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**FLORIDA  
DEPARTMENT *of*  
ECONOMIC  
OPPORTUNITY**

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# Economic Trends and Florida's Competitive Position

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

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

**March 29, 2012**



# Presentation Outline

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



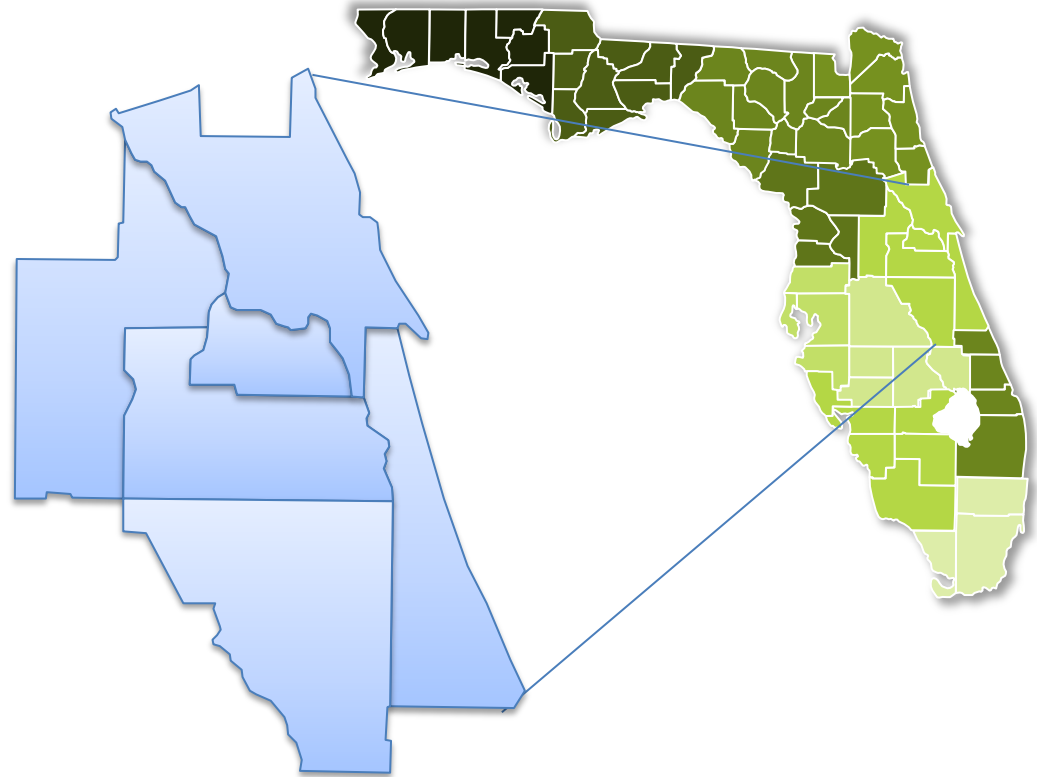
Source: Florida Trend.



# East Central Florida Region

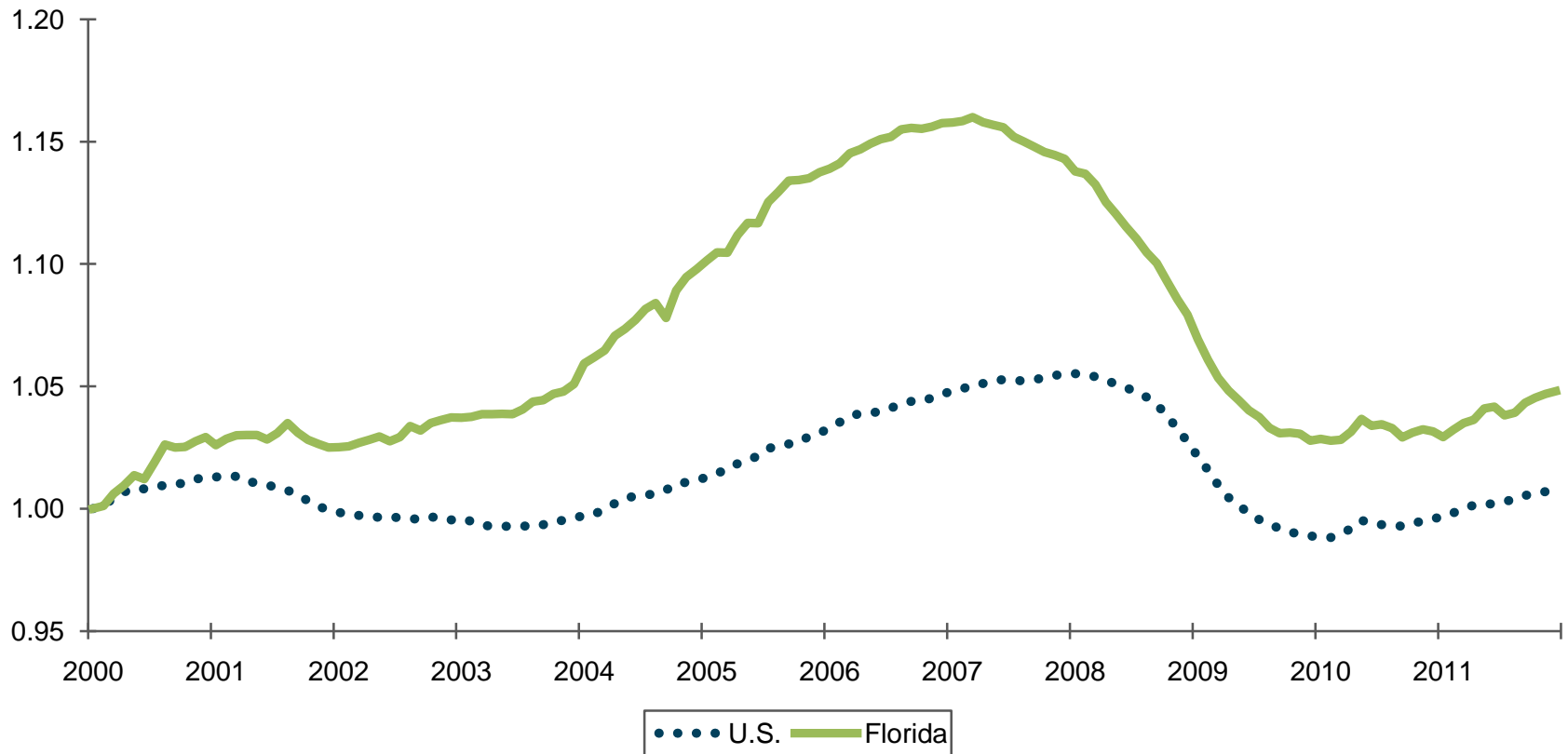
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- Brevard
- Lake
- Orange
- Osceola
- Seminole
- Volusia



# Recession Erased Job Gains of the Past Decade

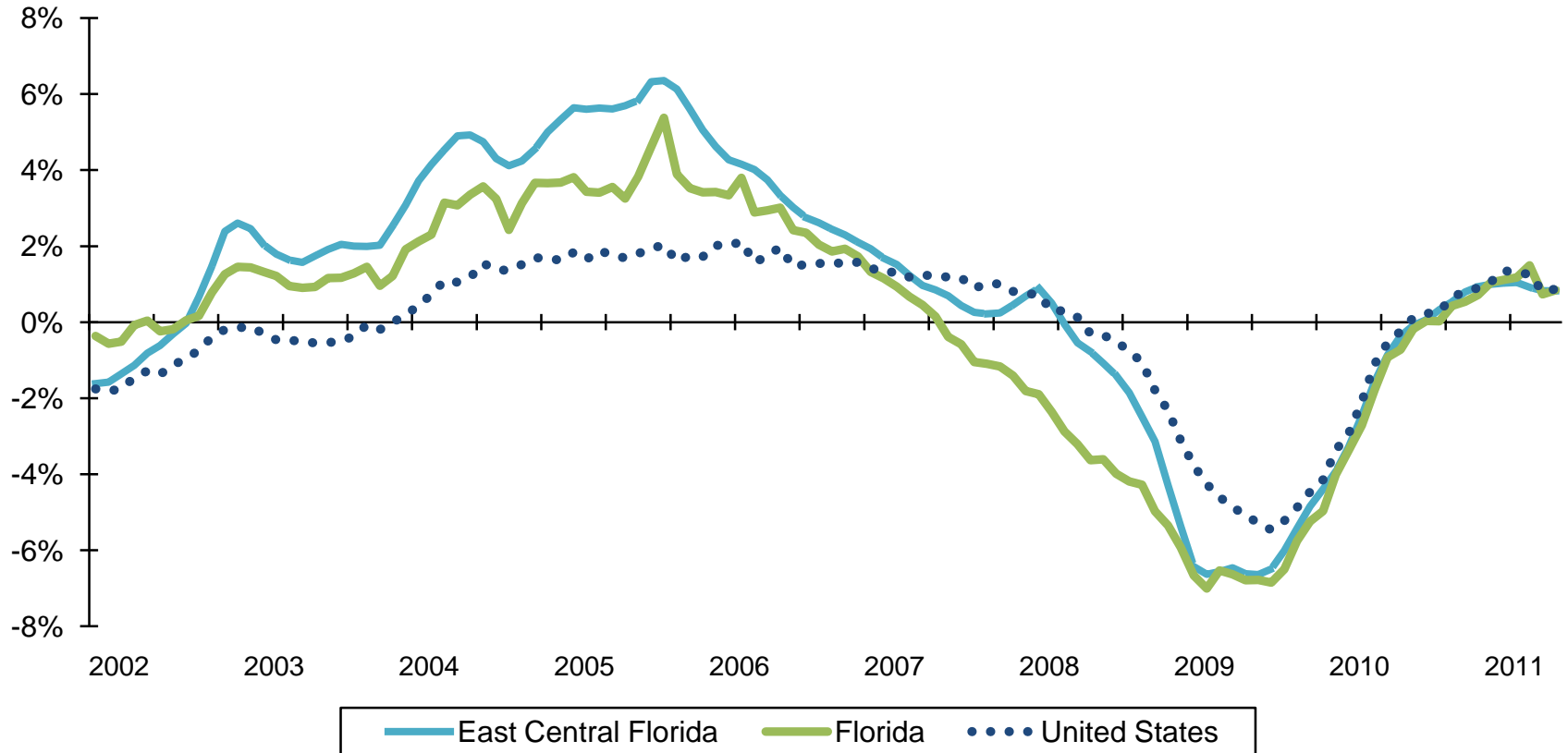
Employment, Index 2000 = 1.0



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

# Employment Growth in East Central Florida

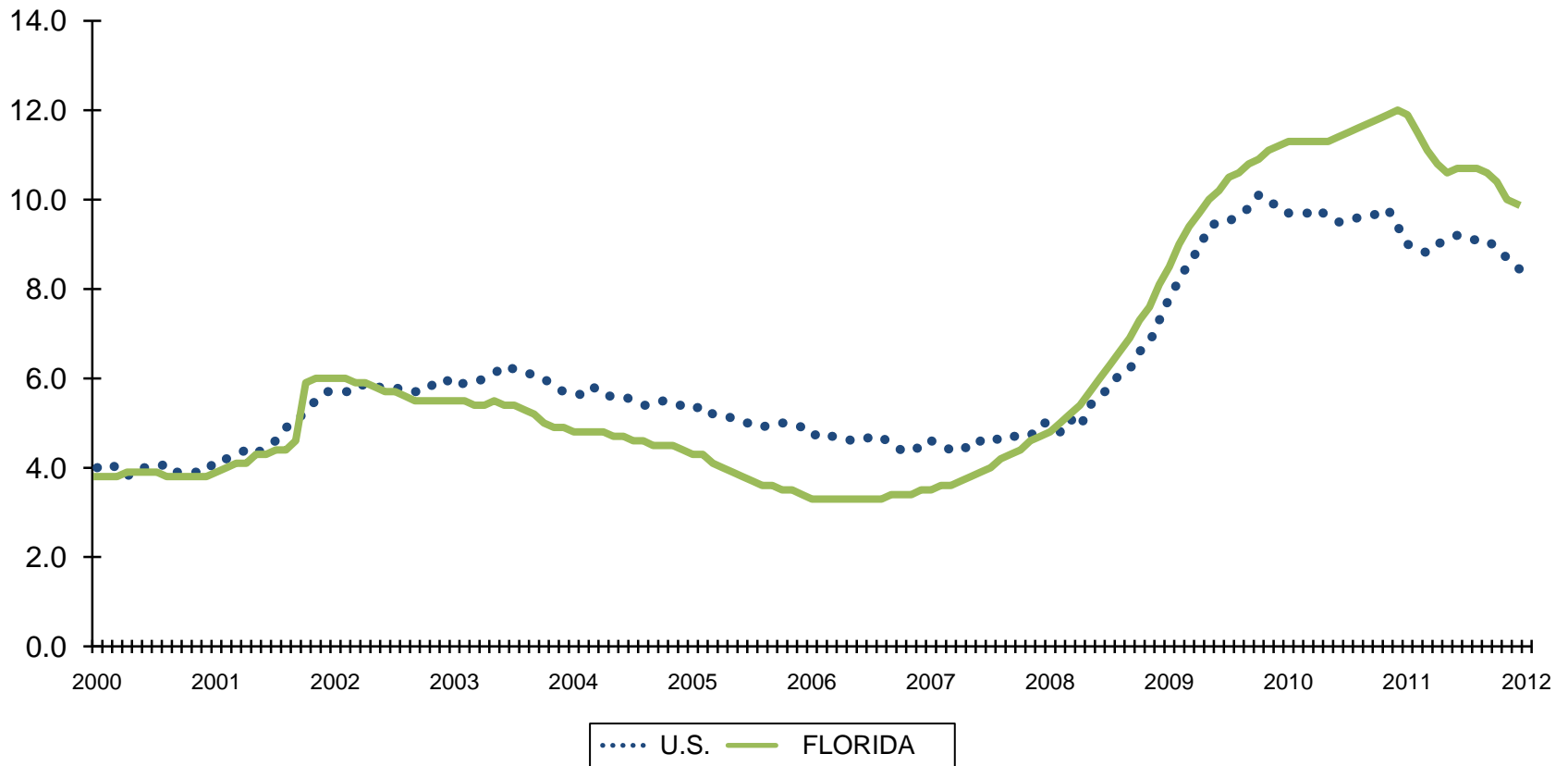
## Year-Over-Year Percent Change



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

# Unemployment Rate Easing Downward

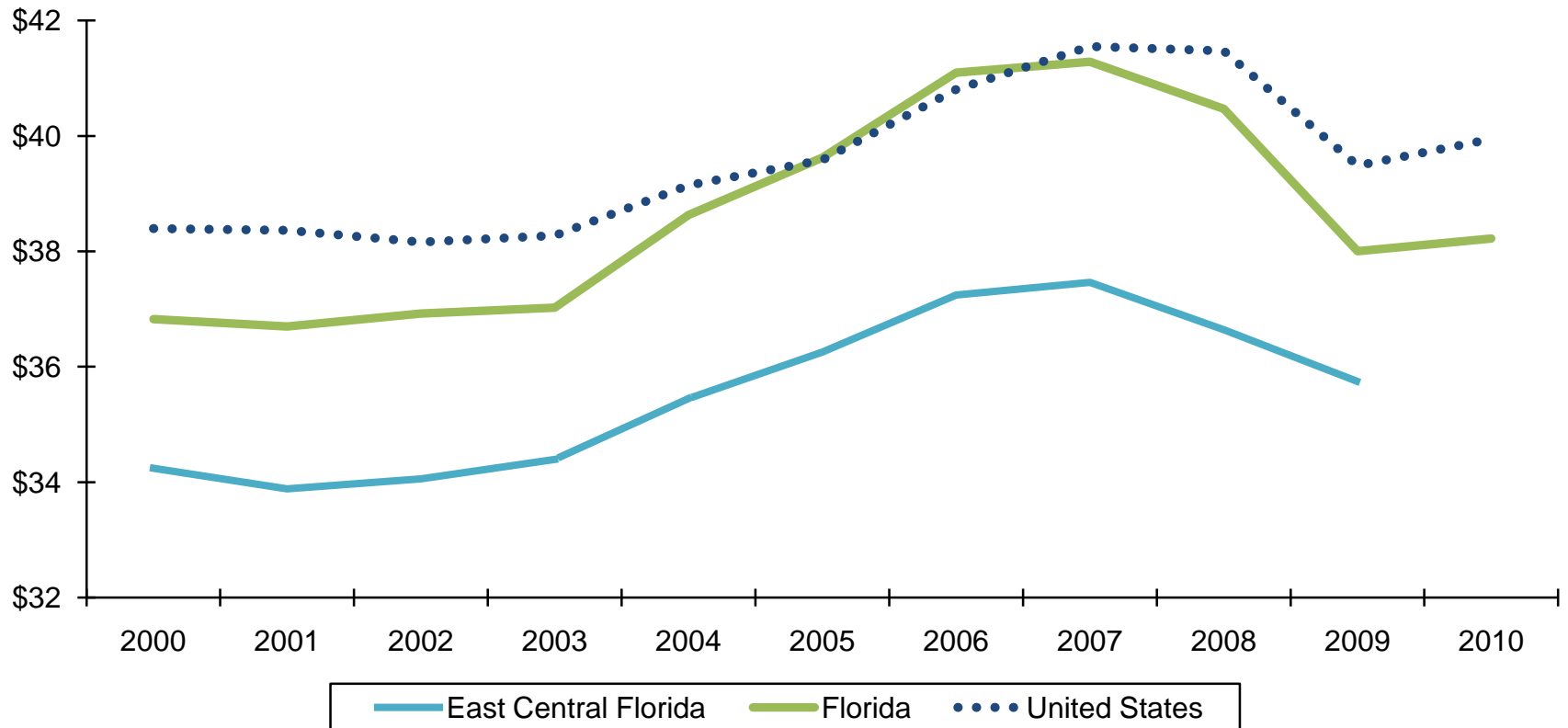
Unemployment Rate (in Percent)



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

# Per Capita Income Remains Below the U.S. Average

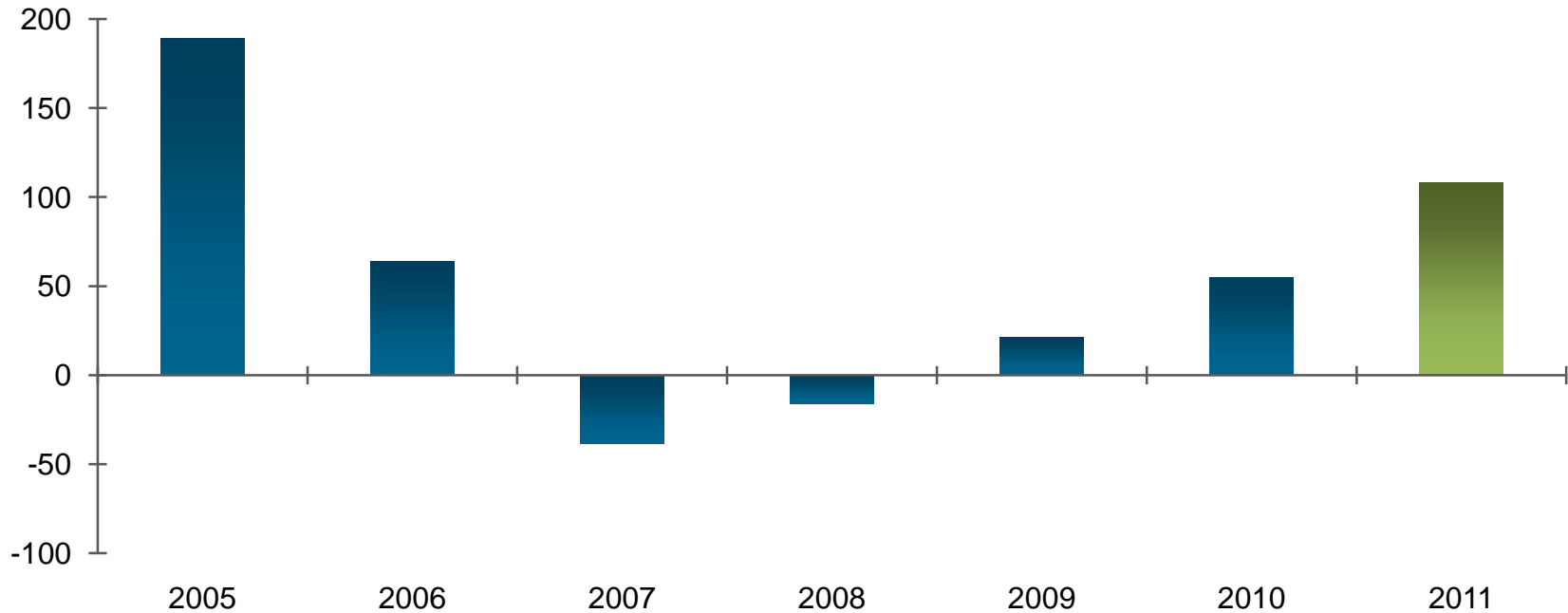
Per Capita Income (in Thousands of \$2010)



Source: U.S. Bureau of Economic Analysis.

# Net Domestic Migration Has Resumed

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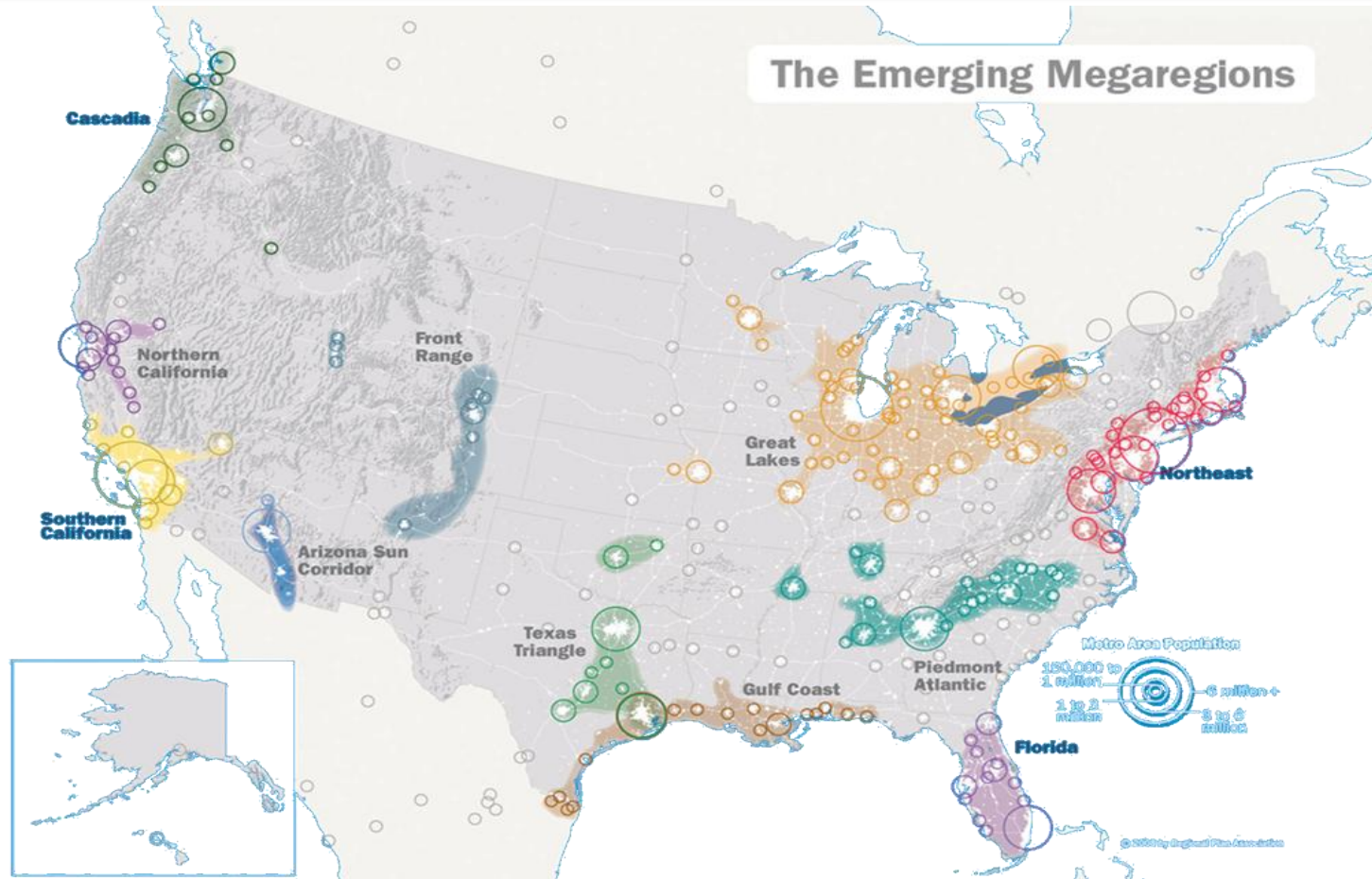


Source: U.S. Census Bureau, American Community Survey (for the 2005-2010 data) and Population Estimates Program (for the 2011 data).



# A New Economy

## Competing as Regions... and Megaregions

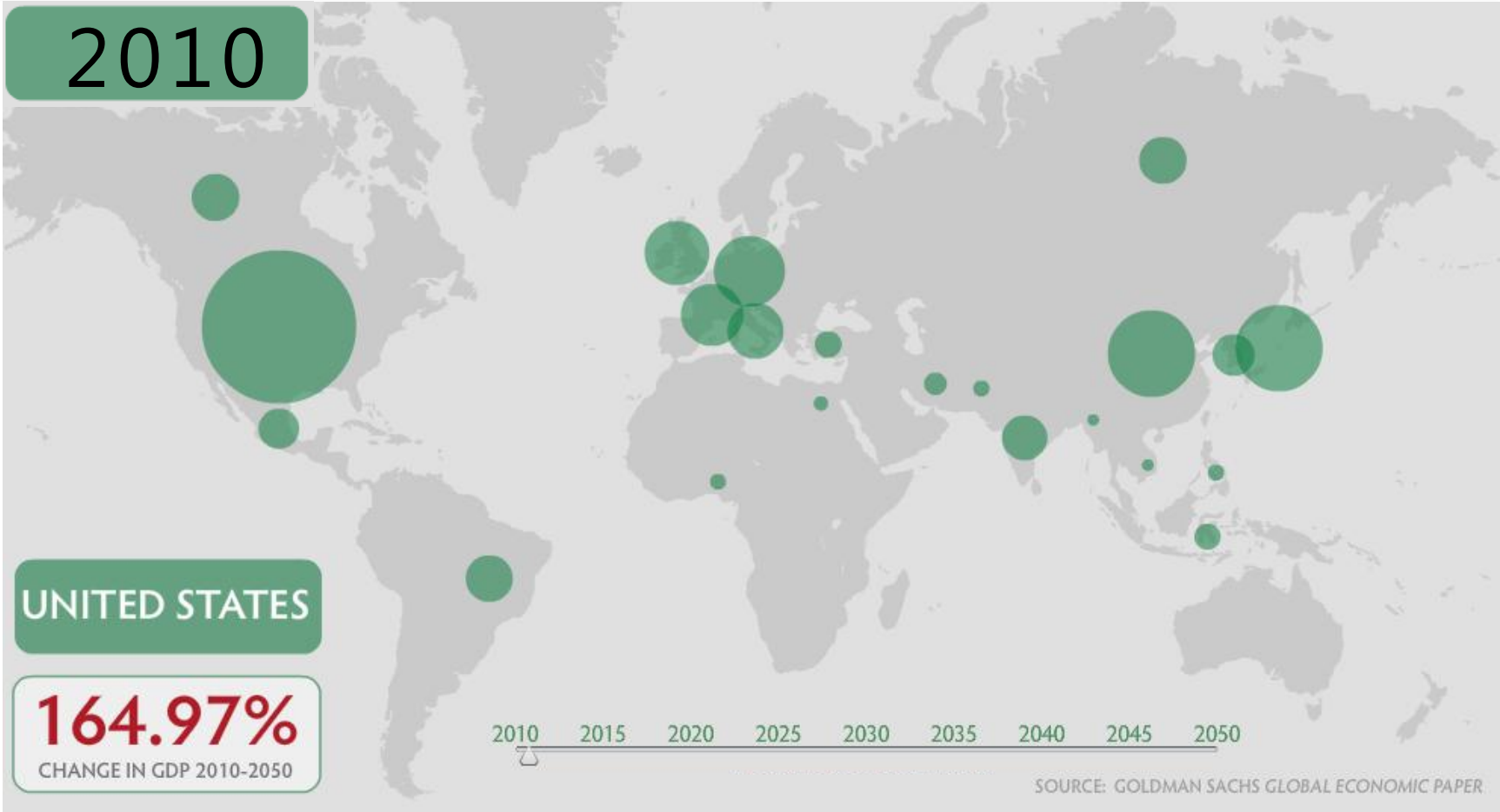


Source: America 2050.



# A New Economy

## Global Markets

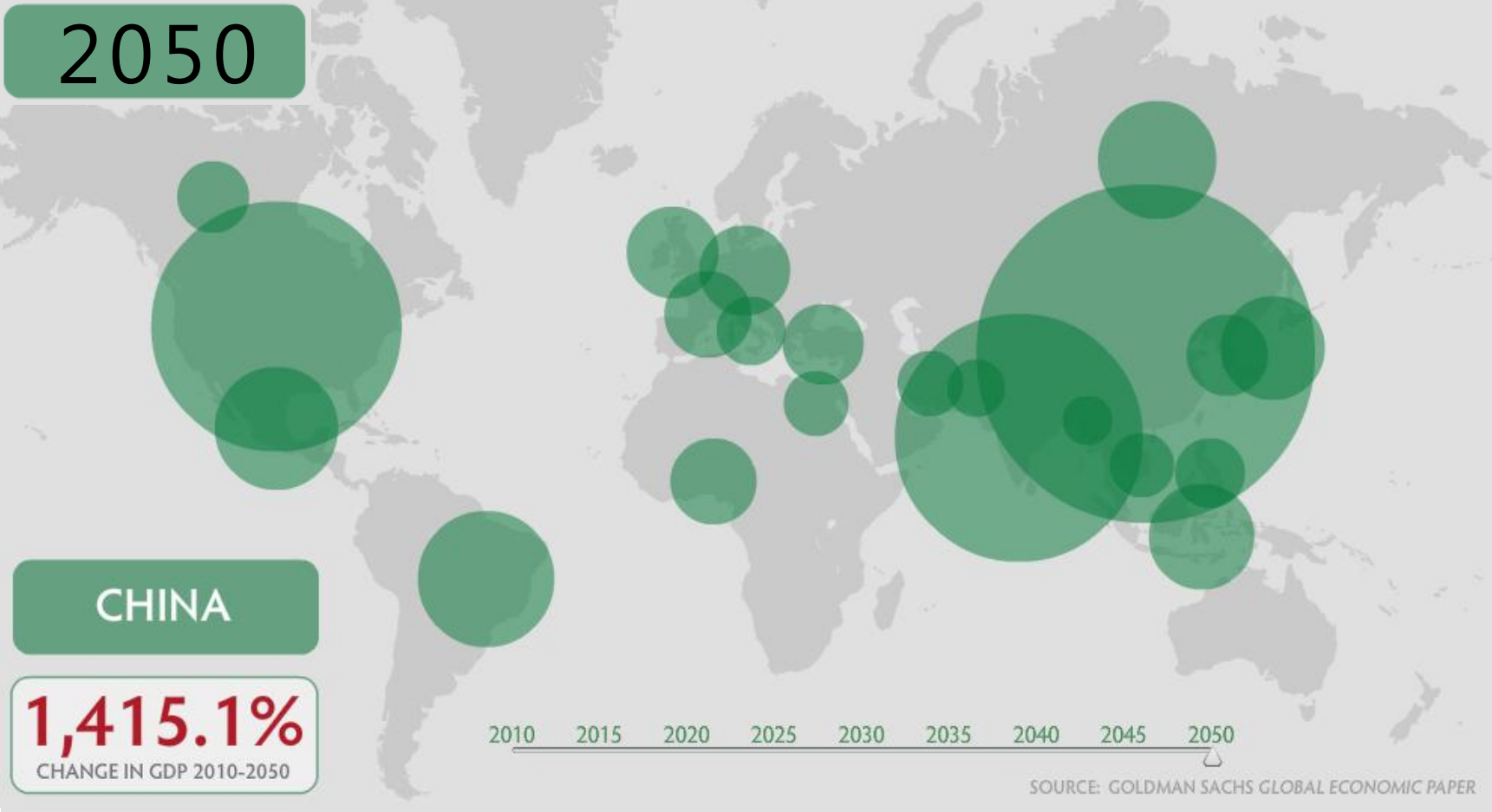


Source: Goldman Sachs, 2008.



# A New Economy

## Global Markets



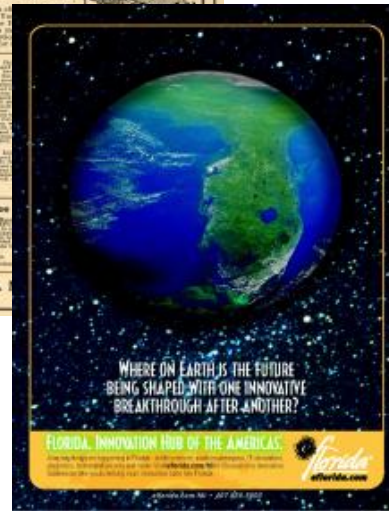
Source: Goldman Sachs, 2008.



# How Do We Compete?

## Florida then...

- Low costs
- Climate
- Land and natural resources



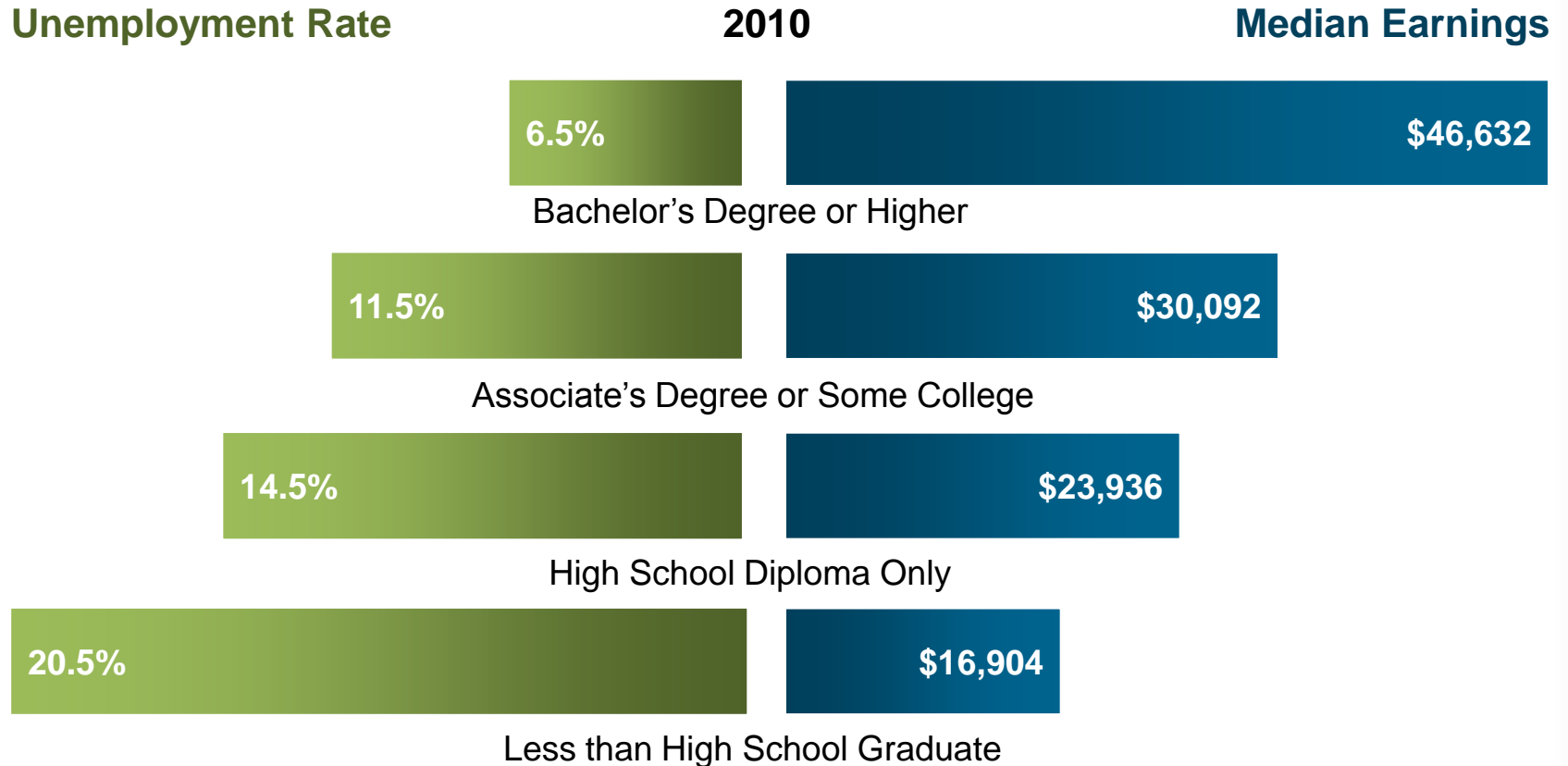
## Florida Now...

- 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



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.



# 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



East Central Florida



Florida



United States

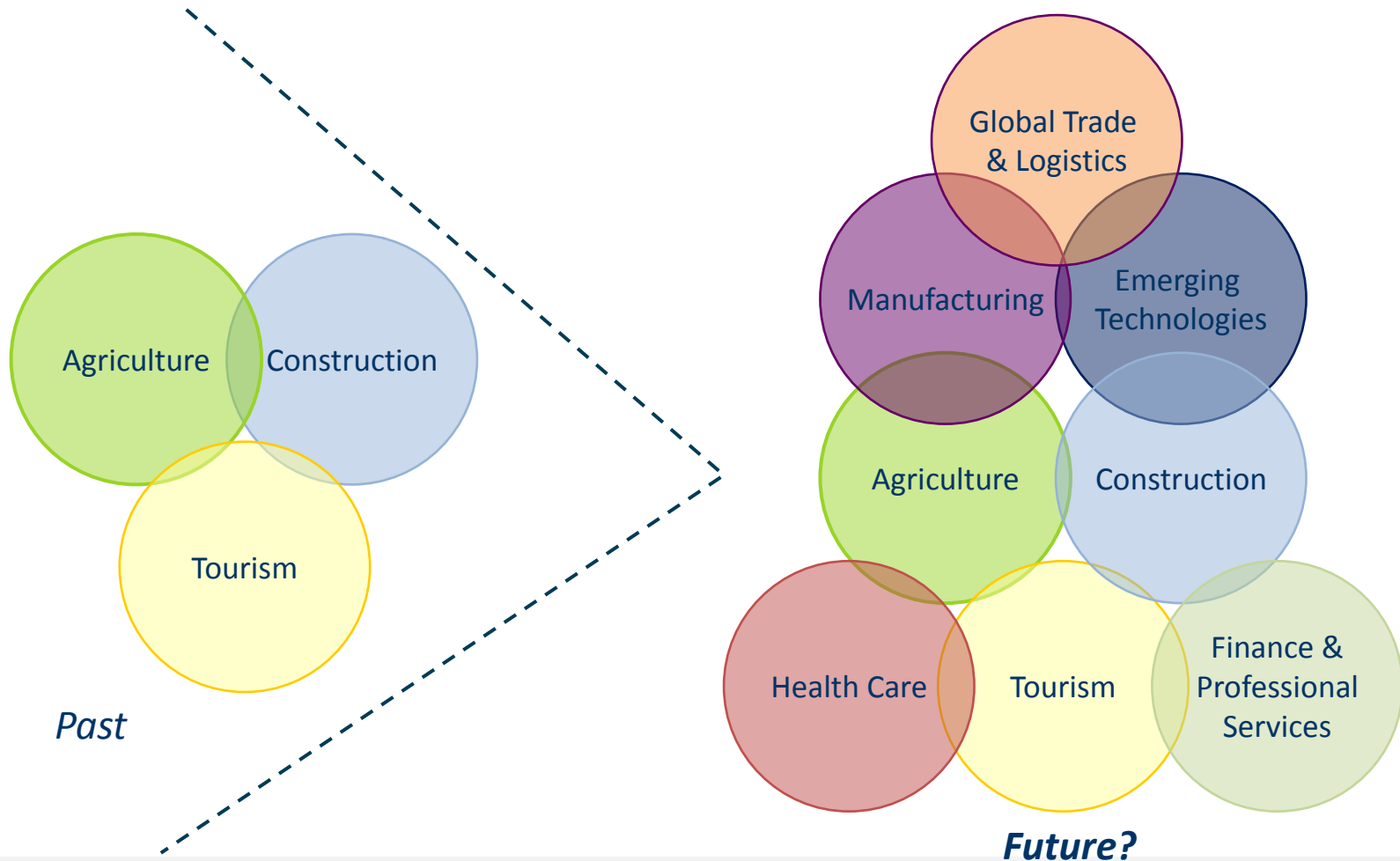
Source: U.S. Census Bureau, American Community Survey 2006-2010 five-year estimates. Figures may not add to 100 due to rounding.



# Innovation and Economic Development

## Changing Industry Composition

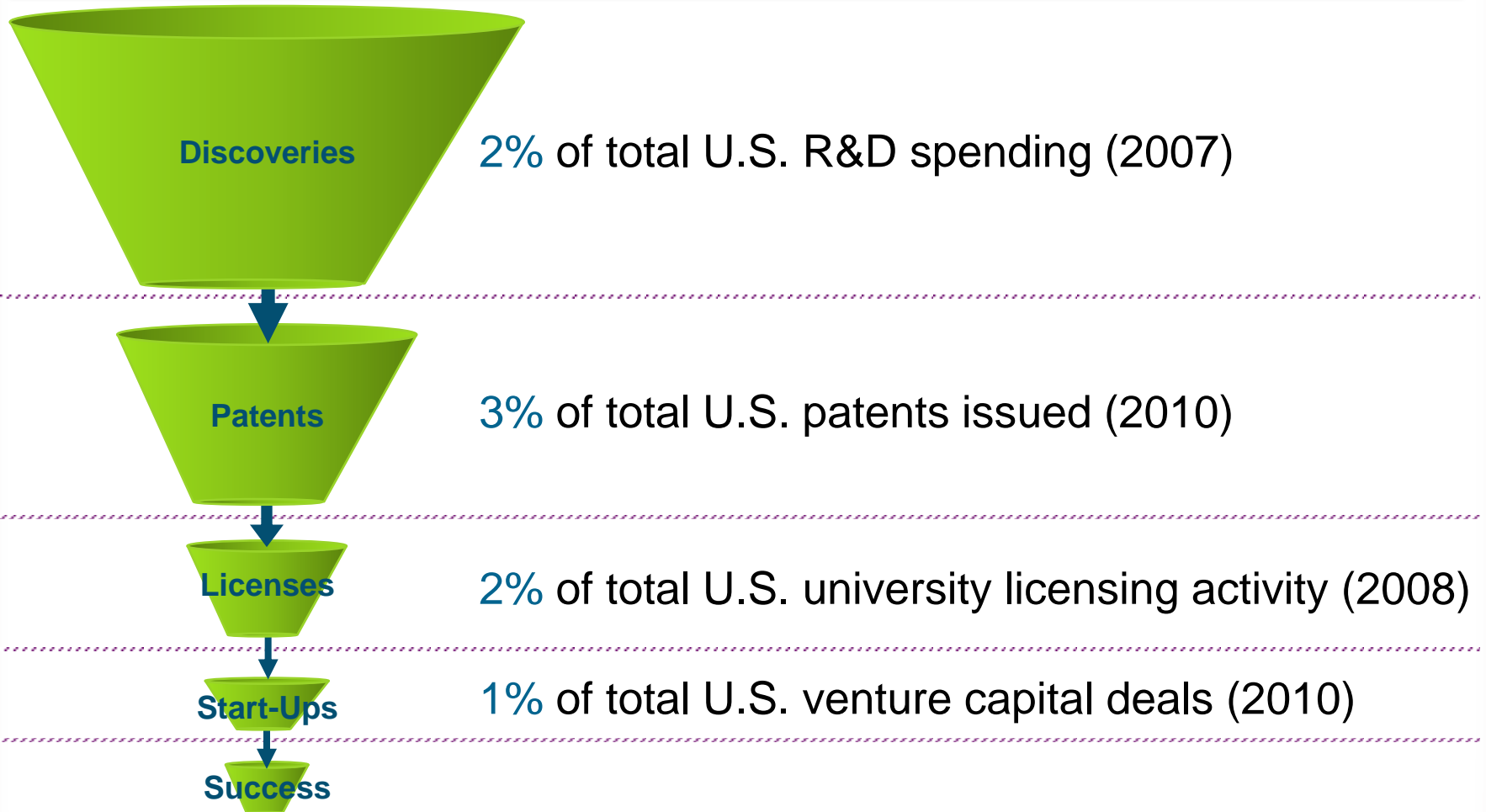
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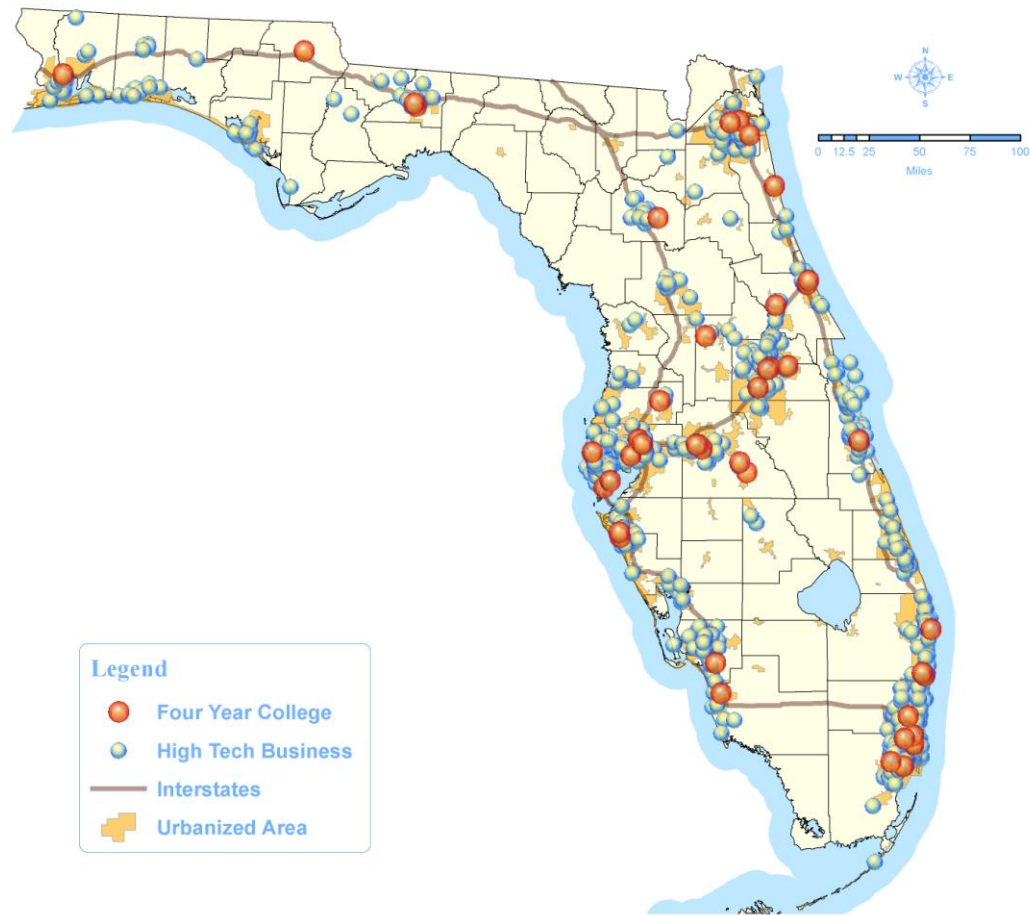
# Innovation and Economic Development

## Can We Strengthen Our Innovation Pipeline?



# Innovation and Economic Development

## Florida's Innovation Hubs

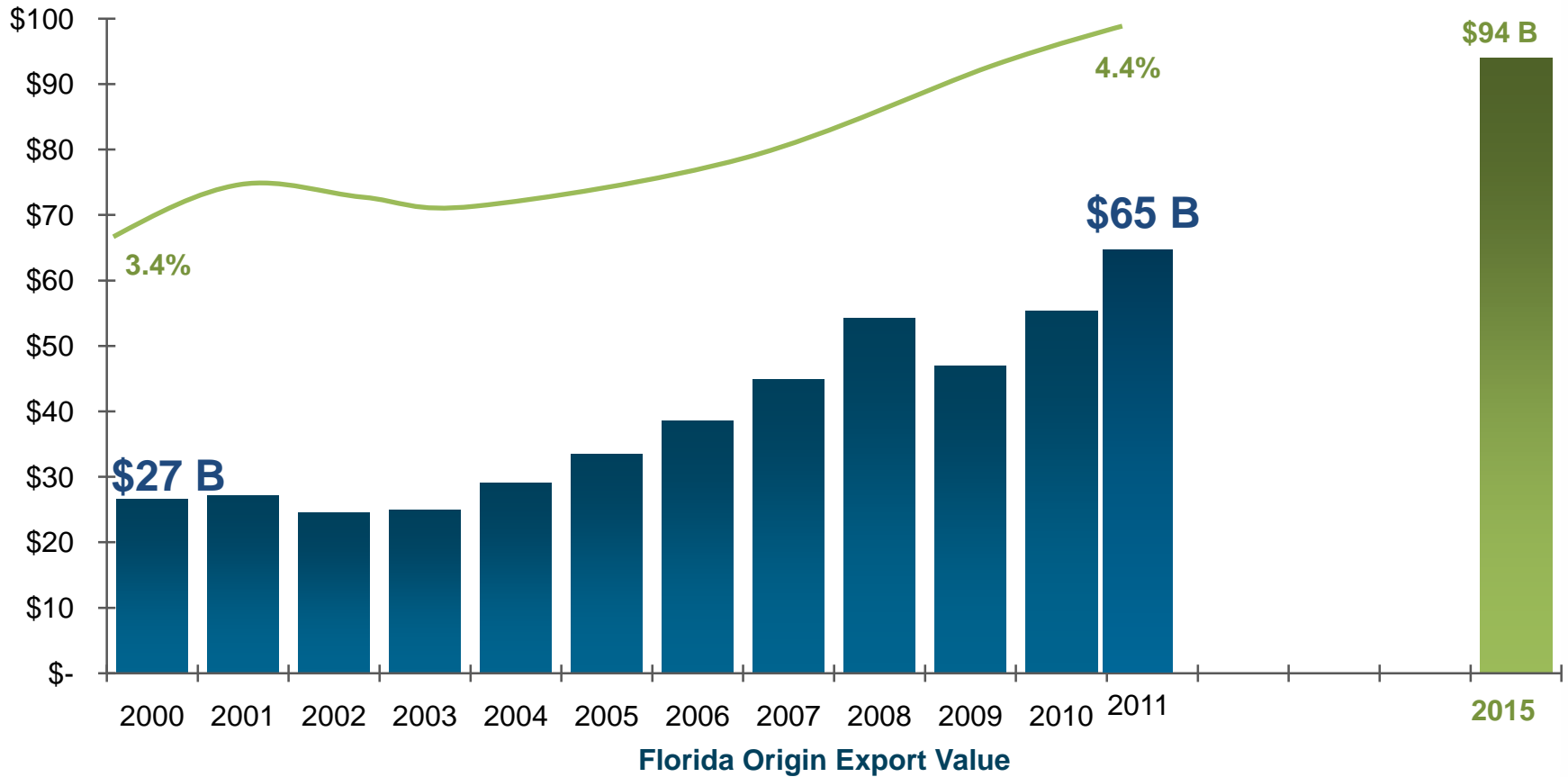


Source: InfoUSA; Florida Division of Colleges and Universities; Foundation for Independent Higher Education.

# Innovation and Economic Development

## Can We Expand Our Global Role?

Florida Share of Total U.S. Export Value



Source: U.S. Census Bureau, Foreign Trade Division.



# Innovation and Economic Development

## Florida's Manufacturing Centers

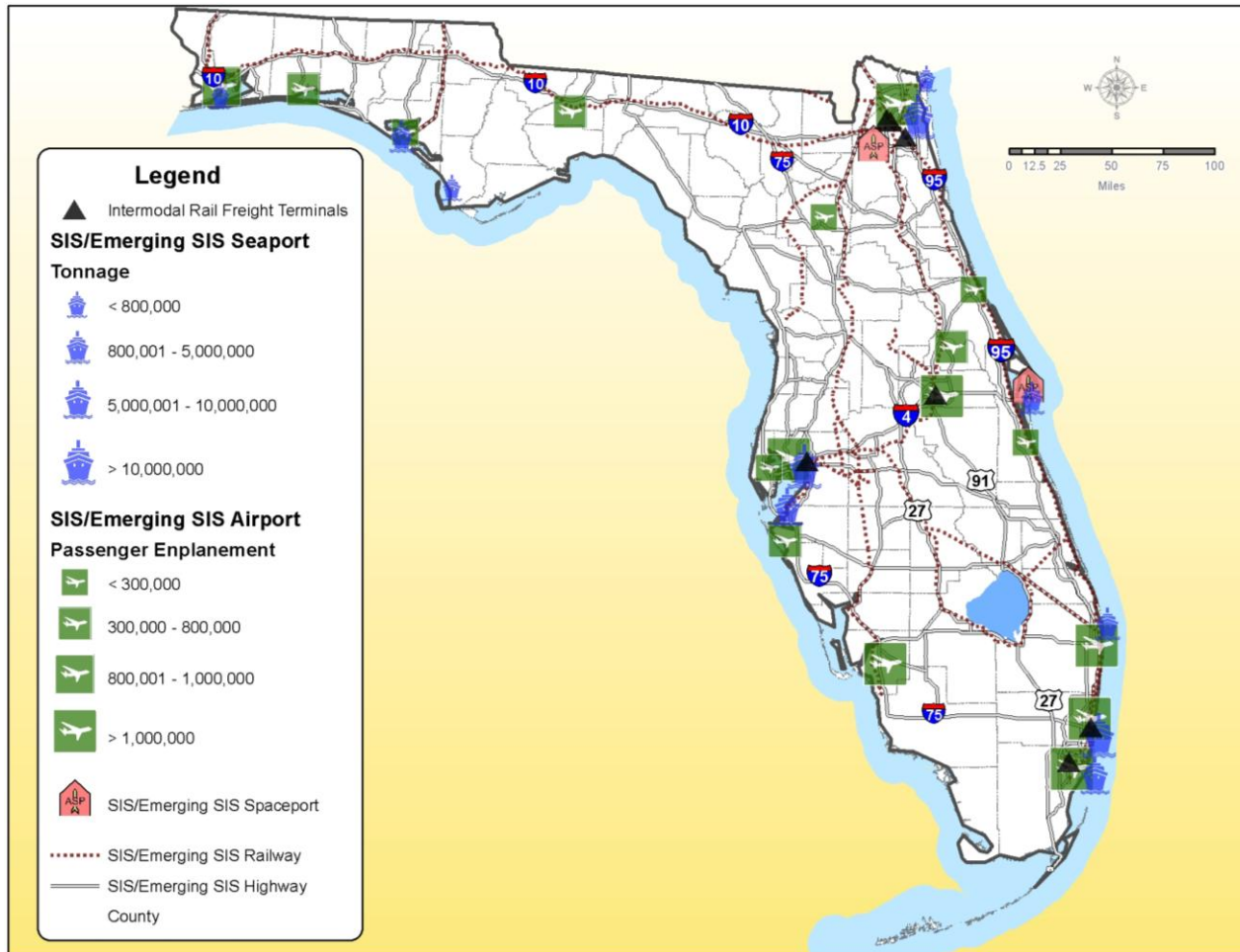
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Source: InfoUSA.

# Infrastructure and Growth Leadership

## Are We Globally Connected?



# Infrastructure and Growth Leadership

## How Shall We Grow?

2050 Trend

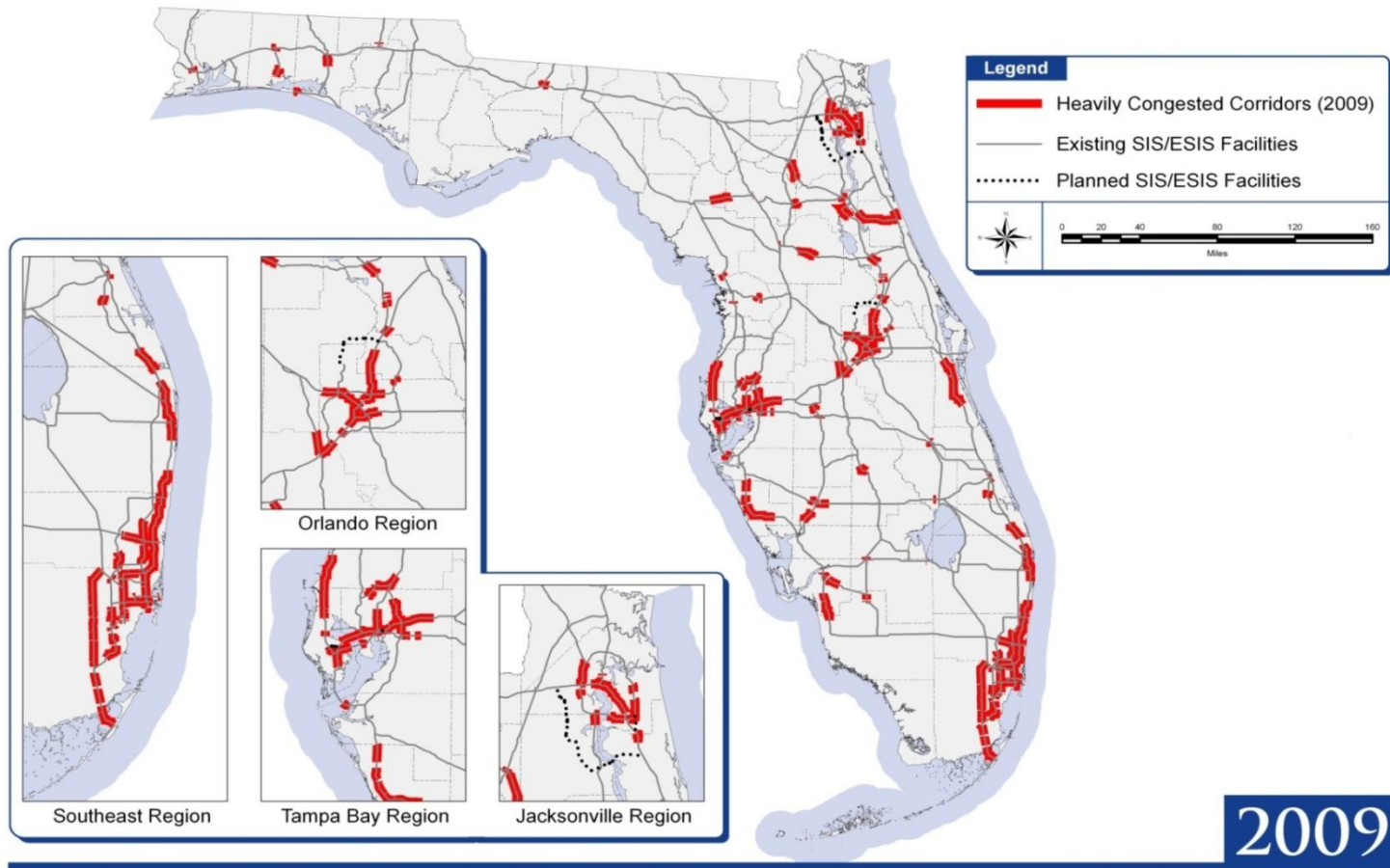


2050 Vision



# Infrastructure and Growth Leadership

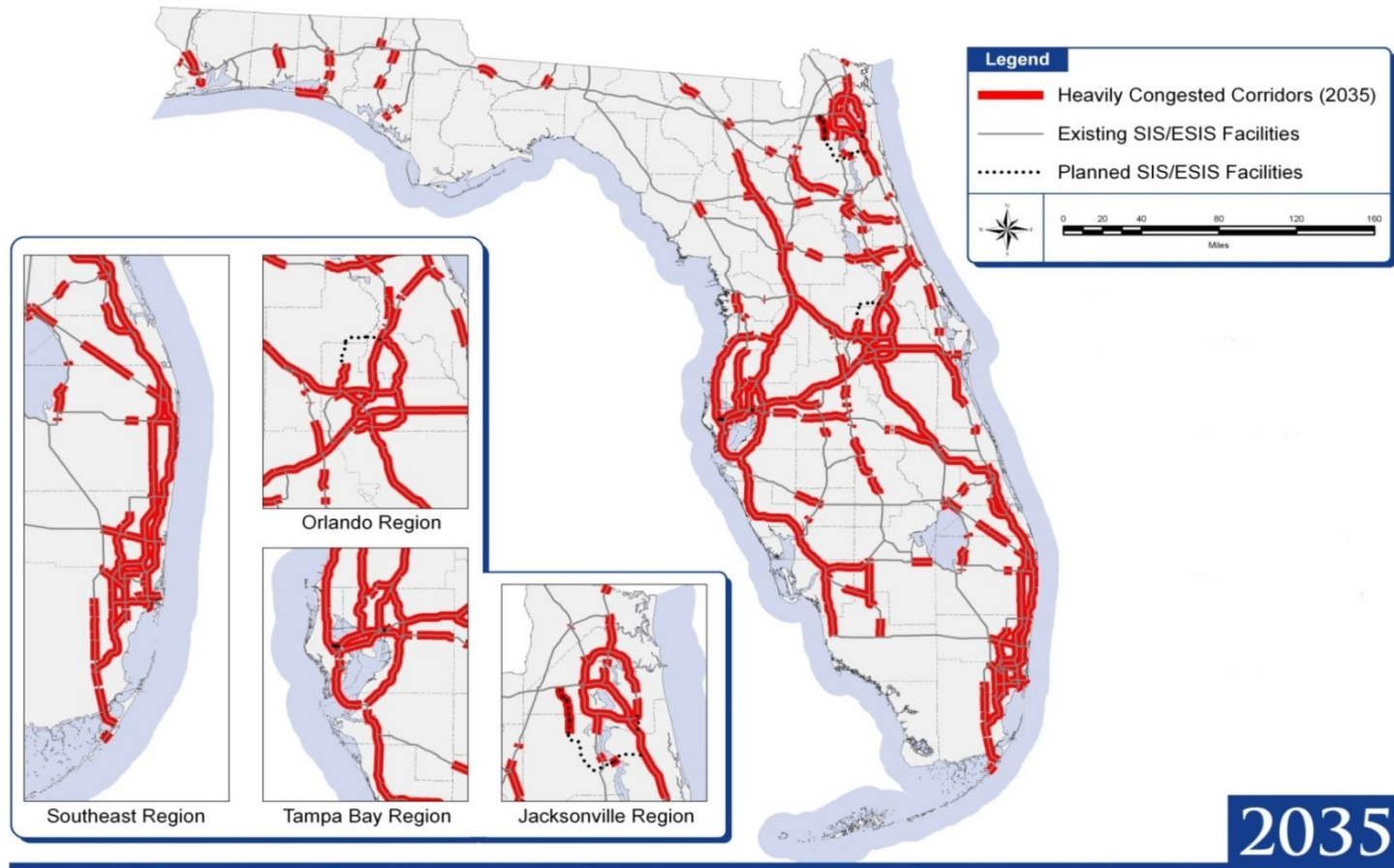
## Can We Provide for Future Demand?



Source: Florida Department of Transportation.

# Infrastructure and Growth Leadership

## Can We Provide for Future Demand?

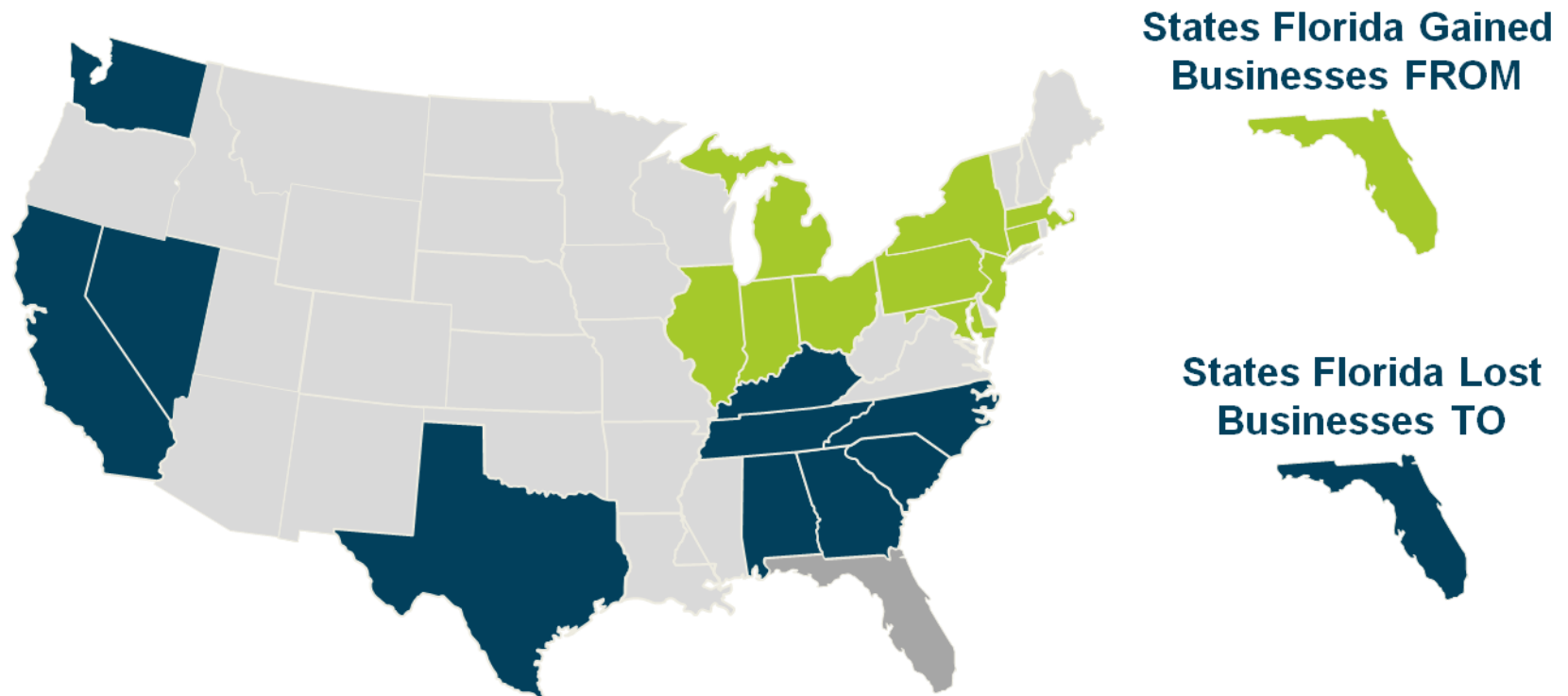


Source: Florida Department of Transportation.



# 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*)

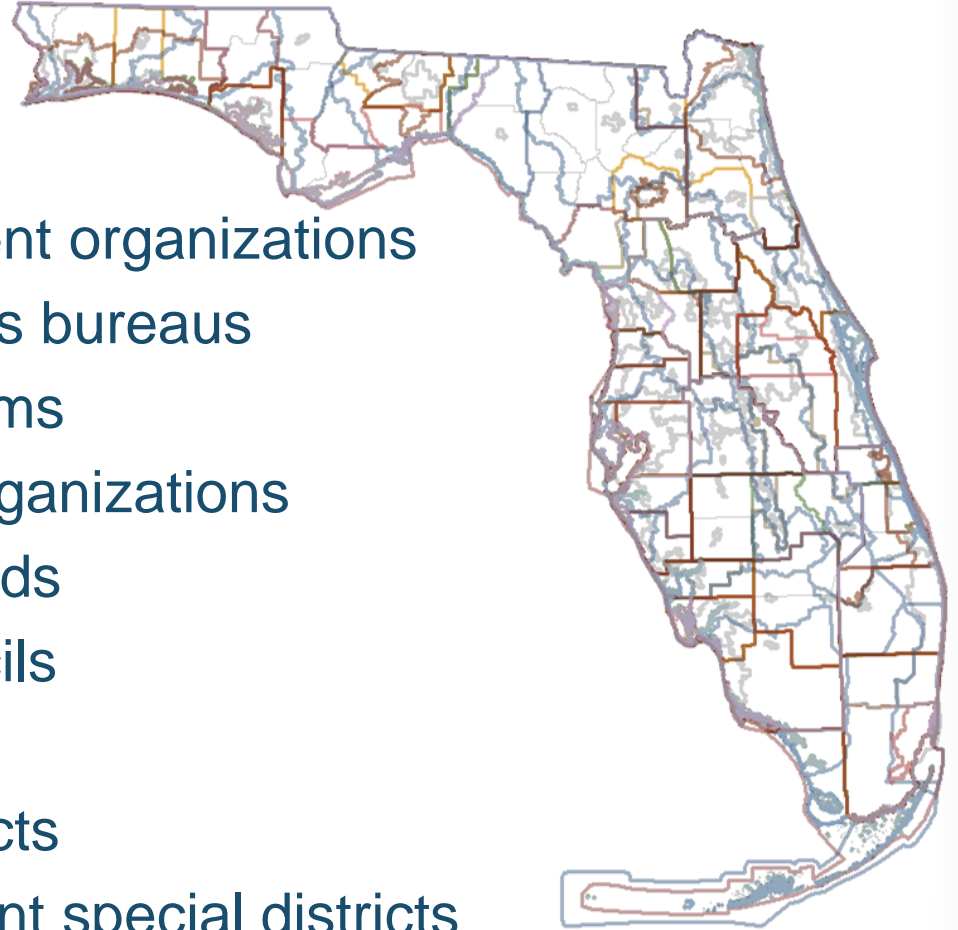


# Civic and Governance Systems

Can the Public Sector Match the Scale of Business?

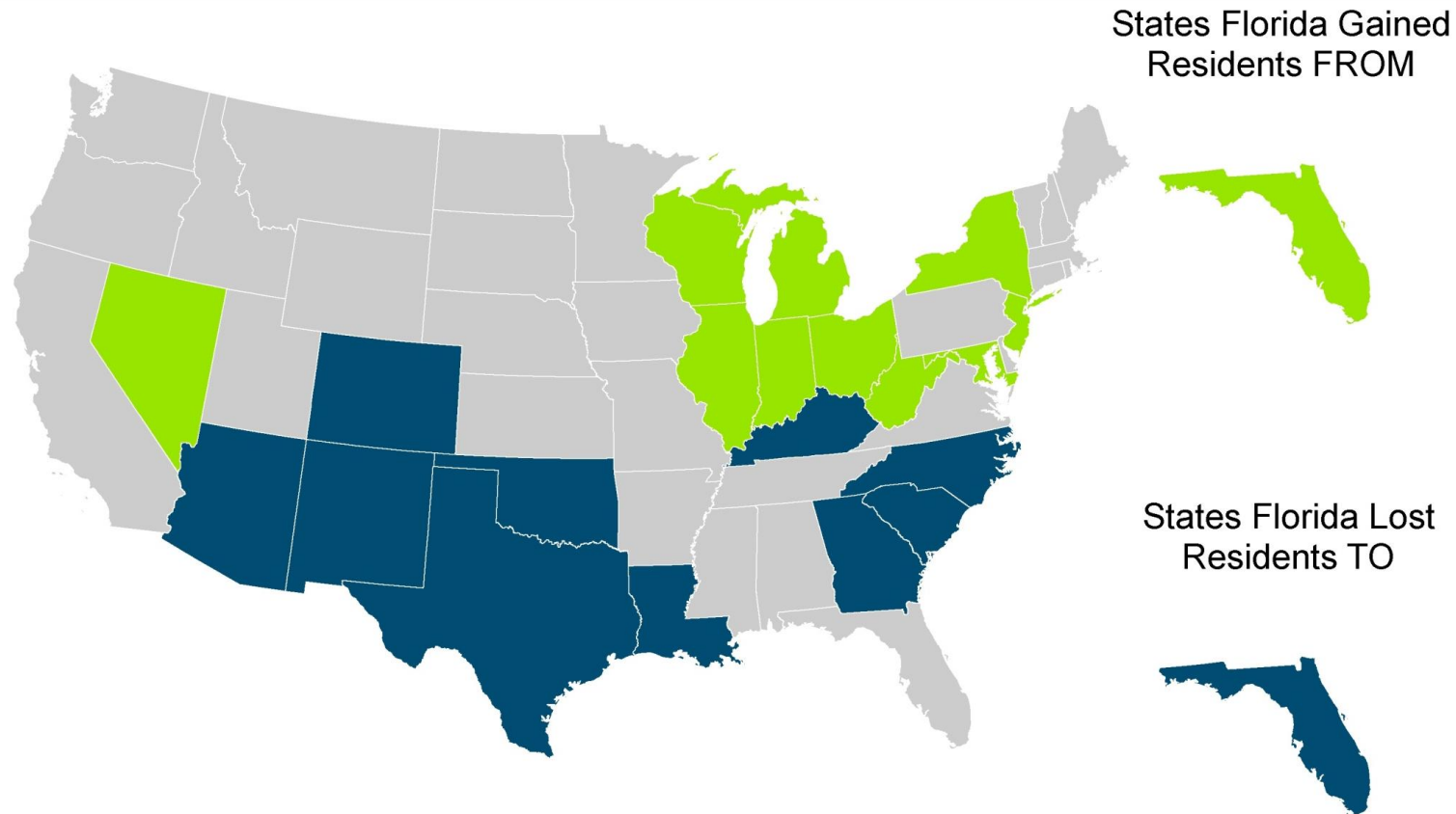
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- 411 Municipalities
- 67 Counties
- ~ 112 Economic development organizations
- ~ 52 Convention and visitors bureaus
- 28 Fixed route transit systems
- 26 Metropolitan planning organizations
- 24 Regional workforce boards
- 11 Regional planning councils
- 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)*

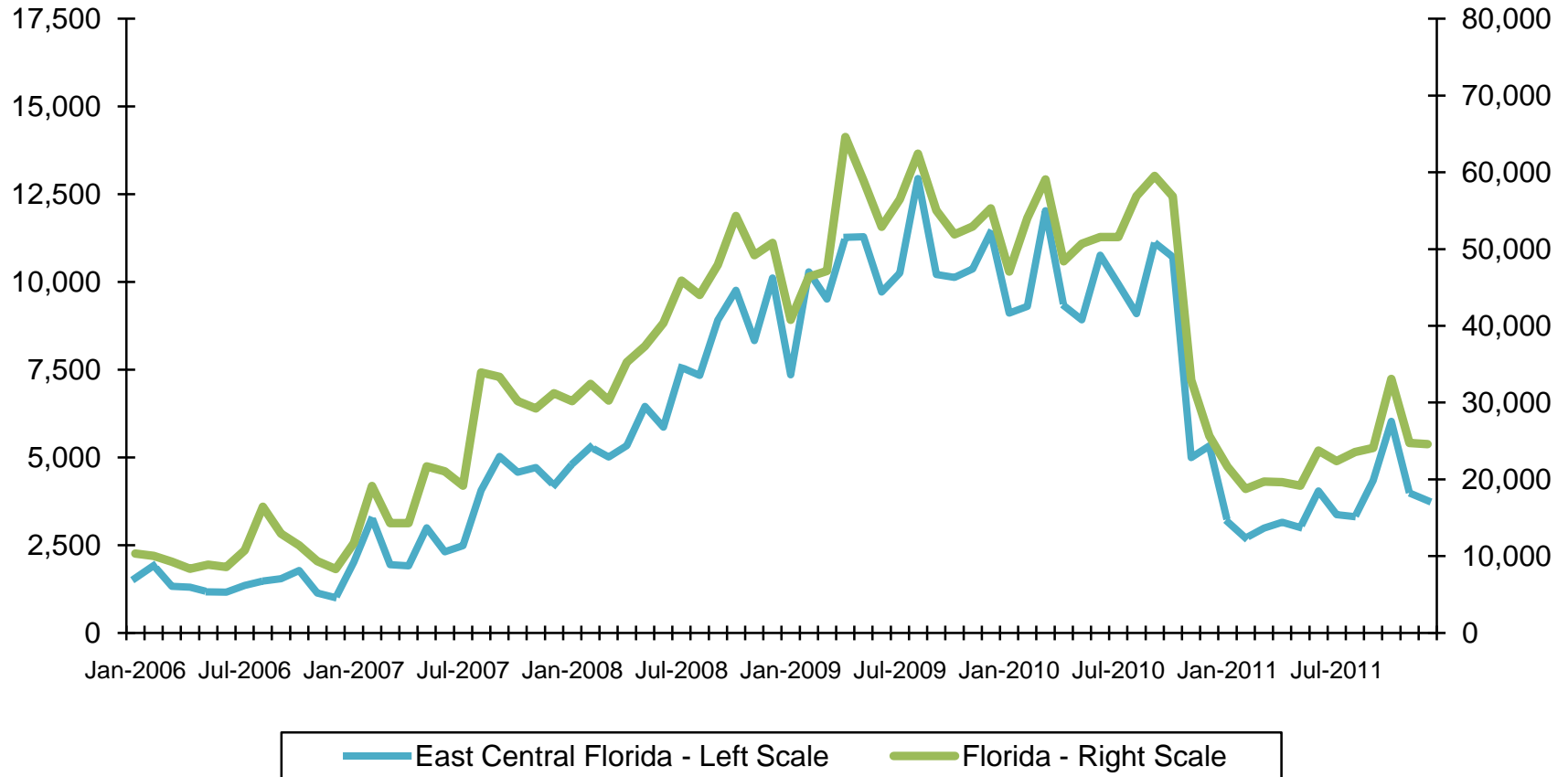
21%

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



# Quality of Life and Quality Places

## Monthly Foreclosures in East Central Florida, 2006-2011

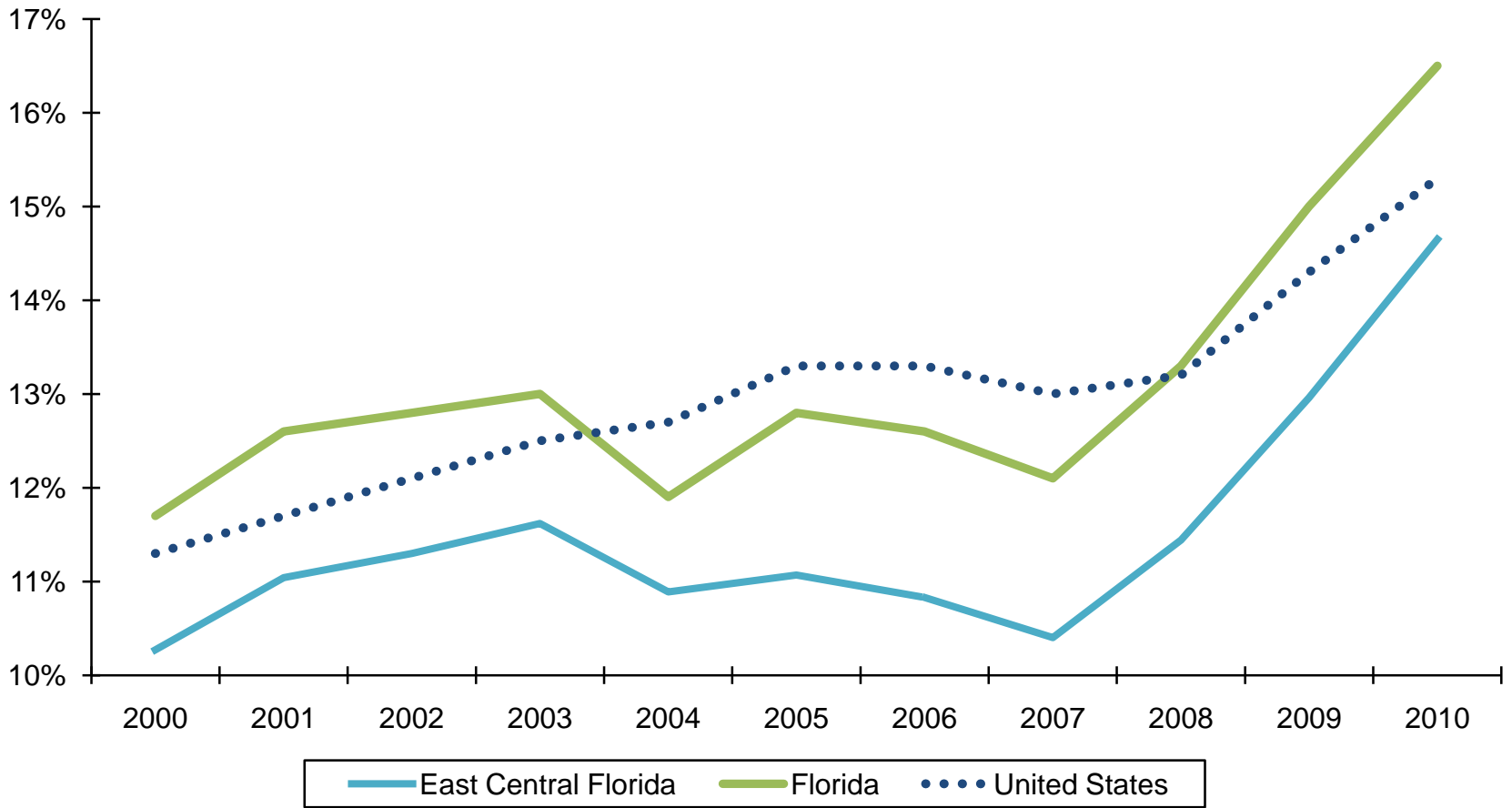


Source: Florida Dept of Economic Opportunity, compiled from RealtyTrac, Inc. Total housing units receiving a filing notice, per month.



# Quality of Life and Quality Places

## Poverty Rate Is Rising in East Central Florida



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?



# Questions?

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