

ANNUAL REPORT 2012
Division of Strategic Business Development
Department of Economic Opportunity

With input from:
Enterprise Florida, Inc.
VISIT FLORIDA®
Workforce Florida, Inc.
Space Florida
Florida Housing Finance Corporation
Florida Institute for the Commercialization of Public Research

December 14, 2012

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Overview

Section 20.60(10), Florida Statutes, requires the Florida Department of Economic Opportunity, by January 1 of each year to submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives on the condition of Florida's business climate and economic development. The report is intended to identify key issues or problems facing the State's business climate and economic development, as well as recommendations for addressing these problems. Also, the report is required to document the annual performance standards for the State's economic development partners [§20.60(11), F.S.], and the implementation of the statewide Innovation Incentive Program [§288.1089(11)(a), F.S.].

This document has been developed by the Department with input from Enterprise Florida, Inc., Space Florida, VISIT FLORIDA, Workforce Florida, Inc., Florida Housing Finance Corporation and Florida Institute for the Commercialization of Public Research. The report is organized as follows:

-  **Chapter 1.0** documents the recent trends and current conditions of Florida's economy. This chapter also describes the competitive strengths and weaknesses of Florida's economy.
-  **Chapter 2.0** provides information about the *Florida Strategic Plan for Economic Development*. As required by section 20.60(5), Florida Statutes, the Department of Economic Opportunity has led the development of a five-year statewide strategic plan for economic development. This chapter reports on consensus-built development process of the plan and provides brief descriptions of each of the 29 plan strategies.
-  **Chapter 3.0** documents the major accomplishments of the Department of Economic Opportunity. This chapter reports on the major efforts and results of the Divisions of Community Development, Strategic Business Development and Workforce Services during State Fiscal Year 2011-2012.
-  **Chapter 4.0** documents the annual performance for Enterprise Florida, Inc. and its divisions, the Florida Tourism Industry Marketing Corporation (D.B.A. VISIT FLORIDA), Workforce Florida, Inc., Florida Housing Finance Corporation, the Florida Institute for Commercialization of Public Research and Space Florida.
-  **Chapter 5.0** documents the implementation of the Innovation Incentive Fund (IIF) Program. The IIF was created to ensure that sufficient resources are available to allow the State to respond expeditiously to extraordinary economic opportunities and to compete effectively for high-value research and development, innovation business, and alternative and renewal energy projects. This chapter provides reports for the eight recipients of the IIF.
-  **Chapter 6.0** summarizes key activities to be undertaken by the Department of Economic Opportunity during State Fiscal Year 2013-2014, to respond to the issues and opportunities identified in the prior chapters and the *Florida Strategic Plan for Economic Development*.



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CHAPTER 1




FLORIDA'S BUSINESS CLIMATE AND ECONOMIC DEVELOPMENT

This chapter describes recent trends and the current condition of Florida's business climate and economic development. The status of the Florida economy should be reviewed in light of the state's vision, goals and objectives for economic development over the next five years. These are provided below.






Vision

Florida will have the nation's top performing economy and be recognized as the world's best place to live, learn, play, work and do business.

Goals

-  Lead the nation in global competitiveness as a location for business, investment, talent, innovation and visitors.
-  Lead the nation in economic growth and prosperity.
-  Lead the nation in quality of life.

Objectives

-  Improve employment in Florida.
-  Foster opportunities for prosperity for all Floridians.
-  Grow Florida businesses.
-  Expand Florida's global commerce.
-  Increase Florida's attractiveness to workers, residents and visitors.

Florida's vision directs us to consider the state's competitive position in a broader sense by addressing three areas. These three areas mirror Florida's goals for economic development.



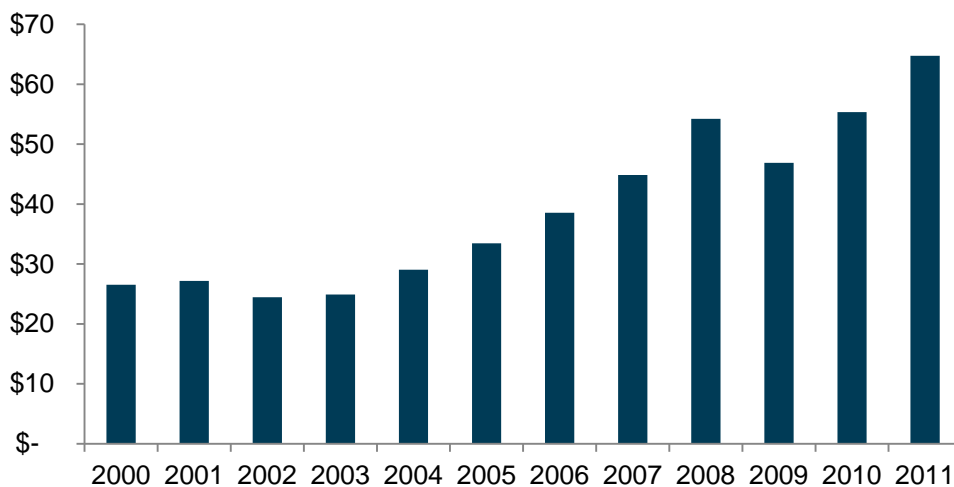
1.1 Goal 1 – Florida will Lead the Nation in Global Competitiveness as a Location for Business, Investment, Talent, Innovation and Visitors.

With a gross domestic product (GDP) of \$761 billion in 2011, Florida's economy is the 4th largest in the U.S. It would rank 19th in the world if measured as its own country. Per capita GDP of nearly \$40,000 in 2011 lags the U.S. average by 20 percent, but is comparable to that of France and Great Britain.

Florida's activity and national ranking in the global market has expanded over the past decade. Florida currently ranks 2nd in the nation for international visitors, 4th for state-of-origin exports, 6th for employment in foreign-owned firms and 10th for state-of-destination imports.

Florida is running a trade surplus of over \$24 billion – with \$86.8 billion in exports and \$62.4 billion in imports in 2011, up from \$73.1 billion in exports and \$53.2 billion in imports in 2010. On a high note, the value of Florida-origin exports reached record levels in 2011 and has more than doubled since 2005. The value of Florida-origin exports equaled 8.6 percent of the state's GDP in 2011, compared with 9.9 percent for the U.S. as a whole.

Figure 1. Florida-Origin Exports, 2000-2011
In Billions of Dollars



Source: U.S. Department of Commerce.

Additionally, tourism is up in Florida in 2012 to an estimated 89 million total visitors from 82 million in 2010. An estimated 22.1 million visitors came to Florida in the second quarter of 2012, an increase of 1.3 percent over the same period in 2011. Overseas visitors were up 10 percent in the second quarter of 2012 compared to 2011.



1.2 Goal 2 – Florida will Lead the Nation in Economic Growth and Prosperity.

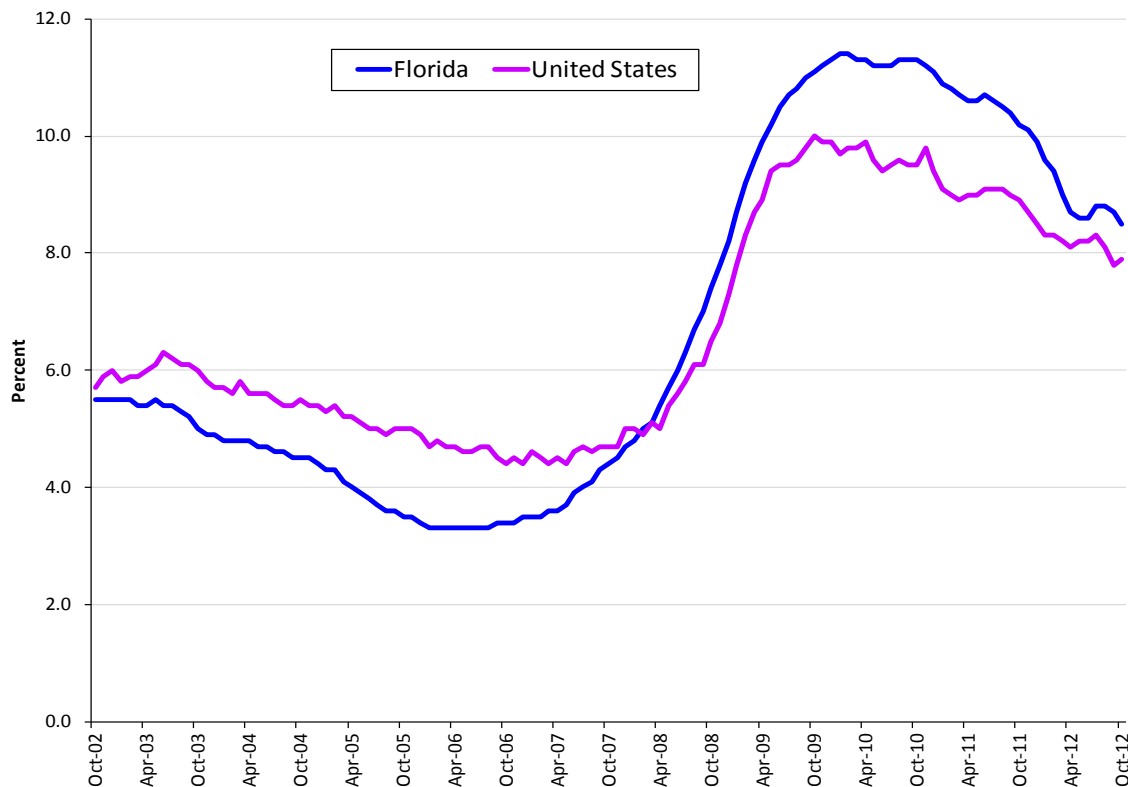
Florida's unemployment rate has now declined for 23 consecutive months. Florida's unemployment rate declined to 8.5 percent for the month of October, the lowest since December 2008. The state also experienced positive job growth of 12,100 new private sector jobs, while the October 2012 rate was 1.7 percentage points lower than the year-ago rate of 10.2 percent. Since December 2010, the state's unemployment rate has dropped 2.6 percentage points and 174,500 private sector jobs have been created.

1.2.1 Unemployment

While Florida's unemployment rate has gone down, the rate still hovers above the U.S. unemployment rate of 7.9 percent in October. Florida's seasonally adjusted unemployment rate dropped to 8.5 percent in October 2012, down 0.2 percentage point from September. There were 790,000 jobless Floridians out of a labor force of 9,342,000. The October 2012 rate was 1.7 percentage points lower than the rate of 10.2 percent in 2011.

Initial claims for Reemployment Assistance benefits were down by 7.3 percent from one year ago while continued claims were down from an average of 553,000 in December 2010 to 293,268 in November 2012, a 47 percent decrease.

Figure 2. United States and Florida Unemployment Rates (seasonally adjusted)



Source: U.S. Department of Labor, Bureau of Labor Statistics.



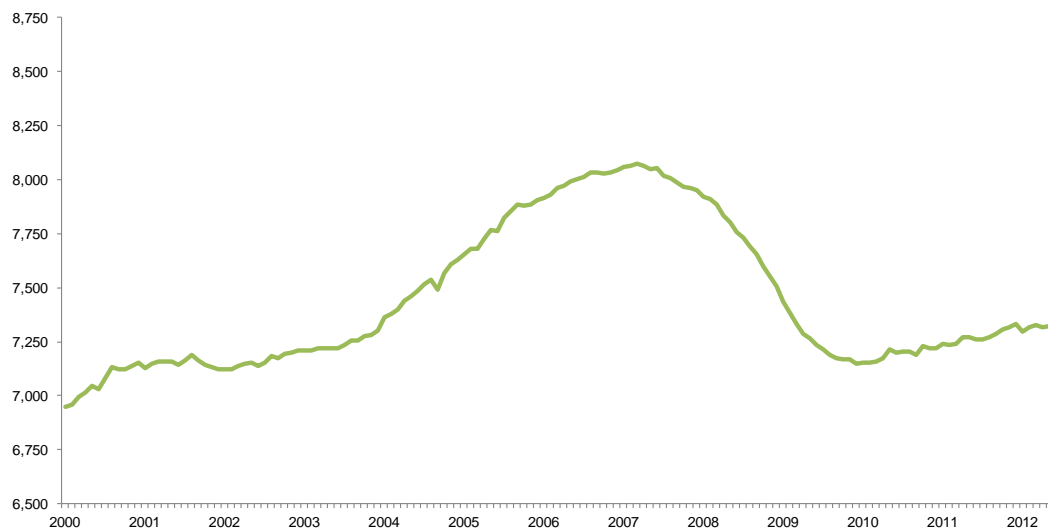
In October 2012, Monroe County (4.7 %) had the state's lowest unemployment rate, followed by Walton County (5.4 %), Okaloosa County (5.7 %), and Wakulla County (5.9 %). Many of the counties with the lowest unemployment rates were those with relatively high proportions of government employment.

Hendry County had the highest unemployment rate (12.6 %) in Florida in October 2012, followed by Flagler County (11.3 %), St. Lucie County (10.9 %), Putnam County (10.3 %) and Indian River County (10.2 %). There were 6 Florida counties with double-digit unemployment rates in October, down from 12 counties in September.

1.2.2 Employment

Florida's seasonally adjusted total nonagricultural employment was 7,371,500 in October 2012, an increase of 14,700 jobs (0.2 %) over the month.

Figure 3. Total Nonagricultural Employment in Florida
In Thousands of Jobs



Source: U.S. Department of Labor, Bureau of Labor Statistics.

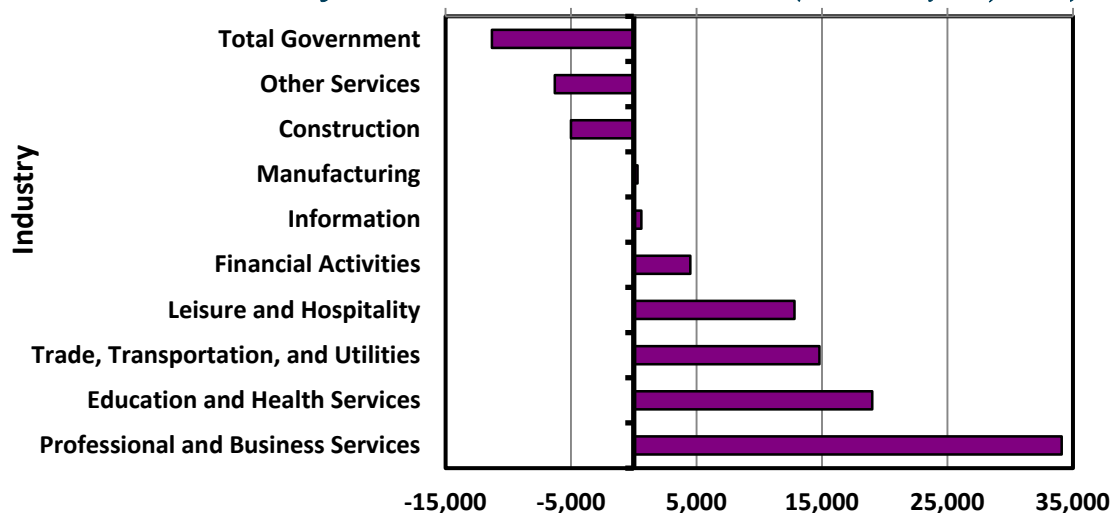
In October 2012, Florida's 24 Regional Workforce Boards reported a record of more than 50,423 Floridians placed in jobs. An individual who receives employment and training assistance through a One-Stop Career Center and finds a job within 180 days is deemed a placement and may be reported by a Regional Workforce Board. Of these individuals, 15,078 previously received Reemployment Assistance. Since January 2012, more than 337,000 Floridians were reported to have been placed in jobs, with nearly 85,000 former claimants finding employment.



1.2.3 Job Creation

October 2012 was the 27th consecutive month with positive annual job growth. Florida's job growth month-to-month has been positive for 13 of the last 16 months. On an annual basis, the number of jobs in the state was up 67,600, an increase of 0.9 percent from October 2011. Nationally, the number of jobs was up 1.5 percent over the year. According to the Florida Economic Estimating Conference, Florida is expected to create more than 900,000 new jobs by 2018. Florida job postings increased sharply in October 2012 compared to the previous October by 28,140 (an increase of 11.9 %), for a total of 264,636 openings (seasonally adjusted) according to the *Help Wanted OnLine* data series from the Conference Board.

Figure 4. Florida Job Growth by Industry
In Thousands of Jobs, October 2011 – October 2012 (Seasonally Adjusted)



Source: U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics Program, released November 16, 2012.






The industry gaining the most jobs was professional and business services (+25,600 jobs, +2.4 %). Other industries gaining jobs included:

- Trade, transportation, and utilities (+23,300 jobs, +1.5 %).
- Private education and health services (+23,100 jobs, +2.1 %).
- Leisure and hospitality (+12,500 jobs, +1.3 %).
- Financial activities (+6,900 jobs, +1.4 %).

These industry job gains were partially due to increases in employment services; food and beverage stores; ambulatory health care services; food services and drinking places; and real estate.






Industries losing jobs over the year included:





-  Total government (-12,900 jobs, -1.2 %).
-  Construction (-4,900 jobs, -1.5 %).
-  Other services (-4,200 jobs, -1.4 %).
-  Information (-1,000 jobs, -0.8 %).
-  Manufacturing (-900 jobs, -0.3 %).

These industry job losses were partially due to declines in local and state government; heavy and civil engineering construction; membership organizations; telecommunications; and chemical manufacturing.

Thirteen metro areas of the 22 in the state had over-the-year job gains in October 2012. The areas with the largest gains were:

-  Orlando-Kissimmee-Sanford (+21,700 jobs, +2.1 %).
-  Tampa-St. Petersburg-Clearwater (+19,300 jobs, +1.7 %).
-  Jacksonville (+6,300 jobs, +1.1 %).

Of the metro areas with job declines, the largest losses were in:

-  Cape Coral-Ft. Myers (-2,800 jobs, -1.4 %).
-  Deltona-Daytona Beach-Ormond Beach (-2,100 jobs, -1.3 %).
-  Crestview-Ft. Walton Beach-Destin (-2,000 jobs, -2.5 %).
-  Port St. Lucie (-1,700 jobs, -1.4 %).



1.3 Goal 3 – Florida will Lead the Nation in Quality of Life.

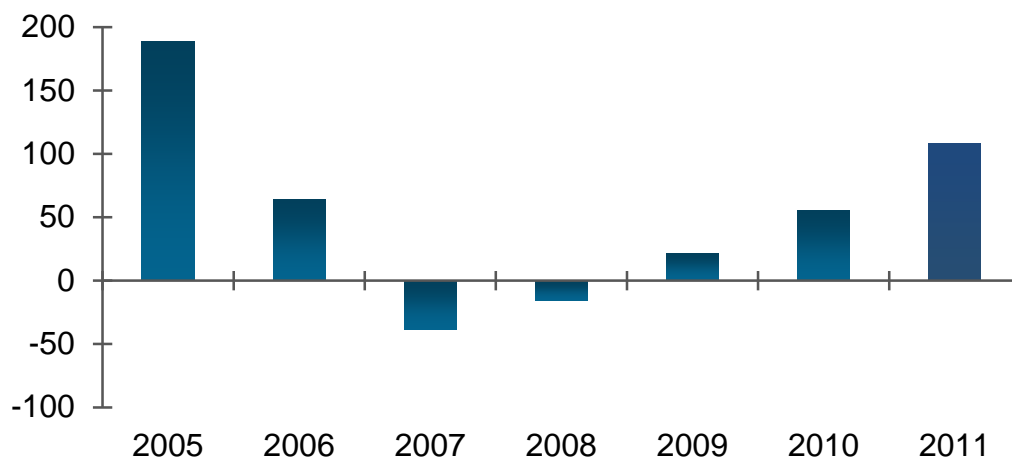
The University of Florida's *Consumer Confidence Index* reported that optimism among Floridians remained near a post-recession high in October 2012. The *Index* reports that Floridians' positive outlook is holding consistently at or near a five year high.

Taxable sales were \$26.9 billion in September 2012, an increase of 7.4 percent over the year. Tax revenue was up 5.4 percent in October compared to a year ago. This marked the 31st straight month of annual increases.

Without a doubt, Florida is a desirable place to live. The year-round temperate climate allows residents to enjoy the state's beautiful natural environment including some of the world's top beaches, freshwater lakes and rivers. Florida's population is one of the most diverse in the nation, and the state boasts a rich mix of arts, cultural and historic resources.

Florida has been a magnet for job-seekers and retirees from other parts of the U.S. for many years, but Florida lost residents to other states with more job opportunities in 2007 and 2008. The good news is that net migration (more people moving into the state than leaving) resumed in 2009 and gained strength in 2010 and 2011. Net in-migration is up to an estimated 134,500 in October 2012 – almost doubling 2011 in-migration of 68,000. The outlook is good for this trend to continue in the coming years.

Figure 5. Population Growth in Florida
Net Domestic Migration in Thousands



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

Florida housing starts were up 29.3 percent over the year, reaching a level of 3,529 in September 2012 (the most recent month available). Median home prices were up 7.4 percent over the year. A month's supply of homes on the market is down by 40 percent from September 2012 to September 2011, indicating a dramatic reduction in Florida's housing backlog (Florida Realtors).



CHAPTER 2

THE FLORIDA STRATEGIC PLAN FOR ECONOMIC DEVELOPMENT

Figure 6. Core Components of the *Florida Strategic Plan for Economic Development*

- Vision** ◦ Florida will have the nation's top performing economy and be recognized as the world's best place to live, learn, play, work and do business.
- Goals** ◦ Lead the nation in global competitiveness as a location for business, investment, talent, innovation and visitors.
 ◦ Lead the nation in economic growth and prosperity.
 ◦ Lead the nation in quality of life.
- Objectives** ◦ Improve employment in Florida. ◦ Foster opportunities for prosperity. ◦ Grow businesses.
 ◦ Expand global commerce. ◦ Increase Florida's attractiveness to workers, residents and visitors.





Cross-Cutting Strategies					
<ol style="list-style-type: none"> 1. Strengthen collaboration and alignment among state, regional and local entities toward the state's economic vision. 2. Develop and implement a statewide strategy to develop regional talent and innovation clusters using global best practices. 3. Connect economic development, talent, infrastructure, housing, partnerships and other resources within and across regions to build Florida as a globally competitive megaregion. 4. Position Florida as a global hub for trade, visitors, talent, innovation and investment. 					
Area-Specific Strategies					
Talent Supply & Education	Innovation & Economic Development	Infrastructure & Growth Leadership	Business Climate & Competitiveness	Civic & Governance Systems	Quality of Life & Quality Places
<ol style="list-style-type: none"> 5. Align education and workforce development programs to foster employment opportunities and develop and retain talented workers with the skills to meet current and future employer needs. 6. Develop an integrated pre-K through career education system to prepare students for becoming successful workers or entrepreneurs. 7. Lead the nation in science, technology, engineering, and mathematics (STEM) research, education and market-relevant technical skills. 8. Expand access to education and training programs for talent in distressed markets. 	<ol style="list-style-type: none"> 9. Strengthen Florida's leadership in expanding and emerging talent and innovation clusters and help transition established clusters to serve new markets. 10. Grow, sustain, and integrate efforts related to research and development, technology transfer and commercialization, and capital to create, nurture and expand innovation businesses. 11. Expand the number of Florida businesses selling goods and services internationally and diversify the markets they serve. 12. Brand and consistently market Florida as the best state for business. 	<ol style="list-style-type: none"> 13. Coordinate decision making and investments for economic development, land use, transportation, infrastructure, housing, water, energy, natural resources, workforce and community development at the statewide, regional and local levels. 14. Develop and maintain multimodal, interconnected trade and transportation systems to support a prosperous, globally competitive economy. 15. Develop and maintain a cutting-edge telecommunications infrastructure. 16. Ensure the future supply and quality of water to meet Florida's economic and quality of life goals. 17. Develop and maintain diverse, reliable, and cost effective energy sources and systems to meet Florida's economic and environmental goals. 	<ol style="list-style-type: none"> 18. Renovate permitting, development, and other regulatory processes to meet changing business needs and provide a predictable legal and regulatory environment. 19. Ensure state, regional and local agencies provide collaborative, seamless, consistent and timely customer service to businesses and workers. 20. Reduce barriers to small/minority business and entrepreneurial growth. 21. Expand opportunities for access to capital for businesses throughout their life cycle. 22. Work with industry to ensure property and health insurance rates are competitive with other large states. 23. Develop a government revenue structure that encourages business growth and development. 	<ol style="list-style-type: none"> 24. Support and sustain statewide and regional partnerships to accomplish Florida's economic and quality of life goals. 25. Improve the efficiency and effectiveness of government agencies at all levels. 26. Invest in strategic statewide and regional economic development priorities. 	<ol style="list-style-type: none"> 27. Create and sustain safe, vibrant, healthy communities that attract workers, businesses, residents and visitors. 28. Ensure Florida's environment and quality of life are sustained and enhanced by future growth plans and development decisions. 29. Promote, develop, protect and leverage Florida's natural, art and cultural assets in a sustainable manner.



2.1 An Overview

During the 2011 Legislative Session, per Florida Statute 20.60, the Florida Department of Economic Opportunity (DEO) was created and tasked with developing a five-year statewide strategic plan to guide the future of Florida's economy. This planning effort contributes to the creation of an integrated statewide vision for addressing economic development, land use, infrastructure, environmental stewardship, talent cultivation and community development over a 50-year period. Additionally, in partnership with the Florida Department of Transportation, this planning effort has been designed to serve as the initial work of the Statewide Vision development for the next 50 years.

The plan is being developed by DEO in partnership with the Executive Office of the Governor, Enterprise Florida, Inc. (EFI), Workforce Florida, Inc. (WFI) and the Florida Department of Transportation (FDOT). Leadership for plan development has been provided by:

-  The Governor and his executive staff.
-  The Secretary of Commerce and President and Chief Executive Officer of Enterprise Florida, Inc.
-  The President and Chief Executive Officer of Workforce Florida, Inc.
-  The Executive Director of the Florida Department of Economic Opportunity.

Many venues have been used in this process to obtain input from and build consensus among economic development partners, including more than 48 meetings and a website for public comment. One statewide summit, hosted by Collaborative Labs of St. Petersburg College, produced the consensus-built initial vision, goals and objectives for economic development in Florida. Ten regional forums were hosted in partnership with Florida's 11 regional planning councils. The Florida Chamber of Commerce hosted five international town halls across Florida. Additionally, the Chamber hosted one of the statewide meetings focusing on small and minority businesses. The Department of Management Services hosted a second meeting focusing on small and minority businesses. Opportunity Florida hosted a statewide summit focused on rural issues. The Florida Association of Counties and Florida League of Cities also hosted workshops on the plan as part of their annual conferences. Staff members in the Executive Office of the Governor, the Senate and the House of Representatives provided valuable direction, guidance and support throughout the planning process.






Almost 3,000 partners, stakeholders, business representatives and members of the public have been brought to the table to collaborate and develop the plan. Extensive input was provided by Florida's state agencies, local and regional economic development organizations, regional planning councils, local governments, state and local elected officials, the business community, educational institutions and the public. The planning process also included a synthesis of the Governor's 7-7-7 Plan and more than 30 existing statewide plans related to economic development, as well as over 20 regional plans and visions. Data on economic trends, best practices for economic development and historic economic climate and conditions in Florida, the U.S. and internationally were considered and used as a part of the plan development.

The next step for plan development is the creation of a companion appendix that will detail agency efforts and measures for plan implementation. The appendix is scheduled for completion in early 2013.






Using the Florida Chamber Foundation's Six Pillars of Florida's Future Economy™, the plan establishes the strategic framework for coordinated action by the DEO, EFI, WFI and other state agencies to improve Florida's economic competitiveness and create jobs for Floridians. The plan provides direction and support to regional and local partners in the public, private and civic sectors as they work to strengthen Florida's economy in each region of the state.






Florida's economic vision is to become the nation's top performing economy and be recognized globally as the premier place to live, learn, play, work and do business. This is a bold vision, which we can accomplish as several converging trends offer great promise for Florida over the next few decades:

-  U.S. population and economic growth are shifting to the South and West, placing Florida in the fastest growing part of the nation.
-  Global trade is surging, particularly through the Panama Canal and the Caribbean region.
-  Personal and business travel continues to expand.
-  Emerging industries such as life sciences, sustainable agriculture and simulation have a strong foothold in Florida today.
-  An increasingly mobile workforce that may select to locate anywhere in the world to do business is choosing places with a high quality of life such as Florida.

Florida will accomplish its economic vision by pursuing goals of leading the nation in three areas over the next five years and beyond:

-  Global competitiveness, as a location for business, investment, trade, talent, innovation and visitors.
-  Economic growth and prosperity, setting the pace for growth in jobs, income, and business sales.
-  Quality of life, attracting workers, residents and visitors.

These goals are supported by five specific, measurable objectives, which call for Florida to:

-  Create jobs to put unemployed Floridians back to work and support growth in Florida's labor force.
-  Create opportunities for Florida's workers to increase wage and income levels.
-  Grow Florida's business activity and help create, expand, retain and attract businesses.
-  Expand Florida's global trade and investment.
-  Increase Florida's attractiveness as a location for workers, residents and visitors.



2.2 The Strategies

Accomplishing Florida's economic vision requires a more coordinated and enhanced approach to economic development. This approach builds on the state's assets, while reflecting global best practices and positioning Florida to be a leader in the U.S. and internationally. This plan identifies 29 strategies for achieving the aspirational vision, goals and objectives for economic development in Florida over the next five years.

2.2.1 Cross-cutting Strategies

Four overarching strategies are critical elements of the state's economic development effort and will help Florida accomplish the vision and goals defined by this plan. These strategies will require many years to accomplish. Beginning with conceptualization and design to full realization of implementation which most likely will extend beyond the five years is covered in this initial plan.

1. Strengthen collaboration and alignment among state, regional and local entities toward the state's economic vision.

To become the nation's top performing economy, Florida will need effective coordinated and collaborative partnerships – among the private, public and nonprofit sectors; among local, regional and statewide organizations; and among organizations responsible for business development, workforce, education, research, transportation, energy, water, community planning, housing, environmental protection, health services and many other related areas.

Examples: DEO and other state agencies linking plans and investments to accomplish key projects (e.g., focusing transportation and workforce investments around targeted developments), regional and local economic development organizations and regional planning councils working to implement the five year plan in their areas.

2. Develop and implement a statewide strategy to develop regional talent and innovation clusters using global best practices.

Clusters – geographic concentrations of interconnected businesses, skilled labor, suppliers, service providers and other institutions in a particular field – tend to organize at regional levels. These are important because they sell goods and services outside of a state or region, bringing income into an economy. National studies have shown that successful clusters are associated with increased rates of business formation and growth, higher wages, greater productivity and more rapid cycles of innovation.

Examples: Life science cluster in Southeast Florida (Scripps in Palm Beach County, Torrey Pines in St. Lucie County, etc.) or around Orlando's "Medical City".



3. Connect economic development, talent, infrastructure, partnerships and other resources within and across regions to build Florida as a globally competitive megaregion.

Economic regions are defined by economic activity patterns rather than political boundaries or natural systems. These are the areas over which people commute to work, customers travel to stores and services, and businesses access suppliers and distributors. Florida is a state of regions and the boundaries of these economic regions are difficult to define precisely. The state's economy varies tremendously between Southeast and Northwest Florida or between the inland and coastal regions. Florida's regions are networks of cities and towns that have grown together over time along the coasts or along major transportation corridors. In the past few years, Florida has supported multiple efforts to help regions convene, identify common issues and develop collaborative solutions on issues such as workforce, economic development, transportation and long range development. The state has a key role in encouraging regional partnerships and investing in the infrastructure and programs to help link these regions together.

Examples: The Tampa Bay and Orlando business communities are already working together to create an integrated “super-region”; together this region ranks 10th in the United States for gross domestic product. Florida's High Tech Corridor links businesses and universities from Tampa to Orlando to Gainesville. Florida Department of Transportation's Future Corridors initiative is bringing regions together to identify future connectivity needs for moving people and freight between regions.

4. Position Florida as a global hub for trade, visitors, talent, innovation and investment.

Florida is uniquely poised to compete in this global market because of its location close to the junction of north/south and east/west trade lanes, its large and diverse population and consumer and business markets, and its extensive infrastructure. The Panama Canal widening in 2014 provides a unique opportunity, but Florida's global opportunities extend beyond serving as a port of call for Canal traffic. Florida can become a global hub across multiple activities – trade and logistics, manufacturing and innovation, tourism and travel, and talent and investment. The immediate opportunities to expand trade flows can provide a springboard for growing export-oriented industry clusters; developing a workforce that is diverse and has linguistic and cultural competence; developing, supporting and attracting globally competitive entrepreneurs and innovators; and becoming the preferred location for businesses targeting the large consumer market in the Southeastern U.S., Latin America and the Caribbean.

Examples: Port of Miami deep dredge with new tunnel and on dock rail connection to position the Port as the first port of call for ships passing through the expanded Panama Canal; “South Florida: Your Global Business Connection” joint marketing campaign for Miami-Dade, Broward and Palm Beach counties; Governor-led trade missions; international visitors councils; export assistance and foreign direct investment programs.



The four cross-cutting strategies are supported by 25 additional strategies providing specific direction for key challenges and opportunities. To aid in alignment with other plans, these strategies are organized using the framework of the Florida Chamber Foundation's Six Pillars of Florida's Future Economy:

2.2.2 Talent Supply and Education: *Leading the nation in student performance and market-relevant workforce skills* – Strategies 5 – 8.

5. Align education and workforce development programs to foster employment opportunities and develop and retain talented workers with the skills to meet current and future employer needs.

Workforce Florida has identified improving workforce system alignment with business needs as one of its three strategic priorities. A key step involves asking businesses to assess Florida's ability to produce skilled workers, an approach Workforce Florida is piloting with a first-in-the-nation customer satisfaction index measuring employer perceptions of Florida's workforce in targeted industries. This will enable the workforce development efforts to regularly assess the skills needed to support key clusters and to identify, expand and sustain effective programs to develop workers with these skills or to retain skilled workers in the state. Educational institutions, workforce organizations and businesses can partner to identify current and future skill needs, design curricula and create internship and apprenticeship opportunities. Another key step is providing workforce assistance to those workers seeking employment.

Examples: On-site internships with employers, employer-designed training programs that meet employers' needed skill sets in their employees and business fellowships for new graduates.

6. Develop an integrated pre-K through career education system to prepare students for becoming successful workers or entrepreneurs.

Florida's pre-kindergarten to graduate school and career education system is the key source of future workers. Florida must increase the number of students who advance their education and finish ready to work, expand technical education and certification programs to increase the number of workers with industry credentials, and strengthen mentoring and training for future entrepreneurs. Florida should also expand effective programs for encouraging Florida college graduates to remain in Florida to build their careers.

Examples: Expanded career education in elementary and secondary schools, college/university partnerships (2+2 program) with curriculum focused on targeted industries.



7. Lead the nation in science, technology, engineering and mathematics (STEM) research, education and market-relevant technical skills.

Florida's strong focus on science, technology, engineering and mathematics (STEM) should include leading the competition in preparing workers for future jobs. STEM jobs pay 25 percent more than those in other fields and are growing twice as fast as the rest of the economy. Florida should expand development of high-impact and market-relevant education, training and internship programs starting in elementary school and continuing through postsecondary programs.

Example: STEMsmart initiative to help prepare middle and high school students for future learning and eventual jobs in STEM fields through hands-on experiments and access to state-of-the-art equipment.

8. Expand access to education and training programs for talent in distressed markets.

It is important to support regional solutions that address unique assets and needs in each part of Florida, including currently distressed or underserved areas such as rural markets and urban core communities. Florida can help these areas prosper and retain their younger residents by providing greater opportunities for education, training and jobs.

Examples: Broadband accessibility in rural areas, targeted programs in inner cities addressing language and childcare needs.

2.2.3 Innovation and Economic Development: *Diversifying Florida's economy and expanding national and global markets* – Strategies 9 – 12.

9. Strengthen Florida's leadership in expanding and emerging talent and innovation clusters and help transition established clusters to serve new markets.

Florida's economic regions need to develop a portfolio of regional talent and innovation clusters where Florida can be a national or global leader. State, regional and local governments should continue to support existing strengths such as tourism. Florida can nurture newer (sometimes unproven) clusters with long-range potential, such as simulation, digital media, clean energy and marine and environmental sciences. Also, Florida needs to transition mature clusters to serve new markets, such as shifting the focus of the space industry from civil launches to commercial research and transport, and developing new markets for agricultural products such as biofuels.

Examples:

Healthy, expanding clusters: Tourism (Central Florida), military (Northwest Florida), health care (multiple locations), trade and logistics (multiple locations) | **Newer clusters:** Clean technology/energy, creative arts/design/digital media | **Mature cluster transition to new markets:** Space (military/civil launch to commercial R&D), agriculture (traditional markets to biofuels)



10. Grow, sustain, and integrate efforts related to research and development, technology transfer and commercialization, and capital to create, nurture and expand innovation businesses.

Innovation is key to economic development. Traditionally, Florida lags behind other states in terms of innovation activity and loses out on opportunities for technological and economic growth. In order to successfully compete with the international countries, Florida needs to focus on innovation growth as a key tactic for economy development. For example, it could provide state and foster private support to help establish and sustain market-driven research and development, technology transfer, seed capital and business support services that can create and grow innovation-oriented businesses. Increases in research and development spending, patents, university licensing and university start-ups will attract new talents, workers and their families to the state and will allow Florida to capitalize on the economic opportunities they create.

Examples: Targeted funding for research and development, technology transfer and seed capital (e.g., for the next Gatorade or cure for cancer) or programs to encourage mentoring (e.g., help writing business plans) and networking.

11. Expand the number of Florida businesses selling goods and services internationally and diversify the markets they serve.

Florida's prime location near the crossroads of north/south and east/west trade lanes, transportation infrastructure and cultural ties to Latin America and the Caribbean have contributed to Florida's tourism and international trade growth. Florida can help small to medium-sized businesses that already export their goods and services to international markets expand further exports or serve new markets and help other businesses sell their goods and services to export markets for the first time. As Florida companies seek to take advantage of business opportunities globally, the international trade growth induces job growth in unique sectors such as the logistics, transportation and manufacturing sector.

Examples: Equip businesses with the necessary tools (i.e. logistics information, international marketing plans, etc.) to facilitate the exports of their goods and services. Sponsor trade missions and international marketing.

12. Brand and consistently market Florida as the best state for business.

In addition to restructuring the wheels of Florida's economy, another key reality superimposing the job issue is globalization. Florida enjoys a tremendous global brand name, primarily as a draw for visitors and retirees, but often not enough as a place for business. Florida needs to develop a globalized business brand to attract and retain investors, large corporate companies and international headquarters to build and create jobs in the state. Developing a global business-friendly brand that will market Florida's vast resources (workforce, infrastructure, etc) will entice the visitors that come for the beaches and theme parks to also stay for the business.

Examples: Governor-led trade missions; development of a single brand used by EFI, WFI, VISIT FLORIDA, etc.



2.2.4 Infrastructure and Growth Leadership: *Modernizing Florida's infrastructure and growth decisions to support a competitive economy and high quality of life – Strategies 13 – 17.*

13. Coordinate decision making and investments for economic development, land use, transportation, infrastructure, housing, water, energy, natural resources, workforce and community development at the statewide, regional and local levels.

There is a critical need for a more proactive, effective and collaborative approach to making decisions about future development and infrastructure investments at the state, regional and local levels. Coordination among the agencies responsible for economic development, land use, transportation, water, waste management, energy and community planning will advance investments that accomplish multiple goals and facilitate both economic development and quality of life.

Examples: DEP's Tiger team; The Department of Economic Opportunity's Economic Development Liaisons; regional visioning initiatives such as East Central Florida's "How Shall We Grow?", Central Florida's Heartland 2060, Tampa Bay's OneBay, Northeast Florida's First Coast Vision, and Southeast Florida's Seven50; sector planning; comprehensive planning; Rural Economic Development Initiative (REDI).

14. Develop and maintain multimodal, interconnected trade and transportation systems to support a prosperous, globally competitive economy.

Companies evaluate several factors when deciding where to relocate or create a new business. Investors decide on proximity to landmarks, competent workforce and resources all to be relevant qualities. But there are intangibles as well, one of the most important being how efficient the roads, rails, seaways are carrying out the tasks. Infrastructure investments have been a key driver of Florida's economy for centuries- from the early ports and trails to the major rail lines to Interstate highways and airports today. But whether it's daily commuting for employees or transporting 5,000 tonnages to clients overseas, having an efficient transportation system starts at a local level. Florida needs to improve its transportation system to accommodate growth in demand for moving people and freight and to enable Florida businesses to serve global markets.

Examples: Strategic Intermodal System; FDOT Future Corridors initiative; FDOT Transportation System Management and Operations (e.g., real time traveler information; open road tolling); targeted investments in seaports, airports, spaceports and integrated logistics centers.

15. Develop and maintain a cutting-edge telecommunications infrastructure.

As the industrial age gives way to the digital age, the use of broadband and mobile telecommunications systems is rising not just in Florida but the entire world. The broadband accessibility rates are significantly lower in rural areas and among low-income residents, seniors and some minority groups in Florida (raising concerns about a digital divide and the future economic opportunity). State, regional, local governments and the private sector can all work



together to overcome the digital divide and grant access to mobile, state-of-the-art telecommunications and Internet applications to citizens in rural areas, low-income residents, seniors and minorities in Florida. The Florida Department of Economic Opportunity, Department of Management Services and Water Management Districts are developing tactics to establish broadband and mobile communications capabilities to all Florida communities.

Example: Florida Rural Broadband Initiative.

16. Ensure the future supply and quality of water to meet Florida's economic and quality of life goals.

Per capita water withdrawals from the Florida's public supply have been below the U.S. average in recent years, but there are significant concerns about the long-term availability of the water supply. The fundamental asset in ensuring healthy communities and long-term business growth is adequate supply of water. A statewide water strategy will enable Florida to balance residential, agricultural and industrial uses. Policies need to ensure adequate future clean water supply to sustain development and quality of life. Florida should address the needs of all regions using strategies such as alternative sources and storage, waste management, reclaimed water and enhanced conservation.

Examples: Alternative water sources, reclaimed water, water conservation plans.

17. Develop and maintain diverse, reliable, and cost effective energy sources and systems to meet Florida's economic and environmental goals.

The typical Floridian consumes less energy than the U.S. average, but the state's energy source remains oriented toward fossil fuels. As we move into the technological age, the state and local government should focus on research and development of new energy sources to alleviate dependence on fossil fuel. A statewide energy strategy will enable Florida to facilitate alternative energy sources, reduce dependence on foreign oil and accommodate the current and long-term energy-related needs of its growing community and economy. Policies need to ensure reliable and cost effective sources of energy to sustain economic development while helping protect the environment.

Examples: Renewable energy sources; conservation programs.



2.2.5 Business Climate and Competitiveness: *Developing the nation's leading business climate and customer-focused support services – Strategies 18 – 23.*

18. Renovate permitting, development, and other regulatory processes to meet changing business needs and provide a predictable legal and regulatory environment.

Florida's liability system has long been viewed as one of the most challenging in the nation. Development review, business licensing and permitting processes are constantly changing and vary from region to region. Florida should create a consensus-driven regulatory environment that encourages economic growth and job development through efficient, predictable, consistent regulatory processes across all state agencies and jurisdiction. These reforms should reinforce the purpose of regulations to protect public health and safety and strengthen communities while enabling sound projects to move from concept to reality quickly.

Examples: Northeast Florida DEP initiative to expedite permitting for Port of Jacksonville deepening, Central Florida "Open for Business" initiative to provide a single permitting process across multiple counties.

19. Ensure state, regional and local agencies provide collaborative, seamless, consistent and timely customer service to businesses and workers.

Confusing, complex permitting and licensing structures will not entice business owners and investors to relocate and start new businesses in the state. A majority of owners and investors are looking for long-term consistency and reliable structures that will provide secure environments for their investments. Florida should focus on promoting simplified, timely, customer oriented services to businesses at the state, regional and local levels. Florida needs to reform licensing, permitting, development review and other regulatory processes to make them simple, efficient, predictable and, where appropriate, consistent across agencies and jurisdictions.

Examples: State agency one stop customer service system, consolidated applications for multiple functions/transactions.

20. Reduce barriers to small/minority business and entrepreneurial growth.

Small businesses with fewer than 500 employees account for 99 percent of all businesses and 76 percent of all private sector jobs in Florida (excluding self-employed individuals). Business climate challenges are especially difficult for small and minority businesses that do not have the capabilities or resources to complete paperwork, learn new processes or recruit staff. The state should work with regional and local agencies as well as the private sector in providing targeted support to small and minority businesses. The support to small and minority businesses can be achieved through encouraging incubators and entrepreneurial centers, effective mentoring programs, networking, simplifying business support processes and local procurement processes.

Example: State Small Business Tax Credit Initiative.



21. Expand opportunities for access to capital for businesses throughout their life cycle.

Access to capital continues to be a constraint for economic growth. A majority of the businesses in Florida are small and/or minority owned businesses and might not have the resources or credit to bear the initial startup costs. To address the constraints on capital accessibility, state and local governments should adopt policies that encourage capital investment in businesses, market Florida to venture capitalists, and work with financial institutions to restore the real estate sector.

Example: Small Business Development Center Network.

22. Work with industry to ensure property and health insurance rates are competitive with other large states.

To facilitate economic growth in the state, there must be a healthy and readily available workforce. While Florida's wage rates remain close to the U.S. average, the state has experienced sharp increases in costs for health insurance, property insurance and property taxes. To accommodate the rising costs, state government needs to encourage businesses and the insurance industry to develop approaches for slowing the rate of growth in property insurance and health care costs so they are in line with other large states and are not a competitive disadvantage for businesses considering a Florida location.

Example: Corporate wellness programs.

23. Develop a government revenue structure that encourages business growth and development.

Florida's overall business tax climate is strong, but the local governments' increasing reliance on fees as a source of revenue passes on more costs to business owners. To alleviate the business cost burden, Florida should be developing a competitive state and local government revenue structure that reduces the costs of taxes and fees on businesses. At the same time, the state and local governments should continue efforts to improve the efficiency of their operations and reduce local transaction fees and taxes on businesses.

Example: Governor Scott's Business Tax elimination efforts.



2.2.6 Civic and Governance Systems: *Creating strong partnerships to meet Florida's economic development goals – Strategies 24 – 26.*

24. Support and sustain statewide and regional partnerships to accomplish Florida's economic and quality of life goals.

Florida's competitiveness is tied to whether the state's civic and governance systems can function in an efficient, predictable and proactive manner. Most economic development opportunities today require collaboration among multiple agencies at all levels of government. Strategic statewide partnerships such as interagency cooperation toward similar aspirational goals will expedite processes to determine and ensure economic development. At the regional level, Florida should build on and sustain effective partnerships of local government, economic development, workforce organizations, businesses and other stakeholders to define and implement regional economic development strategies. The state should encourage and support regional visioning and collaboration activities, viewing Florida's regions as incubators for Florida's future.

Examples: JaxUSA marketing partnership, Innovate Northeast Florida targeted industry initiative, Tampa Bay Regional Business Plan/One Bay regional vision, "How Shall We Grow?" regional vision, Rural Areas of Critical Economic Concern/Rural Economic Development Initiative; DEO's Economic Development Liaisons

25. Improve the efficiency and effectiveness of government agencies at all levels.

State, regional and local governments should continue to increase the efficiency of their operations to maximize use of taxpayer dollars, focus available resources in the most strategic areas and respond to customer needs. Regions should expand partnerships among existing entities, or seek their consolidation to improve efficiency and customer service.

Examples: E-government initiatives, improving customer service, evaluating and improving existing processes, etc.

26. Invest in strategic statewide and regional economic development priorities.

Florida's future prosperity requires targeted funding for economic development and marketing as well as focused investments in workforce, education, research and development, infrastructure, community development and related areas. The state and most regional and local economic development organizations rely primarily on annual budget appropriations and business contributions to fund economic development activities and related investments. The state should work with regional and local partners to set priorities and define the key elements of a long-term investment strategy to strengthen Florida's economic pillars and support targeted statewide and regional innovation and talent clusters.

Examples: Legislative funding tied to alignment and accomplishment of five year plan strategies, regional investments (e.g., Central Florida: SunRail, downtown Orlando community venues, etc.)



2.2.7 Quality of Life and Quality Places: *Providing the nation's leading communities of choice to live, learn, work and play* – Strategies 27 – 29.

27. Create and sustain safe, vibrant, healthy communities that attract workers, businesses, residents and visitors.

The Sunshine State has always been an appeal for tourists. We also want to create mixed-use communities where people can live, work, learn, shop and play in close proximity. Florida's quality of life and quality places can help the state to stand out in the global competition for talent, visitors and investment. To address these long-term goals, the state should create safe and stable communities with affordable housing, well-defined cities, efficient transportation systems, high density of businesses and customers and educational opportunities.

Example: City of Miramar, Downtown Gainesville

28. Ensure Florida's environment and quality of life are sustained and enhanced by future growth plans and development decisions.

The major challenge isn't just to bolster our ability to attract businesses and potential residents to Florida, but the challenge is retaining and ensuring that they stay in Florida. A healthy vibrant community is not possible with unemployed workers, foreclosed homes or business closures. To be successful, Florida needs to make economic development decisions that also enhance or preserve Florida's communities and environment. This will require closer integration of state and local economic planning and decisions with community development and environmental stewardship, so that public investments support multiple goals.

Examples: Efficient Transportation Decision Making process, sector planning

29. Promote, develop, protect and leverage Florida's natural, art and cultural assets in a sustainable manner.

Florida has a rich history, from the Everglades in South Florida to the Fort in St. Augustine; and many other historical landmarks. Some of Florida's well-known art, cultural and natural resources are at risk from overuse. Economic development plans should include thoughtful development decisions that encourage people to live in or visit Florida by protecting our environment and cultural assets as well as market the less well-known assets to maximize their economic value.

Examples: Eco-tourism opportunities in the Keys, the Northwest or rural Florida; Everglades restoration, historic preservation, Viva Florida 500 etc.



CHAPTER 3





THE FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY

3.1 An Overview

October 1, 2012 marked the one year anniversary of DEO. During the agency's first year of existence, its three divisions (Workforce Services, Strategic Business Development and Community Development) made up of more than 2,000 employees managed the merger of three legacy agencies as well the coordination with several federal, regional, state and local partners. DEO's collaboration with the state's 24 Regional Workforce Boards fostered several innovative projects and initiatives that resulted in more than 337,000 Floridians reported being placed in jobs from January 2012 through October 2012. DEO's partnerships with the state's workforce entities helped create more than 74,800 private sector jobs and lower the unemployment rate by 1.7 percent during that time period. In addition, the Florida Economic Development Incentives Portal continues to improve its size and scope while offering Floridians unprecedented access to information about how their tax dollars are being spent on business incentives. DEO has also taken major steps in aligning the state's economic development efforts with local governments and businesses in both rural and urban settings, which has helped facilitate a new environment for business-friendly growth in our state.

3.2 Division of Workforce Services

DEO's Division of Workforce Services partners with Workforce Florida, Inc. and the state's 24 Regional Workforce Boards to strengthen Florida's business climate by supporting employers and helping Floridians gain employment, remain employed and advance in their careers. Initiatives and activities include:

-  Providing development and guidance, oversight, technical assistance, federal performance and financial reporting for the state's workforce programs.
-  Producing, analyzing and delivering timely and reliable labor statistics to improve economic decision-making.
-  Promoting employment of Florida's veterans, especially those with barriers to employment.
-  Providing Florida's Reemployment Assistance services.



Major accomplishments for the year include:

1. Rebranding Reemployment Assistance

Under the leadership of Governor Scott, Florida is the first state in the nation to rebrand unemployment compensation as reemployment assistance. Effective July 1, 2012, the name change reflects Florida's focus on training and individualized assistance based on skills assessments and the job market and does not change funding, services or benefits offered. As part of the rebranding the media, public and claimants were notified using direct mail, press releases and digital media.

2. Development of Florida's State Strategic Workforce Plan

As required by the U.S. Department of Labor, DEO worked in collaboration with Workforce Florida, as well as additional statewide workforce, education and economic development partners to develop the Florida State Strategic Workforce Plan for 2012-2016. The plan outlines the five-year strategy and performance measurements for Florida's workforce investment system to ensure job seekers are trained to meet the needs of businesses today and in the future.

3. Production of the Governor's Daily and Monthly Job Placement Report

At the Direction of Governor Scott, DEO developed the Daily Job Placement Report to measure job placements of individuals who received service through Florida's One-Stop Career System. Daily and monthly reports are produced and distributed internally and externally. The reports do not replace other state and federal performance measures, but instead allow a near real-time analysis of the performance of Florida's workforce system. Since its inception, the reports have increased the focus on the number of individuals obtaining employment through the services provided statewide by the 24 Regional Workforce Boards and nearly 100 One-Stop Career Centers.

4. Coordination of In-House Tier One Training

Since 2006, regional workforce boards and One-Stop frontline staff have been required to complete Tier One training. Prior to December 2012, the training was conducted using an external company. To reduce costs, the Training Coordination Unit of DEO secured and deployed an online training Learning Management System called Adobe Connect and created 19 training lessons for regional workforce board staff members. The new Tier One training will reduce costs by more than 75 percent and is in line with the National Association of Workforce Development Professional's (NAWDP's) 10 workforce professional competencies.



5. Reduction in Print Costs





The Reemployment Assistance program has reduced printing costs while continuing to have professionally printed documents. This has resulted in a cost savings of \$17,791 since September 1, 2012. There is a projected cost savings of approximately \$177,910 for the 2012-13 fiscal year, and \$213,500.00 for the calendar year beginning September 1, 2012, and ending August 31, 2013.

6. Expanded Data Modeling

Florida was awarded a \$1,000,000 Workforce Data Quality Initiative grant with the U.S. Department of Labor Employment and Training Administration to create a new expanded occupational supply/demand model that is more timely and comprehensive than any similar system in the nation.

3.3 Division of Strategic Business Development

DEO's Division of Strategic Business Development provides support for attracting out-of-state businesses to Florida, promoting the creation and expansion of Florida businesses and facilitating the state's economic development partnerships. Initiatives and activities include:

-  Coordinating intergovernmental planning for economic development strategies.
-  Facilitating and supporting economic development projects.
-  Monitoring and auditing economic development incentive and grant performance – working closely with Enterprise Florida, Inc.
-  Implementing Florida's film industry's marketing and incentives.

Major accomplishments for the year include:

1. Alignment and Streamlining the Economic Development Process

Prior to the creation of DEO, the functions of the Division of Strategic Business Development were organized as a single unit in the Executive Office of the Governor. In many cases there were overlapping functions with key partners, particularly Enterprise Florida, Inc. Previously, impact analysis, due diligence, review and recommendation functions were being conducted by staff within the Division of Strategic Business Development and at Enterprise Florida. As a result of streamlining, Enterprise Florida now focuses specifically on marketing, recruitment and deal negotiation, while the Division of Strategic Business Development simultaneously performs due diligence, review and recommendation functions reducing the timeline for review and approval process and providing better service to businesses.



2. Creation of the first-ever *Florida Strategic Plan for Economic Development*

The *Florida Strategic Plan for Economic Development*, required by Florida Statute 20.60, was created by consensus-backed recommendations from a diverse group of Florida's stakeholders. The process spanned 10 months, included 48 workshops and solicited input from more than 3,000 participants. The plan strives to align Florida's partnerships, agencies, economic development organizations, educational institutions, businesses, regional workforce boards and planning entities around a common vision, goals and objectives for economic development.

3. Launch of the Economic Development Incentives Portal

In July 2012, the Division of Strategic Business Development launched the Economic Development Incentives Portal providing online access to certain economic development incentive contracts. The portal provides unprecedented access to incentives information for Florida's taxpayers, including required performance measurements and each company's progress on their specific requirements.

Visitors may search for projects by type of incentive, company or project name, county and/or approval date. The portal is being completed in phases. Projects will be periodically added to the portal until all non-confidential projects are available for search. The portal represents another key collaborative effort between the Division of Strategic Business Development and its economic development partner, Enterprise Florida, Inc.





4. Strengthen collaboration and alignment among state, regional and local entities toward the state's economic vision

Pursuant to §288.021 F.S., economic development liaisons comprise a statutorily authorized, high-level group of appointed representatives from the individual state agencies and economic development partnerships. The liaisons work together to resolve interagency conflicts, expedite project reviews, and respond promptly and effectively to issues and problems important to the economic development of Florida. Beginning in April 2012, the Division of Strategic Business Development convened the first meeting of the economic development liaisons. Staff members currently coordinate monthly meetings that engage the liaisons in resolving interagency conflicts, streamlining multi-agency efforts and aligning the strategies and goals for the *Florida Strategic Plan for Economic Development*. Collaboratively, the liaisons were critical in the development of the statewide economic development plan, have expeditiously resolved numerous economic development conflicts from across the state, and have been developing tactics and metrics for their agencies that further the state's economic vision. Membership has grown as agencies and organizations recognize the value and importance of the economic development liaisons.



3.4 Division of Community Development

DEO's Division of Community Development fosters economic development throughout the state by providing assistance that balances local and state growth management needs. Initiatives and activities include:

-  Awarding grants, loans and credits for infrastructure, small business assistance, housing rehabilitation and community revitalization.
-  Supporting community planning and development initiatives while protecting resources of state significance.
-  Providing technical assistance and working closely with Florida's Regional Planning Councils and Community Action Agencies.
-  Implementing assistance programs for low-income Floridians.

Major accomplishments for the year include:

1. Focus on the State Small Business Credit Initiative

Seven State Small Business Credit Initiative (SSBCI) Bankers Roundtable events were conducted over the past year. The roundtables were held in Pensacola, Tallahassee, Jacksonville, Orlando, Tampa, Ft. Myers and Miami. The goal of the roundtables was to raise awareness of the SSBCI program among Florida's lending community. This effort built relationships with Florida small business owners and stakeholders that will ensure long-term SSBCI program success. The SSBCI provides critical resources for lending support, and other opportunities to help small businesses continue to drive economic recovery and create jobs. The Initiative is funded with \$1.5 billion to strengthen state programs and support lending to small businesses.

2. Maintaining Adequate Florida Keys Hurricane Evacuation Protocol

Governor Scott and the Florida Cabinet members (Attorney General Pam Bondi, Chief Financial Officer Jeff Atwater and Commissioner of Agriculture Adam Putnam), sitting as the Administration Commission, have adopted a work program for the local governments of the Florida Keys, including a requirement that the Department of Economic Opportunity enter into a Memorandum of Understanding (MOU) with Monroe County, its municipalities and the Florida Division of Emergency Management regarding hurricane evacuation. The MOU establishes the amount of development that may occur in the Florida Keys for the next 10 years while maintaining a safe hurricane evacuation clearance time of 24 hours. The MOU ensures a cost savings in the form of safe evacuation and protection of human lives, as well as facilitates state emergency response programs. The projected allocation provides certainty for Florida Keys developers regarding continued economic development, job creation and affordable housing for the citizens of Monroe County and its municipalities.



3. Implementation of Strike Teams

The Division of Community Development has implemented a strike team approach to streamline economic development assistance to local governments consistent with State of Florida Job Creation Plan. Strike Teams are comprised of members from DEO's various programs, as well as other state agencies and Enterprise Florida, which are brought together as needed to address specific issues. The Strike Team's collective expertise and resources enable an immediate, multidisciplinary response to specific requests for technical assistance for business start-ups, expansions and relocations. This often involves providing guidance on land use and site selection issues, helping to ensure supporting community infrastructure is in place, identifying funding programs for different aspects of a project, and recommending ways to accelerate project approval and development. Since October 2011 Strike Teams have provided responses and assistance to various projects, stakeholders, businesses and counties in Florida.

4. Development of the Marianna Economic Development Project

In March 2012, a funders meeting comprised of DEO's Divisions of Community Development and Strategic Business Development, Enterprise Florida Inc., the city of Marianna and the Jackson County Development Council was held to discuss how to create funds in order to bring Home Source International (HSI), a business that produces towels, bed linens and hotel furniture, and supplies retailers such as Bed Bath & Beyond and Dairy Queen to Marianna. Due to the creativity and perseverance of many local and state stakeholders, a successful partnership was forged with two businesses that will bring more than 300 jobs to the city of Marianna.



CHAPTER 4

THE PERFORMANCE OF FLORIDA'S ECONOMIC DEVELOPMENT PUBLIC-PRIVATE PARTNERSHIPS

4.1 An Overview

The Department of Economic Opportunity supports innovative, collaborative, public-private partnerships united in the effort to accelerate Florida's economic recovery. Through these partnerships, the State's limited resources can be better leveraged to remove existing barriers to job creation, find creative planning solutions, and improve Florida's capacity to attract, retain and expand businesses. DEO's economic development public-private partners include: Enterprise Florida, Inc, Florida Housing Finance Corporation, Space Florida, Florida Institute of Commercialization for Public Research and Workforce Florida, Inc.

This section outlines the mission, statutory purpose and legislatively mandated and developed performance measures for State Fiscal Year 2011-2012. However, because the Florida Housing Finance Corporation reports annually based on a calendar year, some of their performance measures will reflect Calendar Year 2011, the most recent period available for 12-month reporting. The partners included in this section are:

-  Enterprise Florida, Inc. and its divisions including :
 - Division of Sports Industry Development
 - Division of Small and Minority Business
 - Division of Business Development
 - Division of Business Recruitment, Retention and Expansion
 - Division of International Trade and Development
 - Division of Tourism Marketing
-  Florida Housing Finance Corporation
-  Florida Institute for the Commercialization of Public Research
-  Space Florida
-  Workforce Florida, Inc.



4.2 Enterprise Florida, Inc.

The mission of Enterprise Florida, Inc. is to diversify Florida's economy and create better paying jobs for its citizens by supporting, attracting and helping to create globally competitive businesses in innovative, high-growth industries.

Enterprise Florida was established in Section 288.901, Florida Statutes, which was amended in 2011 by the Florida Legislature. It is a public-private partnership that serves as the State's principal economic development organization. It aims to position Florida as the nation's most business-friendly state, with the desired outcome being enhanced economic growth. The President and Chief Executive Officer of Enterprise Florida also serves as Florida's Secretary of Commerce and is the Governor's chief negotiator for business recruitment and business expansion.

The divisions of Enterprise Florida include: Business Recruitment, Retention and Expansion; International Trade and Development; Minority Business Development; Sports Industry Development (Florida Sports); and Tourism Marketing. The Florida Tourism Industry Marketing Corporation (D.B.A. VISIT FLORIDA) is a direct-support organization to Enterprise Florida and its performance measures will be presented in a separate table.

4.2.1. Division of Sports Industry Development

In 2011, the Florida Sports Foundation (D.B.A. Florida Sports) was merged into a division of Enterprise Florida's Sport Industry Development. Florida Sports assists Enterprise Florida with: promoting and developing the sports industry and related industries to improve their economic presence, promoting amateur athletic participation by Florida's citizens, and promoting Florida as a host for national and international amateur athletic competitions. The organization works closely with the state's 22 area sports commissions to assist communities and organizations in attracting and hosting major and regional sports events, which generate significant out-of-state economic impact for the state. Florida Sports also coordinates the Sunshine State Games and Senior Games State Championships, and partners with various organizations to fulfill its mission of promoting the state's multifaceted sports industry.

4.2.2. Division of Small and Minority Business

The Division of Small and Minority Business serves as the one-stop shop for small and minority businesses in Florida to receive technical assistance referrals. In collaboration with state agencies and other private partners, the Division of Small and Minority Business provides opportunities to small and minority businesses across the state. This is a new and evolving division of Enterprise Florida.

4.2.3. Division of Business Development

Through a unified approach, Enterprise Florida carries out its mission in collaboration with numerous partner organizations. These include a statewide network of regional and local economic development organizations. These work in collaboration to increase international trade and foreign direct investment and to proactively market Florida as a pro-business location that is well suited for new investment.



4.2.4. Division of Business Recruitment, Retention and Expansion

Enterprise Florida works to retain and expand existing Florida companies and recruit new enterprises in high-growth industries, including: aviation/aerospace, financial/professional services, homeland security/defense, logistics and distribution, clean technologies, information technology and the life sciences.

4.2.5. Division of International Trade and Development

Enterprise Florida maintains an international office to assist businesses in the area of international trade. The international office provides technical and business assistance, financial assistance and information services to businesses in Florida. It continues to facilitate small and medium-sized enterprises to engage in the international market, and to sponsor and organize trade shows.

Table 1. Enterprise Florida Annual Performance Measures
(Fiscal Year 2011-2012; Divisions 4.1.1. – 4.1.5.)

Performance Measures	FY 2011-2012 Standard (Numbers)	FY 2011-2012 Actual (Numbers)
Percentage increase in the salary average of high wage jobs facilitated by Enterprise Florida	127%	128%
Number of direct full-time jobs facilitated as a result of Enterprise Florida's recruitment, expansion, and retention efforts:	20,000	25,339/27%
I Rural Areas	1,800	605/34%
II Urban Core Areas	1,800	2,772/154%
III Critical Industries	14,400	23,298/162%
Documented export sales attributable to programs and activities	\$545 million	\$638 million /117%
Number of qualified marketing leads generated through Enterprise Florida's comprehensive marketing programs:	1,000	1,416/142%
I Trade leads (subset)	500	612/122%
II Investment leads (subset)	500	804/161%
Satisfaction of businesses served with investment or trade assistance provided by Enterprise Florida:*		
I Business Development	80%	94%
II International Trade	80%	98%
Number of companies assisted by Enterprise Florida in the area of international trade	5,000	6,198/124%
Number of times Enterprise Florida's information services are accessed (unique visitors)	335,000	320,339/96%
Economic contributions from Florida Sports Foundation – sponsored regional and major sporting event grants.	\$103.97 million	\$316.86 million
Economic contributions to communities as a result of hosting Florida's Senior State Games and Sunshine State Games Championships.	\$4.40 million	\$7.87 million
Number of out-of-state visitors attending events funded through grant programs.	192,814	202,097
Satisfaction of the area sports commissions with the efforts of the foundation to promote and develop the sports industry and related industries in the State.	80%	96%
Number/amount of major and regional sports event grants awarded.	40/ \$0.80 million	51/ \$1.24 million



Performance Measures	FY 2011-2012 Standard (Numbers)	FY 2011-2012 Actual (Numbers)
Economic contributions from Florida Sports Foundation – sponsored regional and major sporting event grants	\$103.97 million	\$316.86 million
Economic contributions to communities as a result of hosting Florida’s Senior State Games and Sunshine State Games Championships.	\$4.40 million	\$7.87 million
Number of out-of-state visitors attending events funded through grant programs	192,814	202,097
Satisfaction of the area sports commissions with the efforts of the foundation to promote and develop the sports industry and related industries in the State	80%	96%
Number/amount of major and regional sports event grants awarded	40/ \$0.80 million	51/ \$1.24 million
Percentage increase/number of athletes competing in Florida’s Senior Games and Sunshine State Games	5%/ 14,345	59%/ 22,759
Economic contributions from Florida Sports Foundation – sponsored regional and major sporting event grants	\$103.97 million	\$316.86 million

Source: 2012 Enterprise Florida, Inc. Long Range Program Performance Measures

*Pursuant to the 2011 statutory changes, customer satisfaction surveys are limited to businesses served.

4.2.6. Division of Tourism Marketing

The Florida Tourism Industry Marketing Corporation (D.B.A. VISIT FLORIDA) carries out the work of the Division of Tourism Marketing. In its capacity as a direct-support organization to Enterprise Florida, VISIT FLORIDA serves as the state’s official tourism marketing organization. It is responsible for promoting tourism and driving visitation to and within the state. The organization facilitates tourism industry participation of some 12,000 partners in various marketing opportunities such as domestic and international travel trade and consumer shows and media missions to the top global visitor markets. In addition, VISIT FLORIDA is responsible for operating Florida's five Official Welcome Centers and works closely with travel agents, event planners and tour operators as part of its marketing activities. VISIT FLORIDA’s vision is to establish Florida as the **#1 travel destination in the world**.

Please see VISIT FLORIDA’s 2012 Annual Report for a complete recount of key accomplishments and programmatic services; the report can be found at www.VISITFLORIDA.org (under, “Inside VISIT FLORIDA”).



**Table 2. VISIT FLORIDA Annual Performance Measures
(Fiscal Year 2011-2012; Division 4.1.6.)**

Performance Measures	FY 2011-2012 Standard (Numbers)	FY 2011-2012 Actual (Numbers)
Sustained growth in the number of travelers who come to and go through Florida – (i) Out-of-State	81.3 million	88.0 million
Sustained growth in the number of travelers who come to and go through Florida – (ii) Residents	16.0 million	20.7 million
Sustained growth in the beneficial impacts that travelers in Florida have on the State’s overall economy – (i) Rental Car surcharge	\$115.6 million	\$136.2 million
Sustained growth in the beneficial impacts that travelers in Florida have on the State’s overall economy – (ii) Tourism-related employment	0.97 million	1.02 million
Sustained growth in the beneficial impacts that travelers in Florida have on the State’s overall economy – (iii) Taxable sales	\$60.5 billion	69.9 billion
Sustained growth in the beneficial impacts that travelers in Florida have on the State’s overall economy – (iv) Local option tax	\$438.3 million	\$567.7 million
Growth in private sector contributions to VISIT FLORIDA	\$35.8 million	\$94.3 million
Satisfaction of VISIT FLORIDA’s partners and representative members of the tourism industry with the efforts of VISIT FLORIDA to promote Florida	80%	81.1%
Percentage increase of persons surveyed who vacationed in Florida during the last 12 months and who reported having participated in nature-based or heritage activities	67% nature 45% heritage	73.1% 62.5%
Number of persons who inquired about nature-based or heritage activities while visiting the consumer web site	1.9 million	3.9 million
Quality and effectiveness of paid advertising messages reaching the target audience (subset i impressions)	1.3 million	3.5 million
Number of leads and visitor inquiries generated by VISIT FLORIDA events and media placements	6.9 million	28.0 million
Quality and effectiveness of paid advertising messages reaching the target audience (subset ii leads)	75,000	79,450
Value and number of consumer promotions facilitated by VISIT FLORIDA	\$16.6 million/77	\$71.0 million/113
Number of private sector partners	3,300	2,757
Private sector partner financial contributions through direct financial investment	\$2.2 million	\$2.0 million
Private sector partner financial contributions through strategic alliance programs	\$969,600	\$80,260

Source: 2012 VISIT FLORIDA Long Range Program Performance Measures

In addition to responsibilities described above, EFI also administers defense grants and military base protection programs, and the Florida Defense Support Taskforce; assists with rural development and rural infrastructure grants; and serves as the conduit for the distribution of state funds to, and the receipt of reports and supporting documentation from, certain award recipients (i.e., Southeast US Japan, Flor-Kor, Latin Chamber of Commerce of U.S.A. (CAMACOL) Florida Trade & Exhibition, etc.).







The information contained in this section for Enterprise Florida is only a selection of key accomplishments and activities from the statutorily indentified divisions. For a complete inventory of activities and programmatic areas; please see the 2012 Annual Report for Enterprise Florida, Inc., available December 1 at www.eflorida.com (under, “About us”).






4.3 Florida Housing Finance Corporation

The mission of the Florida Housing Finance Corporation (Florida Housing) is to assist Floridians in obtaining safe, decent and affordable housing that might otherwise be unavailable to them.

Florida Housing was created more than 30 years ago in Section 420 Part V, Florida Statutes, which was amended in 1997 to change Florida Housing into an independent instrumentality of the state. Florida Housing is a financial institution, working through private lenders, local governments, nonprofit and for-profit developers to provide financing to eligible homeowners and renters (e.g., disaster relief victims, low-income families, persons with disabilities, etc.) to obtain affordable housing in Florida. Funding is most often provided as loans through federal and state programs. Statutorily, Florida Housing is charged with:

-  Financing new and rehabilitated homeowner and rental housing, particularly for persons of low or moderate income.
-  Carrying out analyses of housing needs within the state and ways of meeting those needs to ensure that public dollars are going where they are most needed.
-  Finding new methods of providing subsidies for housing.
-  Working with public and private entities to promote the availability of quality affordable housing throughout the state.
-  Setting standards for and carrying out inspections on rental housing financed by Florida Housing to determine compliance with those standards.
-  Providing training and technical assistance to local governments and community based organizations to help them carry out high quality housing programs.

Today, Florida Housing continues its mission by increasing affordable housing opportunities and ensuring that its programs are well matched to the needs of those it serves. Florida Housing has identified three objectives to achieve their goal:

-  Maximize targeted dollars that are allocated to the targeted population.
-  Maximize leveraging of state resources.
-  Maximize the percentage of set aside units at designated percentage of median income to total units.



**Table 3. Florida Housing Finance Corporation Annual Performance Measures
(Calendar 2011)**

Performance Measures		Calendar Year 2011 Actual (Numbers)
Total number of homeowners assisted in 2011		22,956
i.	Number assisted through local State Housing Initiatives Partnership (SHIP) programs	9,067
ii.	Number receiving down payment assistance	3,513
iii.	Number assisted with foreclosure counseling	5,614
iv.	Number receiving mortgage assistance	4,762
Total number of affordable rental units financed in 2011		2,210

Source: 2011 Florida Housing Finance Corporation Annual Report

**Table 4. Florida Housing Finance Corporation Annual Performance Measures
(Fiscal Year 2011-2012)**

Performance Measures	Standards (Numbers)	FY 2011-2012 Actual (Numbers)
Percent of statutorily targeted dollars that are allocated to the targeted population.	96%	---*
Ratio of non-state resources to state-appropriated dollars	2:1	3:1
Percent of units exceeding statutory set asides	105%	227%
Number of applications processed	563	2,552
Number of affordable housing loans funded	540	2,532
Number of local governments under compliance monitoring for the SHIP program	115	119
Number of local governments served through SHIP program incentive funds	115	119

Source: 2011 Florida Housing Long Range Program Plan Performance Measures




* While funding was awarded in 2010-11, no loans were actually closed until the following year (before a loan closes, Florida Housing does credit underwriting to ensure that the loans are appropriate to provide).

For a full inventory of Florida Housing's programmatic services and accomplishments, please see Florida Housing's 2011 Annual Report at www.floridahousing.org (under, "About us").



4.4 Florida Institute for the Commercialization of Public Research

Pursuant to subsection 288.9625, Florida Statutes, the Florida Institute for the Commercialization of Public Research (Institute) was established by the Florida Legislature in 2007 as a non-profit organization. Their purpose is to work collaboratively with the technology licensing and commercialization offices of Florida's eleven state universities as well as private research institutions that receive public funding. The Institute focuses on creating investable companies by facilitating new venture creation through commercially-viable technologies in major industries that are driving the global economy. These industries include: clean energy; life sciences; information technology; aviation and aerospace; homeland security/defense; and other emerging sectors. In addition to the noted services conducted by the Institute, there are several statutory requirements that include:

-  Administering the Florida Research Commercialization Matching Grant Program.
-  Administering the Seed Capital Accelerator Program.
-  Developing cooperative relationships with publicly supported organizations all of which work together to provide resources or special knowledge that is likely to be helpful to institute companies.

4.4.1 Florida Research Commercialization Matching Grant Program

During the 2010 legislative session, the Florida Research Commercialization Matching Grant Program was established to match Federal Phase I and Phase II Small Business Innovation Research and Small Business Technology Transfer awards with state funding and bridge funding gaps faced by many growing technology companies. The Institute developed and launched the program successfully early in 2011, awarding nearly \$2.8 million to 13 companies statewide. Grantees leveraged state dollars to apply for and receive additional Federal grants to create direct high-wage, high skill jobs within their organizations, and engage local contractors to support development activities.

4.4.2 Seed Capital Accelerator Program

In 2011, the Florida Legislature appropriated \$10 million to the Institute for the creation of a seed capital funding program. During the last fiscal year, the Institute designed and implemented the Seed Capital Accelerator Program to provide repayable loans ranging from \$50,000 - \$300,000 to qualified startup companies. Critical to the success of the program is the requirement for companies to raise private, approved matching funds, thereby leveraging the state's investment while inducing additional private capital into Florida-based companies. At year end, the Institute had committed \$4.20 million to 14 companies. Five of those companies were funded for a total of \$1.28 million, and they matched their funding with just over \$5.00 million in private investments. The other nine companies are in the process of raising their private matching funds.



4.4.3 Performance Measures

Table 5. Florida Institute for the Commercialization of Public Research Annual Performance Measures

Performance Measures	FY 2011-2012 Actual (Numbers)
Number of universities and colleges assisted	11
Number of research institutes assisted	5
Number of publicly supported organizations assisted	>4
Number of new businesses created	9

Source: 2012 Institute Annual Report

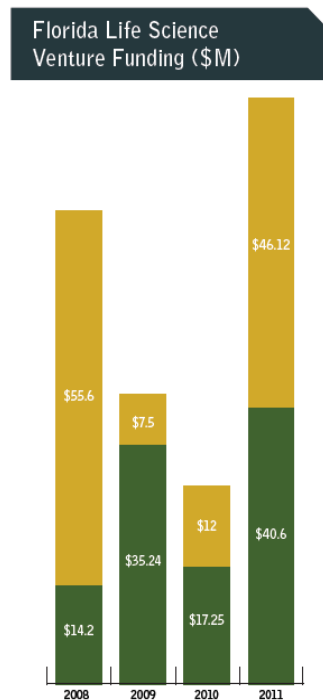
The information contained in this section is only a selection of key accomplishments and activities. For a complete inventory of activities and programmatic areas; please contact Jane Teague for the 2012 Annual Report for the Institute for the Commercialization of Public Research.

4.4.4 Impacts and Partnering

While other states are seeing a decline in biotechnology investment and entrepreneurship, the biotechnology industry in Florida continues to grow, with venture capital investments surging by 200 percent. The Sid Martin Biotechnology Development Institute, informally called the Sid Martin Biotechnology Incubator, was established on July 2, 1990 by the Florida legislature. The 40,000 SF bio-business, incubator facility, one of the first bio-business incubators in the United States, opened in September of 1995, and has since attracted over \$850 million dollars in funding (equity investment, contracts, grants and merger and acquisition activity).




An example of successful collaboration between the Sid Martin and the Institute is the drug development company known as Prevacus. Dually located in Tallahassee and Gainesville, the technology is based on researches from Florida State University, with labs at Sid Martin. Prevacus is a drug development company working on prevention and treatment of mild traumatic brain injury (mTBI) or concussion. The active ingredient in the drug is a synthetic compound that simultaneously reduces edema, inflammation and oxidative stress. Currently, Prevacus is formulating therapeutics for nasal delivery to ease the use in field and to maximize delivery to the brain.

Figure 7. Florida Life Science Venture Funding 2008-2011
In Millions of Dollars



Source: Florida BioPulse Report

In keeping with the partnering and non-duplication of effort philosophy embodied by the legislature, some of the businesses assisted by the Institute have taken advantage of the space offered by the Florida Innovation Hub at the University of Florida, a small sample of success stories provided by the Institute are as follows:

-  Ocoos is the software technology designed to help consumers find, buy and sell services online. It provides small businesses a modern and interactive web presence, plus the technology brings their businesses online. It allows consumers to safely book services and pay online.
-  Shadow Health provides an interactive, digital health-care, learning platform for medical students that gives them the ability to practice diagnostic skills, via a virtual patient, as they would be used in a clinical office setting.
-  Nanophotonica, according to the company website, has developed proprietary technology and designs, driven by its own unique nanomaterial with excellent conductivity. This nanomaterial significantly enhances the characteristics of optoelectronic devices. The material also acts as a barrier to moisture and oxygen permeation, preventing premature degradation of organic material layers adjacent to it, creating major improvements to the lifetime of an optoelectronic device.

4.5 Space Florida

Pursuant to Section 331.302, Space Florida was created in 2006 and is an Independent Special District of the State of Florida. The organization serves as the state's official aerospace economic development entity. Space Florida promotes the growth and development of a world-leading space industry, fosters economic development activities to expand and diversify domestic and international opportunities and works to attract, retain, and expand aerospace or related businesses that create economic opportunities. Space Florida also works to enhance aerospace-related infrastructure and to develop and maintain talent supply by providing resources, training and access to an experienced professional workforce. Space Florida coordinates with state and local organizations to improve the state's competitive business climate.

Table 6. Space Florida Annual Performance Measures

Performance Measures	FY 2011-2012 Standard (Numbers)	FY 2011-2012 Actual (Numbers)
Number of qualified investment opportunities	5	6
Number of financial deals facilitated by Space Florida	3	5
Number of research projects, partnerships, and grants supported	30	34
Number of businesses provided technical or financial assistance as related to conducting business in Florida	150	175
Number of non disclosure agreements entered into by Space Florida	17	69
Number of leads generated through business development outreach	200	230






Source: 2012 Space Florida Long Range Program Performance Measures



4.6 Workforce Florida, Inc.

Florida's workforce services system, with fiscal and administrative oversight from the Department of Economic Opportunity, includes Workforce Florida, 24 Regional Workforce Boards, and a network of one-stop career centers that provide workforce services throughout the state. This increasingly mature and collaborative system embraces a collaborative process for policy development to help ensure both local flexibility and state alignment.

Workforce Florida provides leadership and policy guidance to Florida's workforce services system. It is a nonprofit corporation governed by a board of directors with members who are from both the public and private sectors. Workforce Florida is the principal workforce policy organization for the state. Workforce Florida's mission is to continuously improve the state's business climate by designing and implementing strategies that help Floridians enter, remain and advance in the workforce – benefitting Florida's businesses and ultimately, the state's economy. The 24 regional workforce boards are comprised of community business leaders who are responsible for strategic planning, policy development and oversight of the local workforce investment system within their respective areas. Certain local boards also provide direct services within their regions managing one-stop career centers. In State Fiscal Year 2011-2012, Florida's workforce system provided:

-  Staff services to 932,815 job seekers.
-  Services to 33,982 businesses.
-  Services to 527,791 Floridians who got jobs.
-  Training to 64,703 individuals.
-  Average annual wages exceeding \$43,577.80 for those receiving training.

For more information on Workforce Florida's annual performance; please see the [2012 Workforce Florida Annual Report](#).

Table 7. Workforce Florida Annual Performance Measures

Performance Measures	FY 2011-2012 Standard (Numbers)	FY 2011-2012 Actual (Numbers)
Number of individuals receiving customized training for new high-skill/high-wage jobs as a result of the Quick Response Training Program (QRT):	9,000	4,888
a) in rural areas	500	16
b) in Enterprise Zone/distressed inner city areas	1,300	0
c) in Brownfield areas	250	501
Quick Response Training Program (QRT) ratio of private funds match to state funds	10.00 to 1	5.08 to 1
Number of incumbent workers receiving training as a result of the Incumbent Worker Training Program (IWT):	6,500	4,378
a) in rural areas	100	238
b) in Enterprise Zone/distressed inner city areas	100	744
c) with grants to companies with fewer than or equal to 100 employees	1,200	2,117
d) with grants to companies with fewer than or equal to 25 employees	200	1,097
IWT ratio of private funds match to Federal Workforce Investment Act (WIA) funds	4.00 to 1	11.03 to 1

Source: 2012 Workforce Florida, Inc. Long Range Program Performance Measures



CHAPTER 5






FLORIDA'S INNOVATION INCENTIVE FUND PROGRAM

The Innovation Incentive Fund Program (IIF) was established by the Florida Legislature in 2006. The purpose of this program, as currently expressed in Section 288.1089, Florida Statutes, is:

“...To ensure that sufficient resources are available to allow the State to respond expeditiously to extraordinary economic opportunities and to compete effectively for high-value research and development, innovation business, and alternative and renewal energy projects...”

5.1 Background

To be considered for an innovation incentive award, a research and development, innovation business or an alternative and renewable energy company must submit a written application to the Department of Economic Opportunity before making a decision to locate a new or expand an existing operation in this State. The application must include, but is not limited to, existing business information, projected operations (e.g., location, full-time equivalent jobs, average annual wage, project investment from all sources) and justification for the innovation incentive. To-date, all funds have been awarded to research and development entities. To qualify for review, research and development project applicants must demonstrate the following (innovation business and alternative and renewable energy projects have additional requirements):

-  The jobs created will pay an annual average wage at least equal to the relevant industry's annual average wage or at least 130 percent of the average private sector wage, whichever is greater (with exceptions allowed for rural areas, Brownfield areas and enterprise zones).
-  A plan for significant higher education collaboration.
-  The ability to provide the State a breakeven return on investment within 20 years.
-  The ability to serve as a catalyst for an emerging or evolving technology cluster.
-  The ability to provide a one-to-one match from the local community (with exceptions allowed for rural areas, Brownfield areas and enterprise zones). The match can include private and public funds and in-kind incentives, such as tax abatement, land, buildings, or infrastructure.

In addition to the above information, project evaluations consider the economic and fiscal impacts for local and state economies, and the collaboration with higher learning institutions. The amount of the award may be negotiated based on the applicant's needs, available resources and the project's potential.



The Department of Economic Opportunity submits its evaluation, recommendation and proposed performance conditions for a project to the Governor for consideration. The Governor consults with the President of the Senate and the Speaker of the House of Representatives before giving approval for an award, and the Legislative Budget Commission approves the award before the funds are released. Subsequently, DEO enters into an agreement with the award recipient that sets forth the conditions for payment of the incentive funds.

While DEO strives for consistency, it remains aware that it must be responsive to specific project needs such as location, building and equipment requirements. The table below depicts each program's term and award information at-a-glance. The information presented is based on the most recent data in the annual reports submitted by the awardees with one exception. The IRX Therapeutics, Inc., information is based on its executed (October 28, 2011) Funding Agreement because its first annual report is not due until March 2013.

The total amount of all program awards contained in executed agreements is \$449.69 million; however, the actual payments to-date total \$368.04 million. Payments are based both on prior year results and projected current year needs. Information on the individual awardees follows.

Table 8. Innovation Incentive Program Agreement Term and Award Information
In Thousands

	Sanford-Burnham Institute for Medical Research	Torrey Pines Institute for Molecular Studies	SRI Int'l	Hussman Institute for Human Genomics	Max Planck Florida Institute	Vaccine and Gene Therapy Institute of Florida	Draper Labs	IRX Therapeutics
Funding Agreement Effective Date	10/31/06	11/16/06	11/22/06	01/09/08	03/12/08	04/17/08	06/30/08	10/28/11
Funding Agreement Term	20 years	20 years	20 years	12 years	20 years	20 years	20 years	20 years
Total Amount Awarded	\$155,272	\$24,728	\$20,000	\$80,000	\$94,090	\$60,000	\$15,000	\$600
Current Amount Received as of December 2012	\$101,505	\$19,000	19,649	\$59,200	\$94,090	\$60,000	\$14,000	\$600
Total Jobs Required through Measurement Period	303 by 2016	189 by 2015	200 by 2016	296 by 2016	135 by 2018	200 by 2018	165 by 2015	283 by 2017
Current Jobs Actual as of	231.6 June 2012	120 June 2012	86 Dec 2011	174.85 May 2012	62 Dec 2011	90 June 2012	55 Sept 2012	N/A







5.2 Awardees' Summary and Update

5.2.1 Sanford-Burnham Medical Research Institute (Previously the Burnham Institute for Medical Research)

The Sanford-Burnham Medical Research Institute – Lake Nona (SBMRI) is a nonprofit institute focused on revealing the fundamental molecular mechanisms of disease and using that knowledge to devise the prototype therapies of tomorrow. SBMRI is organized into three disease-focused research centers: the Cancer Research Center, the Dale E. Webb Center for Neuroscience and Aging Research, and the Infectious and Inflammatory Disease Center. These three disease-focused research centers are bolstered by three technology centers: Chemical Genomics, Proteolytic Pathways, and Computational Modeling. SBMRI has added a fourth research center focused on Diabetes and Obesity.

On September 29, 2012, SBMRI - Lake Nona submitted its Sixth Annual Report covering July 1, 2011 through June 30, 2012. Highlights of the achievements include the following:





-  In Fiscal Year 2012, SBMRI created 41 full-time equivalent (FTE) jobs bringing their overall job total to 232.6 FTEs, toward their contractual agreement.
-  In March 2012, the Florida Hospital-Sanford Burnham Translational Research Institute for Metabolism and Diabetes (TRI) opened its new 54,000 square foot research facility. The TRI bridges the fundamental discovery research conducted in Sanford-Burnham laboratories with clinical studies at the new TRI facility, providing a bench-to-bedside research continuum. The two-way information sharing is expected to accelerate discoveries and pave the way towards a personalized approach to treating metabolic diseases. This joint SBMRI-Florida Hospital venture has created 38 additional jobs to date.
-  As of June 2012, SBMRI-Lake Nona has established 21 research laboratories, 10 research services and technology cores (e.g., Medicinal Chemistry, Pharmacology, Chemical Genomics, Bioinformatics, Histopathobiology) and 13 administrative departments providing support services at their permanent facility in Orlando. Together these have:
 - Generated 55 scientific publications based on its Florida research.
 - Entered into nine Florida collaborations.
 - Three agreements with colleges and universities, and four with research institutions.
 - Two partnerships with businesses.
-  Received 55 active grants with a total value of \$11.85 million.

5.2.2 Torrey Pines Institute for Molecular Studies

The Torrey Pines Institute for Molecular Studies is a bicoastal, nonprofit research center. Its mission is to conduct basic biomedical research to discover treatments and cures for leading causes of human disease including Alzheimer's, heart disease, cancer, Types 1 and 2 diabetes, AIDS and other infectious diseases, multiple sclerosis, chronic pain and more. The Institute fosters an innovative research environment, believing that multidisciplinary and collaborative approaches accelerate the discovery process.



On November 8, 2012, the Torrey Pines Institute for Molecular Studies submitted its annual report covering July 1, 2011 through June 30, 2012. Highlights of achievements during that time include:






-  Created 120 full-time equivalent jobs in Florida.
-  Received an additional \$2,324,414 in federal research grants and \$671,048 in private grants, for a total of \$2,995,462.
-  Published 52 journal articles, 50 journal articles ready for printing, and another 51 journal articles have been submitted for review.
-  Entered into 10 collaborations with Florida colleges, universities and research institutions and 16 licensing agreements with entities across the nation.

5.2.3 SRI International

SRI International, established in 1946 as the Stanford Research Institute in Menlo Park, California, is an independent, non-profit research institute conducting client-sponsored research and development for government agencies, commercial businesses, foundations and other organizations. SRI Florida's Marine Technology Program, primarily located in St. Petersburg, specializes in the study of surface and subsurface marine environments.

Research at SRI Florida's port facility focuses on harnessing health benefits that marine habitats can provide, improving Florida's marine ecosystem and understanding its role in climate change, and marine and port security. An example of their effort includes developing a Maritime Domain Awareness System for the U.S. Naval Air Systems Command. SRI Florida's new port facility provided support for the Harbor Branch Oceanographic Institute at Florida Atlantic University and several spin-off businesses, resulting from research at other SRI locations, are actively evaluating opportunities to locate some or all of their operations in Florida.

On February 9, 2012, SRI Florida submitted its fifth annual report covering calendar year 2011. Highlights of achievements during that time include:

-  Employing more than 2,100 staff members worldwide with 86 full-time equivalent jobs including a diverse mixture of engineers, scientists and administrative staff personnel in Florida.
-  Nearly 50 percent of all SRI's research staff members are graduates of Florida Universities and Colleges.
-  The major focus is on marine research. Additional areas include education, energy and information technology. During 2011, more than 160 papers, conference presentations and scientific publications in all areas were generated from researches conducted in Florida.
-  Since inception, SRI has filed 46 new inventions disclosures in the Florida office. The University of South Florida in conjunction with SRI has obtained three patents: a thermally induced single-use valve chip, methods of controlled delivery for use of electrochemical power source and an electrochemical power source using halogenated organic compounds.
-  As of December 2011, 95 percent of SRI's total research dollars used to conduct research activities in Florida were from sources other than the state funds.



- SRI has numerous collaborative agreements in Florida from academic and research collaborations with University of South Florida to collaborative partnerships with 60 different Florida-based small businesses that contracted for more than \$800,000 in products and services.

5.2.4 Hussman Institute for Human Genomics

The Hussman Institute for Human Genomics (HIHG), located at the University of Miami, is exploring the genetic influences on human health and applying this knowledge to the practice of medicine through improved diagnostics, treatments and medications, thus translating the unprecedented scientific advance of the “Human Genome Project” into information that can benefit patients directly. HIHG is one of the largest facilities in the Southeast for next-generation sequencing. Its continued support of the Genetics Awareness Project to promote awareness, interest and involvement in genetics in South Florida Communities has led to collaborative partnerships and agreements.

On September 30, 2012, HIHG submitted its annual report, covering the project year from June 1, 2011 through May 31, 2012. Some of the key achievements include:

- Created total of 175 full-time equivalent jobs.
- Held the “Health Disparities in Genomics Conference” at the Biomedical Research Building in May 2012. The Conference attracted nearly 200 physicians, researchers, ethicists, genetics counselors and attorneys from 20 different states and countries. The conference aimed at recognizing that genetic advances enabled by the Human Genome Project have the potential to prevent health disparities (defined as preventable differences in the burden of disease, injury, violence, or opportunities to achieve optimal health that are caused by the human DNA).
- Held “DNA Day” at the Miami Science Museum in April 2012; hundreds of school-age children and their families attend this free educational event.
- In September 2011, Hope for Vision, an organization that funds scientific research to develop treatments and cures for blinding retinal diseases, honored Stephan Züchner, M.D., with the “Scientist of the Year” for identifying gene that causes retinitis pigmentosa.
- Awarded 35 research grants totaling over \$46 million from federal agencies and sources other than Florida, and submitted 126 grants totaling over \$161 million.
- Continues to develop a not-for-profit spin-off that will expedite the translation of genomic discoveries to the private sector.
- Published 91 research papers; featured in dozens of newspaper articles and magazines; presented research at numerous seminars; and participated in several public interviews on National Public Radio.



5.2.5 Max Planck Florida Institute for Neuroscience

The Max Planck Society for the Advancement of Science is an international, independent, nonprofit scientific research organization. The Max Planck Florida Institute for Neuroscience is the first Institute the German-based Max Planck Society has established in the United States

Its interdisciplinary research areas provide opportunities to work with universities, especially when the topic falls outside the scope of a university's ability to fund, staff, or pursue the research. Studies in the natural sciences and the humanities at Max Planck Institutes very often complement important work underway at universities and other research facilities in key fields. The institutes often perform service functions for research performed at universities by providing equipment and facilities to a wide range of scientists, such as telescopes, large-scale equipment, specialized libraries and documentary resources.

Research at the Max Planck Florida Corporation (MPFC) focuses on bioimaging, using the most advanced techniques to visualize microscopic molecular processes. Bioimaging provides a critical opportunity to translate discoveries of basic research into clinical and patient-oriented applications, which can ultimately be used to help improve medical diagnostics and medical care. The Florida-based institute plans to collaborate with Scripps Florida on health-oriented research applications, and is establishing a relationship with Florida Atlantic University and other universities in addition to the Palm Beach County K-12 School District and Palm Beach Community College to enhance and advance bioscience programs at all levels of education.

On May 13, 2012; MPFC submitted its annual report covering calendar year 2011. Highlights of achievements during that time include:

- Employed 23 full-time equivalent (FTE) jobs, increasing the total number of jobs to 62 FTEs.
- Hired Dr. McLean Bolton (as Fourth Group Leader) and Vice President Mr. Carl Minardo (to the senior management position). As of December 2011, the two directors' and all four Group Leaders' laboratories were established and actively conducting research activities.
- Received three active grants with a total value of \$709,000.
- Entered into four Florida-based collaborations:
 - Florida Atlantic University and the Scripps Research Institute.
 - Two contacted partnerships with businesses (Scripps Research Institute and Pace Machine & Tool, Inc.).
- The construction for the 100,000 square foot lab will be complete by December 2012 with the official Grand Opening scheduled for December 5, 2012.



5.2.6 Vaccine & Gene Therapy Institute of Florida

The Vaccine Gene Therapy Institute of Florida (VGTTI) is a not-for-profit corporation established by Oregon Health and Science University (OHSU). OHSU is an institution that promotes and supports cutting-edge vaccine and gene therapy research and development. It focuses on developing vaccines and therapeutics for infectious diseases and identifying defects in the immune systems in the elderly, who are the most susceptible to infections, the most difficult to immunize, and thus the most difficult group for whom to develop therapeutic intervention. VGTTI's structure is centered on three major divisions: cancer, infectious diseases such as Dengue fever and pandemic influenza, and immune disorders/inflammation such as HIV.

On September 30, 2012; VGTTI submitted its annual report for the period covering July 1, 2011 through June 30, 2012. Highlights of reported accomplishments include:

- Employed 90 full-time equivalent staff members with six more positions underway.
- VGTTI Florida moved into its permanent facility beginning January 16, 2012; there are no other construction items open at this time.
- Received 18 active grants valued at more than \$11.2 million.
- Entered into eight Florida collaborations:
 - Six agreements with Florida Universities and research institutions.
 - Two business agreements with Martin Memorial Hospital and the Florida Department of Health.
- Attended career fairs to seek out highly qualified interns to be part of a developing internship program, graduates for research positions, and Post Doctoral opportunities of these programs as the Institute continues to expand.
- Published 26 scientific publications based on research conducted by VGTTI in Florida.







5.2.7 The Charles Stark Draper Laboratory, Inc.

The Charles Stark Draper Laboratory, Inc. (Draper) is an independent, not-for-profit research and development laboratory engaged in applied research, engineering development, technology transfer and advanced technical education. Draper uses its innovation incentive and matching funds to operate two locations in Florida: the Draper Bioengineering Center at the University of South Florida in Tampa, and the Draper Multi-chip Module (MCM) fabrication facility in St. Petersburg, Florida. Draper's Bioengineering Center at the University of South Florida is involved in an array of research including: balance prosthesis development; reagent-less, handheld, biological agent sensors development; liver-stage malaria drug discovery; and microenvironment models for personalized cancer treatment. During the last year, research activity at this facility was chosen based on a combination of market need, existing and emerging Draper technologies and area partner strengths. The focus areas included: neuroengineering & rehabilitation; environmental & chemical diagnostics; micro-electro-mechanical sensors and systems cell based devices and medical diagnostics; and medical and surgical devices.



At the MCM facility, Draper continues to evolve its unique technology that reduces the size of certain electronics that have tactical, covert, space and medical applications. This technology enables the sensor systems to be placed in small, hard-to-reach areas, and to perform in a variety of severe environments. Over the last year, efforts were focused on completing the transfer of Draper's latest microfabrication technology from development to production, on raising the manufacturing readiness level of this technology, and expanding the infrastructure of the facility to keep pace with advancements in 3D manufacturing technology

On October 31, 2012, Draper submitted its annual report for year five, covering October 1, 2011 through September 30, 2012. Highlights of the year's achievements include:

-  Employed 55 full-time equivalent staff members and 2 Lab Fellows from the University of South Florida.
-  Awarded six research grants totaling \$4.9 million from federal or other non-Florida sources.
-  Published 7 scientific publications and provided seven oral and seven poster presentations at nine National or International conferences.
-  Submitted five patent applications and two invention disclosures.
-  Entered into thirty collaborative agreements with Florida colleges, universities and research institutions, and into three collaborations with Florida businesses. In addition, the MCM facility regularly draws from thirty-seven local businesses for materials and services.
-  Attended the 2012 Fall Career Fairs at the University of South Florida, the University of Central Florida and the University of Florida; several candidates are under the review process for Spring 2013 engineering opportunities.

5.2.8 IRX Therapeutics, Inc.

IRX Therapeutics develops immune therapies designed to activate a patient's immune system to defeat cancer and related diseases. The lead platform technology, IRX-2, is thought to broadly restore the immune system by overcoming cancer-induced immune suppression, and it is entering a "Phase 3" trial testing its ability to help people with mouth and neck cancers. IRX believes that its products can play an important role in helping a wide range of cancer treatments improve and extend the lives of patients.

IRX was originally founded in Tampa in 1993 as a result of technology developed at the University of South Florida. The company moved to New York in 2000 to get closer to the heart of cancer research and talent. But according to an October 23, 2011, tampabay.com article by Robert Trigaux (a Times Business Columnist), President and CEO of IRX, John Hadden II, believes Tampa Bay is now richer in scientists, drug researchers and "regulatory" scientists (people trained to navigate potential drugs through the nation's vast scientific and government bureaucracy on their way to reaching the commercial market). The funding agreement with IRX was executed on October 28, 2011 and the first annual report will be due in March 2013.

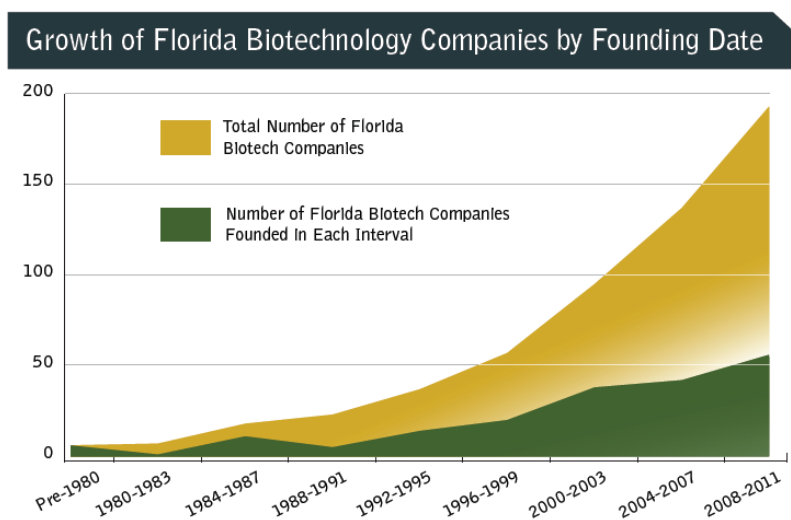


5.3 Economic Development Impacts

The Innovation Incentive Program is in the first quarter of its 20-year implementation. At this time it is too early to definitively state that the Innovation Incentive Fund recipients are catalysts for additional direct and indirect economic development in Florida. The first Innovation Incentive Fund agreement in Florida was not executed until October 31, 2006. And, agreements are typically for 20 years, with job creation ramping up during the first seven to 10 years.

Given this context, some early results have been identified by the University of Florida's (UF) Sid Martin Biotechnology Incubator in Alachua and several notable speakers across the state. The Florida BioDatabase, maintained by UF's Sid Martin Biotechnology Incubator in Alachua, with the assistance of Enterprise Florida, tracks Florida's bioscience industry plus unique profiles of biotechnology and biomedical device companies. Enterprise Florida has defined the regional clusters and the number of biotech companies in each region. As of November 2012, the database records 219 biotech companies in Florida outside of the eight incentive labs noted above. Some are very early stage companies.

Figure 8. Growth of Biotech Companies in have Florida.



Source: Florida BioPulse Report

The general consensus, according to Battelle, a global research firm, is that Florida is outpacing the nation in generating new companies. From 2006 to 2011, there was a 42 percent increase in new biotech companies in Florida, bringing the latest total to 219 biotech companies. As of today, more than 10 percent of the nation's biotechnology companies now reside in Florida and nationally, Florida ranks sixth in the number of biotech-related employment. The Fifteenth Annual BioFlorida Conference in South Florida attracted more than 500 professional participants to discuss the major trends and issues, including topics related to product development, scientific research and business development.

For numerous independent entrepreneurs in Florida, biotechnology-related sectors are growing at an exponential rate. According to Florida BioPulse Report, approximately two-thirds of Florida companies currently have a product being sold in the marketplace. There are 43 publicly held companies, the majority of which are traded on the New York Stock Exchange and the over-the-counter exchanges.



CHAPTER 6 NEXT STEPS

6.1 Strategic Direction

As shown in the table below, the *Florida Strategic Plan for Economic Development* provides a wide array of consensus-built strategies to create opportunities to address many challenges faced today.

Table 9. Florida's New Economic Development Directions – Today's Challenges and Tomorrow's Opportunities

Today's Challenges	Tomorrow's Opportunities
Cross-Cutting	
Many organizations, many plans.	Create statewide and regional partnerships aligned around a common vision and planning framework.
Emphasis on individual businesses or industries and general occupational training needs.	Develop world class talent and innovation clusters.
Orientation toward individual cities and counties.	Collaborate to develop strong regions and megaregions.
Traditional emphasis on local and regional markets.	Shift toward global markets.
Focus on incentives and specific projects.	Emphasize foundations of a competitive economy.
Talent Supply and Education	
Close the current workforce gap.	Increase the alignment of the workforce system with business needs.
Prepare workers for future jobs.	Build a world-class pre-K to career education system that prepares students for work.
Supply workers for innovation industries.	Equip students and workers with market-relevant science and technology skills.
Support potential for all regions.	Improve access to education and training in distressed markets.
Innovation and Economic Development	
Focus on traditional industries such as agriculture, tourism, and real estate; lack of diversified industries.	Build portfolio of strong talent and innovation clusters.
Relatively small role in research, innovation and entrepreneurial activity.	Create integrated innovation pipeline to speed ideas to market.
Untapped potential in global market.	Double Florida exports with emphasis on small to medium sized businesses.
Perception of Florida as place to visit or retire.	Brand Florida as nation's best place for business.














Table 9. Florida's New Economic Development Directions – Today's Challenges and Tomorrow's Opportunities (*continued*)

Today's Challenges	Tomorrow's Opportunities
Infrastructure and Growth Leadership	
Fragmented decision making process.	Coordinate decision making and investments with long-term focus on Florida's economy and quality of life.
Increasing highway congestion and need for greater capacity in rail, seaports and airports.	Create interconnected, multimodal trade and transportation systems.
Limited connectivity to rural Florida.	Improve transportation and broadband connections and access.
Increasing pressure on water supply and quality.	Develop and implement integrated statewide water strategy.
Increasing energy demand and costs.	Develop diverse, reliable and cost effective energy sources.
Business Climate and Competitiveness	
Complex, frequently changing state and local business regulations.	Modernize regulatory systems to reflect a global, innovation oriented economy.
Multiple state, regional and local agencies involved in business transactions.	Provide seamless, efficient customer service for businesses.
Reliance on small businesses for growth in many industries.	Reduce barriers to growth of small and minority businesses.
Limited capital availability following recession and real estate collapse.	Expand access to capital for businesses at all stages.
Increasing property and health insurance costs.	Work with industry to slow rate of growth and bring in line with other large states.
Increasing overall tax and transaction fee burden for many businesses.	Develop a government revenue structure that encourages business growth.
Civic and Governance Systems	
Multiple state, regional and local agencies involved in economic development decisions with different boundaries.	Develop strong statewide and regional economic development partnerships.
Constrained public sector revenues and increasing demand for services.	Improve the efficiency and effectiveness of government agencies.
Limited levels of reliable funding for economic development.	Invest in strategic economic development priorities.
Quality of Life and Quality Places	
Increasing competition for skilled workers, students, retirees, visitors from other regions.	Encourage quality growth and development in Florida's communities that provide attractive choices for all ages.
Impacts of growth and development on Florida's communities and natural systems.	Ensure economic development decisions protect and enhance Florida's communities and environment.
Maximizing the value of Florida's unique cultural and natural resources.	Promote and protect distinctive places centered on Florida's unique assets.








During State Fiscal Year 2012-2013, the Department of Economic Opportunity will serve as the lead agency for implementation of the *Florida Strategic Plan for Economic Development*. This will be done by working with Enterprise Florida, Workforce Florida, VISIT FLORIDA, Space Florida, other state agencies and partnerships, and regional and local partners. The Department of Economic Opportunity will initiate plan implementation with the following activities:

-  Work with Enterprise Florida and Workforce Florida to update all three organizations' business plans to identify responsibilities for plan implementation, including specific actions and performance measures;
-  Coordinate with other Executive and Cabinet agencies through the designated Economic Development Liaisons to identify each agency's role in supporting plan implementation and to align agency plans and investment priorities with the state's economic vision;
-  Coordinate with county and city governments, regional and local economic development organizations, regional planning councils, regional workforce boards and other partners to encourage each region and community of the state to align its activities with the state's economic vision and this strategic plan;
-  Define specific performance measures and a statewide dashboard to track progress toward the vision, goals and objectives of this plan;
-  Report on progress toward plan implementation as part of its annual report to the Governor and Legislature;
-  Collaborate with Workforce Florida and Workforce Florida to establish a statewide program to identify existing and emerging regional talent and innovation clusters, and to strengthen Florida's leadership in these clusters through collaborative activities among public and private partners;
-  Work with Enterprise Florida and Workforce Florida to encourage and support effective regional partnerships to develop short- and long-term strategies for job creation and economic transformation, including providing seed funding to help regions convene partnerships and giving higher priority for state discretionary funding to projects supported by regional partnerships;
-  Work with Enterprise Florida, Workforce Florida, the Florida Department of Transportation and other agencies and partners to create a comprehensive global business development strategy for Florida, including immediate actions to maximize opportunities related to the Panama Canal widening in 2014;
-  Work with other state agencies, regional entities and local governments to document existing permitting, development and other regulatory processes and to identify specific actions needed to provide a more consistent and predictable legal and regulatory environment; and
-  Work with other state agencies, regional entities and local governments to develop and implement state policies to sustain a vibrant quality of life that attracts workers, businesses, residents and visitor.
-  Work with the Florida Department of Environmental Protection and Florida Department of Transportation to initiate a statewide process to develop an integrated statewide vision for addressing economic development, land use, infrastructure, environmental stewardship, talent development and community development over a 50-year period.



6.2 DEO's Plans for 2012-2013

The Department of Economic Opportunity, in collaboration with partners, assists the Governor to move Florida's economy forward by championing the state's economic development vision and administering the state and federal programs and initiatives to help visitors, citizens, businesses and communities. DEO:

-  Provides support to develop vibrant communities to strengthen Florida's infrastructure, business climate and quality of life.
-  Coordinates and optimizes the efficient use of interagency, multi-level government, public and private partnerships to position Florida for economic development.
-  Offers seamless customer service and support to citizens, workers and businesses entering the workforce.
-  Informs and disseminates DEO's available resources and tools to workers, businesses, stakeholders, residents and visitors.
-  Optimizes the effectiveness of our resources to enhance the economy, create new jobs, expand global commerce, foster opportunities for prosperity, and increase Florida's attractiveness to workers, residents and visitors.

To meet statutory requirements and enhance Florida's business, community and workforce sectors, all the divisions in DEO have outlined major service initiatives needed to carry the department goals. The three service divisions, the Division of Community Development, Division of Strategic Business Development and Division of Workforce Services, collaboratively respond to business, community and workforce needs. For the first time in Florida history, these three service systems for community, business and workforce development have merged into a single agency pursuant to section 20.60, Florida Statutes. For the Fiscal Year 2012-2013, the Department of Economic Opportunity has outlined objectives and metrics to ensure the fulfillment of the statutory requirements and development of an environment condition for

6.2.1 DEO Goals and Objectives

The Department of Economic Opportunity identified five goals and 20 objectives for its operations and services for the next five State Fiscal Years. These are:

Goal #1: Provide support to develop vibrant, safe and healthy communities.

- Objective 1a:** Provide timely Reemployment Assistance (RA) benefit payments for unemployed workers as a temporary means of support until they become reemployed.
- Objective 1b:** Increase access to DEO resources through training and technical assistance.
- Objective 1c:** Improve the sustainability and economic viability of communities.



Goal #2: Coordinate and employ the efficient use of partnerships and stakeholders to further Florida's economic vision.

Objective 2a: Improve collaboration and alignment among state, regional and local entities toward the state's economic vision.

Objective 2b: Further Florida's economic vision through the active involvement of DEO's contracted public-private partners in Florida's economic development.

Goal #3: Offer seamless customer service and supports to businesses and people entering and re-entering the workforce.

Objective 3a: Provide an efficient and effective first-level RA appeals process.

Objective 3b: Promptly register employers liable for the payment of RA taxes.

Objective 3c: Enhance the interaction between Florida's businesses and workforce system.

Objective 3d: Enhance Florida's workforce system by training job seekers to support the needs of businesses.

Objective 3e: Ensure that Florida's workforce system meets federally mandated requirements.

Objective 3f: Offer quality customer services to businesses involved with the incentive program application approval process.

Objective 3g: Streamline customer services to businesses seeking economic incentives.

Objective 3h: Streamline customer services to the DEO's contracted public-private partners.

Goal #4: Inform and disseminate DEO's available resources and tools to partners and stakeholders.

Objective 4a: Provide training to Regional Workforce Boards (RWBs) that develops subject matter expertise to create innovative programs designed to help job seekers gain employment.

Objective 4b: Meet all U.S. Department of Labor, Bureau of Labor Statistics (BLS) and Employment and Training Administration (ETA) contract deliverables (319) in order to produce, deliver and analyze labor statistics to support workforce, economic development and education.

Objective 4c: Provide technical assistance that helps small businesses and rural communities expand their local economies.






Goal #5: Optimize the effectiveness of DEO's resources to enhance the economy.

- Objective 5a:** Provide financial assistance by awarding grants to expand local community economies.
- Objective 5b:** Assist communities to maintain healthy households through emergency services, self-sufficiency programs and weatherization activities.
- Objective 5c:** Increase film and entertainment productions in Florida.
- Objective 5d:** Provide quality, cost effective and efficient executive leadership and administrative support services.

6.2.2 Division of Community Development

Florida's economic growth is the key in revitalizing the economy. Quality of life and quality places serve as economic drivers. The state's communities must be healthy and attractive to workers and businesses looking to relocate. Pursuant to Florida Statute 20.60, the Division of Community Development is charged with assisting local governments and planning entities with development assistance and administering state and federal grant programs. These state and federal grants are vital for developing the state's infrastructure, housing, rehabilitation and community revitalization -- all essential qualities in attracting people to Florida. The Division of Community Development also assists economic development in rural and urban areas; providing assistance programs to low-income families in Florida and managing special districts.

In order to accomplish the statutorily required mandates, the Division of Community Development has outlined several objectives. These objectives will pave the way for a statewide collaboration to prepare Florida's communities for economic growth and development. To resolve today's challenges and to support healthy communities, the Division of Community Development has outlined the following key priorities for the next fiscal year:

-  Reduce nutrient loading from improperly operating septic tanks and cesspits that are discharging into the near shore waters of the Florida Keys by constructing central sewer plants and collection lines in Marathon, Islamorada and unincorporated Monroe County.
-  Fulfill a five-year strategy to encourage the incorporation of adaptation planning into the existing state, regional and local planning framework and coordinate adaptation planning statewide. This will help to improve local and state collaboration in addressing adaption needs, statewide interagency cooperation on adaptation planning and statewide guidance for planning.
-  Maximize the usage of lands adjacent or closely proximate to military installations. This will enable appropriate growth and local economic vitality, ongoing military training and military readiness and public health and safety. This is essential for Florida to remain competitive as a host to the military.










6.2.3 Division of Strategic Business Development

A fundamental trait in keeping Floridians in Florida is to maintain a robust, competitive environment for the businesses and the overall economy. The Division of Strategic Business Development is statutorily charged with administering the state incentives awarded to businesses, developing the *Florida Strategic Plan for Economic Development* and managing and developing performance protocols for Florida's public-private partners. Since the creation of the Department of Economic Opportunity, the Division of Strategic Business Development has engaged in intergovernmental planning with the state, regional and local partners to ensure the vitality of the state's business climate and competitive edge.

As the designated administering body for managing and auditing incentives and public-private partners, the Division of Strategic Business Development is essential to Florida's overall business climate. Aside from contract negotiations, the Division of Strategic Business Development ensures that contracted businesses and partners are accomplishing their required agreements and deliverables. The Division of Strategic Business Development provides oversight and guidance to the contracted entities affirming that the partners are taking the necessary steps to provide contracted and important services to Florida.

The Division of Strategic Development has identified the following objectives for the fiscal year in order to strengthen the business climate in Florida:

-  Offer quality customer services to businesses involved with the incentive program application approval process.
-  Streamline customer services to businesses seeking incentives whether they are organic, relocating or starting another business in Florida.
-  Provide efficient, effective and seamless support to designated public-private partnerships, member projects recipients, and innovation incentive fund recipients on performance-based agreements, including drafting agreements and amendments.
-  Support DEO leadership concerning the designated public-private partnerships, member projects recipients, and innovation incentive fund recipients in such areas as legislative budget requests, accountability reports, bill analyses, legislative intent, etc.
-  Assist in the preparation of the DEO's annual reports concerning the performance of the designated public-private partnerships, member projects recipients and innovation incentive fund recipients.
-  Facilitate alignment and collaboration in the Film and Entertainment Industry in Florida.
-  Attract and cultivate new talent and film and entertainment production in Florida.



6.2.4 Division of Workforce Services

The Division of Workforce Services works to strengthen and rejuvenate Florida's Workforce through collective state, regional and local efforts. As the baby boomers continue to age and retire, Florida needs to train and re-educate the new workforce to meet the ever-changing workforce demand. The Division of Workforce Services is statutorily responsible for administering the federal workforce development grants and federal funding and work with Workforce Florida to set appropriate legislative agendas and facilitate the re-employment assistance process. The Division of Workforce Services houses the Labor Market Services Center which provides timely and reliable labor statistics to improve economic decisions for the state. Working together with the 24 Regional Workforce Boards and Workforce Florida, the Division of Workforce Services ensures that people, who lose their jobs through no fault of their own, are provided with re-employment assistance.

As Florida moves toward the same aspirational statewide goals, it is important to keep an inventory of competent workforce and required skills. For the next fiscal year, the Division of Workforce Services will concentrate on executing the following initiatives to ensure the needs of businesses and workers are achieved:

- Meet all 319 contract deliverables with the U.S. Department of Labor (USDOL), Bureau of Labor Statistics (BLS) and the Employment and Training Administration such as:
 - Support the production of statistics on labor force, employment, unemployment, and unemployment rates;
 - Support the production of current and projected employment and wages by industry and occupation;
 - Provide an internet delivery system populated with current data; and
 - Produce career development publications to support workforce and education.
- Create a supply/demand model that offers a web-enabled real time demand data, job availability, tools to align education/training requirements with business needs and employment information in an efficient and timely manner.
- Provide temporary wage replacement to qualified individuals who are unemployed through no fault of their own.
- Ensure that Reemployment Assistance claimants have access to the full array of services available at the One-Stop Career Centers while also ensuring continued eligibility for RA benefits.
- Fulfill the federal time-lapse standard of 80 percent of all Reemployment Assistance appeal decisions are completed within 45 days.
- Develop a web-enabled, modern system that will carry out all the Reemployment Assistance functions: initial claims and continued claims, wage determination, adjudication, appeals, benefit payment control and program integrity.
- Conduct a methodology study on calculating reemployment assistance tax and provide to the Legislature recommendations that are designed to ensure long-term solvency of the Reemployment Assistance Trust Fund while promoting equitable, minimal tax burdens on Florida employers.
- Increase the percentage of businesses who utilize workforce services.



- 🌐 Train job seekers to enhance the workforce capability in Florida.
- 🌐 Develop a Florida Workforce Integrated Performance Reporting System to perform various ad hoc queries and produce daily management reports to continuously monitor their successes and identify areas of opportunity.
- 🌐 Disseminate annually required training in a cost effective manner so Regional Workforce Boards (RWBs) can improve subject matter expertise associated with developing innovative programs designed to help job seekers gain employment.

6.2.5 The Executive and Administrative Functions

While the three service divisions carry the active duties that are viable to the economic development condition of the state, there are administrative divisions and offices in the Department of Economic Opportunity that conduct day-to-day activities that enable the agency to function as a whole. These divisions and offices include the Executive Staff, Chief of Staff, Legislative Affairs, Communications, Equal Employment Opportunity, Information Technology, Finance and Administration, the General Counsel and the Inspector General. These administrative divisions and offices have outlined major initiatives to operate and efficiently and improve the department's overall productivity. Identified services and efforts include:

- 🌐 Finance and Administration – Refining and streamlining financial monitoring processes and performance measures.
- 🌐 General Counsel – refining the organizational structure and updating technical skills and competence of staff members.
- 🌐 Inspector General – updating and refining policies, procedures and technical competence of staff members.
- 🌐 Information Technology – implementing:
 - Disaster recovery solutions.
 - An Enterprise SharePoint platform.
 - Managed print services
 - A Small Business Portal to streamline economic development information to small businesses.



6.3 DEO Performance Measures for 2013 - 2018

The following performance measures have been identified for DEO. Performance on these measures will be tracked from State Fiscal Year 2013 through State Fiscal Year 2018.

1. Executive Leadership – Percentage of department administration and support costs and positions compared to total department costs and positions.
2. Finance and Administration – Percentage of department administration and support costs and positions compared to total department costs and positions.
3. Information Systems and Support Services – Percentage of department administration and support costs and positions compared to total department costs and positions.
4. Community Development – Percentage of low to moderate income individuals assisted based on the total number of beneficiaries.
5. Community Development – Number of households benefitting from services provided by Community Services Block Grant program, Low-Income Home Energy Assistance Program, and Weatherization Assistance Program.
6. Community Development – Number of technical assistance activities undertaken to coordinate decision-making and investments for economic development, land use, transportation, infrastructure, housing, water, energy, natural resources, workforce and community development at the local level.
7. Community Development – Number of Area of Critical State Concern development orders, environmental resource permit applications, and land development regulations reviewed where the final order was found to be consistent with the principles for guiding development.
8. Community Development – Number of technical assistance activities undertaken to expand small business and rural community local economies.
9. Community Development – Number of grants provided to expand local community economies.
10. Workforce Services – Percent of Reemployment Assistance appeals disposed within 75-days.
11. Workforce Services – Percentage of Reemployment Assistance Court appeals where Commission prevailed.
12. Workforce Services – Percent of Reemployment Assistance benefits paid timely.
13. Workforce Services – Percent of Reemployment Assistance appeals cases completed timely.
14. Workforce Services – Percent of new Reemployment Assistance employer liability determinations made timely.
15. Workforce Services – Percentage of Federal/State statistical contract deliverables completed.



16. Workforce Services – Percent increase in the number of businesses registered in the workforce system.
17. Workforce Services – Percent of individuals who enter the workforce after receiving training services.
18. Workforce Services – Percent of Common Measures negotiated standards met or exceeded.
19. Workforce Services – Percent of individuals who have achieved the Tier 1 Workforce Professional Certification.
20. Strategic Business Development – Percentage of customers satisfied with the incentive program application approval process.
21. Strategic Business Development – Percentage of incentives applications approved in less time than required by statutes.
22. Strategic Business Development – Number and percentage increase in productions assisted by the Office of Film and Entertainment resulting in business and employment in Florida.
23. Strategic Business Development – Percentage of contract management deadlines completed in less time than required by contract time limits.
24. Strategic Business Development – Number and percentage of the public-private partners implementing one or more strategies in the strategic plan for economic development.





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