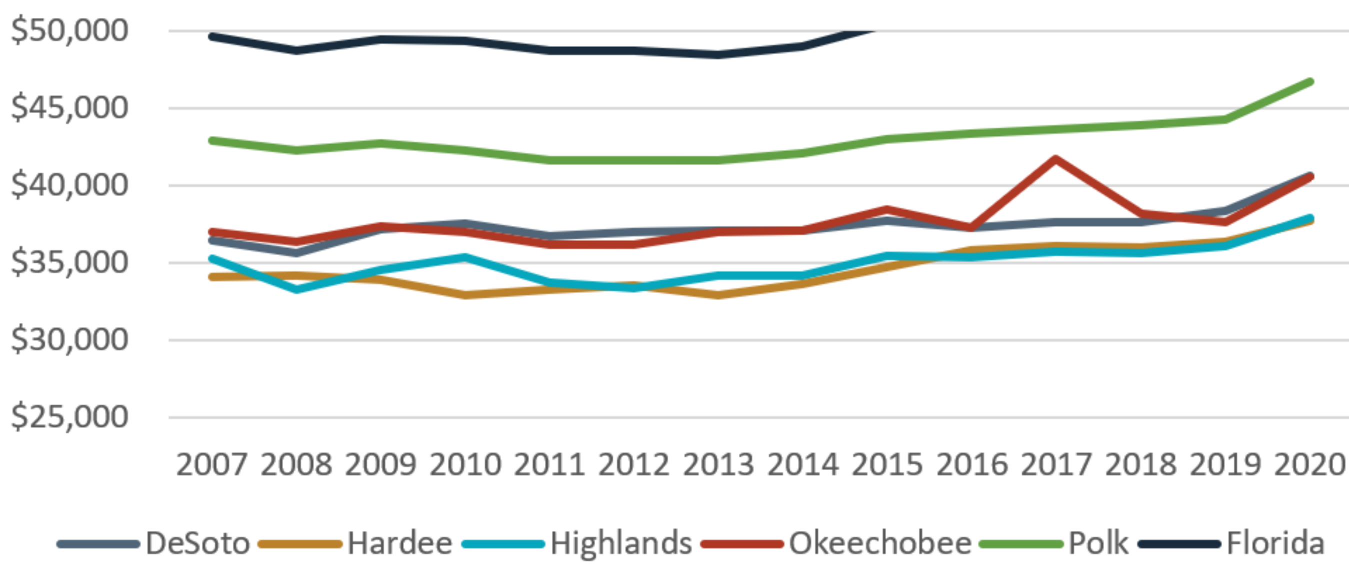
Figure 4. 2020 Average Earnings per Job



Source: Florida Department of Economic Opportunity (2020)

Each of the five counties saw an increase in real annual wages over the past several years, as shown.

Figure 5. Average Earnings Per Job, Adjusted for Inflation, in 2015 Dollars

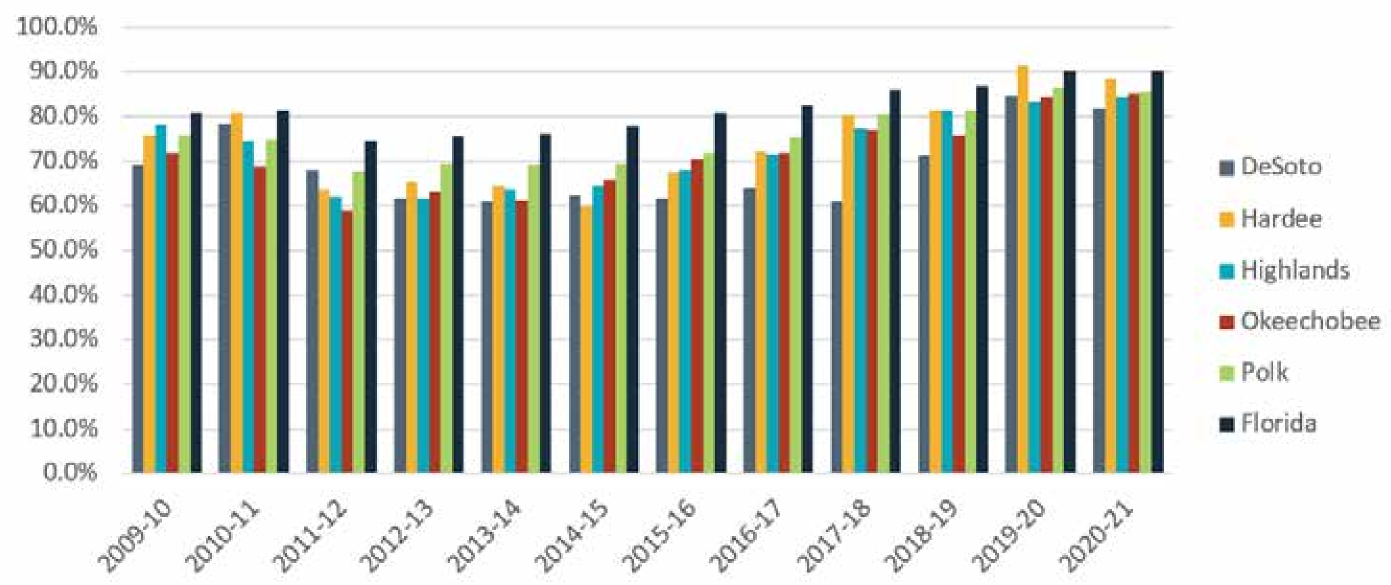


Source: Florida Department of Economic Opportunity (2020)

High School Graduation Rates

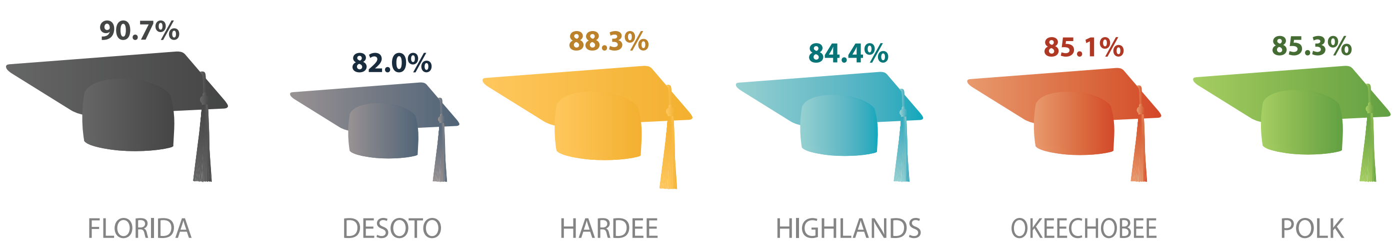
Public high school graduation rates have fluctuated in the past several years.

Figure 6. High School Graduation Rates, 2009-10 to 2020-21 School Year



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

Figure 7. High School Graduation Rates, 2020-21 School Year



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

Innovation & Economic Development

Gross Domestic Product

Gross Domestic Product (GDP) is the total value of all goods and services produced within a given region. GDP figures for central Florida are provided by REMI (Regional Economic Modeling, Inc. Table 2 shows the region's GDP, expressed in billions.

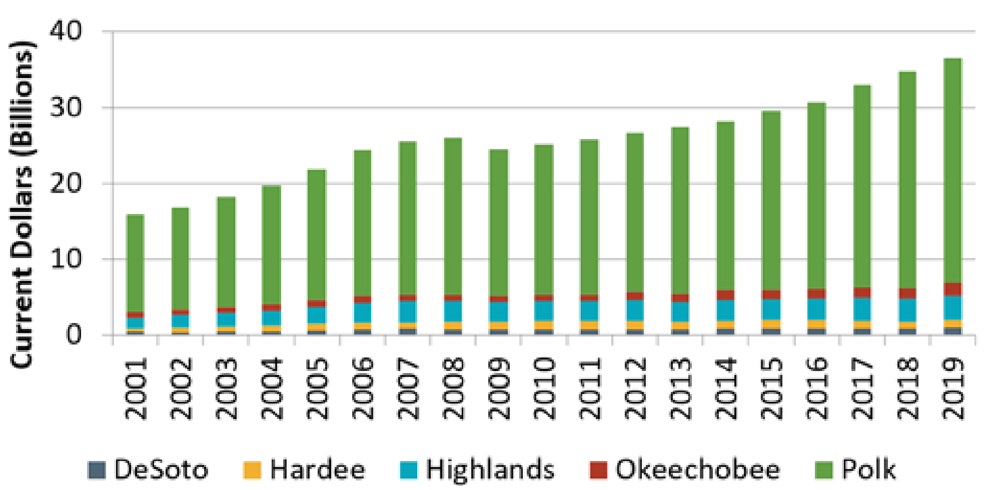
Table 2. Gross Domestic Product (in millions of 2009 dollars), 2000-2012

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
DeSoto	913	900	893	871	930	938	955	1,042	975	1,137
Hardee	1,049	1,094	1,182	973	1,110	1,158	1,218	1,025	958	988
Highlands	2,472	2,509	2,593	2,565	2,604	2,653	2,743	2,884	2,957	3,183
Okeechobee	894	941	1,035	1,067	1,326	1,275	1,273	1,419	1,356	1,798
Polk	19,836	20,313	21,071	22,057	22,197	23,494	24,583	26,602	2,484	29,420
Region	**25,164**	**25,757**	**26,774**	**27,533**	**28,167**	**29,518**	**30,772**	**32,972**	**34,730**	**36,526**

Source: REMI Policy Insight Plus

As shown in Figure 8, GDP in the region experienced a dip in year 2009 with subsequent increases into year 2019. GDP is projected to keep increasing as the national economy and the region's population and economy continue to grow.

Figure 8. The Region's GDP (in billions of current dollars), 2001-2019



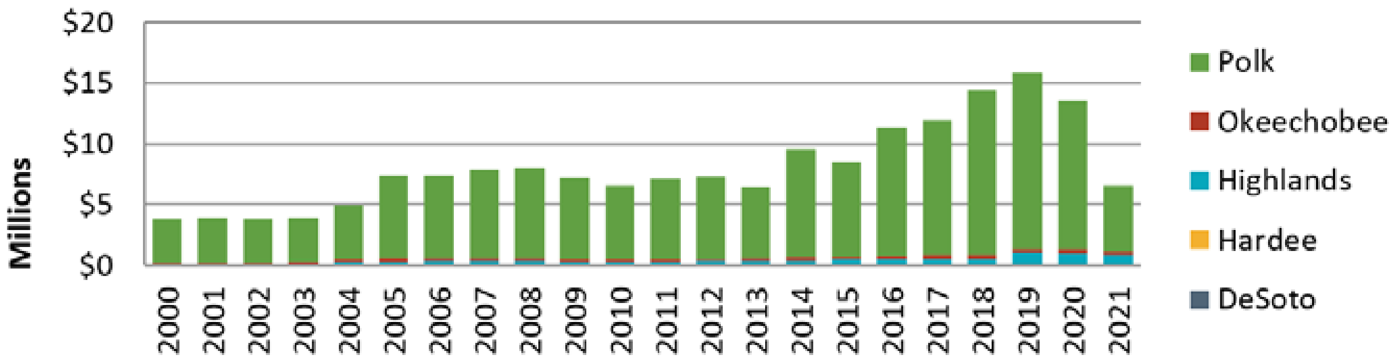
Source: REMI Policy Insight Plus

Bed Tax Collections

Tourist Development Taxes, colloquially known as "bed taxes," are levied as a local option by Florida's counties. The revenues are used for construction of tourist-related facilities, tourist promotion, and beach and shoreline maintenance, per Florida Statutes §125.01041[1].

Tax revenues increased substantially from 2016 to 2019 with revenues decreasing in years 2020 and 2021 reflecting the impact of the economic slowdown caused by COVID-19.

Figure 9. Tourist Development Tax Revenues, SFY 2000-2021



Source: Florida Department of Revenue, Local Government Tax Receipts by County <http://dor.myflorida.com/dor/taxes/colls_to_7_2003.html>

[1] Florida Department of Revenue. "Local Option Taxes Authorized by the Legislature." http://dor.myflorida.com/dor/taxes/local_option.html#tourist_development. Note: DeSoto County does not levy this tax.

Trade Exports

Table 3 shows the net trade of good and services in the region. A negative trade balance suggests that the value of goods and services being imported is greater than the value of goods and services being exported. A positive trade balance suggests that the value of goods and services being exported is greater than the volume of goods and services imported.

Table 3. Net Trade of Goods and Services (in billions of current dollars), 2010-2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
DeSoto	-0.308	-0.358	-0.352	-0.422	-0.429	-0.488	-0.508	-0.478	-0.599	-0.539
Hardee	0.080	0.107	0.178	-0.072	-0.006	0.063	0.141	-0.425	-0.323	-0.288
Highlands	-1.280	-1.343	-1.312	-1.471	-1.485	-1.607	-1.644	-1.656	-1.728	-1.699
Okeechobee	-0.664	-0.656	-0.594	-0.621	-0.420	-0.550	-0.558	-0.495	-0.590	-0.117
Polk	-2.750	-3.087	-2.720	-2.717	-3.716	-3.410	-3.098	-2.551	-2.347	-3.341
Region	(4.92)	(5.34)	(4.80)	(5.30)	(6.06)	(5.99)	(5.67)	(5.61)	(5.59)	(5.98)

Source: REMI Policy Insight Plus

Infrastructure & Growth Leadership

Population Counts and Projections

Table 4 shows the population of each county in the region from 1980 to 2010 according to the decennial census, as well as decennial projections of population from 2020 to 2040 according to the Bureau of Economic and Business Research[2].

Table 4. Population Counts and Projections, 1980-2040

Area	Decennial Census Population				BEBR Est. Population	BEBR Projected Population			
	1980	1990	2000	2010	2016	Variable	2020	2030	2040
DeSoto	19,039	23,865	32,209	34,862	35,141	Low	33,400	33,200	32,600
						Medium	36,700	39,100	41,300
						High	40,000	44,900	50,000
Hardee	20,357	19,499	26,938	27,731	27,637	Low	25,700	24,500	23,200
						Medium	28,200	28,800	29,400
						High	30,700	33,200	35,600
Highlands	47,526	68,432	87,366	98,786	101,531	Low	97,200	98,900	98,600
						Medium	106,800	116,500	124,700
						High	116,400	133,800	151,000
Okeechobee	20,264	29,627	35,910	39,996	40,806	Low	38,700	38,700	38,000
						Medium	42,500	45,600	48,200
						High	46,400	52,400	58,300
Polk	321,652	405,382	483,924	602,095	646,989	Low	629,600	665,200	679,600
						Medium	698,900	812,900	918,100
						High	769,500	957,200	1,157,200
5-County Region	428,838	546,805	666,347	803,470	852,104	Low	824,600	860,500	872,000
						Medium	913,100	1,042,900	1,161,700
						High	1,003,000	1,221,500	1,452,100
Florida	9,746,961	12,938,071	15,982,824	18,801,310	20,148,654	Low	20,838,000	22,875,200	24,177,300
						Medium	21,438,700	24,244,300	26,426,400
						High	22,047,700	25,651,900	28,774,600

2 Bureau of Economic and Business Research (BEBR). "Projections of Florida Population by County, 2010–2040." Florida Population Studies, Vol. 44, Bulletin 159, April 2016..

Population Estimates

Table 5 shows the most recent population estimates available for each county.

Table 5. 2011 Population Estimates

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
DeSoto County	34,408	34,517	34,426	34,777	35,141	35,621	35,520	36,065	33,976	34,031
Hardee County	27,762	27,519	27,712	27,645	27,637	27,426	27,296	27,385	25,327	25,269
Highlands County	98,955	97,616	99,818	100,748	101,531	102,138	102,525	103,434	101,235	102,065
Okeechobee County	39,805	39,330	39,828	40,052	40,806	41,140	41,120	41,808	39,664	39,148
Polk County	606,888	623,009	623,174	633,052	646,989	661,645	673,028	690,606	725,046	748,365
Region	807,818	821,991	824,958	836,274	852,104	867,970	879,489	899,298	925,248	948,878

Sources: Bureau of Economic and Business Research; 2010 and 2020 for US Census Bureau

Annual Building Permits

Building permits issued annually have increased in the region steadily since 2011.

Table 6. Annual New Privately-Owned Residential Building Permits

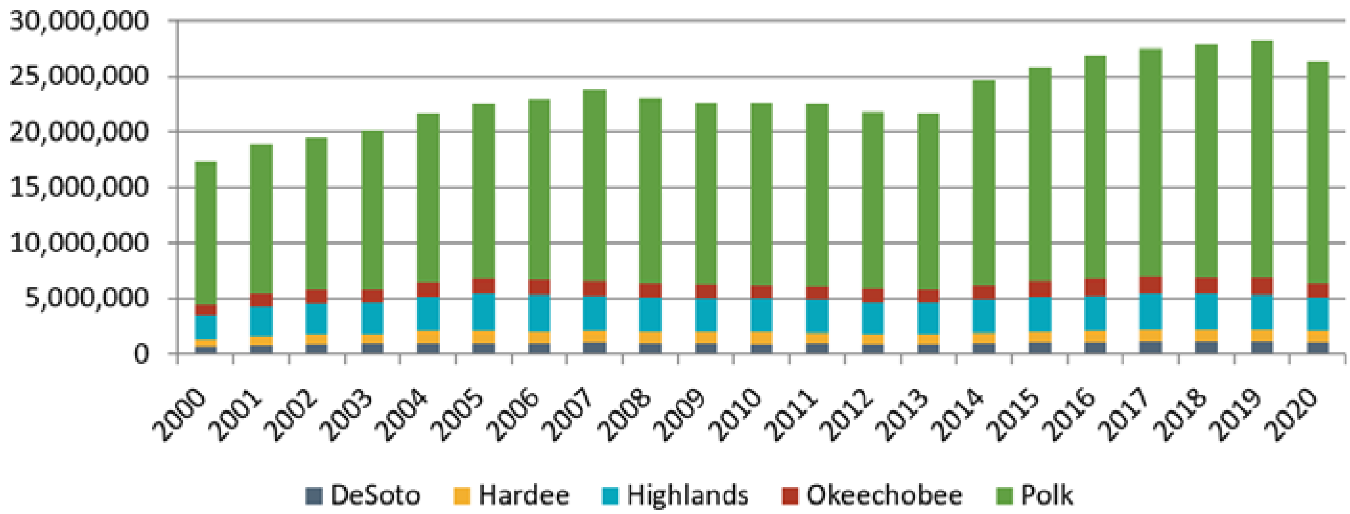
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
DeSoto	96	95	99	117	112	118	71	79	76	127	106	125
Hardee	12	14	17	19	17	17	21	24	39	38	48	60
Highlands	85	76	32	60	92	159	124	178	229	243	379	595
Okeechobee	43	42	22	35	17	69	41	43	52	69	9	13
Polk	1,119	1,086	1,390	2,002	2,553	3,011	3,480	4,569	5,331	6,565	7,501	10,699
Region	1,355	1,313	1,560	2,233	2,791	3,374	3,737	4,893	7,745	9,061	10,063	13,513

Source: U.S. Census Bureau, Annual Building Permits By County or Place

Vehicle Miles Traveled per Lane Mile

Vehicle Mile Traveled decreased from 2008 to 2013 consistent with fewer people employed and less disposable income due to the recession and slow recovery. An increase in Vehicle Miles Traveled occurred beginning in 2014 and continued to increase significantly into 2019, with a decrease in 2020 reflecting the impact pandemic related shutdowns had on daily car trips.

Figure 10. Daily Vehicle Miles Traveled per Lane Mile, 2000-2020



Business Climate & Competitiveness

Average Annual Unemployment Rates

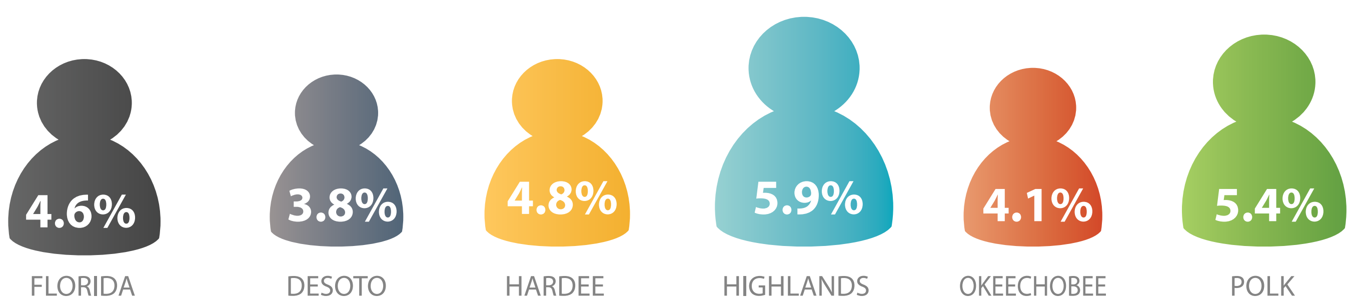
Over the past decade, annual average unemployment rates in the region were lowest in 2019 (4.0 percent) before rising sustainably in 2020. As the region battled the economic impacts of COVID-19, unemployment rates nearly doubled in 2020 before declining in 2021 and heading towards pre-COVID unemployment numbers.

Table 7. Annual Average Unemployment Rates in the 5-County Region, 2012-2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
DeSoto	10.0%	8.2%	7.1%	5.8%	5.2%	4.5%	3.8%	3.5%	5.2%	3.8%
Hardee	8.9%	8.3%	7.7%	6.9%	6.7%	5.9%	5.3%	5.0%	6.5%	4.8%
Highlands	10.3%	9.6%	8.4%	7.4%	6.6%	5.7%	4.8%	4.5%	7.7%	5.9%
Okeechobee	10.0%	8.8%	7.4%	6.2%	5.4%	4.4%	3.7%	3.5%	5.4%	4.1%
Polk	9.7%	8.3%	7.2%	6.3%	5.6%	4.8%	4.1%	3.7%	9.0%	5.4%
Florida	8.5%	7.3%	6.3%	5.4%	4.9%	4.2%	3.6%	3.1%	7.7%	4.6%
United States	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.1%	5.3%

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>

Figure 11. Average Annual Unemployment Rates (not seasonally adjusted)



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

Table 8 shows the number of people in the region employed in the major industry groups established by the North American Industry Classification System (NAICS).

Table 8. Total Employment by Industry, 2020 Annual Average

Industry	DeSoto	Hardee	Highlands	Okeechobee	Polk
Construction	692	394	1,530	747	14,201
Manufacturing	386	326	643	370	17,645
Natural Resources and Mining	1,226	1,220	1,951	936	3,133
Goods-Producing	**2,305**	**1,940**	**4,124**	**2,053**	**34,979**
Education and Health Services	1,748	1,619	8,114	2,365	48,069
Financial Activities	183	287	859	281	13,114
Information		15	134	54	1,717
Leisure and Hospitality	737	519	3,226	1,212	21,087
Other Services	123	66	608	370	5,241
Professional and Business Services	532	244	1,940	1,264	29,575
Trade, Transportation, and Utilities	2,574	1,110	5,460	2,399	63,574
Service-Providing	**6,986**	**4,839**	**21,943**	**9,039**	**194,712**
Unclassified	**	**	**	**	196
Total, all industries	**9,290**	**6,779**	**26,068**	**11,092**	**229,691**

Source: DEO 2015 Annual Data < http://www.floridajobs.org/labor-market-information/data-center/statistical-programs/quarterly-census-of-employment-and-wages>

Table 9. Top Private Employers

County	Employer	Line of Business	Number of Employees
DeSoto	Wal-Mart	Retail/Distribution	802
	DeSoto Memorial Hospital	Health care	290
	Peace River Citrus Processing	Citrus Juice	185
	Bethel Farms	Lawn and Gardening	87
Hardee	Lakeside Neurologic	Health care	250-499
	Wal-Mart	Retail	170
	AdventHealth	Health & Social Services	149
	Wauchula State Bank	Banking	130
Highlands	AdventHealth	Health & Social Services	1,639
	Alan Jay Automotive	Automotive	400
	Walmart	Retail	935
	Publix	Retail	522
Okeechobee	Walpole Inc	Distribution	250-499
	Raulerson Hospital	Healthcare	250-499
	Gilbert Family of Companies	Distribution	100-249
	McArthur Farms	Dairy	180
Polk	Publix Super Markets	Headquarters, Distribution, Manufacturing and Super Markets	13,701
	Lakeland Regional Health	Main Hospital and Clinic Operations	5,888
	Walmart	E-commerce, Distribution and Retail Stores	5,523
	Amazon	Prime Air & Fulfillment	5,000

Sources: Enterprise Florida, Highlands County, and Central Florida Development Council, DeSoto County Economic Development Office, Hardee County Economic Development Council

Wages by Industry

Table 10 shows the average annual wage for workers in each of the major industry groups established by the North American Industry Classification System (NAICS) for each county in the region. Overall, wages are highest in Polk County and lowest in Hardee County.

Table 10. Wages by Industry, 2020

Industry	De Soto	Hardee	Highlands	Okeechobee	Polk
Construction	$ 45,163	$ 41,946	$ 41,199	$ 41,833	$ 52,030
Manufacturing	$ 73,796	$ 34,631	$ 43,975	$ 49,203	$ 62,263
Natural Resources and Mining	$ 33,843	$ 35,406	$ 33,224	$ 39,095	$ 48,121
Goods-Producing	**$ 43,940**	**$ 36,605**	**$ 37,859**	**$ 41,911**	**$ 56,842**
Education and Health Services	$ 47,708	$ 39,068	$ 46,078	$ 45,014	$ 48,340
Financial Activities	$ 46,919	$ 50,255	$ 44,313	$ 44,780	$ 62,420
Information	**	$ 38,916	$ 51,374	$ 47,350	$ 53,391
Leisure and Hospitality	$ 20,574	$ 17,428	$ 20,399	$ 22,063	$ 20,609
Other Services	$ 33,294	$ 25,688	$ 27,478	$ 32,692	$ 40,835
Professional and Business Services	$ 39,490	$ 34,514	$ 36,366	$ 45,038	$ 49,915
Trade, Transportation, and Utilities	$ 39,143	$ 42,280	$ 33,816	$ 36,450	$ 43,648
Service-Providing	**$ 39,714**	**$ 38,211**	**$ 37,915**	**$ 40,299**	**$ 44,906**
Unclassified	**	**	**	**	$ 28,823
Total, all industries	**$ 40,762**	**$ 37,751**	**$ 37,906**	**$ 40,597**	**$ 46,724**

Source: U.S. Department of Labor, Bureau of Labor Statistics <http://www.bls.gov/cew/data.htm>

** Information Not Available due to Confidentiality

Quality of Life & Quality Places

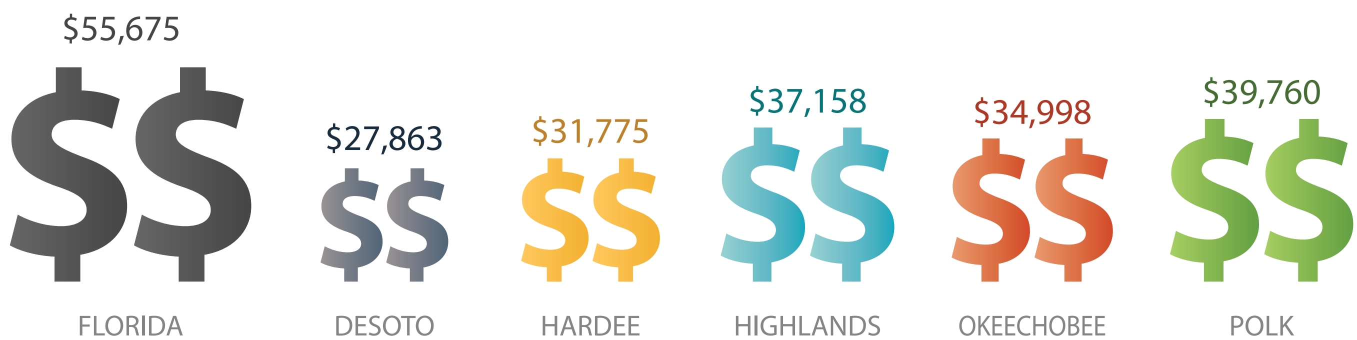
Per Capita Income

The Bureau of Economic Analysis provides estimates of per capita personal income. Per capita personal income is defined as the income received by all persons from all sources (including transfer payments, and measured before personal taxes are deducted), divided by the total population[3]. Table 11 shows per capita personal income in each county, in current dollars.

Table 11. Per Capita Personal Income, 2005-2015

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
DeSoto	$ 22,212	$ 22,676	$ 22,068	$ 22,082	$ 23,154	$ 24,118	$ 23,877	$ 24,244	$ 24,369	$ 25,717	$ 27,863
Hardee	$ 23,237	$ 24,134	$ 25,267	$ 24,311	$ 25,395	$ 26,642	$ 25,906	$ 27,923	$ 27,010	$ 28,389	$ 31,775
Highlands	$ 29,100	$ 29,788	$ 30,378	$ 29,853	$ 30,726	$ 31,686	$ 32,009	$ 32,968	$ 33,047	$ 34,433	$ 37,158
Okeechobee	$ 25,139	$ 26,498	$ 26,526	$ 26,414	$ 28,918	$ 30,519	$ 29,407	$ 31,034	$ 30,637	$ 32,236	$ 34,998
Polk	$ 30,924	$ 32,239	$ 32,190	$ 31,977	$ 32,977	$ 33,814	$ 33,774	$ 35,236	$ 36,048	$ 37,183	$ 39,760
Florida	$ 38,865	$ 40,482	$ 41,475	$ 41,069	$ 43,388	$ 45,493	$ 46,253	$ 48,774	$ 51,150	$ 53,034	$ 55,675

Figure 12. Per Capita Personal Income



Sources: U.S. Department of Commerce, Bureau of Economic Analysis <http://www.bea.gov/iTable/iTable.cfm?ReqID=70&step=1&isuri=1&acrdn=5> and Inflation Adjustment: Bureau of Labor Statistics CPI Calculator <http://www.bls.gov/data/inflation_calculator.htm>

3 Bureau of Economic Analysis News Release: Personal Income by State, 1st Quarter 2022 https://www.bea.gov/index.php/news/2022/personal-income-state-1st-quarter-2022

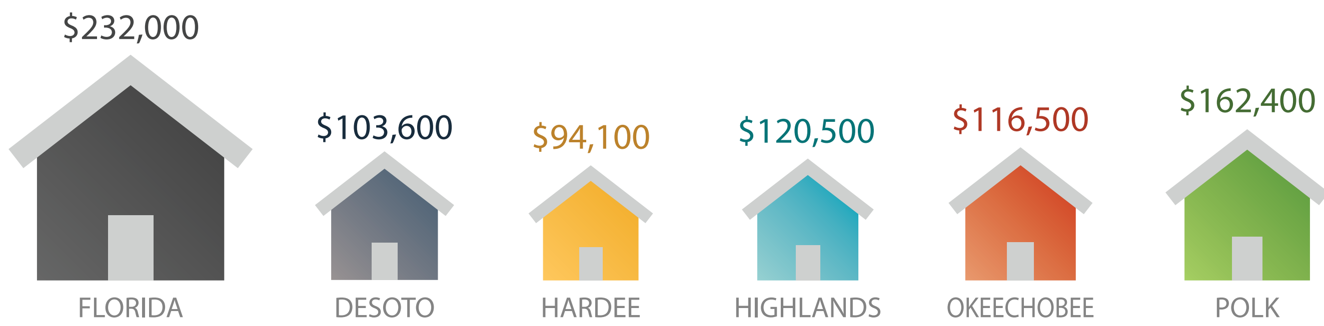
House Cost Index

The House Cost Index is a measure of single-family house prices relative to statewide prices. Table 12 shows the House Cost Index, for each county in the region. The House Cost Index is calculated by the Bureau of Economic and Business Research.

Table 12. House Cost Index, Percent Annual Change

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
DeSoto	-18.16%	1.81%	-4.68%	5.83%	4.39%	7.50%	21.05%	2.04%	12.74%	7.86%	4.90%	15.06%
Hardee	-10.62%	-3.40%	-13.06%	-4.78%	1.36%	17.87%	-0.67%	16.97%	6.79%	7.14%	5.16%	11.42%
Highlands	-14.05%	-10.80%	-2.94%	-1.44%	8.49%	6.78%	10.39%	8.31%	9.97%	6.22%	6.63%	18.28%
Okeechobee	-17.48%	-2.84%	-8.84%	-0.13%	4.44%	9.50%	5.99%	11.84%	16.00%	3.37%	8.11%	8.67%
Polk	-15.85%	-10.52%	-1.21%	5.14%	9.77%	8.16%	8.58%	9.92%	10.19%	7.17%	6.79%	16.68%

Figure 13. 2016-2020 Median Home Value

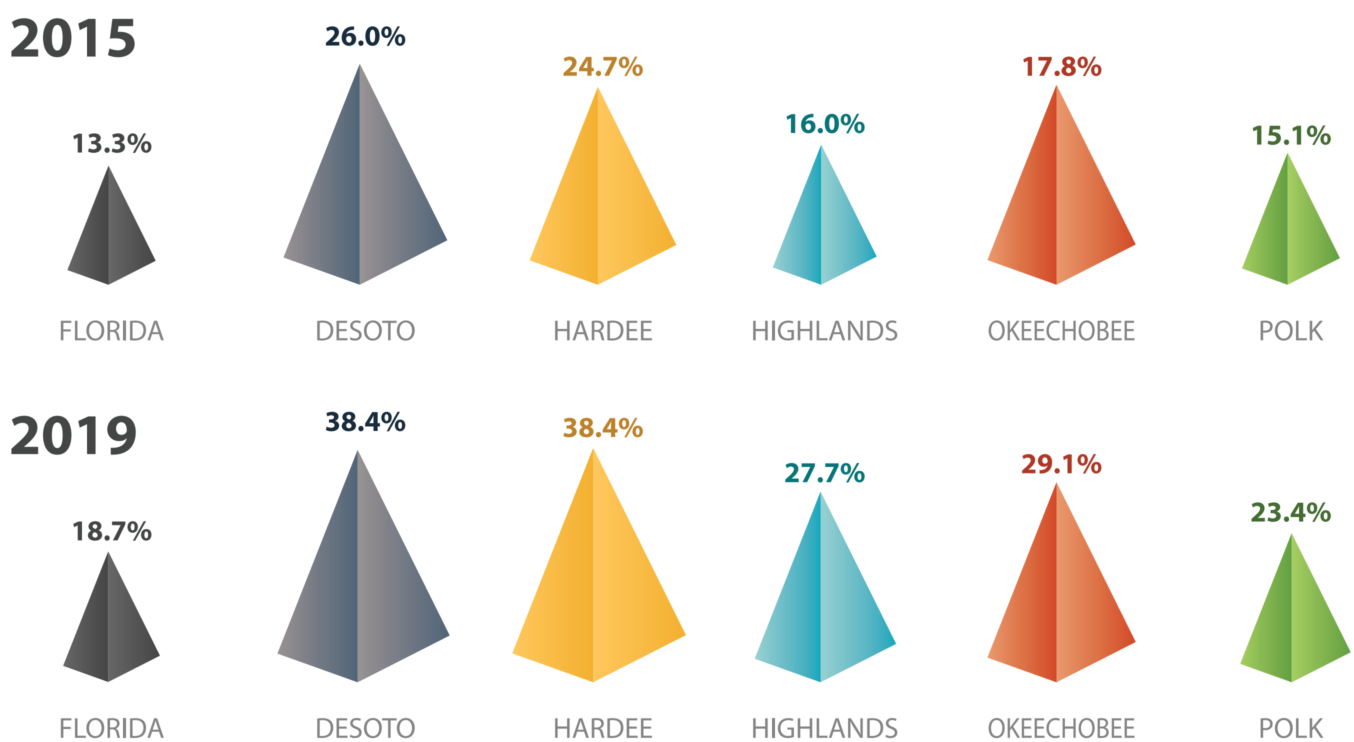


Source: Florida Statistical Abstract, 2010, Table 2.10

Persons Living in Poverty

Figure 14 shows the percent of persons living in poverty in the region.

Figure 14. Persons Living in Poverty (2015-2019)



SHIFT-SHARE ANALYSIS

Shift-share analysis is a standard regional analysis method that attempts to determine how much of regional job growth can be attributed to national trends and how much of regional job growth is due to unique regional factors. Shift-share helps answer why employment is growing or declining in a regional industry, cluster, or occupation.

To conduct shift-share analysis, regional job growth is split into three components: (1) national growth effect, (2) industrial mix effect, and (3) regional competitive effect. In addition, a time frame (start year and end year) is required to perform shift-share analysis, since shift-share deals with job growth over time.

- **National Share** – the amount of growth or decline in an industry that could be attributed to the overall growth of the national economy.
- **Industry Mix** – the amount of growth or decline in an industry that could be attributed to the performance of the specific industry at the national level.
- **Regional Shift** (competitive effect) – the amount of growth or decline in a specific industry that could be attributed to a local advantage or disadvantage. This is generally the most interesting component as it clearly quantifies the level of advantage or disadvantage an industry has in the local area.

The formulas used to calculate shift share follow:

$$\Delta ei = ei,t - ei,t\text{-}1 = NSi + IMi + RSi$$

Where:

Δei = Change in employment in a certain industry (i)

ei,t = Employment in that industry in the most recent year

$ei,t\text{-}1$ = Employment in that industry in the first year

NSi = Change due to national trends

NSi = industry employment x national average growth rate of total employment

IMi = Change due to industrial mix

IMi = local industry employment x (national industry growth rate – nation average growth rate)

RSi = Change due to regional mix

RSi = local industry employment x (local industry growth rate – national industry growth rate)

The shift-share analysis divides local economic growth into its component parts. The shift-share analysis shows how much of the growth/loss in an industry is due to the U.S. economy, how much to the national industry, and how much to the Region economy. The analysis identifies leading and lagging industries. It is this information that, in turn, may help drive business recruitment decisions as well as public investment decisions. In addition, results from this analysis could help structure economic development policy.

Table 13. Regional Shift-Share Analysis

	Total Employment by Sector, United States			Total Employment by Sector, Region				Regional Shift-Share		
Industry	2020	2021	Growth Rate	2020	2021	Growth Rate	Total Change in Employment 2020-2021	National Share	Industry Mix	Regional Shift
Goods-Producing Industries										
Construction	10,786,000	11,271,000	4.5%	17,564	18,432	4.9%	868	569	221	78
Manufacturing	14,550,000	14,718,000	1.2%	19,370	19,319	-0.3%	-51	627	-404	-275
Natural Re-sources and Mining	3,033,000	2,894,000	-4.6%	8,466	8,312	-1.8%	-154	274	-662	234
Service-Providing Industries										
Education and Health Services	34,105,000	34,725,000	1.8%	61,915	62,551	1.0%	636	2,005	-879	-490
Financial Activi-ties	10,646,000	10,725,000	0.7%	14,724	15,096	2.5%	372	477	-368	263
Information	2,594,000	2,721,000	4.9%	1,920	2,027	5.6%	107	62	32	13
Leisure and Hospitality	11,480,000	12,635,000	10.1%	26,781	30,004	12.0%	3,223	867	1,827	529
Professional and Business Services	18,816,000	19,295,000	2.5%	6,408	6,861	7.1%	453	208	-44	290
Trade, Trans-portation, and Utilities	34,598,000	29,000,000	-16.2%	33,555	35,820	6.8%	2,265	1,087	-6,516	7,694
Other Services	6,742,000	7,186,000	6.6%	75,117	83,566	11.2%	8,449	2,432	2,514	3,502
Total, all indus-tries	**147,795,000**	**152,581,000**	**3.2%**	**282,920**	**298,476**	**5.5%**	**16,168**	**8,608**	**-4,278**	**11,839**

Conclusions from Shift-Share Analysis

National Growth

The overall national growth component shows that, if the regional economy was identical to the national economy, then the number of jobs in the region should have grown by 8,608 between 2020 and 2021. However, the data from Table 13 shows that the region added 16,168 jobs during this period. This suggests that the region is performing better than the national average. All the industry sectors except natural resources and mining, and manufacturing added more jobs than expected if they performed at the national average (for example, 2,265 actual jobs versus 1,087 predicted jobs for trade, transportation, and utilities employment). The other components of the shift-share analysis can help identify why this happened.

Industrial Mix

Some industries add jobs more rapidly than others and some lose jobs. The "mix" component helps determine if the local industry is weighted toward industries that are growing faster or slower than the national average. The overall industrial growth component of -4,278 means that the region in this example has nearly -4,278 less jobs than it would have if its structure were identical to the nation. Approximately four of the industry sectors are growing faster than the national average and six are growing slower than the national average. The negative industrial mix means that the local economy grew slower than the national average, independent of the national influence.

Regional Shift

This component helps determine whether local industries are growing faster or slower than similar industries at the national level. Accordingly, the local share is often interpreted as indicating whether local businesses are more or less competitive than the national average. According to the regional shift component, 11,839 new jobs in the region are attributable to the region's relative competitive position—in a sense, the region itself gained a greater share of employment growth than the nation did on average. In addition to overall growth, the analysis can also be used to examine how individual industries have fared competitively. There are two industry sectors that had negative local shares including Manufacturing, Education and Health.

It is important to keep in mind that the shift-share analysis is a descriptive tool rather than a diagnostic tool. The shift-share analysis does not tell why some local industries are more competitive and why some are less competitive. Differences may be due to technology, management, or worker productivity. A more in-depth analysis of local versus national industries is required to determine the sources of these differences. Potential factors may include access to natural resources, local wage rates, workforce productivity, or regional transportation networks.

LOCATION QUOTIENT ANALYSIS

A Location Quotient (LQ) is a simple ratio used to determine the concentration or dominance of a particular industry in a region (5-county region) in comparison to a larger reference or benchmark region (Nation). It compares the region's share of employment in a given industry to the national share. The result indicates the degree to which the region specializes in each industry. If the location quotient for a given industry is less than 1, all employment is assumed to be "non-basic" (that is, the industry is not exporting its goods or services, and is not meeting local demand). If the location quotient is exactly 1, local employment is sufficient to meet local demand, but no goods or services are exported. If the location quotient is more than 1, some employment is "basic" (meaning that the industry employs more people than would be necessary to meet local needs, and therefore the industry is assumed to be exporting goods or services out of the region). In general, a location quotient above 1.5 indicates that there is a degree of specialization or concentration in that particular industry within the area.

The location quotient is calculated with the following formula:

$$LOQ = \frac{ei/eT}{Ei/ET}$$

Where:

ei = employment in industry i in the region

eT = total employment in the region

Ei = employment in industry i in the Nation

ET = total employment in the Nation

The location quotients for the region's industry sectors, using 2020 data, are shown in Table 14. As illustrated in the table, the top three sectors by percent in total employment in the region are Trade, Transportation, and Utilities (26.06%), Education and Health Services (22.72%), and Professional and Business Services (11.36%). These results indicate that the region is a strong exporter in the Natural Resources and Mining sector. This is expected given this sector is a mainstay of the regional economy. The location quotient for the Mining and Natural Resources sector has increased from 1.71 in 2016 to 4.76 in 2020. The region is also an exporter in the industries of Trade, Transportation, and Utilities and Leisure and Hospitality.

Table 14. Location Quotients –2020 Data

Industry	Nation	% of Total	Region	% of Total	Location Quotient
Goods-Producing Industries					
Construction	9,935,000	7.00	13,632	5.33	0.76
Manufacturing	15,338,000	10.81	18,027	7.04	0.65
Natural Resources and Mining	3,339,000	2.35	12,183	4.76	2.02
Service-Providing Industries					
Education and Health Services	33,678,000	23.73	58,161	22.72	0.96
Financial Activities	10,287,000	7.25	13,150	5.14	0.71
Information	2,988,000	2.11	1,786	0.70	0.33
Leisure and Hospitality	13,821,000	9.74	27,480	10.74	1.10
Professional and Business Services	17,409,000	12.27	29,090	11.36	0.93
Trade, Transportation, and Utilities	28,046,000	19.76	61,598	24.06	1.22
Other Services	4,369,780	3.08	5,893	2.30	0.75
Total, all industries	**141,905,000**	**100.00**	**255,977**	**100.00**	**1.00**