



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.**

March 6, 2012



Presentation Outline

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

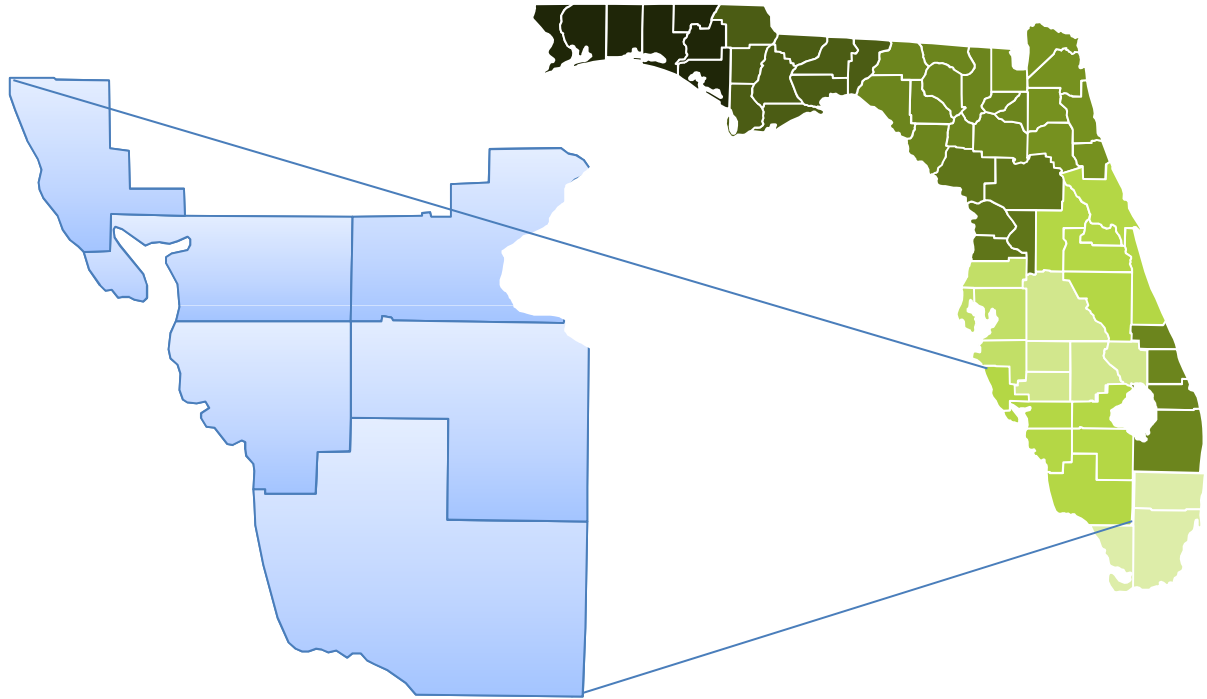


Source: Florida Trend.



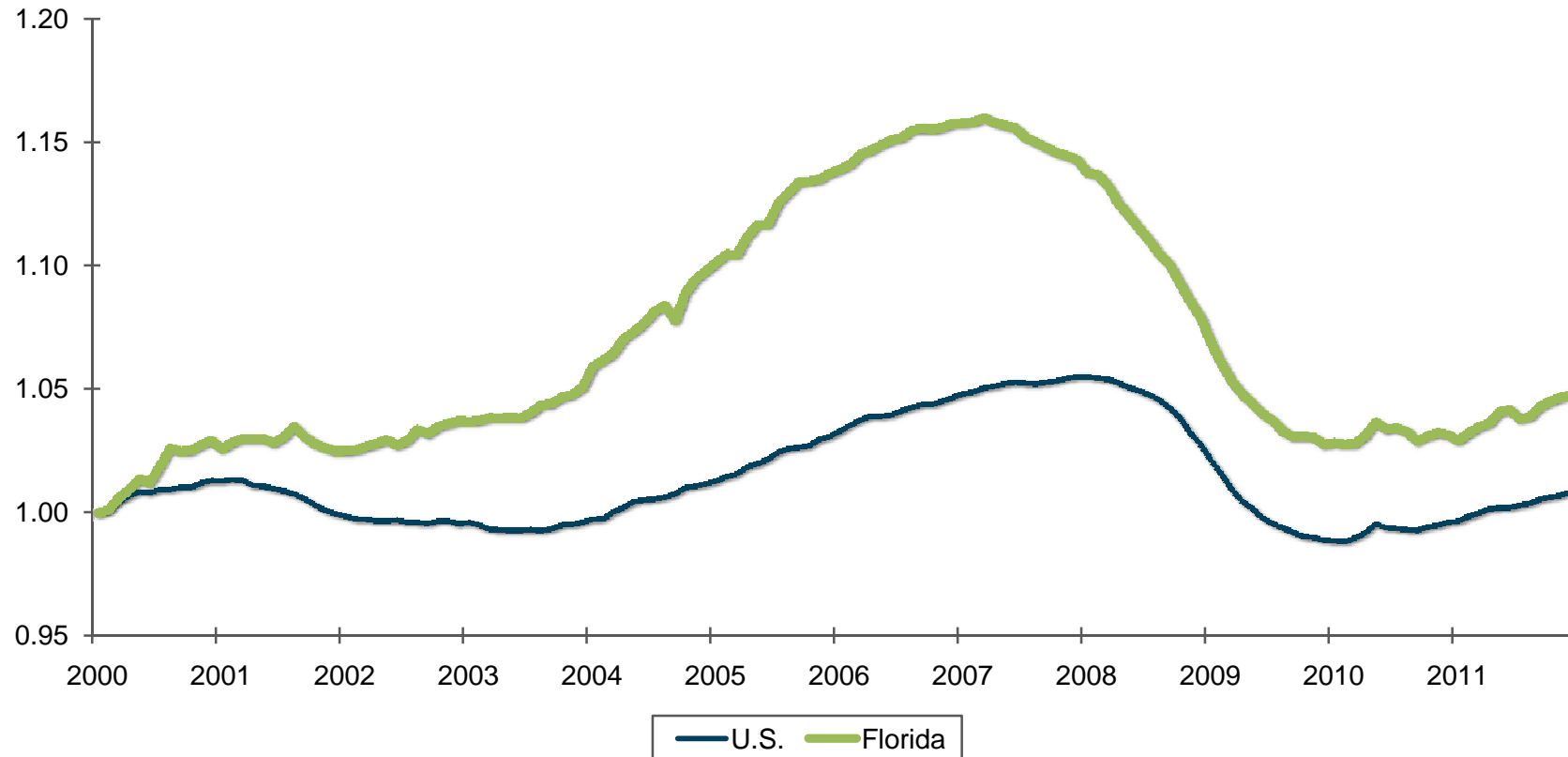
Southwest Florida Region

- Charlotte
- Collier
- Glades
- Hendry
- Lee
- Sarasota



Recession Erased Job Gains of the Past Decade

Employment, Index 2000 = 1.0



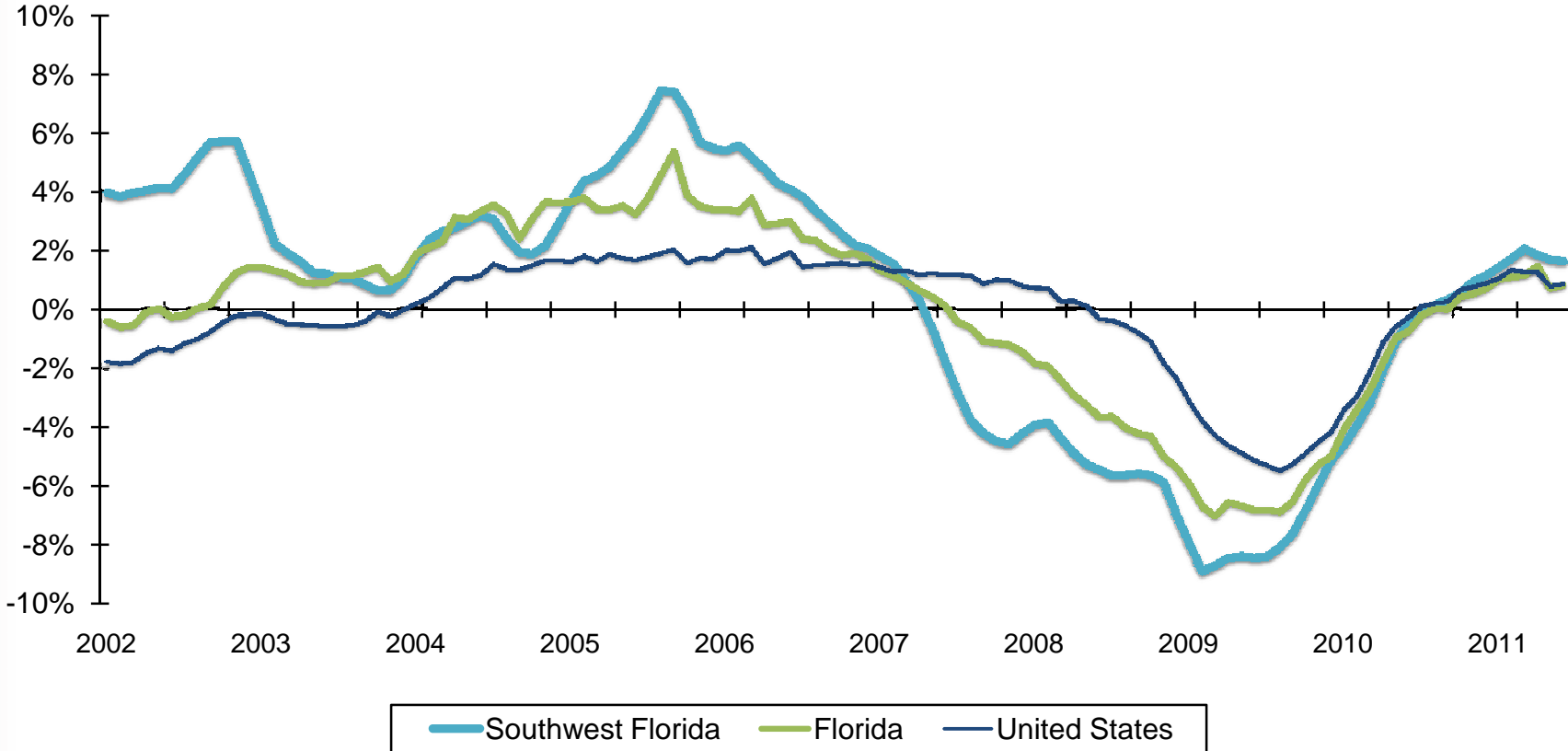
Source: U.S. Bureau of Labor Statistics, "Current Employment Statistics."



FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Employment Growth in Southwest Florida

Year-Over-Year Percent Change

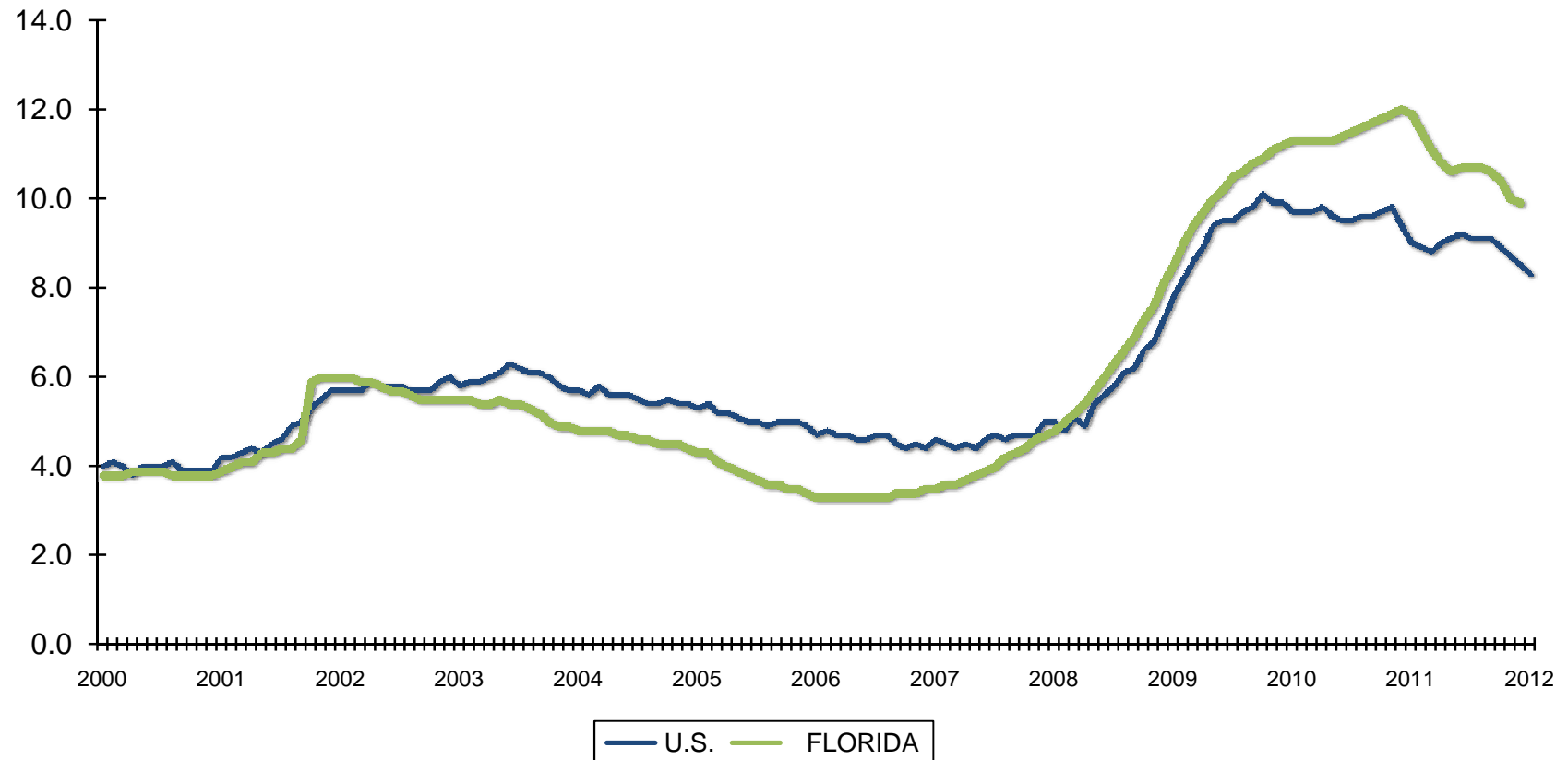


Source: U.S. Bureau of Labor Statistics, "Current Employment Statistics."



Unemployment Rate Easing Downward

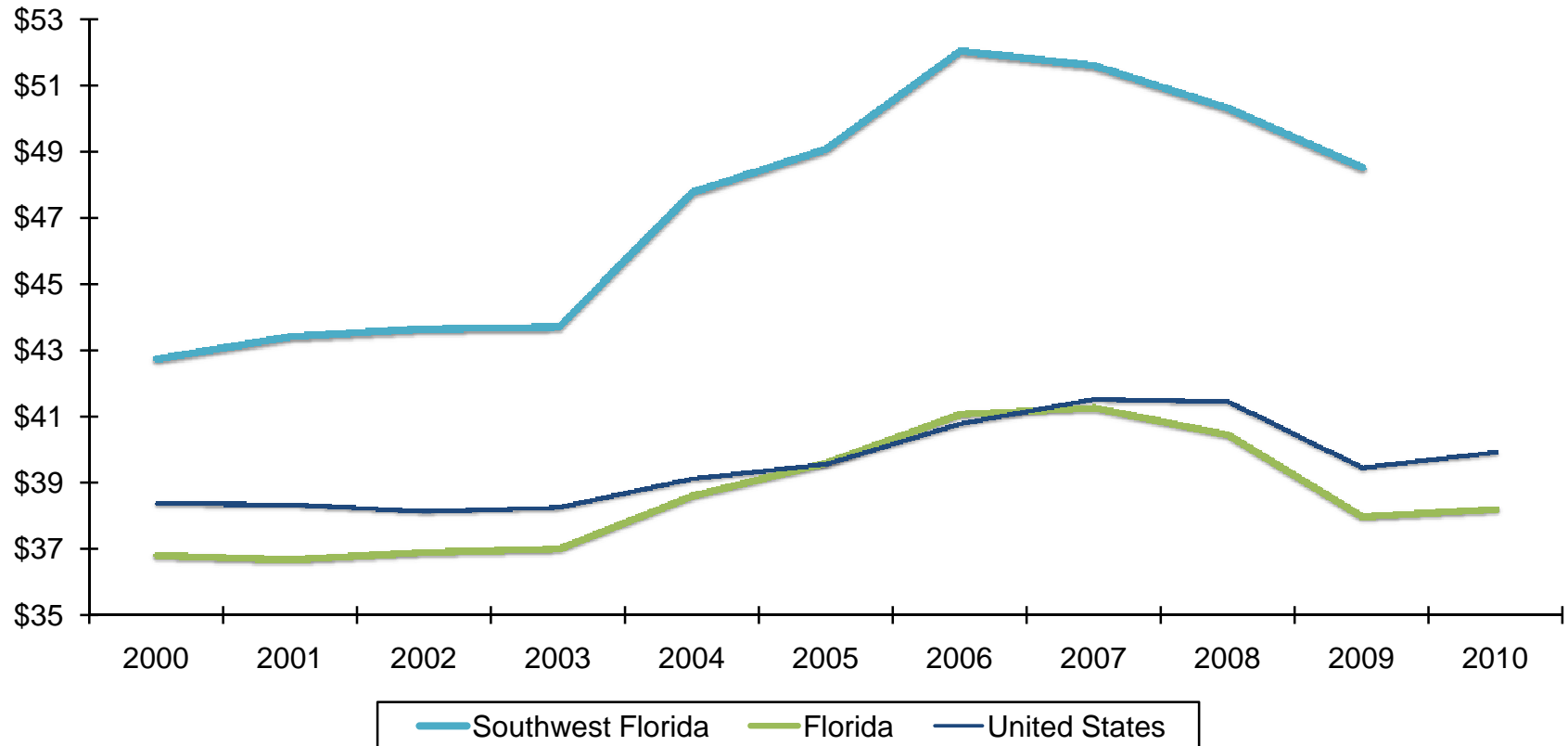
Unemployment Rate (in Percent)



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

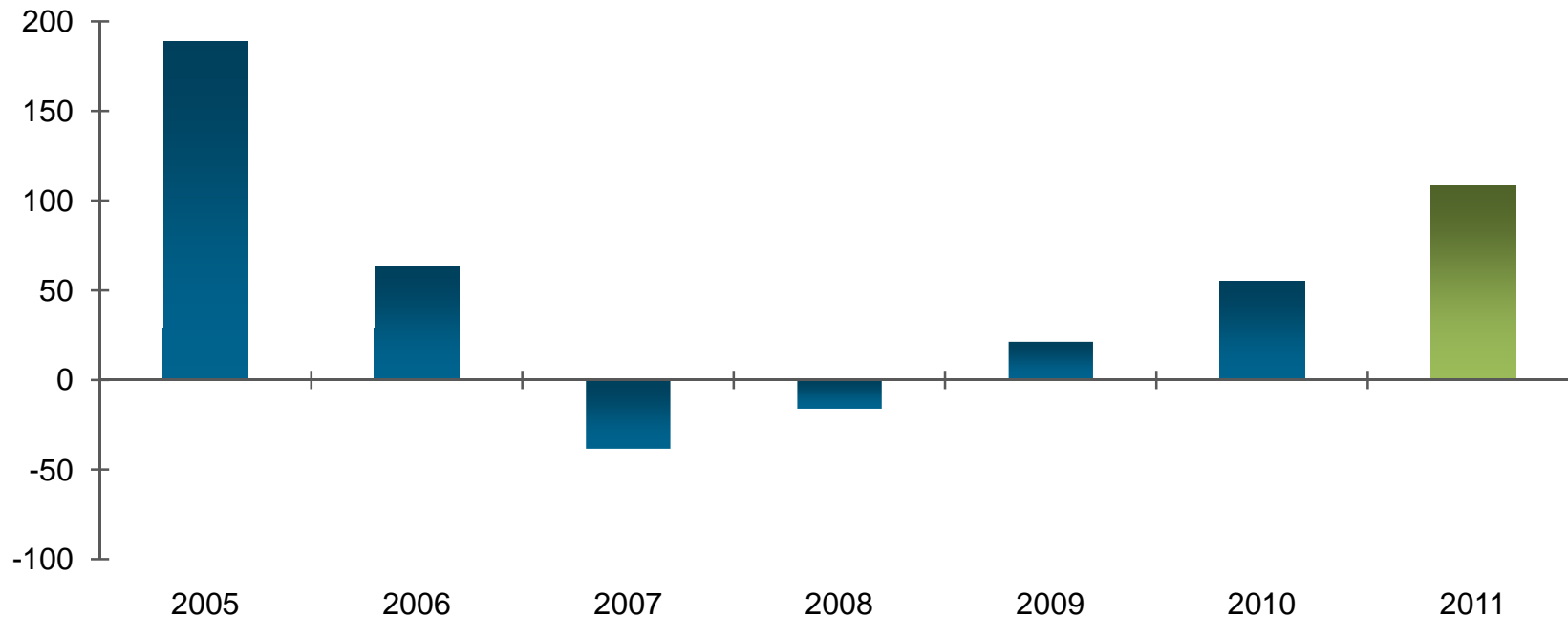
Per Capita Income Much Higher than U.S. but Eroding

Per Capita Income (in Thousands of \$2010)



Source: U.S. Bureau of Economic Analysis.

Net Domestic Migration Has Resumed

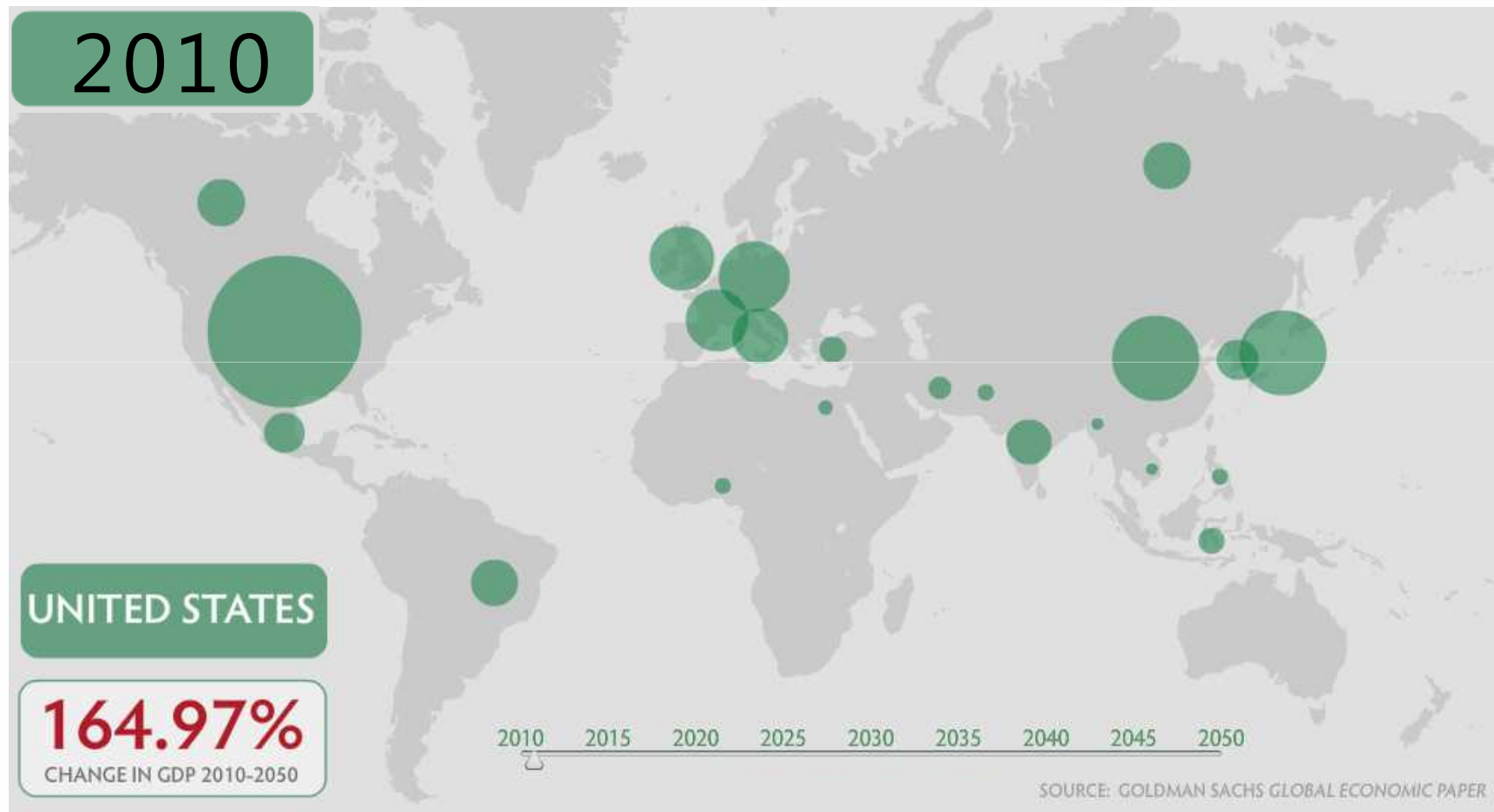


Source: U.S. Census Bureau, American Community Survey (for the 2005-2010 data) and Population Estimates Program (for the 2011 data).



A New Economy

Global Markets

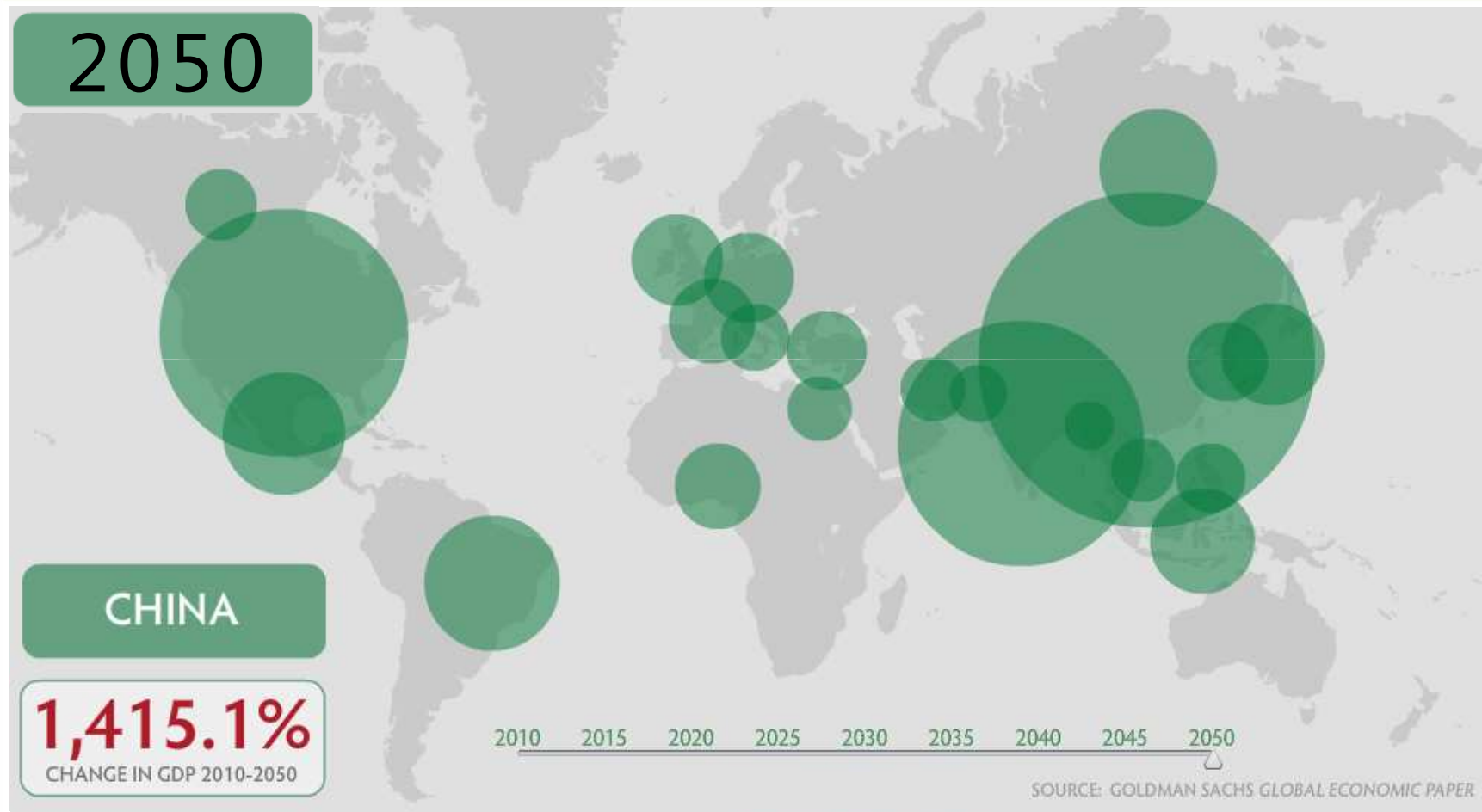


Source: Goldman Sachs, 2008.



A New Economy

Global Markets



Source: Goldman Sachs, 2008.



A New Economy

Global Activity Centers

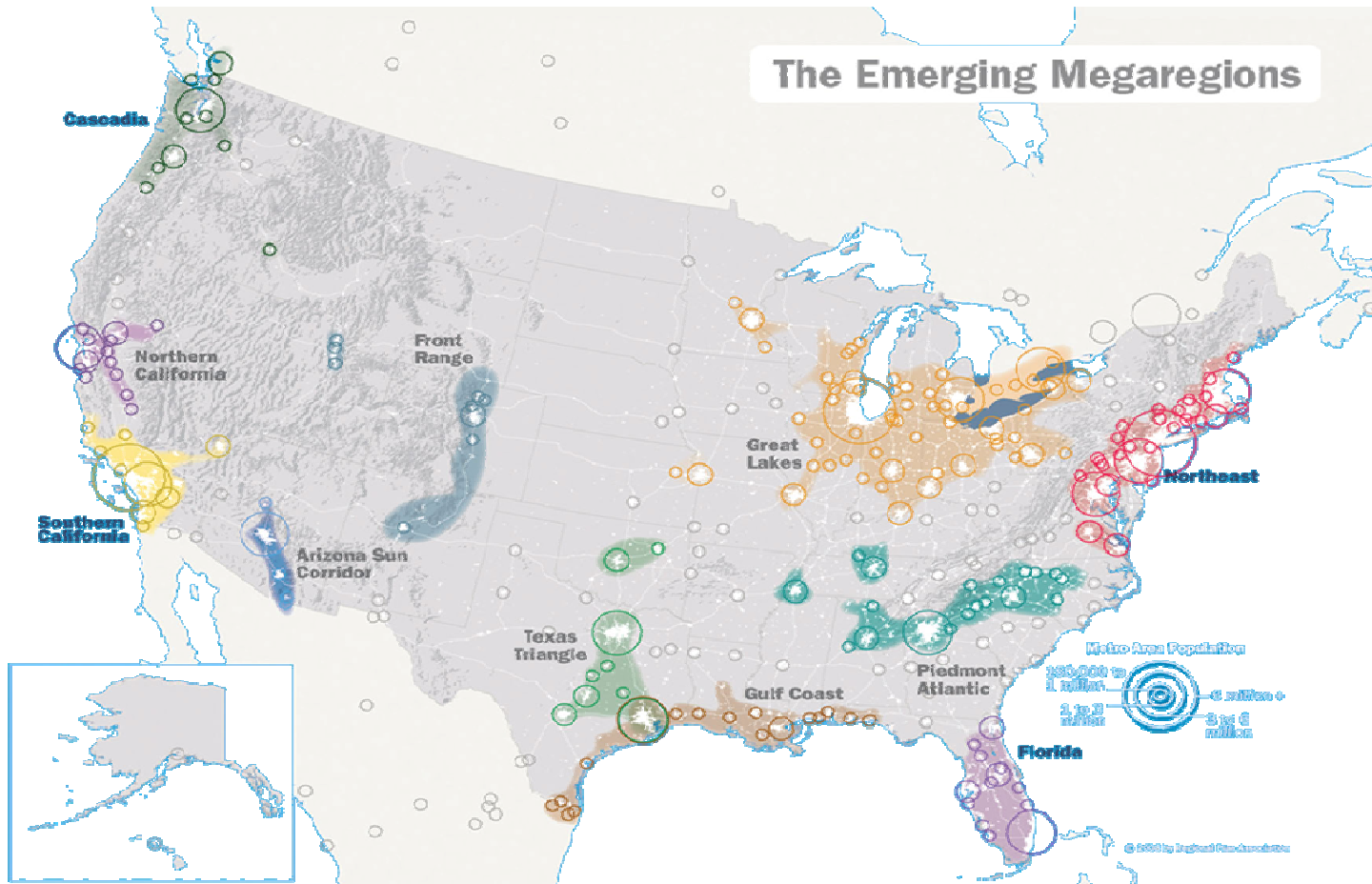


Source: WhosYourCity.com.



A New Economy

Competing as Regions... and Megaregions



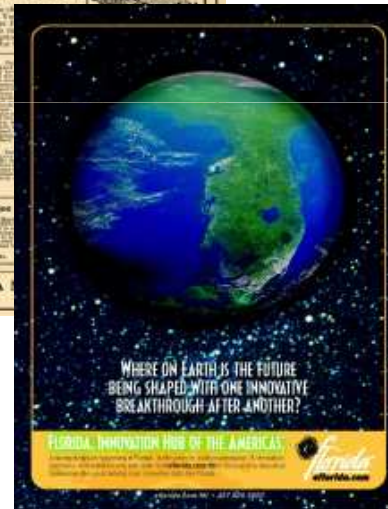
Source: America 2050.



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



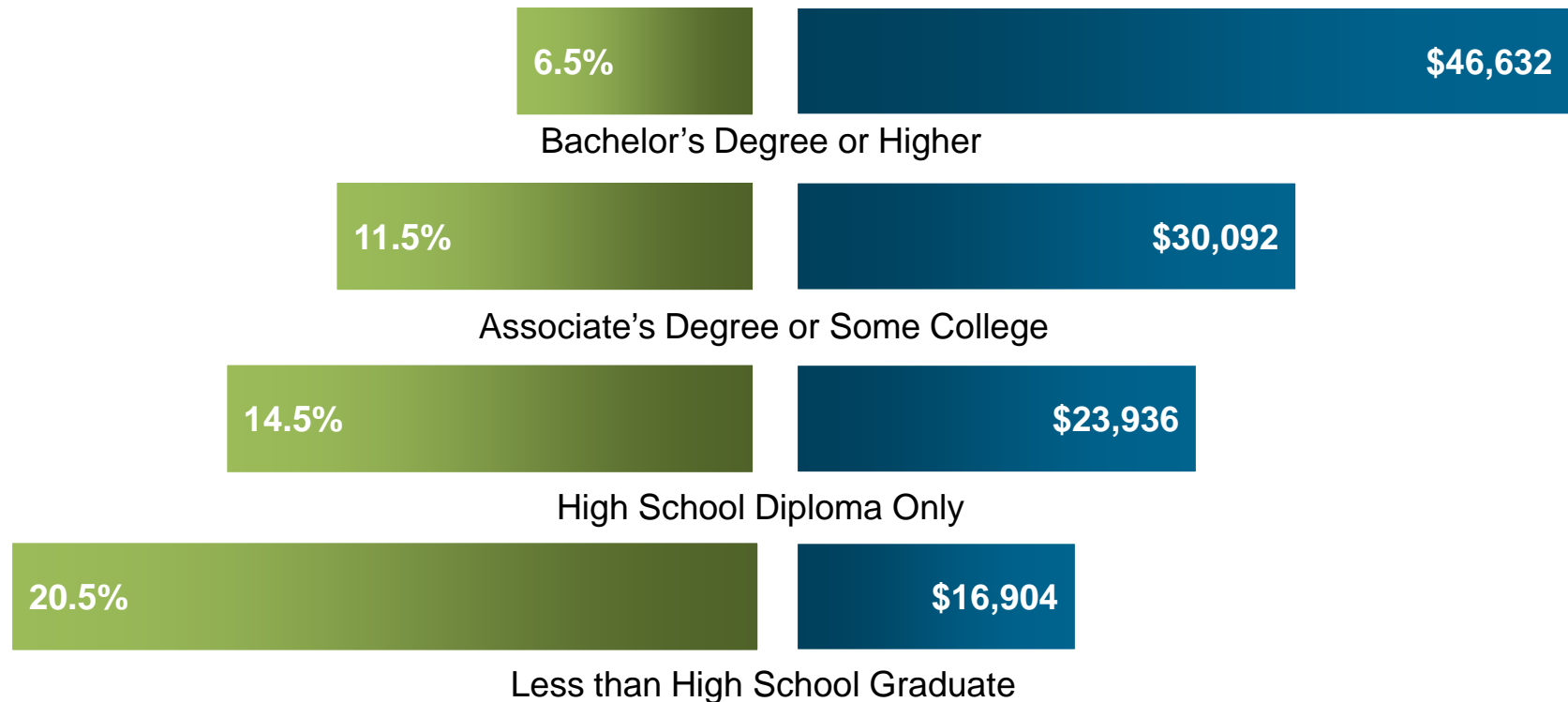
Talent Supply and Education

Educational Attainment Key Driver of Jobs and Income

Unemployment Rate

2010

Median Earnings



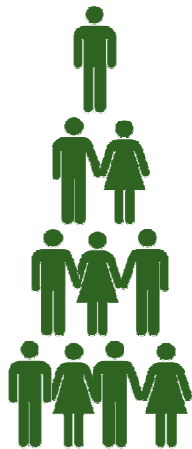
Source: U.S. Census Bureau, American Community Survey.



Talent Supply and Education

Can We Provide the Workforce for the Future?

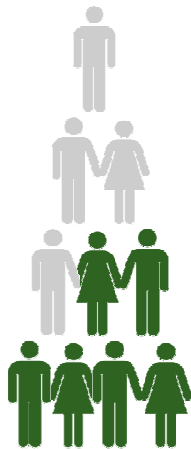
10...



...students in a
9th grade class

2002

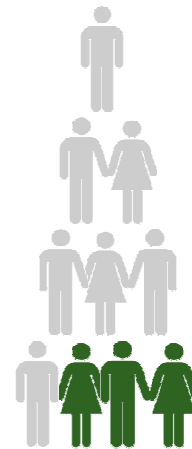
6...



...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



Southwest Florida



Florida



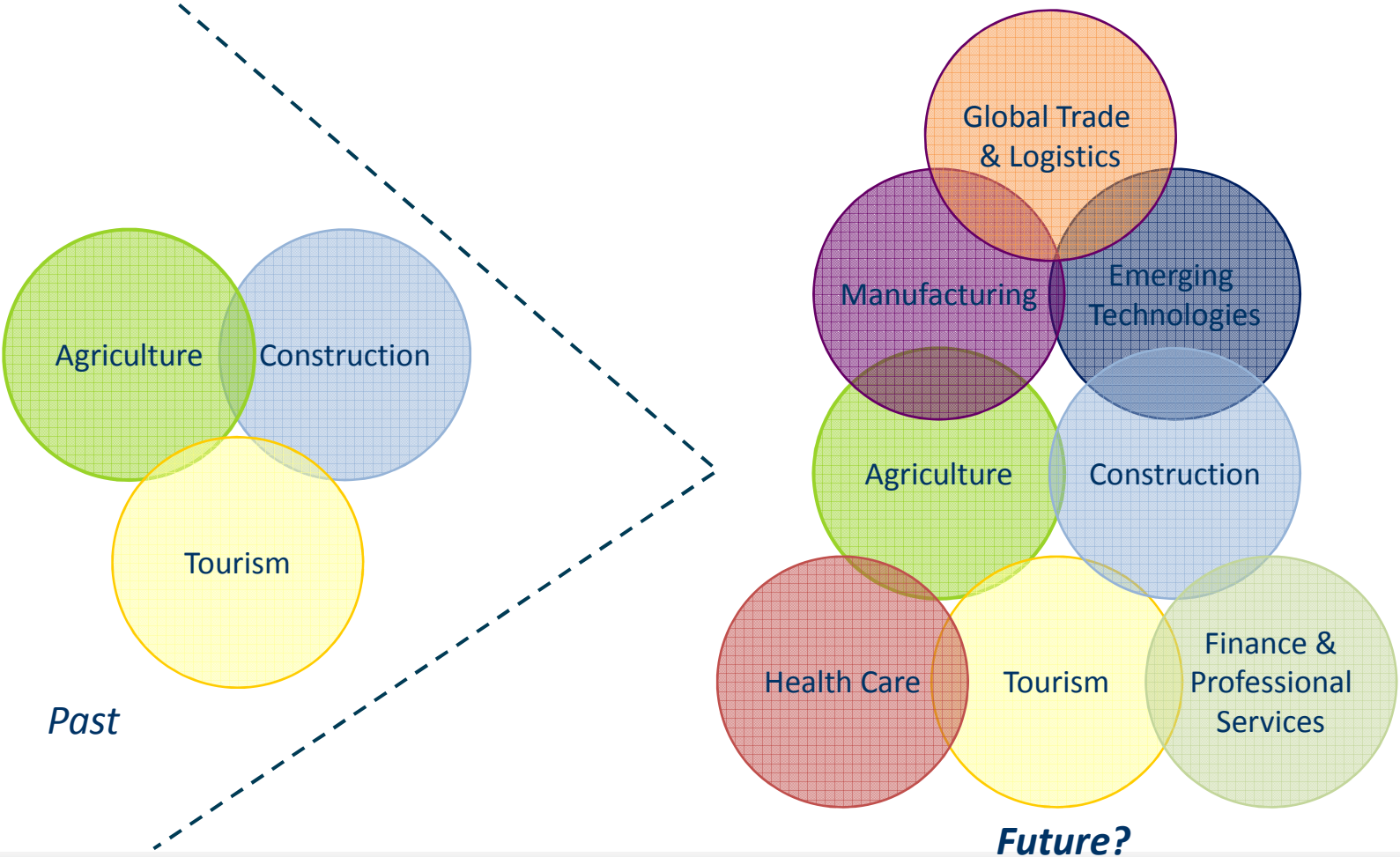
United States

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



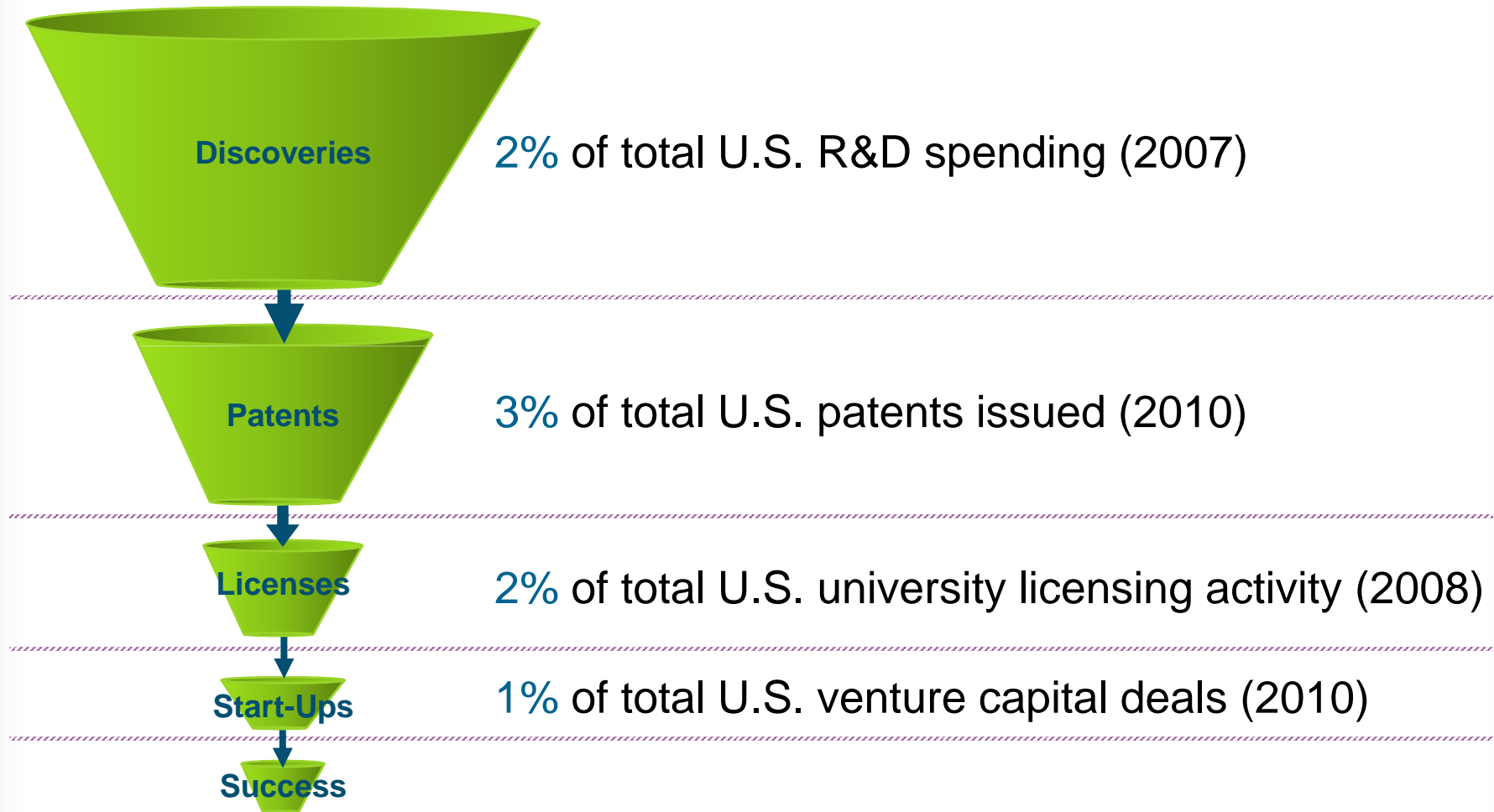
Innovation and Economic Development

Changing Industry Composition



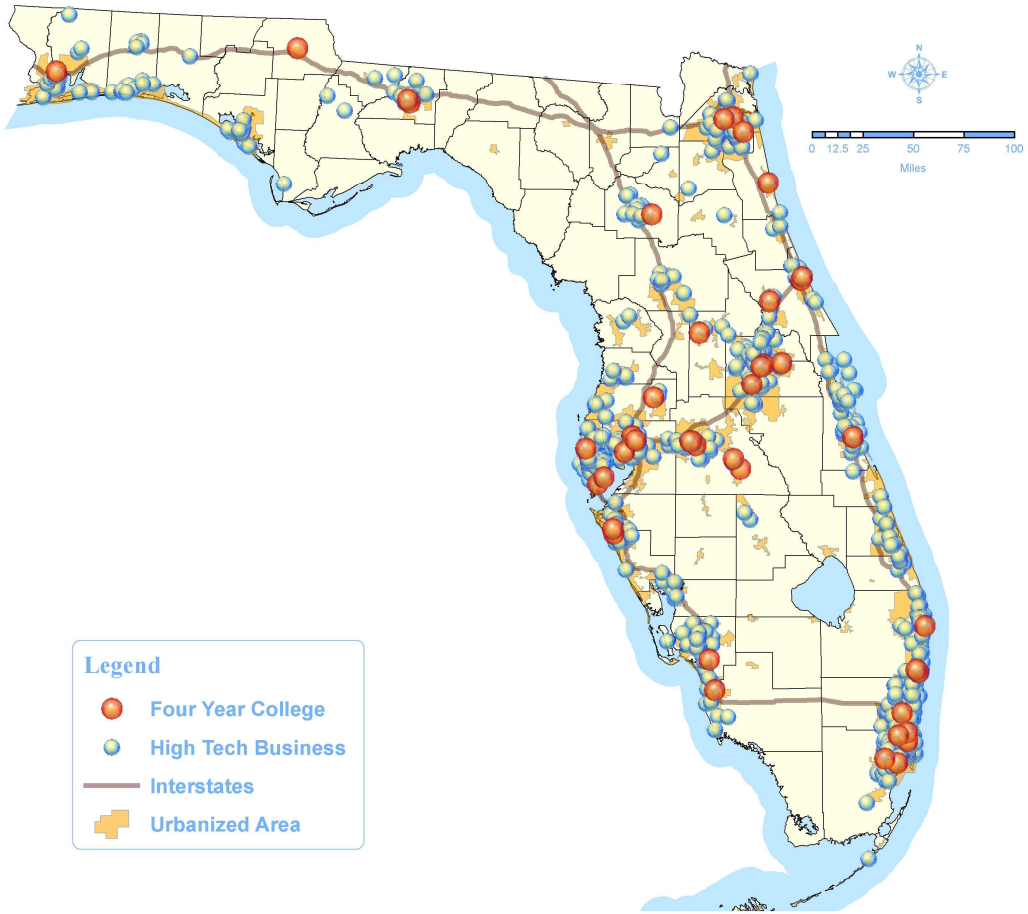
Innovation and Economic Development

Can We Strengthen Our Innovation Pipeline?



Innovation and Economic Development

Florida's Innovation Hubs



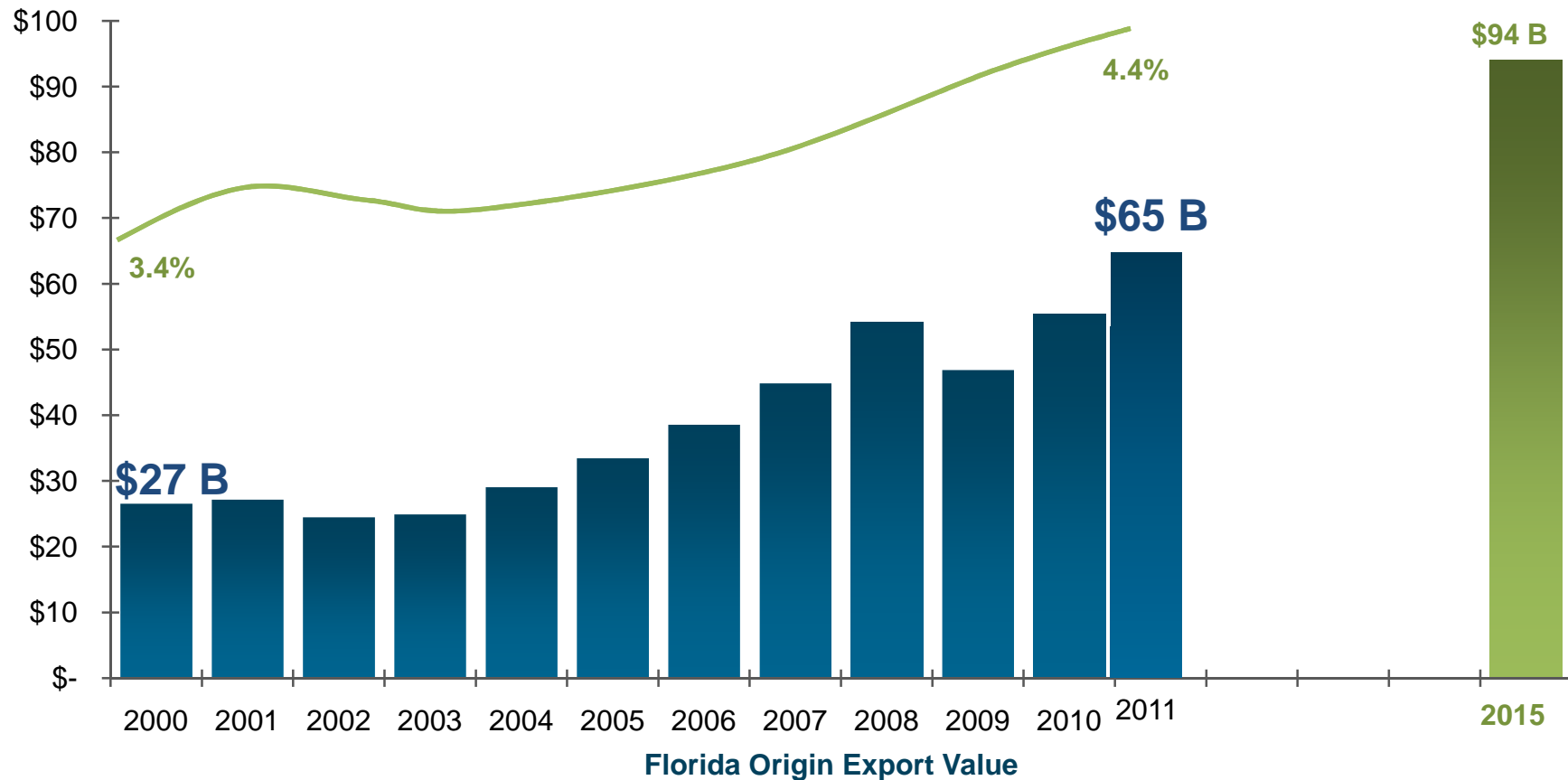
Source: InfoUSA; Florida Division of Colleges and Universities; Foundation for Independent Higher Education.



Innovation and Economic Development

Can We Expand Our Global Role?

Florida Share of Total U.S. Export Value

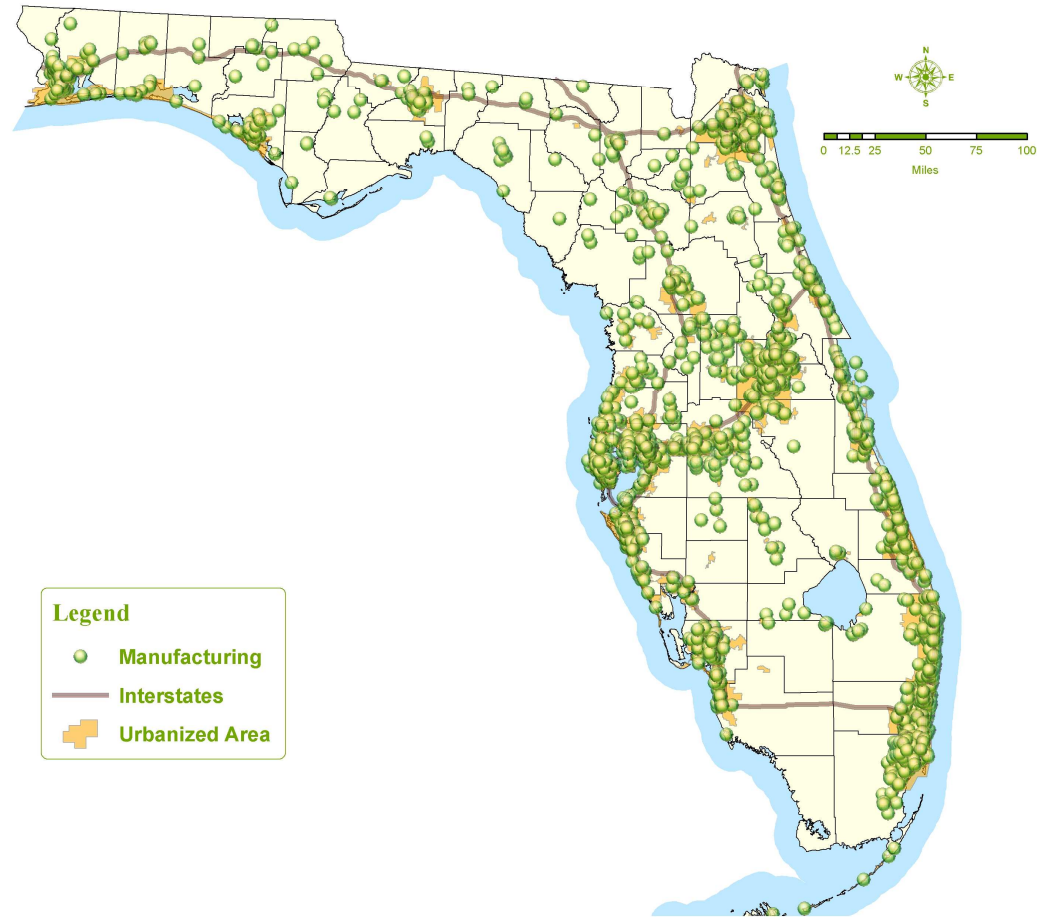


Source: U.S. Census Bureau, Foreign Trade Division.



Innovation and Economic Development

Florida's Manufacturing Centers

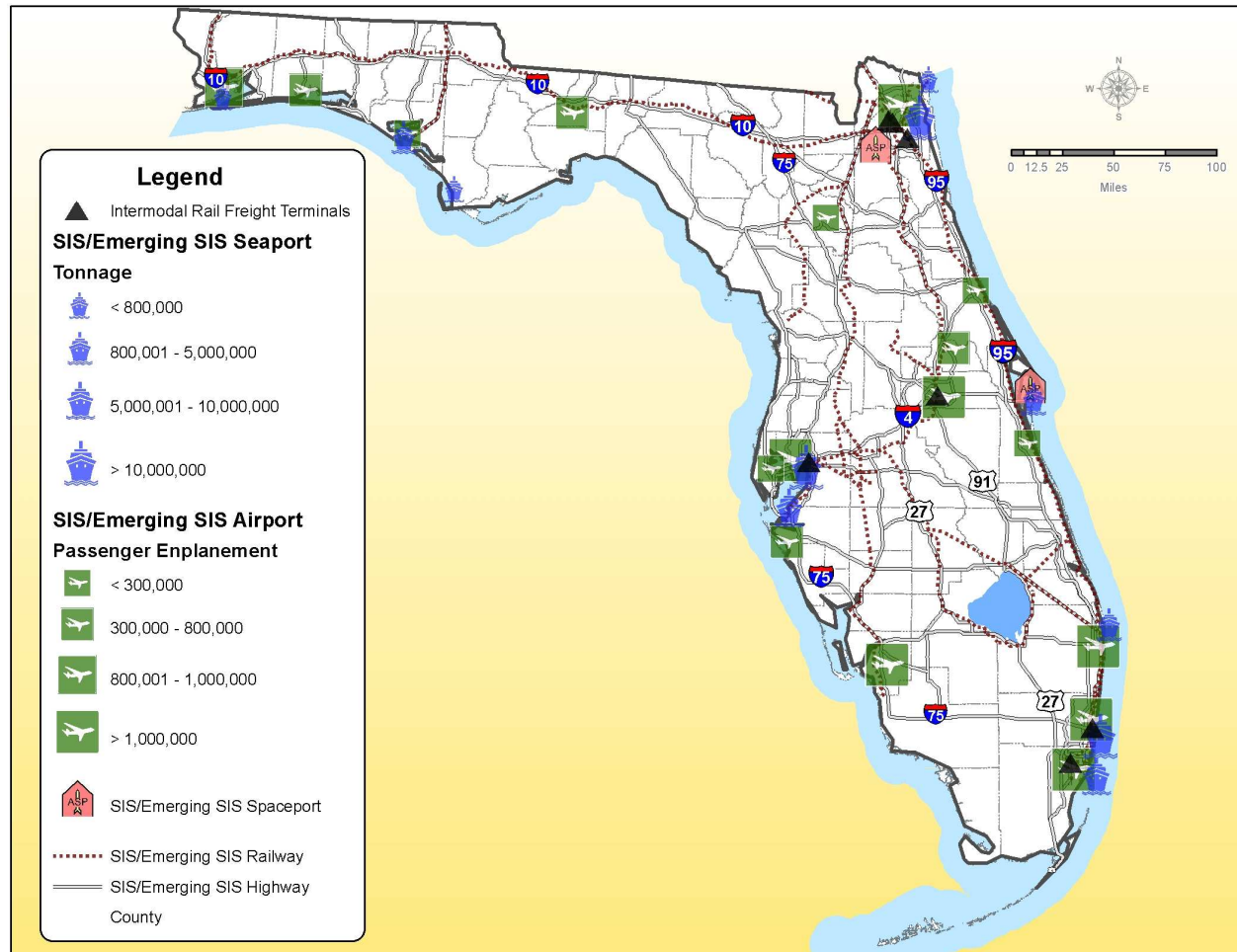


Source: InfoUSA.



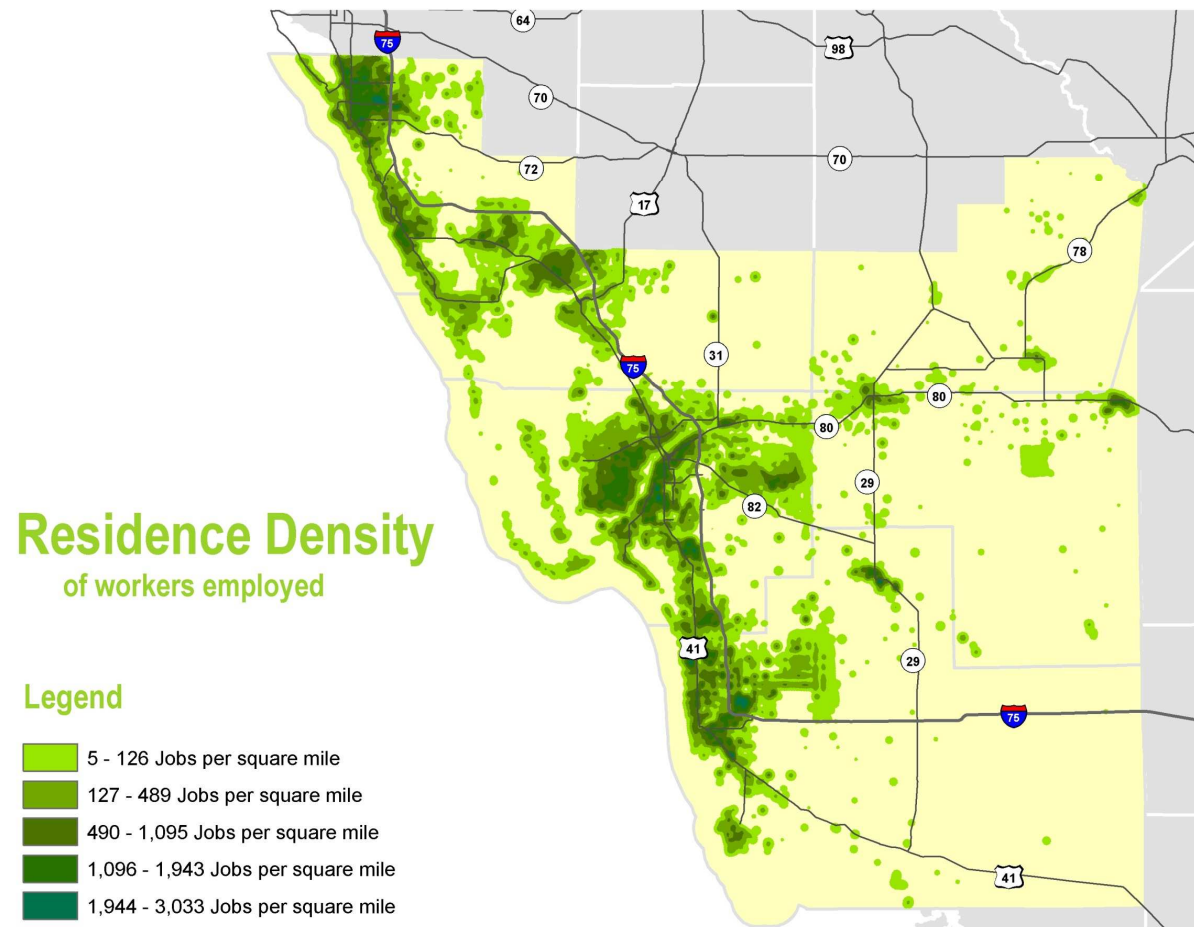
Infrastructure and Growth Leadership

Are We Globally Connected?



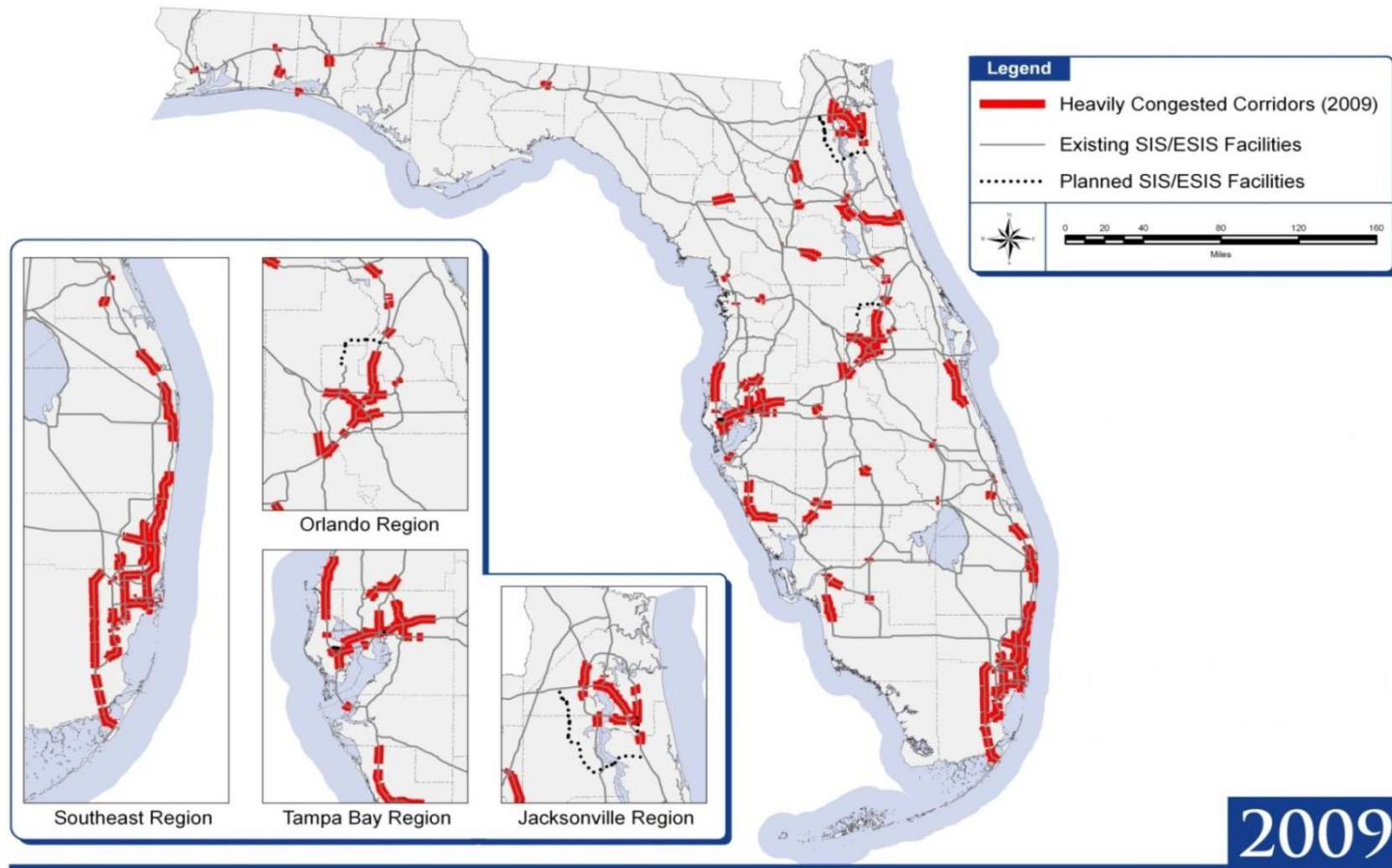
Infrastructure and Growth Leadership

Can People Access Jobs and Services?



Infrastructure and Growth Leadership

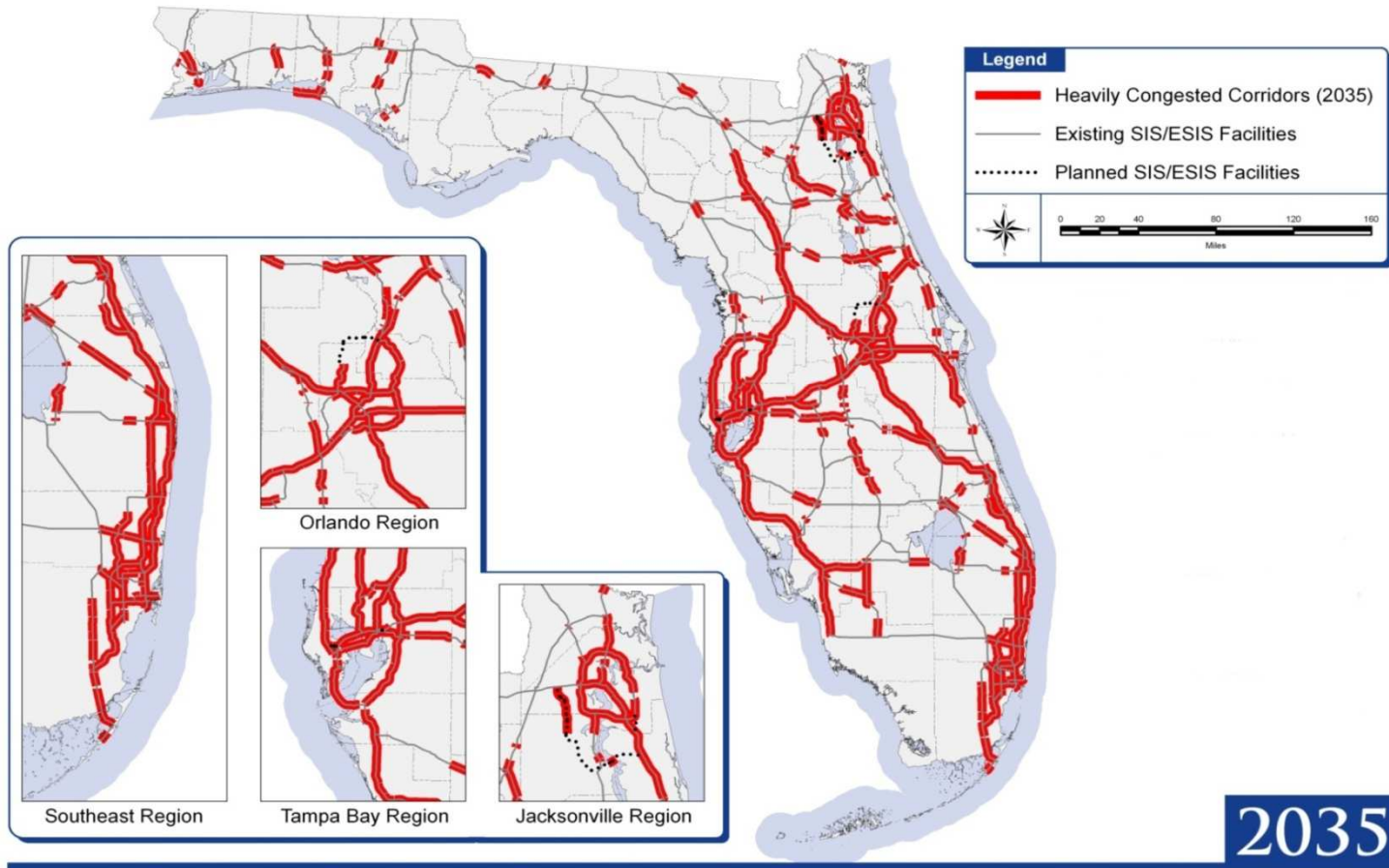
Can We Provide for Future Demand?



Source: Florida Department of Transportation.

Infrastructure and Growth Leadership

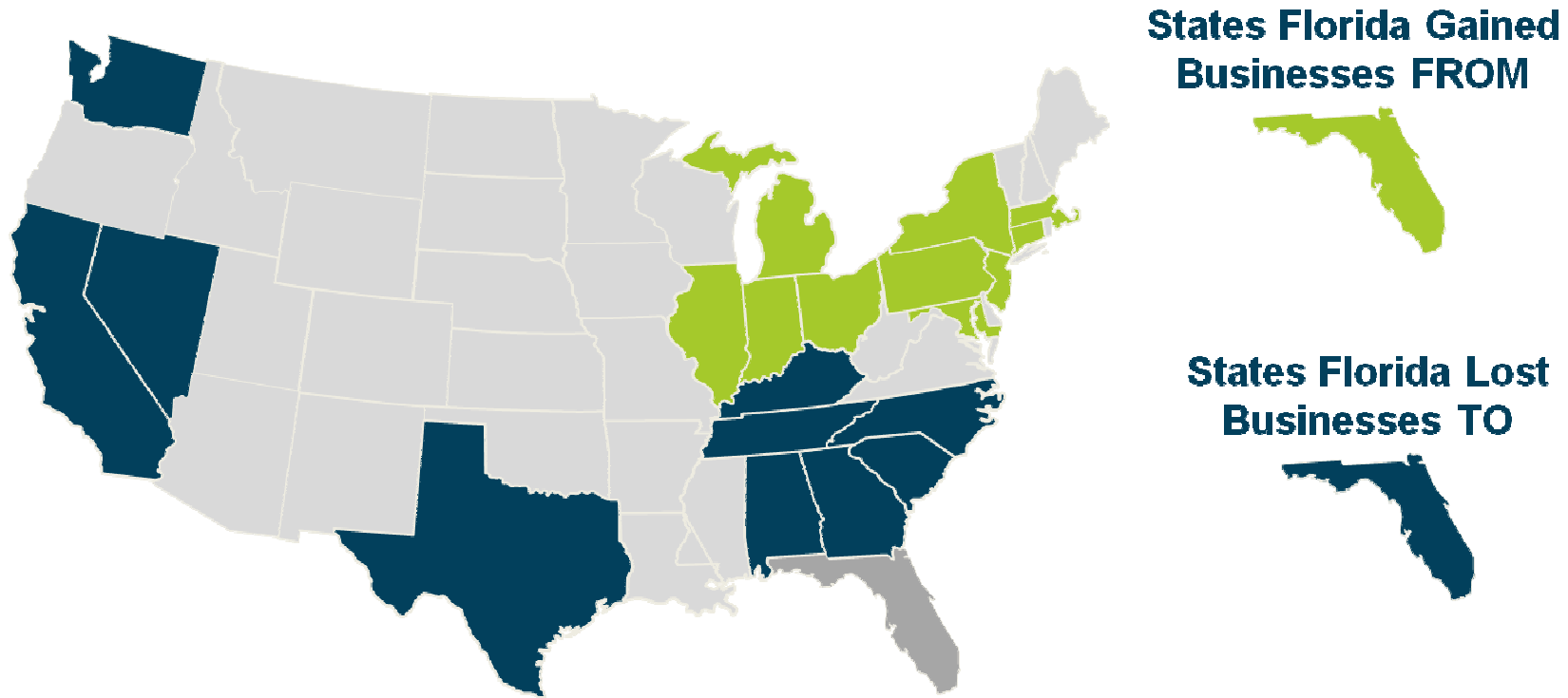
Can We Provide for Future Demand?



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

11th

- 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?

5th

- 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%

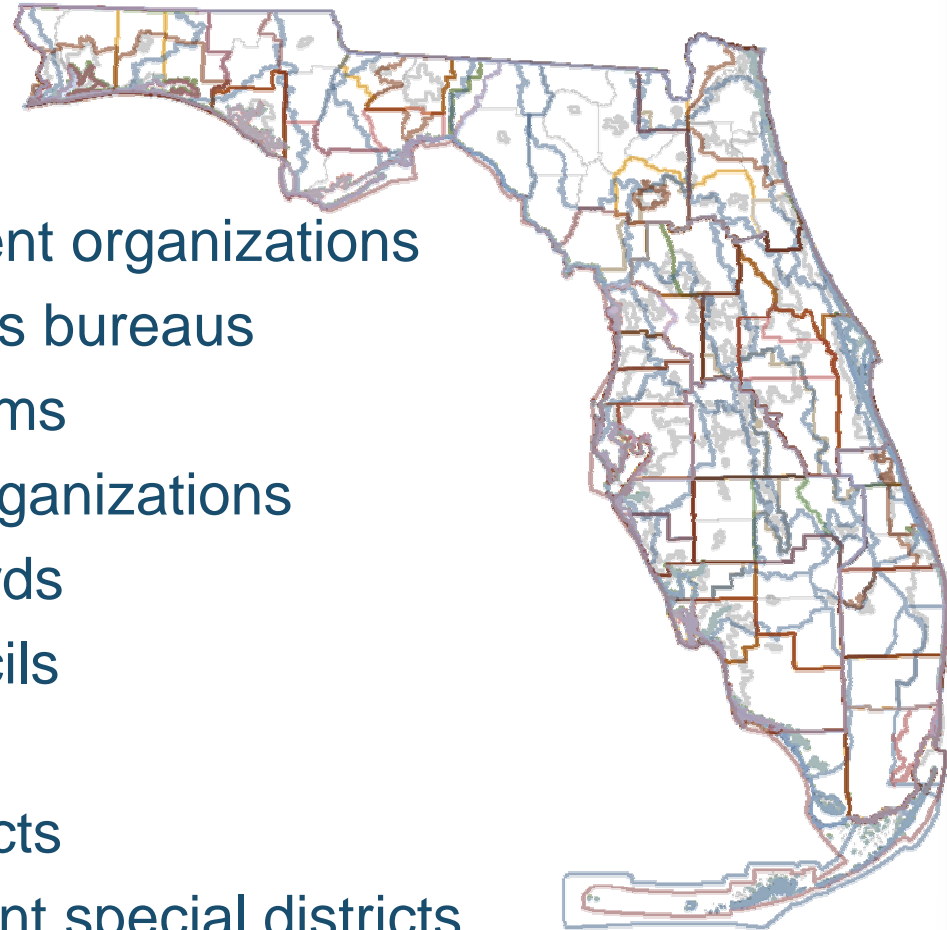
- Increase in number of nonprofit organizations, 2000-2010 (*National Center for Charitable Statistics*)



Civic and Governance Systems

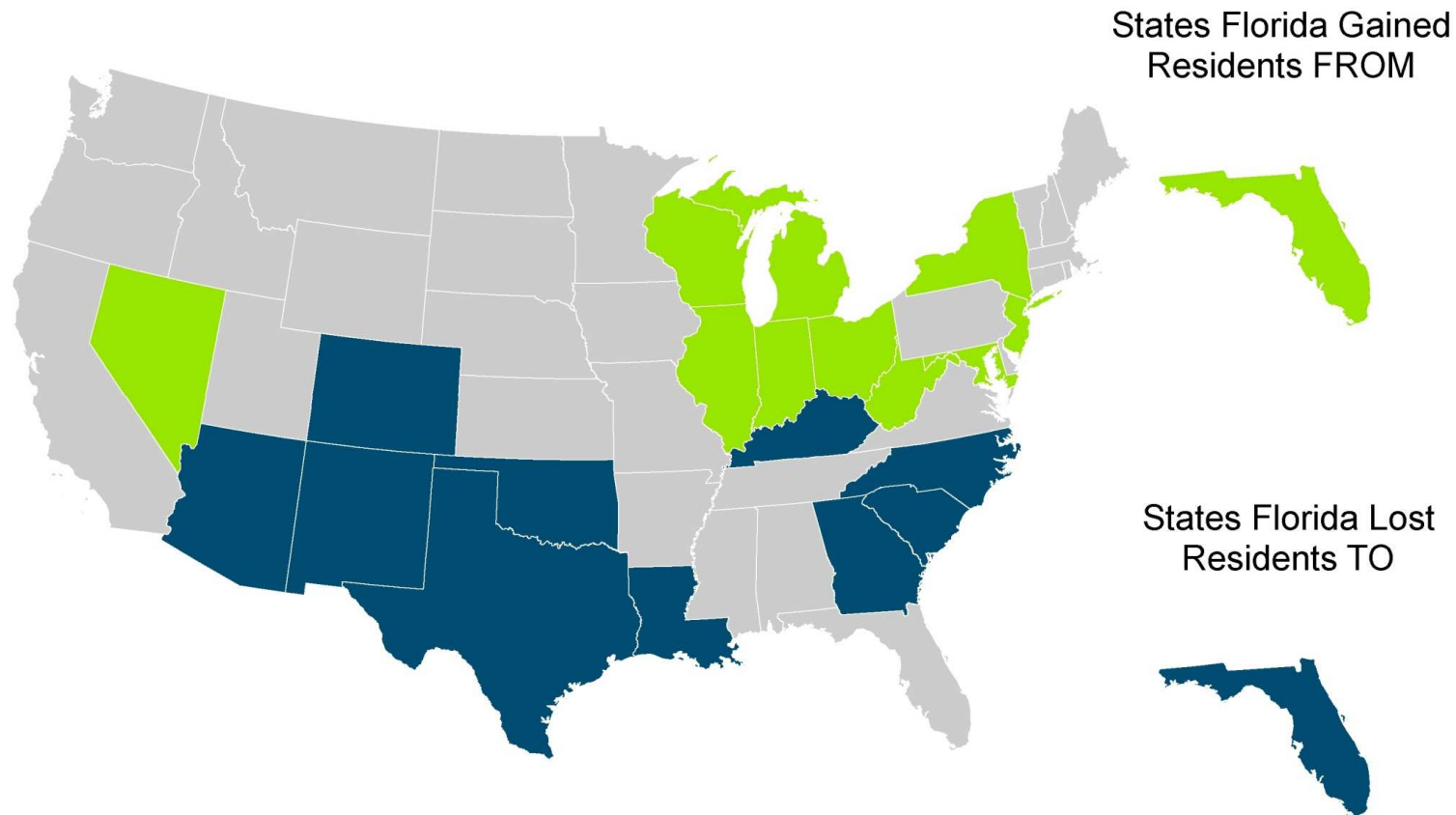
Can the Public Sector Match the Scale of Business?

- 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?

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)

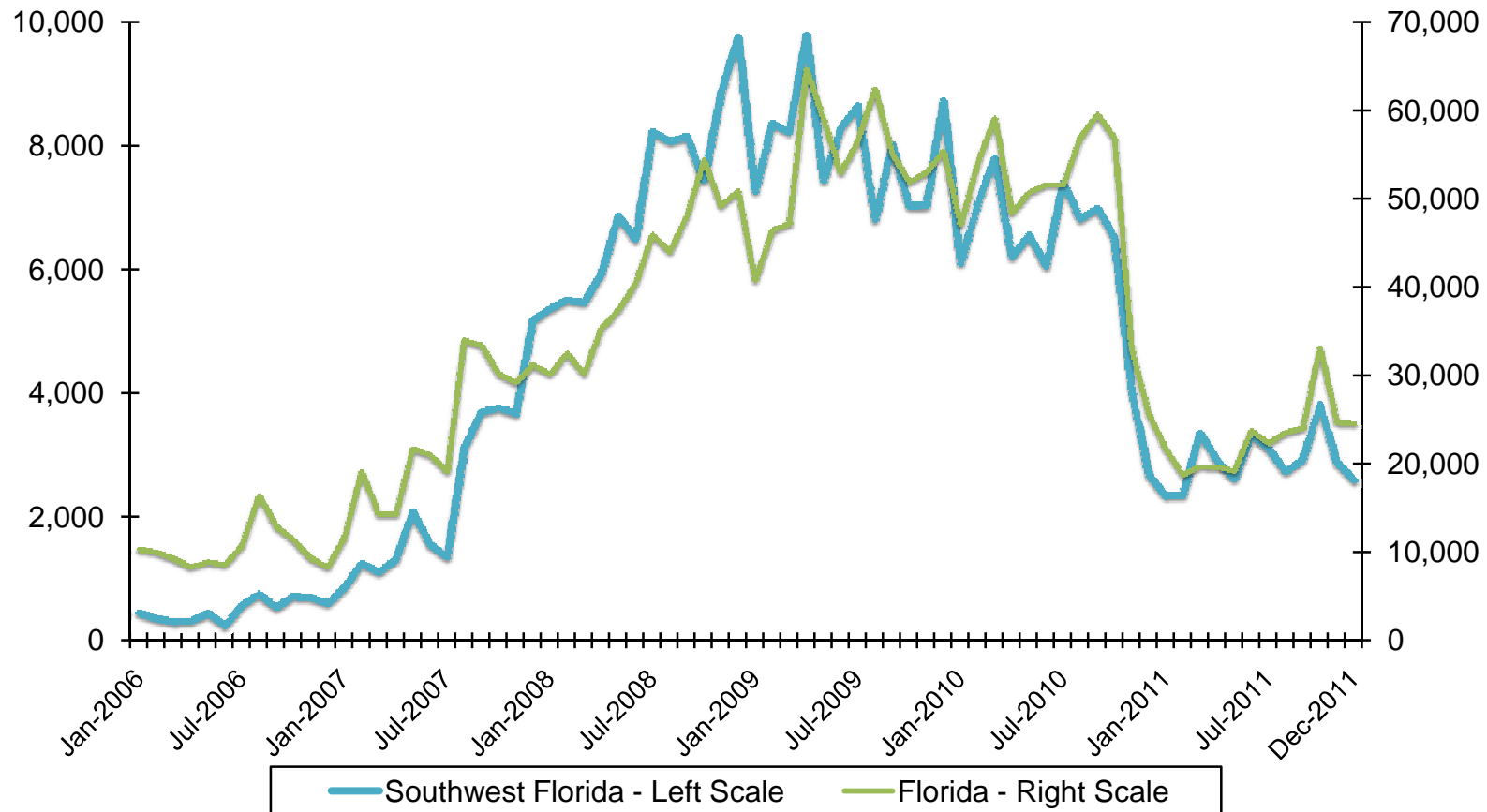
21%

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



Quality of Life and Quality Places

Monthly Foreclosures in Southwest Florida, 2006-2011

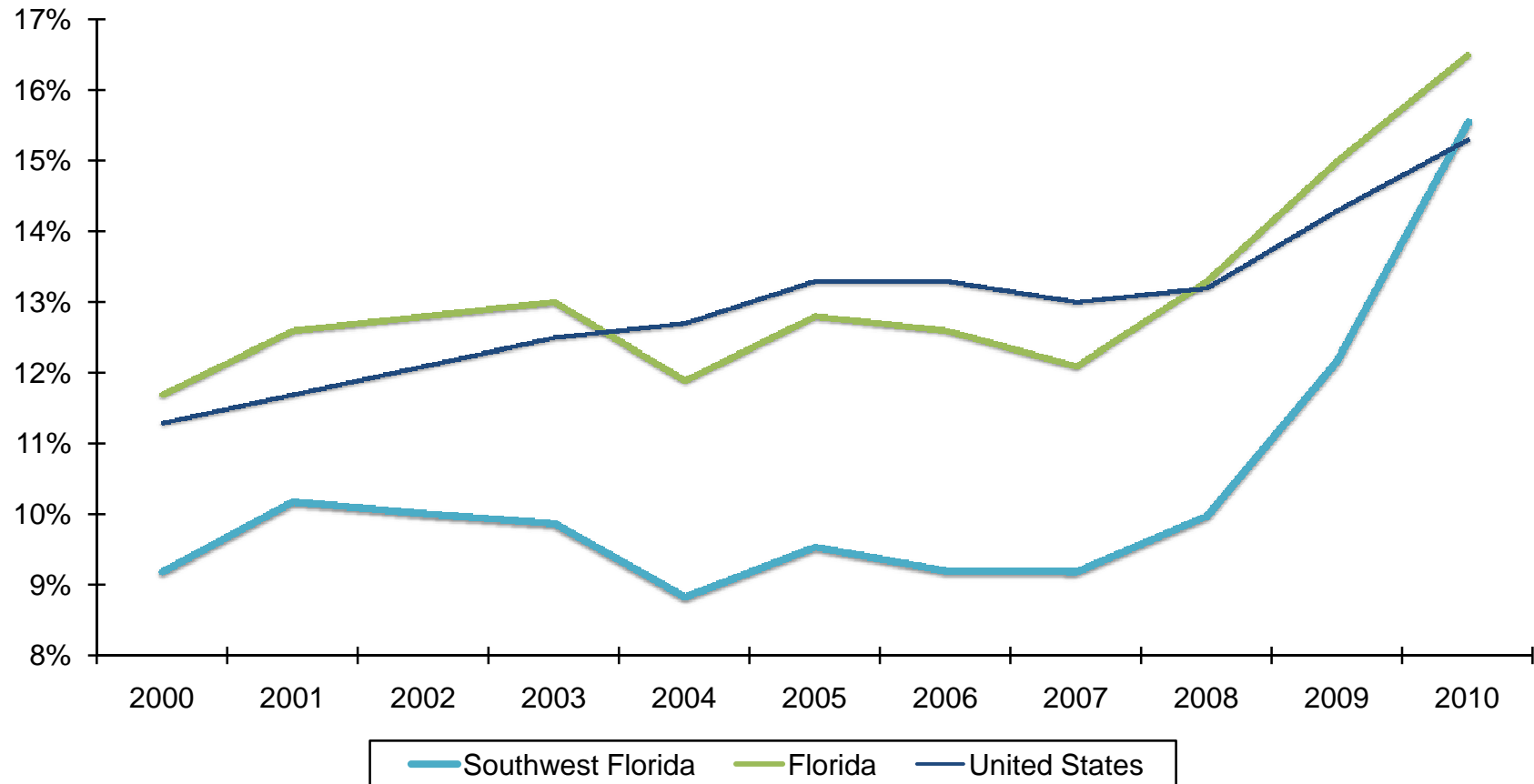


Source: Florida Dept of Economic Opportunity, compiled from RealtyTrac, Inc. Total housing units receiving a filing notice, per month.



Quality of Life and Quality Places

Poverty Rate Is Rising in Southwest 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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