



Prepared by the Center for Urban & Environmental Solutions (CUES)

at Florida Atlantic University

Welcome by the EDO Director

Palm Beach County's (PBC) Economic Development Office (EDO) is pleased to provide you with the first Quarterly Report of the PBC Strategic Economic Development Plan. This report will be distributed electronically and available for download at the EDO website (www.pbcgov.com/edo/). There has been significant progress on the Action Items highlighted within this report. The EDO will continue to work together with the Overall Economic Development Program (OEDP) Steering Committee and all the organizations and citizens that were involved in the development of the Plan to ensure continuing progress.

Kevin Johns, AICP, Director
PBC Economic Development Office

Transmittal Memo from the Overall Economic Development Program Steering Committee

Date: August 22, 2007

From: Commissioner Addie Greene, Chair OEDP;
Commissioner Mary McCarty, Vice Chair OEDP

To: Board of County Commissioners

On behalf of the OEDP Steering Committee we are pleased to present the first Quarterly Report on progress implementing the County's Strategic Economic Development Plan, adopted on March 13, 2007. This Report was reviewed by the OEDP Steering Committee at its June 7 meeting. It will be electronically distributed to the public and published on the EDO website.

In light of actions during the 2007 Special Session of the Florida Legislature addressing property taxes, the County has entered a time of budget uncertainty that will continue into 2008. We believe that the Strategic Economic Development Plan offers an excellent tool for prioritizing revenue expenditures. It has been purposely designed to encourage public private partnerships and to expand the county tax base thereby creating new revenues.

The following are some highlighted projects currently being implemented. Further detail on these projects and other Action Items from the Plan are found within this report.

>**South Florida Inland Port Feasibility Study:** At the request of the Port of Palm Beach, the Seaport Office of the Florida Department of Transportation has completed the first phase \$200,000 review of the Inland Port. A presentation has been made to the OEDP Steering Committee and FDOT has authorized an additional \$200,000 for further economic analysis of the project.

>**Lake Okeechobee Regional Economic Alliance (LORE):** The EDO is implementing with LORE a two year \$200,000 Business Frontage program to regenerate the Glades downtowns and increase the tax base and economic vitality in the County's Lake Okeechobee region.

>**OEDP's Alternative Energy Task Force:** This Task Force conducted an inventory of local energy projects, held lectures with top engineers and university researchers and partnered with the Pollution Prevention Coalition. It is currently investigating the possibility of hosting a major "Green Living EXPO" in the fall of 2008.

>**Intracoastal Waterfront Economic Master Plan:** The MPO has obtained a \$200,000 FDOT contract for the Treasure Coast Regional Planning Council to develop an Intracoastal Transportation and Economic Master Plan for the 48 mile water corridor and intersecting canals. Eight agencies are participated as stakeholders.

>**Bioscience:** Scripps Florida has commenced construction on their permanent Florida facilities with completion currently envisioned for the first quarter of 2009.

>**International Trade:** The World Trade Center and PBCC have worked together to develop a continuing education, international trade import and export program. The British, Dutch, Finland and Bahamian delegations visits occurred in May and June. The Brazilians visit occurred in August. The International Real Estate Council is underway. It was formed to document the countries purchasing land in Palm Beach County for future consideration of attracting international banking and investment from overseas countries.



EDRI Quarterly Report, August 2007:

The Economic Development Research Institute (EDRI) has released their PBC Quarterly Report for the spring of 2007. "Recent economic trends in PBC indicate that economic growth is definitely cooling, reflecting the same pattern experienced in the national economy. Despite the slowdown in growth rate, employment in the County increased by approximately 9,900 jobs from March 2006 to March 2007." To obtain up-to-date PBC economic trends, the full report can be accessed on their website at the following link:

www.edriresearch.org/index.php?src=gendocs&ref=Spring07Report&category=Network

Taxes: State Senate President Ken Pruitt and House Speaker Marco Rubio jointly called a Special Session to address property tax reform that resulted in historic tax and funding changes for local governments. The negative impact on Palm Beach County was \$46 million less in property tax revenue received than in 2007. In addition, in January 2008, Florida voters will consider a proposed constitutional amendment to create a new homestead exemption, potentially reducing county tax revenue further.

Introduction to the Strategic Economic Development Plan:

Design: The design of the Strategic Economic Development Plan is to enhance and solidify the County's tax base and to create projects with major federal and state funding and through public private partnerships. The economic plan is based upon national and international "best practices" that have a history of weathering downturns in the economy. Since the Strategic Economic Development Plan was adopted, the economic climate in Palm Beach County has vacillated. Both nationally and locally, the residential real estate market has plummeted.

Basis: This Strategic Economic Development Plan was created through research of "best practices" that resulted in a diverse and strong tax base in similar upscale communities. It is based upon the overarching themes resulting from a SWOT analysis and from issues identified in the 2005 Economic Summit, the Palm Beach County Capital Improvement Program, the Metropolitan Planning Organization's Transportation Improvement Plan and the County's Comprehensive Plan. It also includes steps undertaken by many of the County's partners and stakeholder groups. The economic themes were refined into a set of five strategic directions: **prosperity, sustainability, quality of place, equity and education and positioning.** This set the framework for implementation by establishing a series of action items in each category.

Partnerships and Funding: The new economic plan is implementing the partnership approach to leverage private investment with scarce public dollars, to attract stakeholders with interest and leadership skills, to support public agencies that are leading the initiatives and to forge municipal and county relationships to ensure mutual cooperation and benefits. The ongoing implementation of this Countywide Plan also takes place in the context of continuing efforts at the state, regional and local levels to coordinate long range economic development strategies with related actions to improve education, housing and other quality of life components.

Tracking and Implementation: The PBC EDO, in collaboration with CUES at FAU, has established a monitoring system to track implementation of the Strategic Economic Development Plan. The monitoring plan will have a results oriented focus and work to ensure consistency with the PBC planning documents.

Additional quarterly reports will be prepared by CUES and the PBC EDO who will in turn utilize the information to provide updates to the PBC OEDP Steering Committee and the BCC. A full implementation report will be submitted on an annual basis.



The complete Strategic Economic Development Plan can be accessed at: www.pbcgov.com/edo/

Strategic Plan Action Items

1. **Significantly increase, preserve land uses for distribution and logistic companies, technology parks, and business districts:** The Economic Development Office has applied for \$2 million dollars from the Federal Economic Development Administration (EDA) to conduct site analysis and planning for expansion of industrial land uses in “rural areas of critical economic concern.” A goal is to support immediate and long term growth of State Enterprise Zones that have 12% to 23% unemployment.

The industrial component of the inland port is a key element of identifying industrial land. The Inland Port is focused on logistics and distribution companies as suggested by the FDOT/Cambridge Systematics, Inc. Study. Development of the park will be coordinated with the Port of Palm Beach, PBC Airport, railroads, Business Development Board, Glades cities, environmental stakeholders and large distribution and warehousing companies. EDA funds will be used for soft costs. This project will increase the capacity for job creation and create a tax base for the largest poverty areas of Palm Beach County.

2. **South Florida Inland Port Feasibility Study:** The Port of Palm Beach has taken a comprehensive look at its long term growth potential. Currently, it is a landlocked facility without adequate physical expansion opportunities. Terminal size constraints are impacting its ability to attract new port business to PBC. In an attempt to address this situation, port staff developed a concept for an inland port facility in western PBC. This facility would serve the Port as a direct extension of its waterside terminal. At the Port’s request, the Florida Department of Transportation (FDOT) agreed to conduct a study to explore the feasibility of an inland port facility that would be located at a centralized location in South Florida, providing a hub of port-related operations and storage facilities, with truck and rail connections to the region’s seaports, with truck access to regional markets.



At the June 7th, 2007 OEDP meeting, the results of the FDOT Inland Port and Cargo Airport Feasibility Study were presented by the Port of Palm Beach and Cambridge Systematics. The study identified five potential sites, three of which were in PBC. The siting recommendations considered land availability, transportation connectivity and proximity to markets, environmental concerns and community support. The Study concluded that the concept has enough merit to proceed with additional analysis to determine the economic impact from this facility. The FDOT agreed to provide \$200,000 towards the funding of the next study phase.

3. **Assist the Intergovernmental Plan Amendment Review Committee (IPARC) and selected consultants in conducting an Industrial Lands Preservation Study:** IPARC received \$65,000 from a variety of sources to commence work on the Industrial Lands Preservation Study being conducted by consultants Ernest Swiger & CHS Planning and EDRI. This study will provide an overview of national industrial growth management efforts, an assessment of local high-tech industrial growth potential, and specific planning tools for municipalities to use in order to encourage the preservation of industrial land as a primary employment generator.

This is a strategy to encourage diversification of the local economy, promote fiscally sustainable local governments, add to the tax base, improve local jobs/housing balance and manage impacts associated with growing commute times.

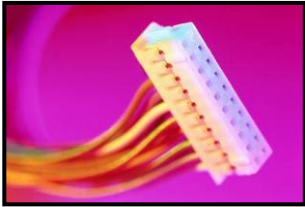
4. **Develop a resilient and sustainable economy by implementing the Post Disaster Redevelopment Plan:** As witnessed by Homestead (Hurricane Andrew), New York City (9-11), and New Orleans (Hurricane Katrina), major disasters can dramatically set back or drastically alter community economic development plans. Participant discussions at the County's 2005 Economic Summit surfaced many such concerns. PBC has since taken several serious, leading edge steps to minimize such setbacks and to introduce private and public initiatives designed to create a more sustainable, disaster resilient community and economy. Office Depot, IBM, BDB, the Town of Palm Beach and other leading partners have outlined a private sector strategy to assist businesses rebound from storms effects and return to profitability.

The County has adopted a comprehensive Post Disaster Redevelopment Plan to serve as a guidance document for local leaders in the aftermath of catastrophic disaster events. Believed to be the first plan of its type in the U.S., the plan focuses primarily on issues, actions and decisions critical to long-term recovery, reconstruction and economic redevelopment. The plan was borne out of extensive research and public and professional planning workshops. A public private partnership was formed with a mission to pool the resources and capabilities of a network of partner organizations to conceive, develop and implement a range of pre and post event business preparedness, economic development and recovery initiatives. The Partnership has met regularly to identify and develop strategies and plans for economic disaster resiliency; initiatives have been substantially identified and prioritized; and partner networks are being built to address early initiatives.



5. **Collaborate on a wireless broadband infrastructure:** A PB Wireless Task Force was formed to evaluate existing County infrastructure relating to wireless broadband. The Task Force has recommended that a collaborative initiative be established to address broadband infrastructure, applications and content availability in PBC. PBC Information Systems Services (ISS), iCoast, universities, municipal and major private sector participants are leading the public private initiative. The current research provided two funding options; public, modeled on Boston, and private; modeled on the Silicon Valley RFP process.

The following is a summary of the PB Wireless Task Force activities and accomplishments during 2007: 1) completed a Cooperative Agreement to formally establish the Task Force. The six charter member organizations are PBC, PBC School Board, Florida Atlantic University, Palm Beach Community College, South Florida Water Management District and the PBC Education Commission. 2) Adopted a Mission Statement and Governance Structure. 3) Continued outreach activities to encourage



participation by other organizations and community interest groups. 4) Researched wireless initiatives underway in other communities. 5) Compiled an inventory of wireless network assets in PBC. 6) Prepared a draft Request for Information (RFI) to obtain information from wireless service providers.

The next tasks for the Palm Beach Wireless Task Force will include: finalizing and issuing the RFI; developing program objectives; conducting a wireless pilot project; recruiting membership for governance committees and planning a Wireless Summit designed to educate policy makers and IT professionals.

6. Work to secure permanent showgrounds and provide supporting infrastructure for the equestrian industry in Palm Beach County: In May 2007, the Board of Directors of Stadium Jumping Inc. announced that Stadium Jumping reached an agreement with Wellington Preserve Corporation to relocate Stadium Jumping's showground's to a 179-acre parcel located within the Wellington Preserve community. Wellington Preserve is located on 50th Street, between 120th and 130th Avenues in the Village of Wellington. Conceptual permit and development approval applications are currently being prepared.

Stadium Jumping's Winter Equestrian Festival and National Horse Shows are important competitions, both nationally and internationally. The new License Agreements between the United States Equestrian Federation and Stadium Jumping allow for a complete and orderly transfer of the existing event dates to the new facility.



7. Support the on-going work of the Lake Okeechobee Regional Economic (LORE) Alliance of PBC: The Glades municipalities, Chambers of Commerce, Palm Beach Community College, Workforce Alliance, sugar companies, and local stakeholder organizations have appointed board membership to the new regional economic development entity, the LORE Alliance of PBC. LORE is a Florida, non-profit, community-based group of business and civic leaders in the Glades area whose mission is to "promote high quality economic development in the Lake Okeechobee region of PBC by building community consensus on regional projects, ensuring quality project design that creates a more attractive community, and providing early stage conceptual project planning that results in greater economic opportunities for current and potential residents and businesses."

The PBC BCC approved in April 2007 a Grant Agreement with the LORE Alliance of Palm Beach County, Inc. to administer a conceptual design and facade/exterior improvement program totaling \$200,000 for projects that will increase the economic vitality in the County's Lake Okeechobee region.



This Agreement will assist LORE in administering a conceptual design and facade/exterior improvement program for participating business/property owners. This program will result in the completion of five projects with at least one project in each of the Cities of Belle Glade, South Bay, Pahokee and unincorporated Canal Point.

8. Support the Bioscience Strategic Plan:

Upon successfully recruiting the Scripps Research Institute to PBC, the Business Development Board, through a Life Science Strategic Steering Group, developed a Life Sciences Cluster Development Strategy. This strategy consists of four major elements:

1. Build the County's research infrastructure of outstanding talent and modern facilities and equipment around select technology platforms and core competencies
2. Build a critical mass of life science firms by increasing the birthrate of PBC life science firms and encouraging the commercialization of research discoveries, and thereby improve Florida's ranking in terms of life science companies from ten to six in five years.
3. Provide a business climate and environment that supports, sustains and encourages the growth of life science enterprises, small and large, to start, to expand to, and to remain in PBC.
4. Encourage the County's citizens to become a more informed citizenry in the life sciences and encourage young people to explore and pursue scientific and technical careers.

A Bioscience Land Protection Advisory Board has been formed as a result of an Interlocal Agreement adopted by the County and the municipalities of Jupiter, Palm Beach Gardens, Lake Park, Riviera Beach and Mangonia Park. The Interlocal Agreement establishes mechanisms to promote the economic cluster by requiring the municipalities to create Bioscience Research Protection Overlays and protect lands within the overlays from commercial or residential development.



Scripps Florida is well underway with the construction of their new 364,000 square feet permanent facilities located on the Jupiter Campus of Florida Atlantic University (pictured above). These facilities which consist of a Biomedical Research Building, Administration and Advanced Technology Building and Drug Discovery Building are currently scheduled for completion in the early first quarter of 2009.

9. **Support the PBC Overall Economic Development Program (OEDP) Steering Committee’s Alternative Energy Task Force:** The PBC OEDP Steering Committee has formed a task force within its members to pursue the development of a comprehensive system of alternative energy, evaluating the potential for an energy industry cluster and encouraging green and smart development that reduces costs and dependency on oil and gas resources.

The Alternative Energy Task Force has met five times since its inception and has agreed upon the goals, objectives and organizational structure and has a draft document available for further detail. The Task Force is currently investigating the possibility of hosting a major “Green Living EXPO” in the fall of 2008.

The Task Force has determined that the Alternative Energy Business Cluster continues to grow here in PBC with some 13 existing entities that make/sell/service a variety of Alternative Energy products as their core business. It was estimated that these businesses contribute approximately \$7 million to the County’s gross domestic product (GDP) annually. Additionally, there are twenty or so other businesses that manufacture alternative energies (bio-mass, solar, thermal) for internal use only.



In terms of addressing the county-wide issue of “resilience,” the Task Force is encouraged by an array of alternative energy products that are being used by a few of the County’s businesses, but sees the need to create an “Alternative Energy Toolkit” (perhaps through its web site) to educate and advise the majority of the county’s businesses on appropriate choices in the areas of: 1) product selection, 2) energy conservation practices and 3) business continuity practices.

10. **Conduct and evaluate the study on the Urban Redevelopment Area:** In May 2006, the PBC BCC contracted with TCRPC to develop an Urban Redevelopment Area (URA) study and corridor master plan. The intent is to forge a vision for urban redevelopment in central PBC, to identify obstacles and opportunities concerning redevelopment, and to provide recommendations and priorities for implementing the vision. Established in 2005 and borne out of the county's Infill and Redevelopment Study, the URA was created to "promote infill and redevelopment" in the area.

The initial draft contains the following recommendations which the County could consider to engender sustainable and predictable redevelopment in the URA and the priority corridors:

- Establish a storm water utility program for the priority corridors,
- Create a “performance-based” transportation concurrency exception area for the priority corridors that rewards projects consistent with the study,
- Create a new future land use category as part of the redevelopment incentives,
- Develop a form-based code to define and implement urban development criteria for the priority corridors,
- Anticipate substantial redevelopment of existing commercial buildings and retail centers,
- Coordinate with the PBC School District to develop a new elementary school in priority corridors.

11. **Create a public private partnership with the League of Cities, Florida Inland Navigation District (FIND), PBC Economic Development Office (EDO), PBC Metropolitan Planning Organization (MPO) and the Environmental Resource Center to Develop an Intracoastal Waterfront Transportation and Economic Master Plan:** PBC has an opportunity to capitalize on its 48-mile stretch of the Intracoastal Waterway by creating a regional economic strategy that builds on its unique environmental assets.

The MPO has approved expenditure of \$200,000 in federal funds allocated to the MPO to develop an Intracoastal Waterfront Transportation and Economic Master Plan. The study will be conducted by the TCRPC under an agreement with the MPO. The planning council has assembled a team of land use, economic and demographic specialists to assist them in carrying out the study. A committee of stakeholders along the Intracoastal Waterway will be assembled to assist in the study and will include municipalities, PBC, the FIND, local inlet districts, the Port of Palm Beach and similar interests.



In addition, the TCRPC and the PBC EDO have applied for \$2.5 million dollars from the Federal Economic Development Administration (EDA) for a pilot project for a sea-going public ferry system operating out of the Port of Palm Beach to the southeastern U.S. cities and the Caribbean. This would be a coastal service economic transportation system for the region and the initial funds would be used to conduct a transportation plan and for initial ferry purchases.

This project will connect the region's coastal waterways with a southeast public ferry system serving beyond PBC's 48 mile corridor along the Intracoastal Waterway. Local businesses would design, construct and maintain the ferry system. Ridership and private sector advertising will provide cost recovery. EDA funds have been applied for 2009 to complete the transportation plan and initial ferry purchases.

12. **Implement a County-wide canals eco-tourism regional program:** The TCRPC and the PBC EDO have applied for \$2 million dollars from the Federal Economic Development Administration to begin work on pilot projects for inland marinas. The projects will encompass review of the canals based upon the historic New York Canal Development Authority restoration of major canal systems and lessons learned for canals that run through the Glades communities connecting to adjacent counties and coastal cities. EDA funds will be used for pro forma development design and engineering on identified nodes of development, bridges and utility structures. The project will begin to create inland marinas, regenerate rural downtowns, create eco-tourism trail systems and connect to the Lake Okeechobee Scenic Trail on the Herbert Hoover Dike. The system will increase the tax base, and support the creation of high skilled marine jobs, and eco-tourism opportunities.

13. **Integrate Public Art funding and project development into County capital improvement projects.** The PBC Cultural Arts Council released a new study of economic impact that indicates over \$100 million annual benefit to PBC. The Council presented findings to the PBC BCC and a strategy of funding based on model public art programs in counties nationwide (a statute-based “percent for art” program to provide continual public art funding.)

In PBC, the cities of Boynton Beach, Delray Beach, Palm Beach Gardens, and West Palm Beach have a “percent for public art” ordinance that designates funds for public art projects on municipal and privately- owned properties. More than 350 statute-based public art programs have been instituted by local governments nationwide. Even in these tight economic times, communities are supporting the arts. Citizens, politicians, and business owners are looking for opportunities to bring a unique identity to their communities through the arts, especially with public art.



Another separate initiative continues, PBC’s Public Art program, received \$1.5 million in “start-up” funding from voter-approved Cultural and Recreation Facilities Bonds in 1999 and 2002. The mission of PBC’s Public Art program is to create public art that complements public buildings, parks, and plazas; creates a sense of place; enhances community identity; improves the design quality of public infrastructure; and contributes to the missions of the County departments where projects are sited.

14. **Develop an International trade system including import and export:** The World Trade Center Palm Beach (WTCPB) hosted international consul generals and commercial service officers from five countries to better acquaint dignitaries with the broad array of business opportunities available in PBC. Great Britain, Netherlands, Finland, France and Bahamian government’s delegations to PBC occurred this summer. The proposed trade system is being developed with a broad alliance of international and domestic stakeholders. An International Real Estate Committee has been formed and, a data base of global investment is being expanded for the purpose of creating an international banking district. Local university international initiatives underway include a Palm Beach Community College continuing education, trade import and export curriculum, and Lincoln Tech and Northwood University workshops to facilitate overseas business. The WTCPB is also providing training outreach directly to local Chambers of Commerce.

An International Investment Council is being formed in future consideration of attracting international banking and investment from overseas countries.

15. **Create an educational endowment for math and science teachers:** The PBC Education Commission presented the concept of an endowment to the BCC this past year, with the idea of raising dollars for math and science teacher salaries, special projects and for revitalizing student math and science scores. The constricting economy has resulted in rethinking of the process of fund raising for the project. The Palm Beach Education Commission continues to seek a permanent Educational Endowment for Math and Science

to insure that PBC teachers and graduates excel beyond or at the highest levels of national and international engineering and science benchmarks. This Educational Endowment will be a public/private partnership that is intended to boost K-20 teacher and student education in math and science in the public schools. The purpose is to grow industries of the mind as educational infrastructure for PBC and for America's future.



The initial five-year goal of the program is to propel students' grades in math and science. Corporate leaders were being asked to participate in the planning and fundraising of this partnership for at least the initial three years of the efforts to support the costs of fundraising for the math and science endowment. The costs are anticipated to be a minimum of \$100,000 annually for three years, with the objective to raise \$30 million.

16. **Design housing best practices identified during the 2005 Economic Summit as well as a PBC Workforce Housing Program:** In March 2006, the BCC directed staff to implement an interim inclusionary policy until a comprehensive plan amendment and Unified Land Development Code (ULDC) amendments are made. This policy was implemented for all projects containing 10 or more units effective April 2006. Developers can also buy out of the program by paying into a trust fund at a rate of \$81,500 for every workforce unit required. Under the county plan, workforce homes range from \$164,000 to \$304,000. On August 21, 2006, the BCC adopted comprehensive plan amendments that establish a framework for an inclusionary policy. The BCC reviewed amendments to the ULDC which will implement the inclusionary policy and these were adopted in November of 2006.



PBC, through its Department of Housing and Community Development (HCD) continues to promote affordable housing to the very low, low and moderate income households within PBC. In fiscal year 2007, HCD provided financial assistance of \$13.9 million to approximately 350 first time homeowners.

The Board of County Commissioners created a not-for-profit Community Land Trust to protect the existing affordable housing stock and create new affordable housing stock within PBC. The BCC pledged a total of \$400,000 over a two year period for operating expenses for the CLT. .

In January 2007, the HCD presented the PBC Affordable Housing and PBC Workforce Housing Studies to the PBC BCC during a workshop. Strategic Planning Group, Inc. (SPG) was engaged by PBC to prepare the comprehensive county-wide Affordable Housing Study which focuses on the housing needs of very-low, low and moderate-income households (0-120% AMI). The study is an expanded examination of the PBC Affordable Housing Study of 2000 for the local housing market based on more recent information. The primary objectives of the study were to:

- Identify geographic housing sectors;
- Describe the significant characteristics of the Palm Beach County housing market;
- Provide inventories of various categories of housing units; quantify existing need for affordable housing;
- Project future need for affordable housing (2005-2010);
- And describe the effects of housing displacement under actual and hypothetical scenarios.

The PBC Workforce Housing Study was also prepared by SPG to provide similar information as the Affordable Housing Study, but for workforce income groups specific to the County's new Workforce Housing Program (60-150% AMI). Both reports can be downloaded from the PBC HCD website at http://www.co.palm-beach.fl.us/hcd/annual_plan.htm.

The complete Palm Beach County Strategic Economic Development Plan can be viewed and downloaded at the PBC EDO website: www.pbcgov.com/edo/

