



FLORIDA  
DEPARTMENT *of*  
ECONOMIC  
OPPORTUNITY

# Economic Trends and Florida's Competitive Position

*presented to*  
**Florida Department of Economic Opportunity  
Strategic Plan Regional Stakeholder Forum**

*presented by*  
**John Kaliski  
Cambridge Systematics, Inc.**

**February 29, 2012**



# Presentation Outline

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- Current realities
- Future trends
- How do we compete?
- Where do we stand?



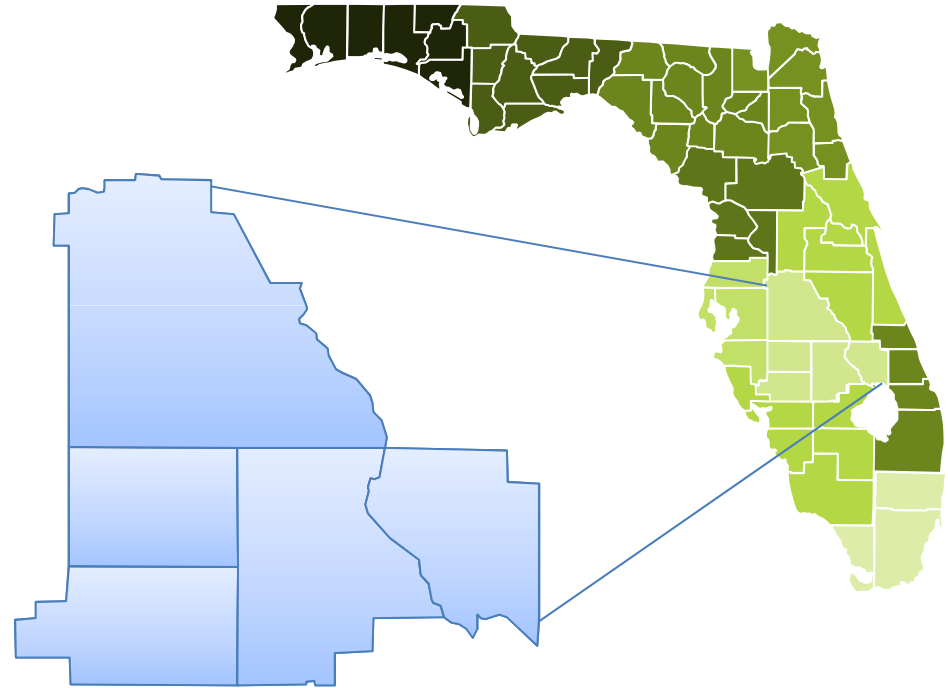
Source: Florida Trend.



# Central Florida Region

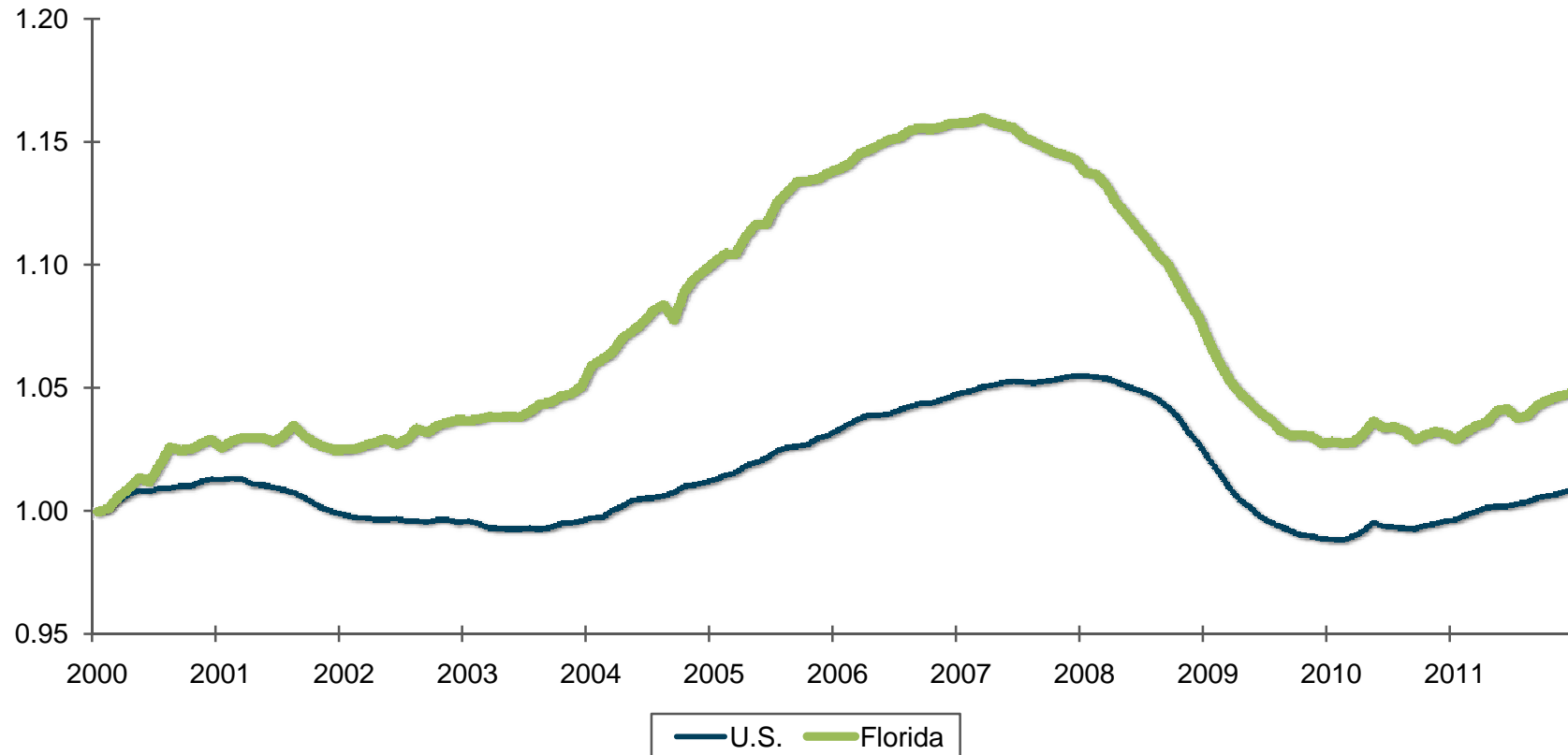
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- DeSoto
- Hardee
- Highlands
- Okeechobee
- Polk



# Recession Erased Job Gains of the Past Decade

Employment, Index 2000 = 1.0



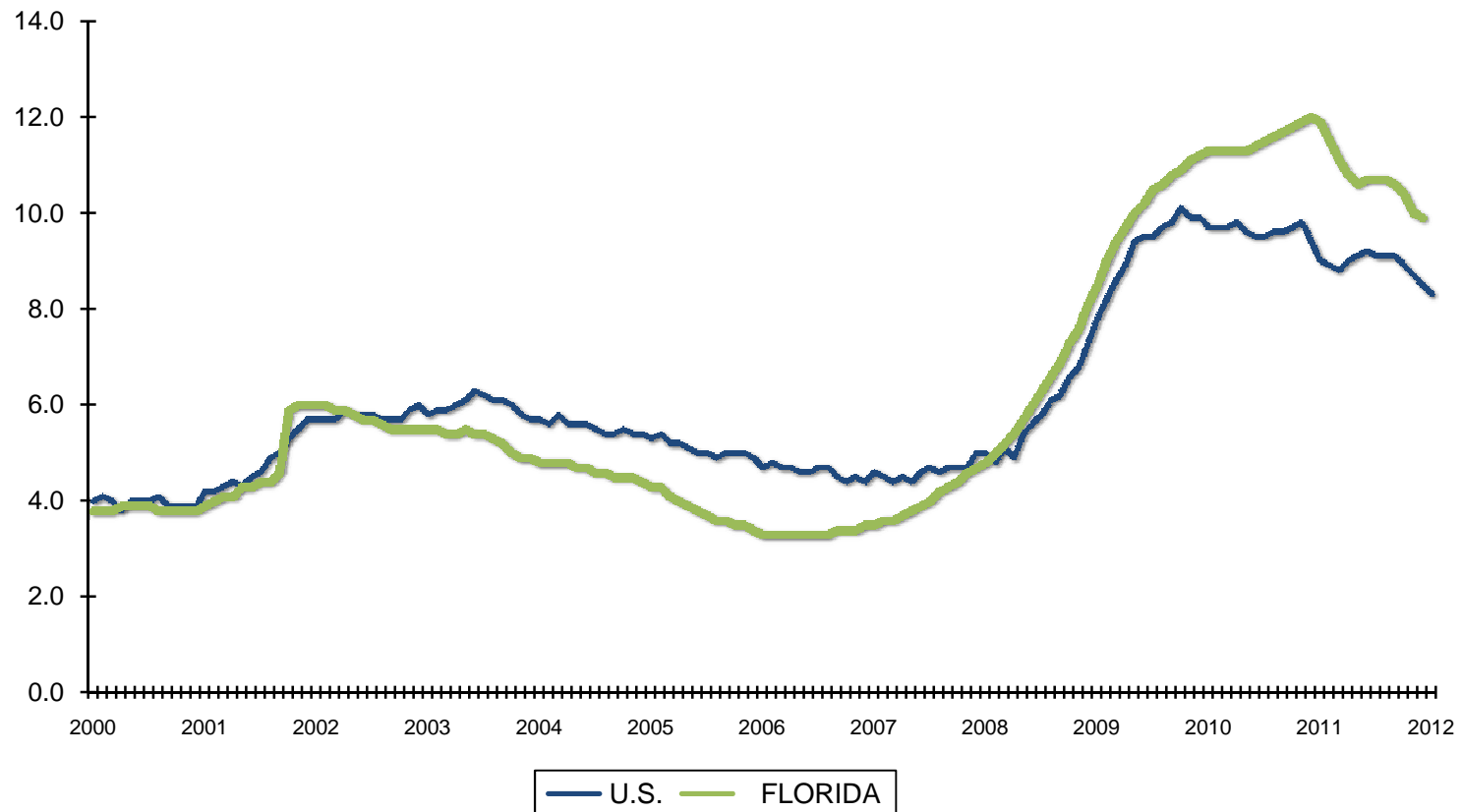
Source: U.S. Bureau of Labor Statistics, "Current Employment Statistics."





# Unemployment Rate Easing Downward

Unemployment Rate, In Percent

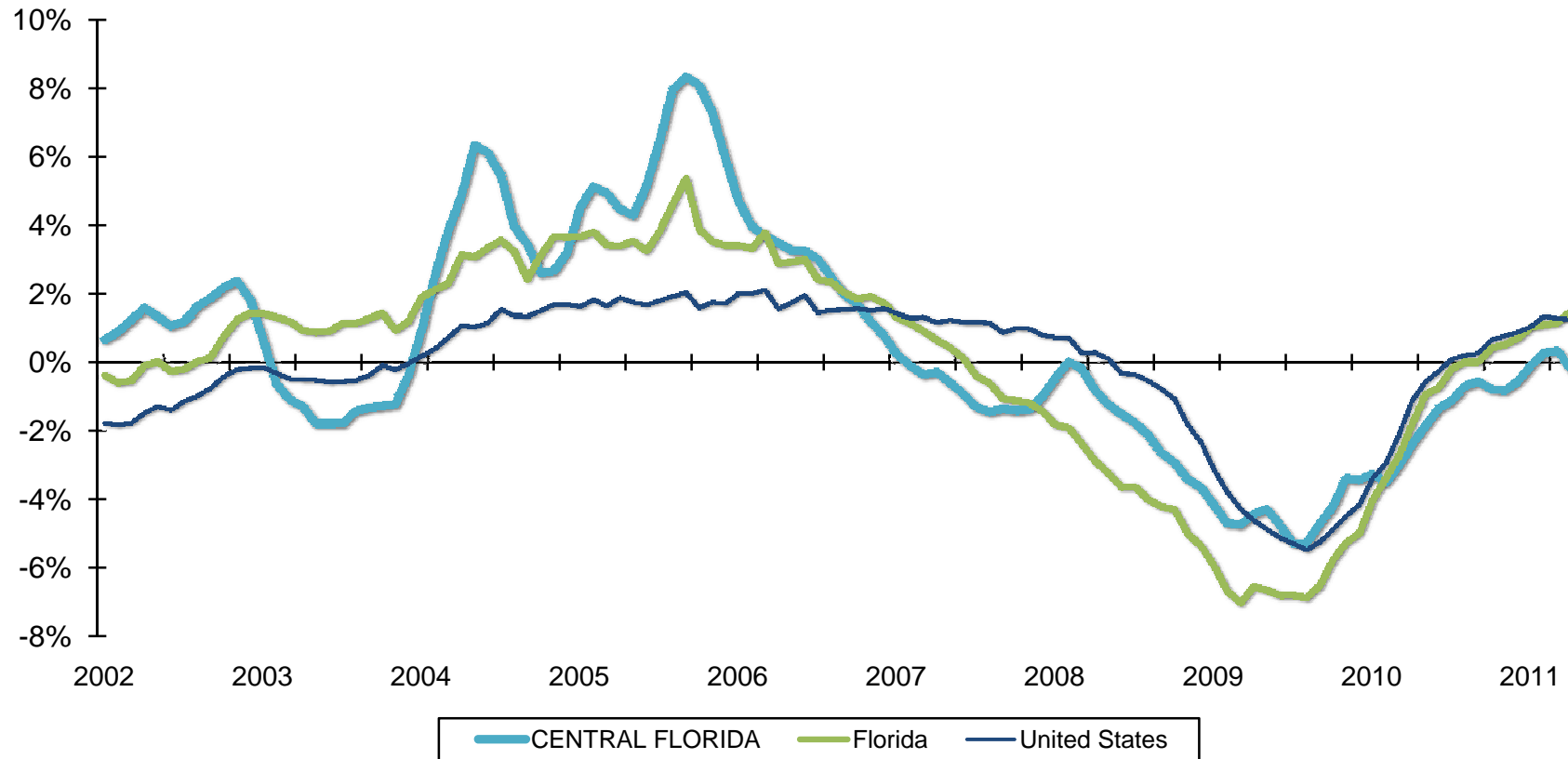


Source: U.S. Bureau of Labor Statistics, "Local Area Unemployment Statistics."



# Employment Growth in Central Florida

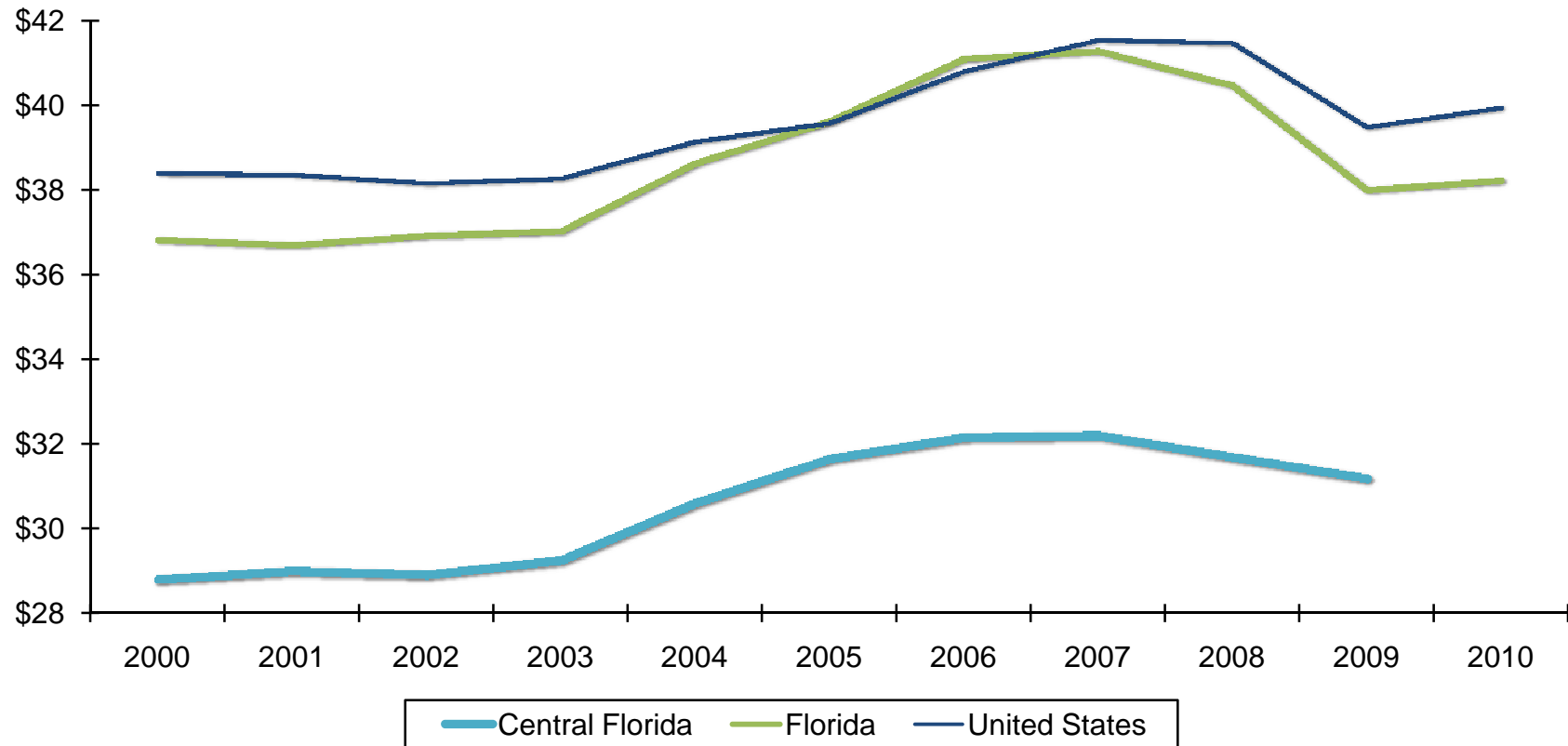
Year-Over-Year Percent Change



Source: U.S. Bureau of Labor Statistics, "Current Employment Statistics."

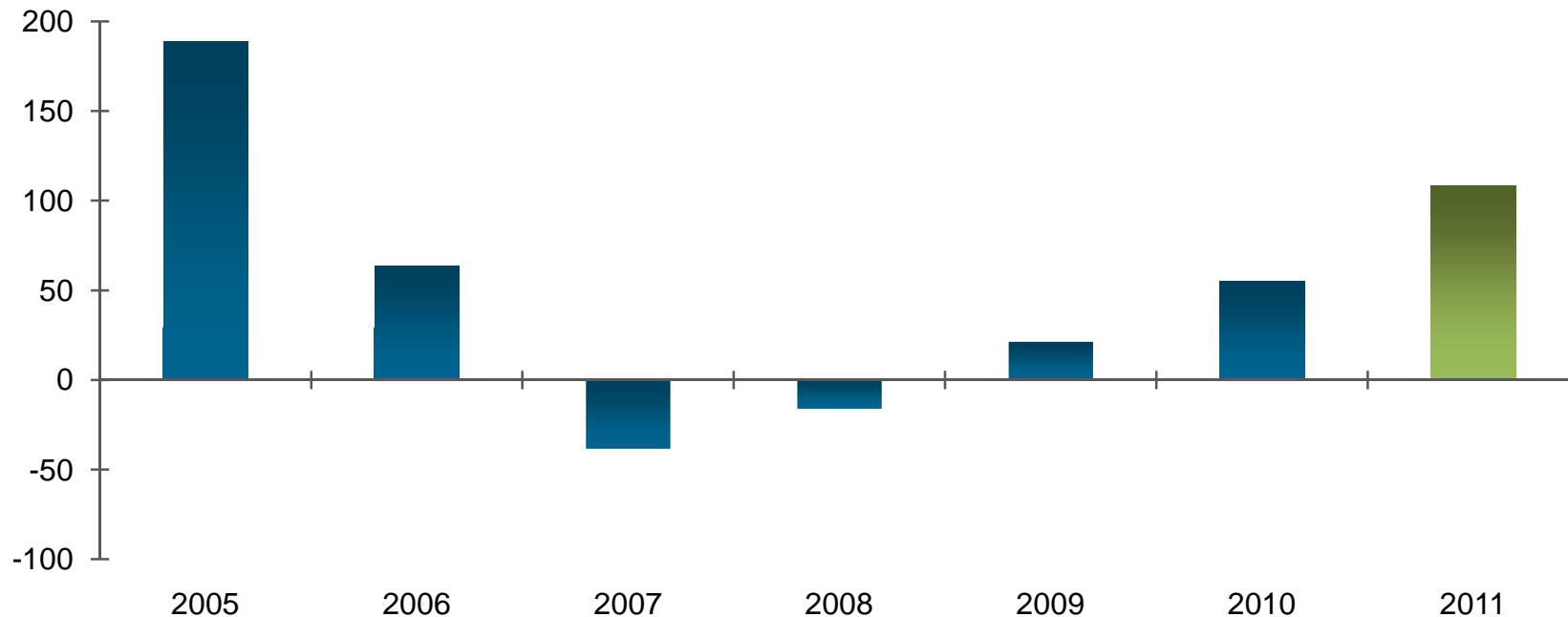
# Per Capita Income Slipping Behind U.S.

Per Capita Income (in Thousands of \$2010)



Source: U.S. Bureau of Economic Analysis.

# Net Domestic Migration Has Resumed

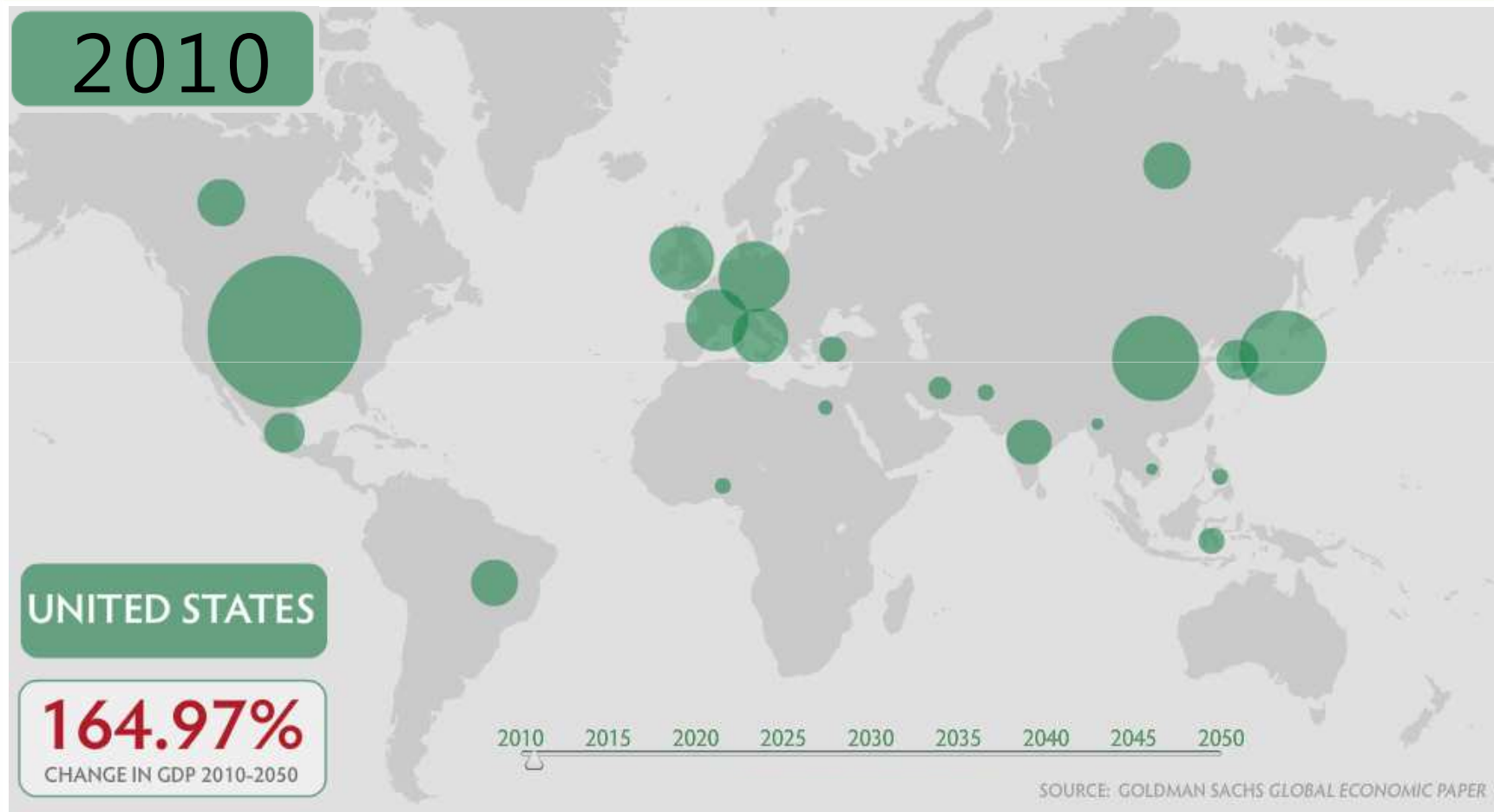


Source: U.S. Census Bureau, American Community Survey (for the 2005-2010 data) and Population Estimates Program (for the 2011 data).



# A New Economy

## Global Markets

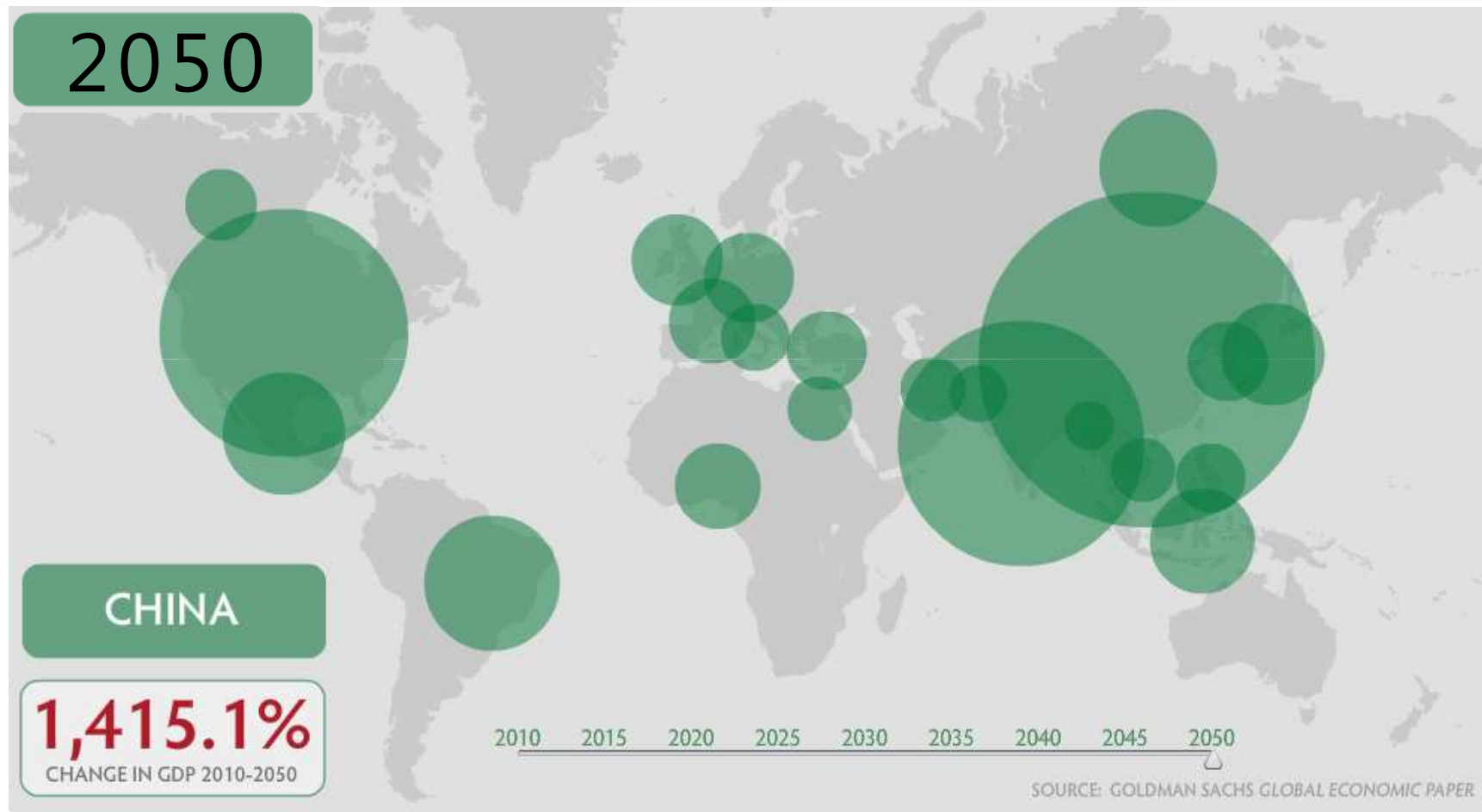


Source: Goldman Sachs, 2008.



# A New Economy

## Global Markets



Source: Goldman Sachs, 2008.



# A New Economy

## Global Activity Centers

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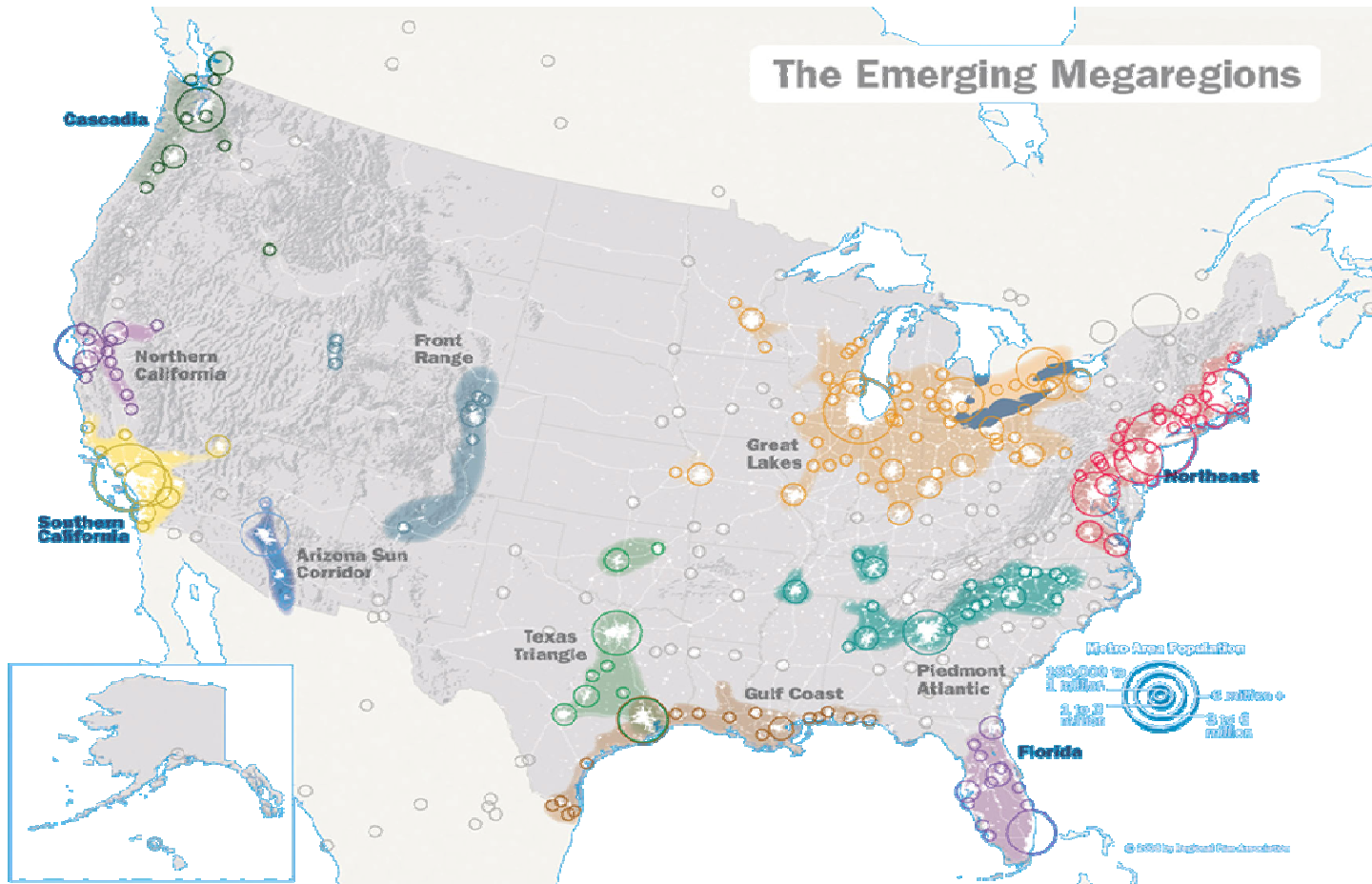


Source: WhosYourCity.com.



# A New Economy

## Competing as Regions... and Megaregions



Source: America 2050.

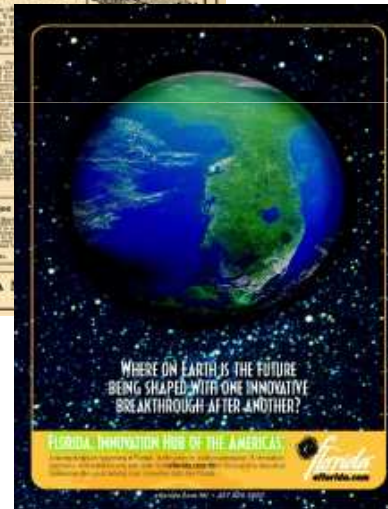




# How Do We Compete?

## Florida then...

- Low costs
- Climate
- Land and natural resources



## Florida Now...

- Talent
- Innovation
- Infrastructure
- Business climate
- Civic and governance systems
- Quality of life and quality places

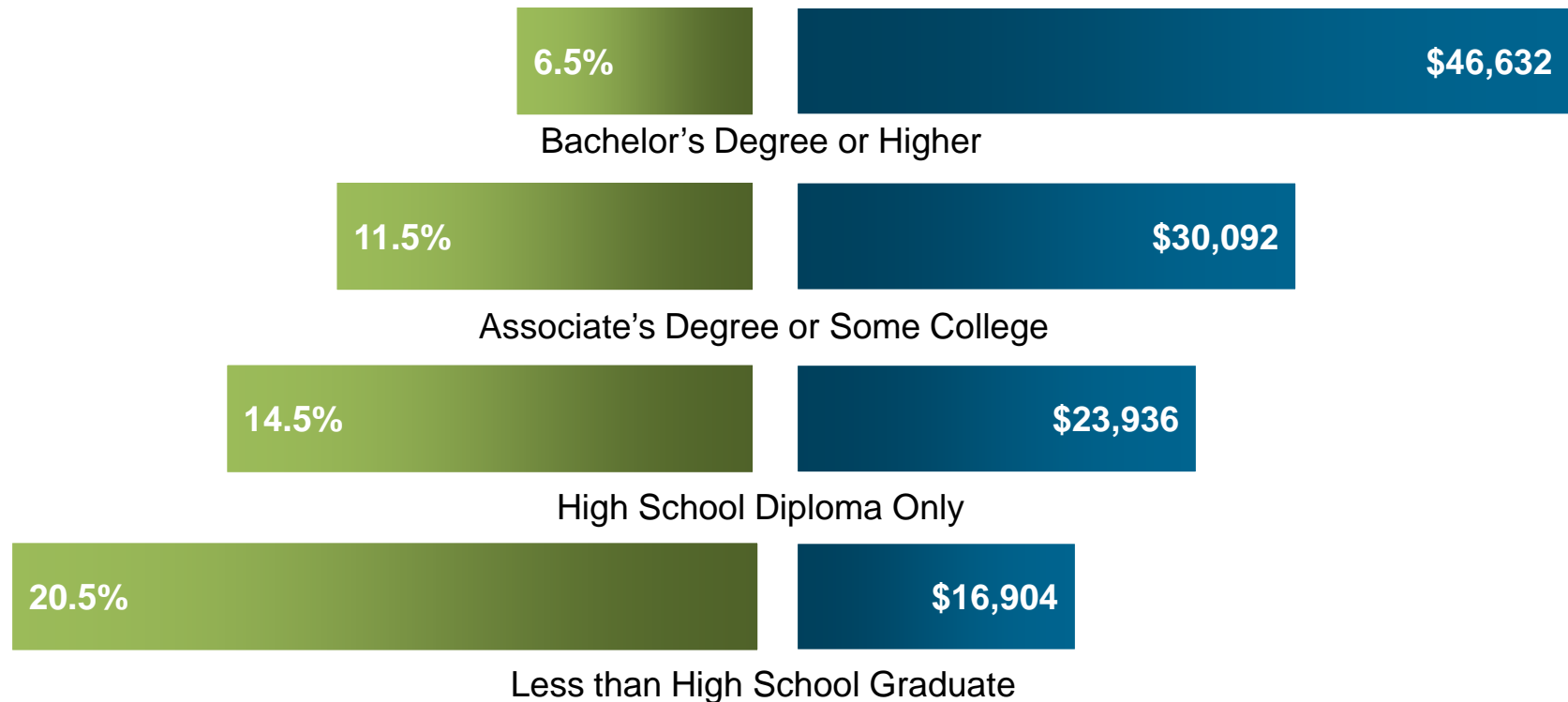
# Talent Supply and Education

## Educational Attainment Key Driver of Jobs and Income

Unemployment Rate

2010

Median Earnings



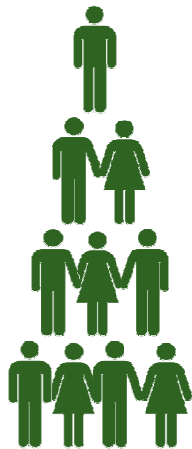
Source: U.S. Census Bureau, American Community Survey.



# Talent Supply and Education

## Can We Provide the Workforce for the Future?

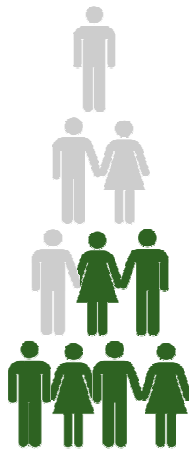
10...



...students in a  
9<sup>th</sup> grade class

2002

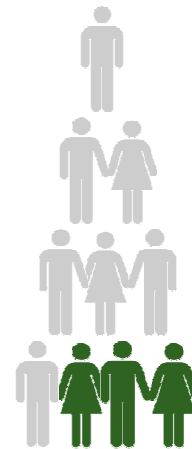
6...



...graduate from  
high school

2005

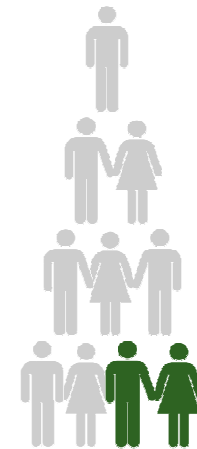
3...



...continue to college  
within two years

2007

2...



...earn college credit  
within two years

2009

Source: Florida Board of Education 2011.



FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY



# Talent Supply and Education

## Educational Attainment 2006-2010

### Population over 25...

...with less than a High School degree

...with HS, Associate's degree, or some college

...with a Bachelor's degree, or higher



Central Florida Region



Florida



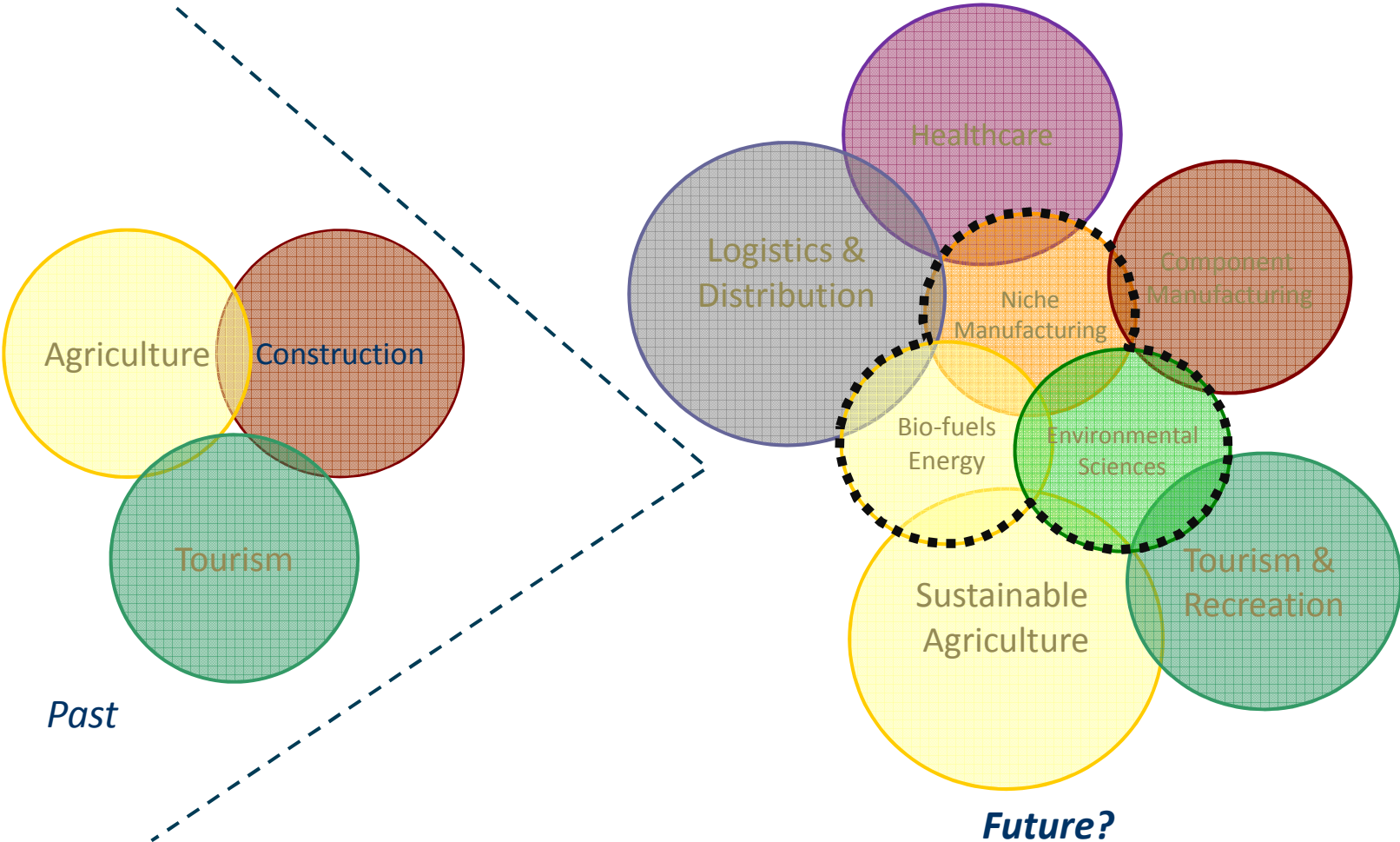
United States

Source: U.S. Census Bureau, American Community Survey 2006-2010 five-year estimates.



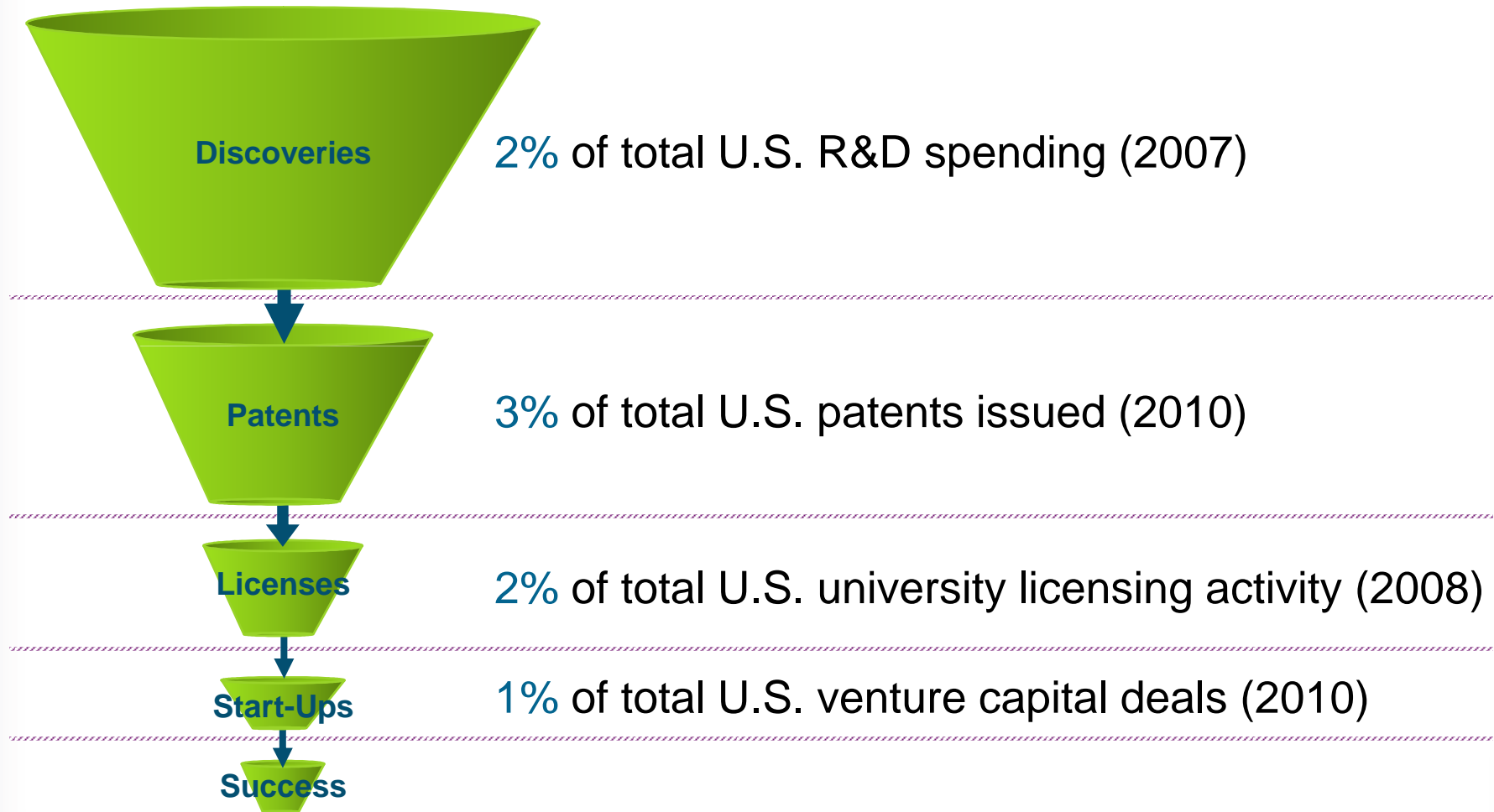
# Innovation and Economic Development

## Changing Industry Composition



# Innovation and Economic Development

## Can We Strengthen Our Innovation Pipeline?



# Innovation and Economic Development

## Florida's Innovation Hubs



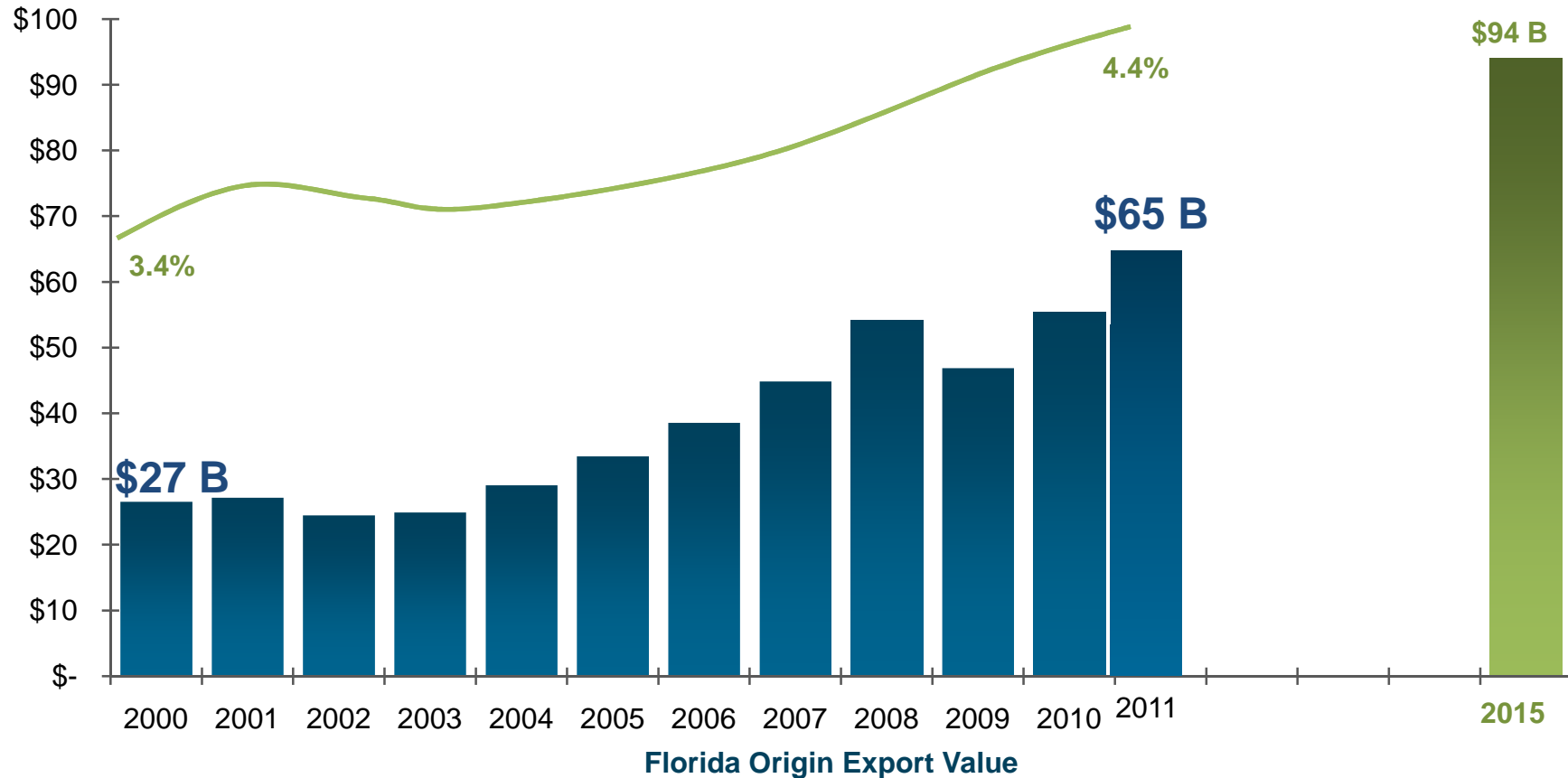
Source: InfoUSA; Florida Division of Colleges and Universities; Foundation for Independent Higher Education.



# Innovation and Economic Development

## Can We Expand Our Global Role?

Florida Share of Total U.S. Export Value



Source: U.S. Census Bureau.





# Innovation and Economic Development

## Florida's Manufacturing Centers

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Source: InfoUSA.



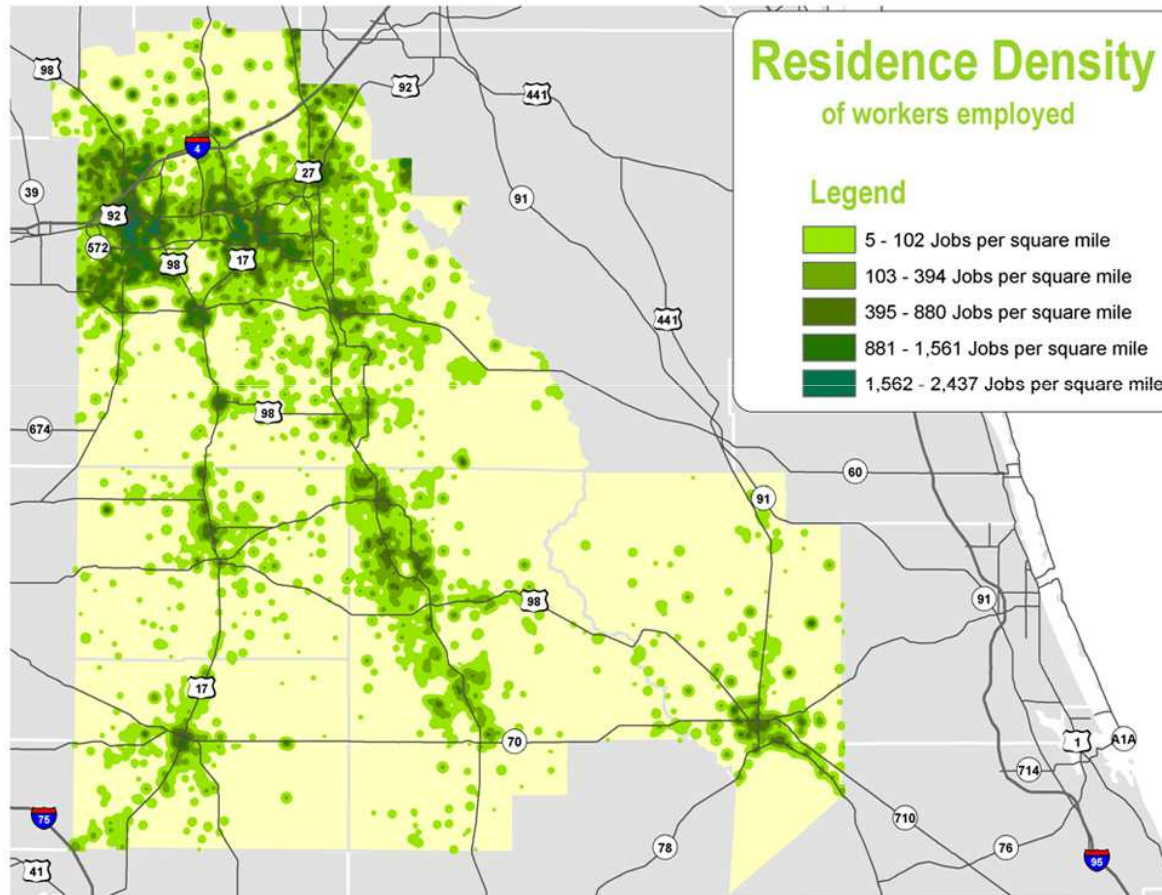
# Infrastructure and Growth Leadership

## Are We Globally Connected?



# Infrastructure and Growth Leadership

## Can People Access Jobs and Services?

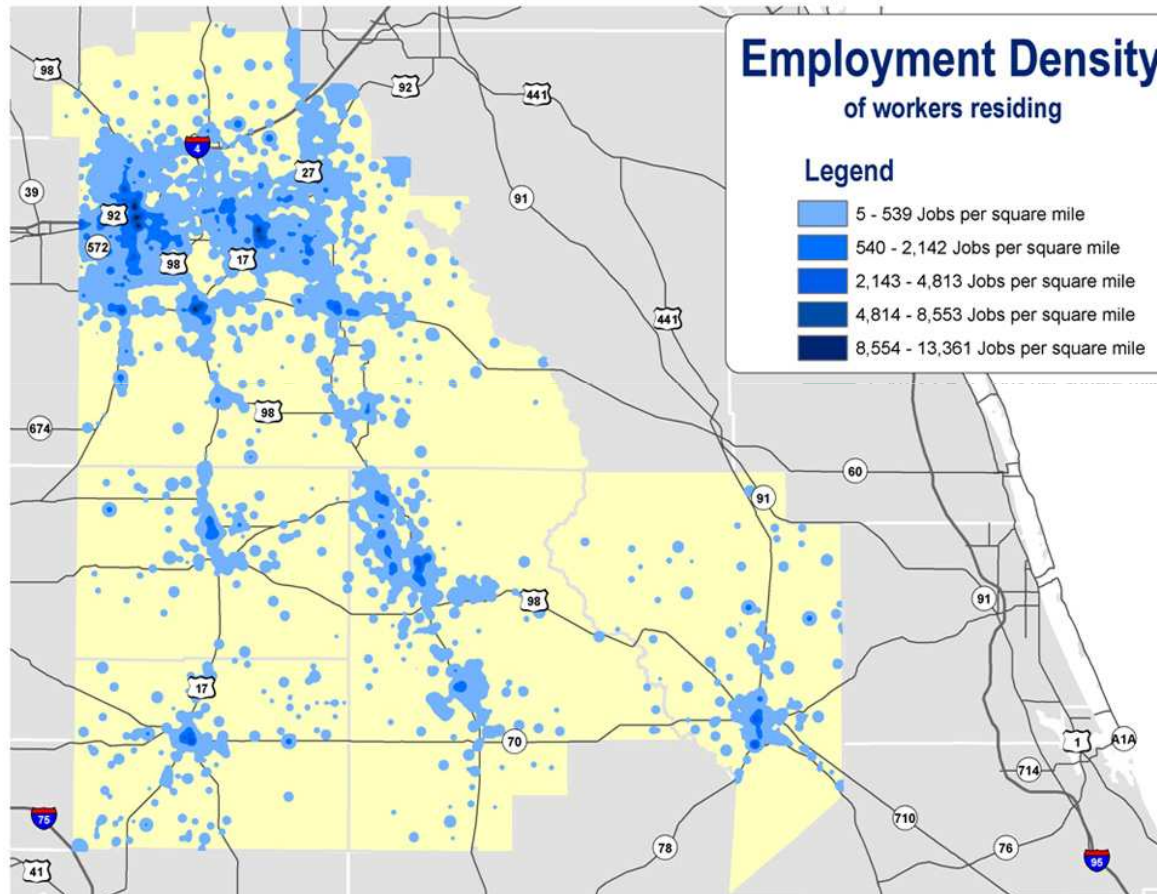


Source: U.S. Census Bureau. Longitudinal Employer-Household Dynamics, Origin Destination Employment Statistics.



# Infrastructure and Growth Leadership

## Can People Access Jobs and Services?



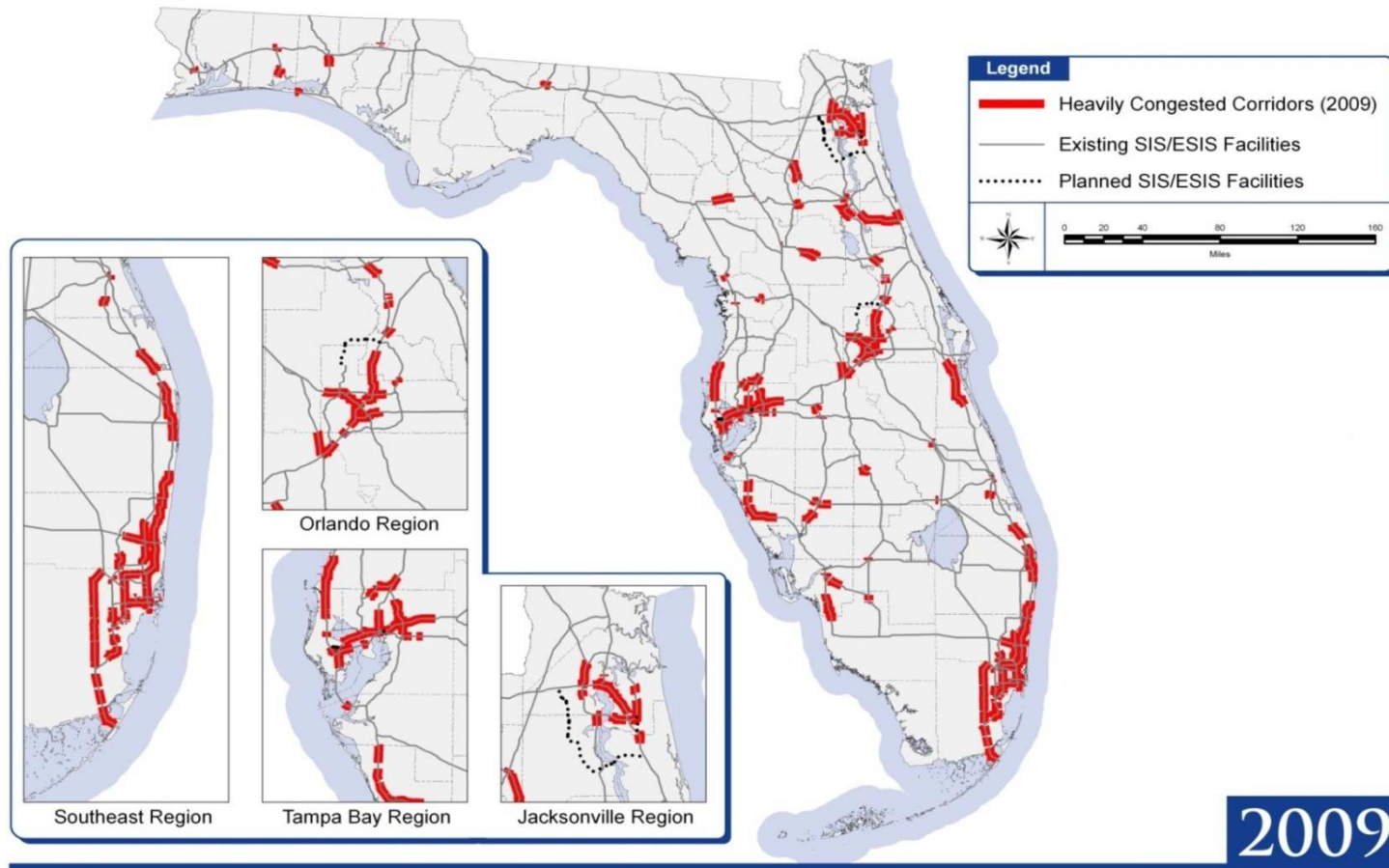
Source: U.S. Census Bureau. Longitudinal Employer-Household Dynamics, Origin Destination Employment Statistics.





# Infrastructure and Growth Leadership

## Can We Provide for Future Demand?

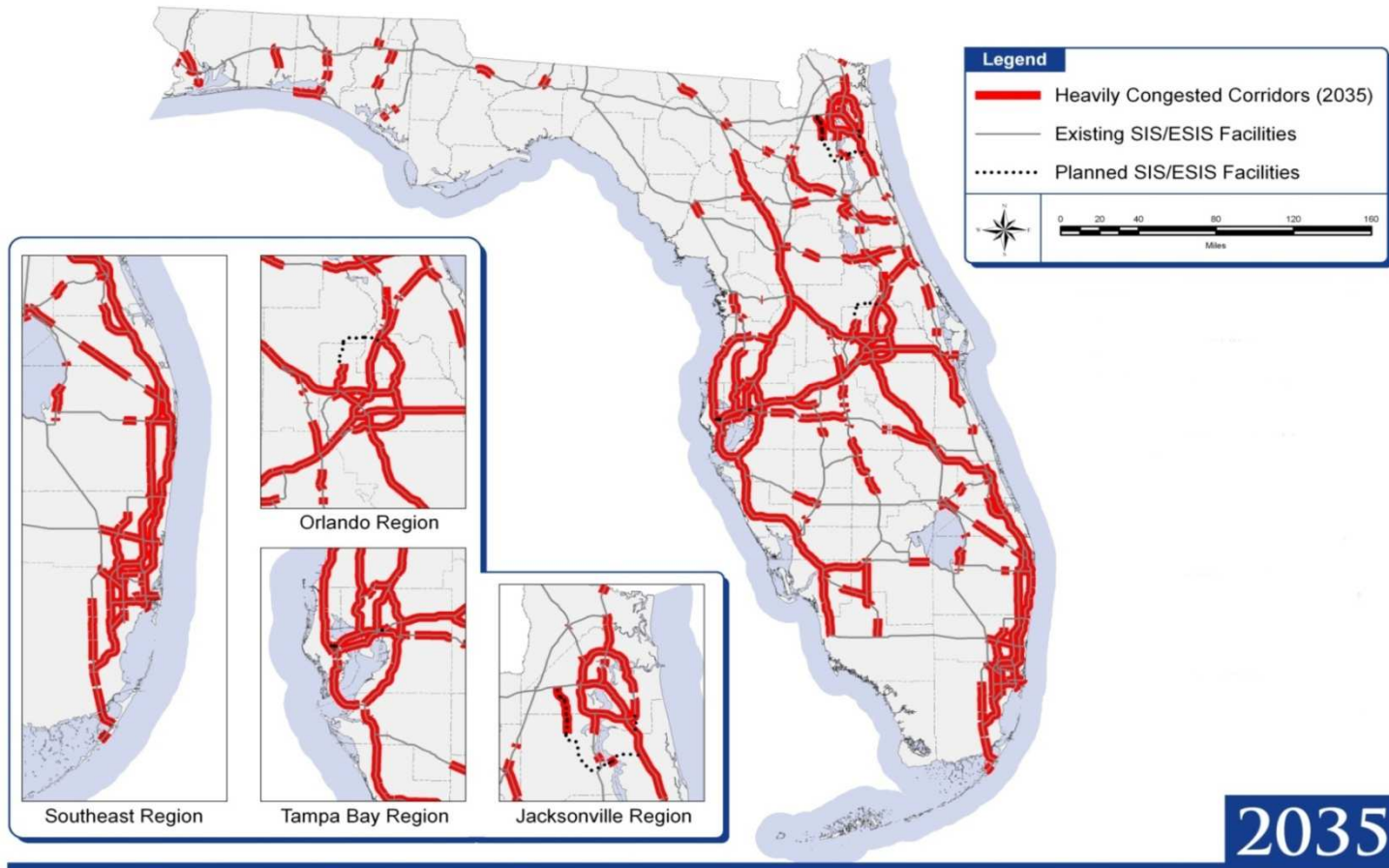


Source: Florida Department of Transportation.



# Infrastructure and Growth Leadership

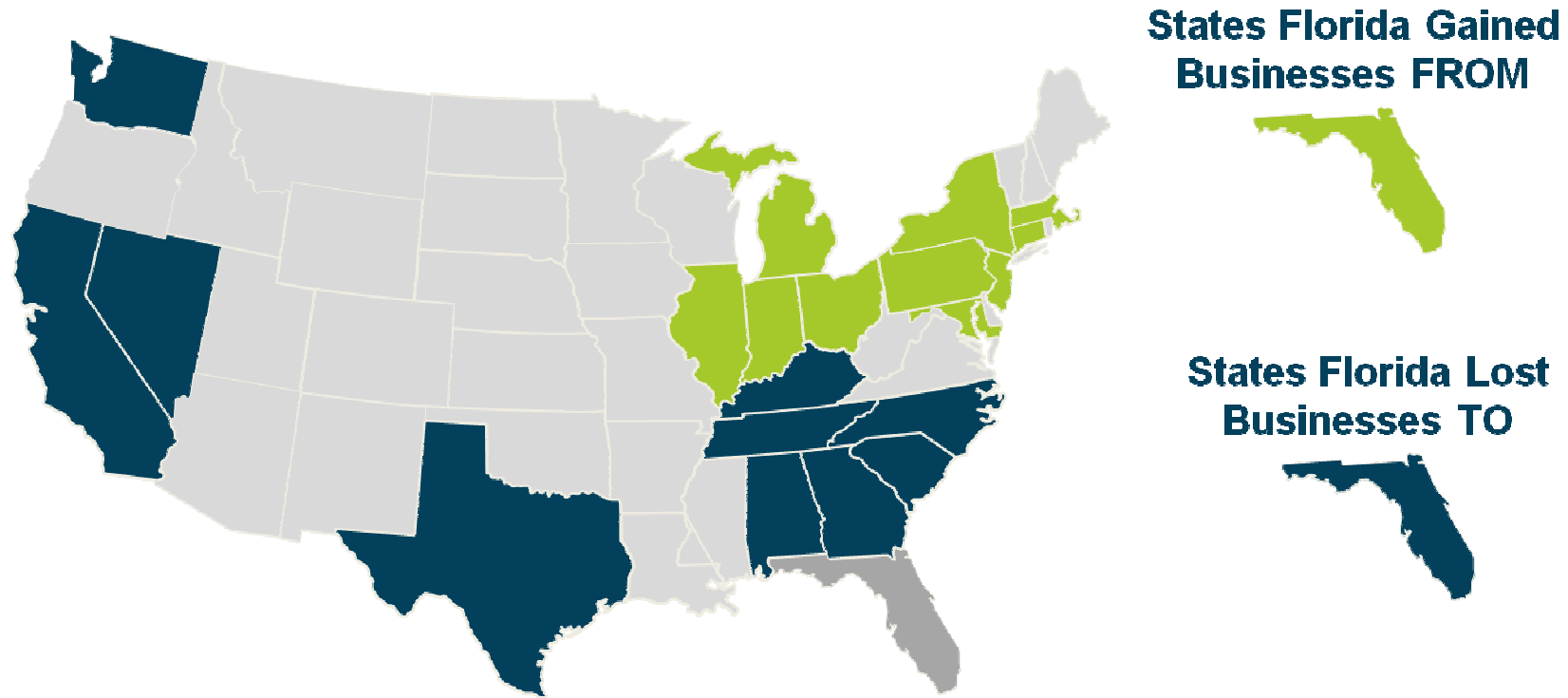
## Can We Provide for Future Demand?



Source: Florida Department of Transportation.

# Business Climate and Competitiveness

## Is Florida Competitive?



**Fourth** ranked in net new business relocations, 2010

Source: Dun & Bradstreet.



# Business Climate and Competitiveness

## No Longer a Low-Cost State

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11<sup>th</sup>

- Highest cost of doing business  
*(CNBC, 2011)*

97%

- Growth in average health insurance premium per enrolled employee, 2000-2010  
*(Kaiser Family Foundation)*

6.3%

- Effective business tax rate as percent of GDP in 2010, up from 4.9% in 2007  
*(Council on State Taxation)*





# Civic and Governance Systems

## Are We Able to Invest in the Future?

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5<sup>th</sup>

- Lowest per capita state and local government employment per capita (*U.S. Census, 2010*)

8%

- Tax supported debt as percentage of revenues in 2009, up from 5% in 2006 (*Florida Division of Bond Finance*)

53%

- Increase in number of nonprofit organizations, 2000-2010 (*National Center for Charitable Statistics*)

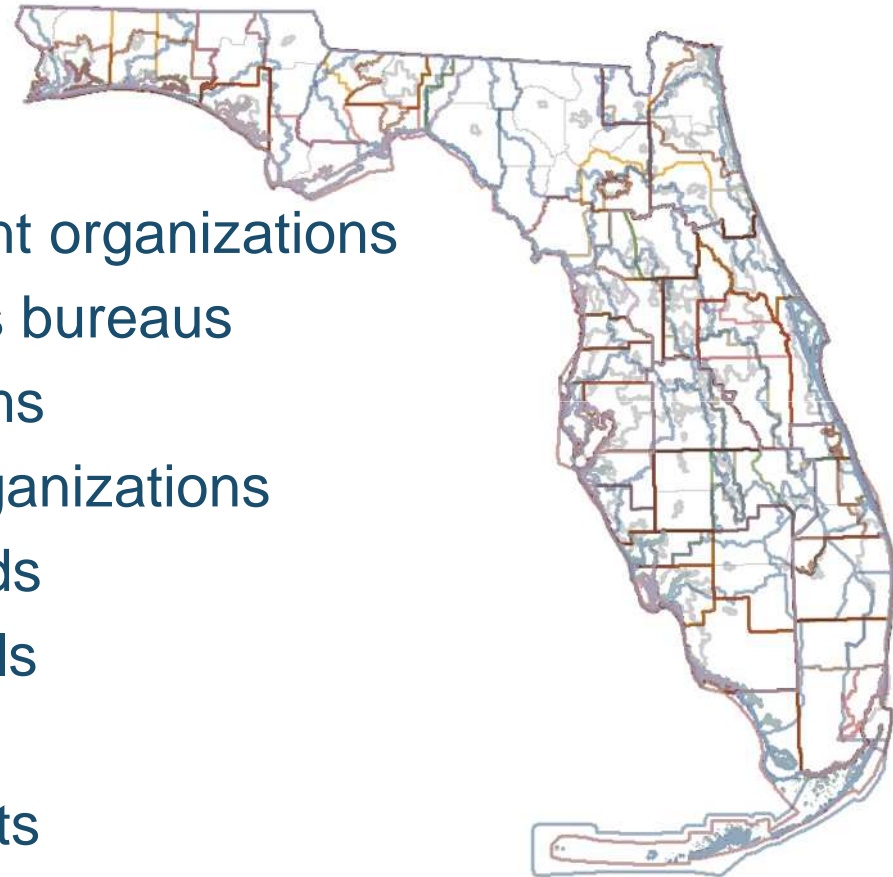


# Civic and Governance Systems

Can the Public Sector Match the Scale of Business?

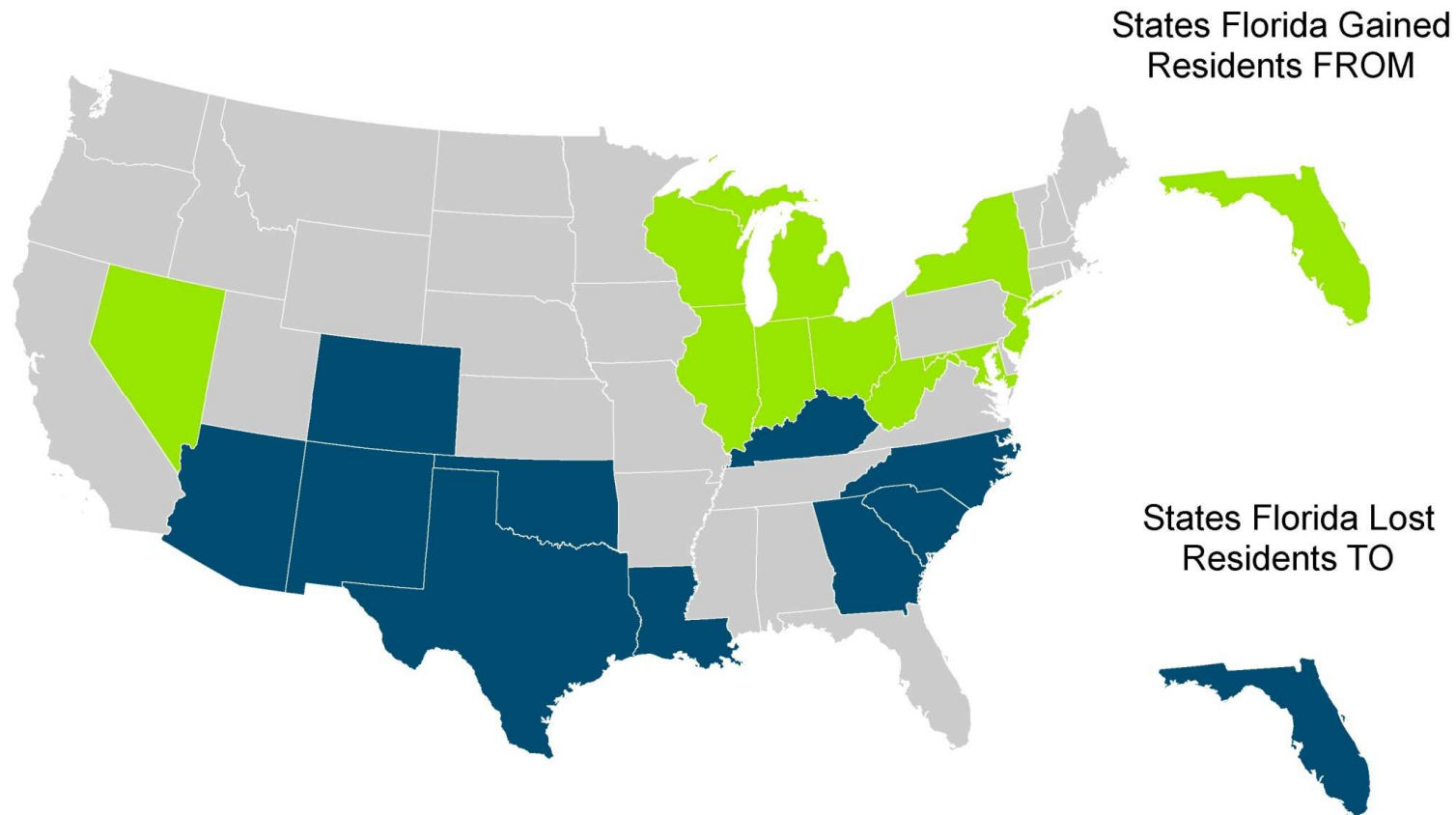
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- 411 Municipalities
- 67 Counties
- ~ 112 Economic development organizations
- ~ 52 Convention and visitors bureaus
- 28 Fixed route transit systems
- 26 Metropolitan planning organizations
- 24 Regional workforce boards
- 11 Regional planning councils
- 8 Economic regions
- 5 Water management districts
- 781 Community development special districts



# Quality of Life and Quality Places

## Is Florida a Destination?



**Third** ranked in net domestic migration, 2010

Source: U.S. Census Bureau, American Community Survey.



# Quality of Life and Quality Places

## Is Florida Attractive?

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45%

- Floridians who say the State is worse off than 5 years ago  
*(Leadership Florida, 2011)*

38%

- Floridians spending more than 30% of income on home ownership costs  
*(U.S. Census, 2011)*

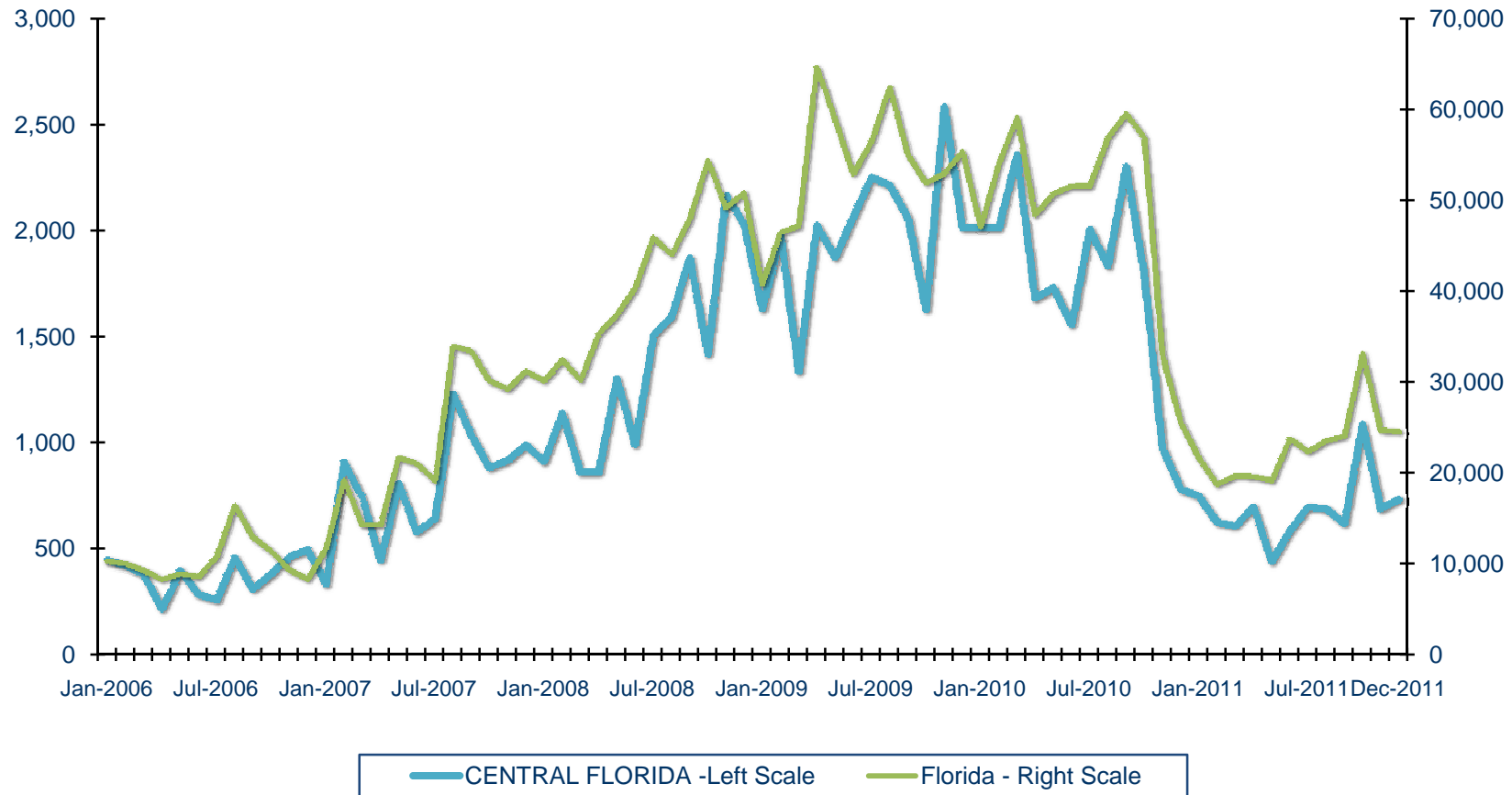
21%

- Percentage of residents without health insurance  
*(U.S. Census, 2010)*



# Quality of Life and Quality Places

## Monthly Foreclosures, 2006-2011

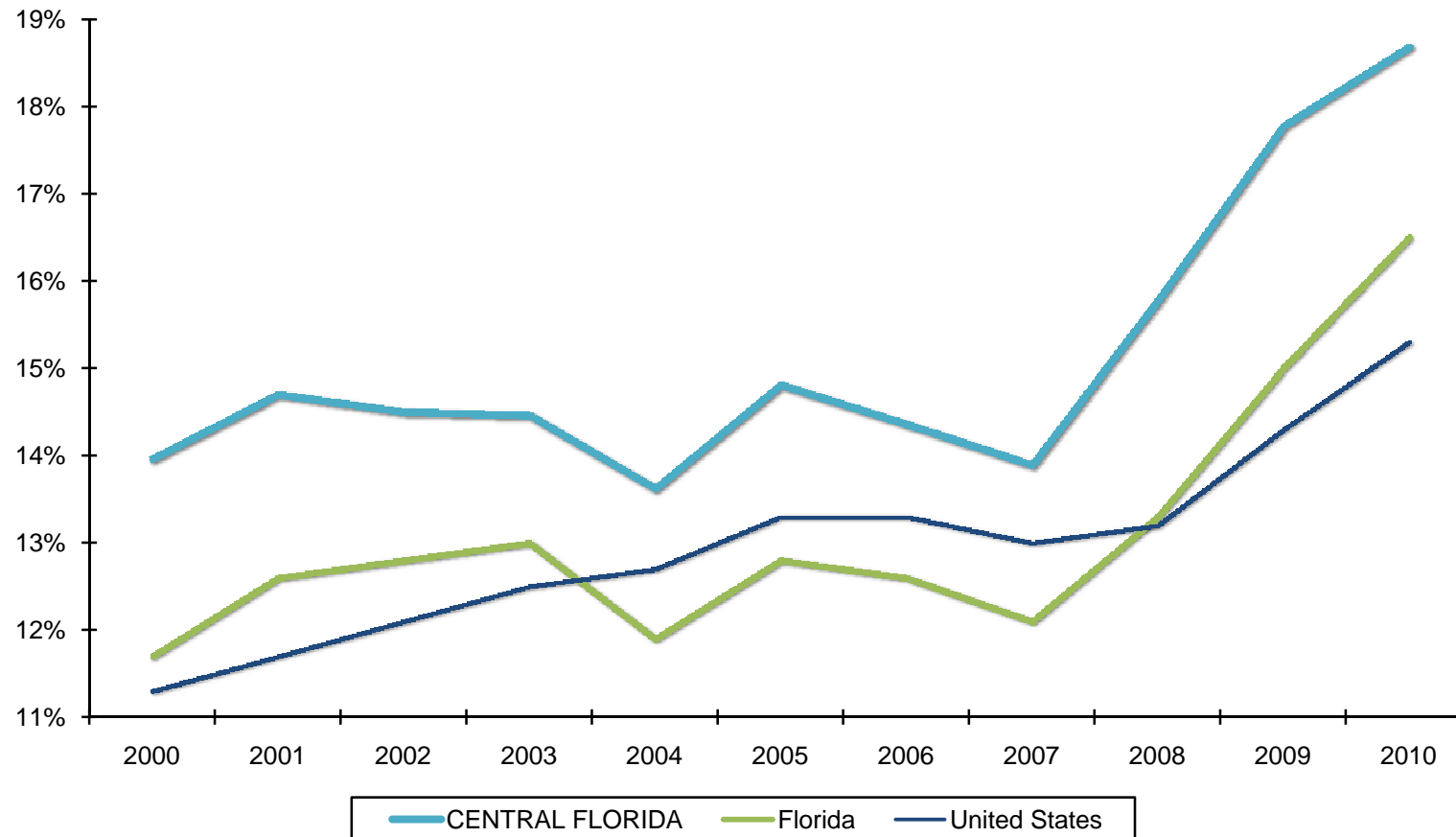


Source: Florida Dept of Economic Opportunity, compiled from RealtyTrac, Inc. Total housing units receiving a filing notice, per month.



# Quality of Life and Quality Places

## Poverty Rate Is Rising



Source: U.S. Census Bureau Small Area Income and Poverty Estimates (SAIPE).





# Quality of Life and Quality Places

Can We Preserve What Makes Florida Special?

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# Questions?

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