

**THE WALTON COUNTY ECONOMIC DEVELOPMENT ALLIANCE**

**STRATEGIC PLAN 2013**

**Developed by the Institute for Senior Professionals  
Northwest Florida State College, Niceville, Florida**

**April 2013**

## INTRODUCTION

The Walton County Economic Development Alliance (EDA) invited the Institute for Senior Professionals (ISP), an independent advisory group supported by the Northwest Florida State College in Niceville, Florida, to develop a strategic plan for 2013.

Over the past two months, members of the ISP have interviewed business and community leaders in Walton County and in Northwest Florida. The objective of these meetings was to gather information on ways the EDA can be more effective at attracting, expanding, and retaining business.

The ISP members engaged in this project were Art Miller (team leader), Linda Obrzut, Jim Marasia, and Bill Fletcher.

Throughout the course of this project, the ISP team invested more than 300 hours and met with 56 people in Northwest Florida who have a stake in economic development. These people include bankers, farmers, ranchers, consultants, accountants, elected and appointed government officials, business owners and managers, tourist development people, travel and resort specialists, and retired executives. We met with all five Walton County Commissioners, talked with those responsible for economic development in three neighboring counties, and investigated resources and organizations that might prove valuable.

The amount of material and number of organizations involved in economic development at the Federal, State, and local level, as well as private organizations, is huge, so we do not present this as a comprehensive study. It is a review of recent activity by the EDA, and, more importantly, a recommended action plan.

We recognize that economic development for the County south of the Bay, which is focused on tourism and recreation, is different than north of the Bay, which is rural.

This report covers the following topics:

- Key Recommendations
- EDA Structure and Activity
- SWOT Analysis
- Developing a Mission Statement
- Goals and Key Performance Indicators
- Return on Investment
- Staffing
- Shovel-Ready Sites
- Websites
- Building Permits
- Options
- 25 Ideas to Help Stimulate Economic Development
- Appendix

## **KEY RECOMMENDATIONS**

To achieve success in economic development, we recommend the EDA address six key topics:

1. Encourage the development of skilled talent to meet the needs of businesses.
2. Develop an inventory of shovel-ready and certified sites.
3. Impress upon the Board of County Commissioners the importance of improving the permitting process.
4. Increase the financial resources devoted to economic development.
5. Include more private sector members of the community in the economic development process.
6. Demonstrate stronger leadership and increased teamwork among the EDA, county agencies, educators, the financial community, other businesses, and neighboring counties.

## **EDA STRUCTURE AND ACTIVITY**

The EDA is made up of the Chairman, who is also the Chairman of the Board of County Commissioners, representatives from the three incorporated communities in Walton County, DeFuniak Springs, Paxton, and Freeport, a representative from Power South, a Certified Public Accountant, the Walton County Administrator, or TDC Executive Director, or appointee of the BCC, and the head of the Chamber of Commerce.

For the past three years, the staff of the EDA consisted of one person who had little experience in economic development. That person resigned at the end of 2012 and the EDA is currently searching for someone to manage its economic development activities.

The EDA, by choice, does not receive funds from the private sector. All funding comes primarily from Walton County, with minor contributions from some incorporated communities.

The EDA website identifies the EDA as “a public/private organization that aims to provide local and prospective businesses with the tools and resource . . .” It also states that it is a “. . .driving force for collaborative leadership, leveraged by public and private members, working to retain and attract businesses . . .” It is currently being updated.

The EDA printed collateral material has value, but needs improvement.

The 2011-2012 EDA Strategic Plan included a Vision Statement, a Mission Statement, and key points with respect to business retention and expansion, product development, business climate, marketing, and business recruitment.

We found the Strategic Plan was inadequate for many reasons. It listed activities directed at business development and retention; however, it:

- had no goals, only activities
- did not prioritize activities
- did not identify measurements or key performance indicators
- did not specify time frames
- did not identify people responsible for carrying out the plan

Such phrases as “create a management system . . . develop a long-term plan . . . create and implement a clear and predictable process for negotiating with clients” are well intended, but are too vague to be effective.

## **SWOT ANALYSIS**

An essential step in the process of developing a strategic plan is to assess all of the factors that could affect the success of an organization, including an analysis of the environment or marketplace in which it functions.

A strategic approach also requires that an organization build on its strengths and advantages, and avoid trying to be all things to all people.

A commonly used assessment method is a SWOT Analysis, which looks at the Strengths, Weaknesses, Opportunities, and Threats to an organization and its marketing effort.

As sobering as self-examination is, the intent is not to find fault, but to find ways to improve outcomes; not to fix blame, but to fix problems.

With respect to Walton County and economic development, we find the following:

### **Strengths:**

- Quality of life and quality of place
- Availability of land north of Choctawhatchee Bay, some south of the Bay
- Comparatively attractive cost of living
- Interstate Highway 10 – a “band of gold”
- Four laning of Highway 331 north-south, and bridge expansion
- Major CSX railroad line
- An effective Tourist Development Council
- No Florida state income tax
- Tourism, vacation home owners, and “snowbirds”
- Low crime rate
- A “Top 100” rated hospital, Sacred Heart Hospital of the Emerald Coast
- Job related training opportunities
- Access to diverse year round recreational activities and parks
- Opportunities for ecotourism, such as Morrison Springs and the E.O. Wilson Biophilia Center
- Proximity to two regional airports in Okaloosa and Bay Counties
- A general aviation airport in DeFuniak Springs
- Proximity to cities such as Birmingham, Montgomery, New Orleans, Atlanta, Mobile, Jacksonville, Orlando, Tampa, Charlotte, Nashville
- High percentage of experienced retirees who volunteer their time
- Natural resources

- Attractive beachfront communities, such as Watercolor, Sandestin, Grayton Beach, Rosemary Beach, Santa Rosa Beach, Blue Mountain Beach, and Seaside
- Artistic and entertainment events, such as the Annual Songwriters Festival and the Charity Wine Festival
- Access to educational institutions
- An economic development representative who supports economic development efforts in Walton County, who can help submit project RFPs to Enterprise Florida, coordinate site visits, and act as an advocate for the region at trade shows and site consultant missions
- Electric utility incentives for businesses re-occupying buildings 10,000 square feet or more that have been vacant for 12 months or longer
- Representative on EDA board for Agricultural Interests
- Communication to the public via open meetings on EDA projects

**Weaknesses:**

- Limited skilled labor pool -- the biggest challenge facing efforts to attract businesses to Walton County
- Lack of shovel-ready sites and inventory
- Limited involvement of local educators in economic development efforts
- Underfunding of economic development efforts
- Unpredictable and inconsistent behavior of County government toward business
- Slow and uncompetitive county permitting process
- Inexperienced staff involved in economic development
- Unincorporated areas lack involvement in the economic development efforts
- “Us” and “Them” mentality between sections of the County
- Lack of involvement of the private sector in economic development
- Lack of County-wide strategic planning and accountability
- No licensing of business or ways to track business openings
- Limited knowledge and utilization of state and federal programs to help business development
- Perceived lack of effectiveness and high turnover of county officials
- Perceived lack of transparency on the part of local government
- Over-dependence on tourism for tax revenues
- Lack of goals, priorities, and measurements for the EDA
- Lack of affordable housing in south of the bay
- Relatively expensive commercial property values south of the bay
- Limited involvement of the banking community and financial expertise
- Outdated and inaccurate EDA website and collateral materials

- The EDA has no participants on its board who represent areas south of the bay
- Having elected officials manage economic development is less effective than having experienced business people.
- Areas such as Paxton, Argyle, and Mossy Head lack health care facilities

#### **Opportunities:**

- Widening of Highway 331 to four lanes and bridge expansion
- Development of master plan for the expanded 331 corridor
- Marketing of Walton County as a place that is “Open for Business”
- Availability of affordable land north of the bay
- Farming, ranching, nursery, and value-added agribusiness
- Large southern pine forests
- Knowledge and experience of people who move to Walton County to retire
- Development of Mossy Head Industrial Park and Freeport Industrial Park
- Availability of waterfront commercial sites in Four Mile Creek
- Teamwork among the EDA, the Board of County Commissioners, the Chamber of Commerce, and the Tourist Development Council
- Development of creative arts and related businesses
- Collegiate high school in South Walton in the fall of 2013
- Greater regional cooperation with both Florida and Alabama counties
- Invest time talking with existing business to learn about needs
- Determine potential supply chain gaps in the County to help identify businesses to recruit

#### **Threats:**

- Lack of creative and strategic thinking – no consensus on what we want Walton County to be in 20 years
- Strong financial commitment to economic growth in Alabama
- Inadequate funding of economic development activities
- Aggressive economic development efforts by neighboring counties
- Young residents leaving area due to lack of job opportunities
- Poor quality of water and limited health care facilities in some areas
- Lack of long term planning for health care, water, electricity, etc.
- Narrow focus on parochial interests
- Lack of shared vision among people in all parts of the county.
- Lack of cooperation between the public and private sectors
- Lack of coordination among all parties involved in attracting and retaining business in Walton County.
- Continuing to use the same unsuccessful approach to economic development

## **DEVELOPING A MISSION STATEMENT**

Many economic development organizations focus on attracting new jobs to their communities. Our neighbors to the east, the Jackson County Development Council, Inc. (JCDC), under the director of Mr. Bill Stanton, adopted a mission statement that emphasizes the retention and growth of current businesses.

Its mission statement, which uses the acronym REACT, is as follows:

- Retain
- Expand
- Attract
- Create
- Target

JCDC focuses on job producing enterprises, private or public, that provide exportable, value-added products and services. This creates high-skill/high-wage jobs, high-capital investment (which generates tax revenues), resulting in a higher quality of life.

Such efforts are designed to bring money into the community, as opposed to many retail operations, which remove money from the community.

The EDA board should develop a clear mission statement, whether it focuses on attracting new jobs or the retention and expansion of current businesses, which will then determine the direction of an economic development strategy.



## GOALS AND KEY PERFORMANCE INDICATORS (KPIs)

After an updated mission statement is agreed upon by the EDA board, the strategic plan should begin with a statement of goals.

The goals need to be based on a commonly accepted method of goal setting, such as the S.M.A.R.T. approach, that is:

- Specific
- Measurable
- Achievable
- Relevant and Realistic
- Time bound (a completion date)

Goals should be clearly defined using the S.M.A.R.T. approach, and then activities selected to support those goals.

The person or persons actively involved in economic development activities should function with a clear set of personal goals. For example, goal #1 might be to attract 3 new companies with a total of 50 employees in the next 12 months. Once the goal is established, a list of activities is needed to help achieve that goal. Then move on to goal #2, and so on.

The goals below are the ones used by three economic development organizations.

One key performance indicator (KPI) is job creation, either through recruiting new companies or by expansion of existing companies. Job retention, while harder to quantify, is also a KPI.

Bay County EDA has a 2013 goal of creating 1,300 jobs. Their director stated, *“The criteria have been a moving target and we have decided, based on a lot of input, to count only permanent, full time jobs that are created through any process. We also look at the wage level and count those that are above minimum wage jobs – we want to be fair in the count, but not all of the good, paying jobs created in 2013 will originate at the EDA – it is my belief that we will actually meet the 1,300 job goal from EDA projects. We have been advised by our funding partners to celebrate all good jobs no matter how they are created”*.

The director of the Jackson County Development Council (JCDC) only counts jobs that are the result of the direct effort, in most cases the exclusive effort, of the JCDC.

The Bay County definition makes the most sense for the Walton County EDA.

**RETURN ON INVESTMENT:** Whether an economic development organization is a 100% publically funded organization or is funded by both the private and public sectors, the stakeholders should expect a return on their investment. Jackson County has the most detailed and practical measurement, as described here.

Company Tax Type	County	City	School Board	Special Tax District	Total Tax Collected	Taxable Value
<b>COMPANY A</b>						
Real Estate	\$27,580	0	\$24,996	\$154	\$52,730	\$4,000,000
Tangible Property	\$253,000	0	\$229,000	\$1,400	\$483,400	\$37,000,000
General Revenue	\$281,000		\$254,000	\$1,555	\$536,155	\$41,000,000
<b>COMPANY B</b>						
Real Estate	\$7,000	\$5,000	\$214,000	\$1,300	\$249,000	\$35,000,000
Tangible Property	0	0	\$77,000	\$500	\$77,500	\$13,000,000
Totals (Gen. Rev.)	\$59,300	\$5,000	\$544,000	\$32,155	\$663,055	\$89,000,000

2012 INVESTMENT IN EDA	TAXES PAID	% RETURN
COUNTY \$250,000	\$59,300	23.72
CITY \$50,000	\$5,000	10.00
TOTALS \$300,000	\$645,300	21.43

Company A is not in the city, so the tax shows as 0. Company B has an incentive that defers tangible property taxes to the city and county for 10 years. The School Board continued to receive its normal tax from both companies. The Special Tax district might be for mosquito control, fire protection, etc.

**CAPITAL INVESTMENT:** A simple measure of capital investment in the county for new and expanded businesses is another KPI.

**RECRUITING TIME:** Keeping track of time spent doing work related to recruitment is a measure to assure the right work is done. Telephone conversations with businesses and trips to visit businesses qualify. A target of 60% of the director’s time should be focused directly on directly on recruitment, not on paperwork or attending conferences.

**RETAINED JOBS:** These jobs are the ones kept in the county by efforts to prevent a current business from leaving the county.

## STAFFING

A key for the success of a strategic plan is the EDA staffing.

Success in economic development is not likely to be achieved by one staff member. Neither is it likely the EDA can attract a skilled, experienced individual at the proposed maximum salary of \$60,000. By comparison to neighboring organizations engaged in similar efforts, the budget for the EDA is inadequate and unrealistic.

Albert Einstein's observation is well-known, "The definition of insanity is doing the same thing over again, expecting different results." A different approach is needed.

We met with the executive directors and a board chairman of three economic development organizations. They are:

- the Bay County Economic Development Alliance
- the Jackson County Development Council, Inc.
- the Okaloosa County Economic Development Council

These organizations are the one stop location for business development information and efforts in their counties. Their staffs recruit new businesses and assist existing businesses to expand and stay in the county.

In Jackson County, retaining and expanding existing businesses is considered more important than recruiting the new ones.

<u>County</u>	<u>Population</u>	<u>Annual Budget</u>	<u>Current Staffing</u>	<u>Funding</u>	<u>Per capita</u>
Bay	170,000	\$550,000	3*	50% Public 50% Private	\$3.24
Jackson	49,000	\$350,000	3	100% Public	\$7.14
Okaloosa	183,000	\$450,000	4*	49% Public 51% Private	\$2.46
Walton	56,000	\$156,000	1	100% Public	\$2.78

\*The Bay County EDA and Okaloosa County EDC will each add one person in 2013.

Business development organizations tend to distribute work into a few major areas:

- public sector efforts
- private sector efforts
- project management of recruitment targets
- marketing and administration

Based on our discussions with other organizations, two or three full time employees, or full-time equivalents, is the appropriate staffing level. A salary of \$70,000 to \$100,000 is the market rate for business development director with a proven record.

Bay and Okaloosa Counties have been successful in securing about half of their income from the private sector. Okaloosa County has three private membership levels for their EDA. The annual memberships are \$500, \$1,000, and \$3,000. Each level provides different benefits to the member and is the traditional “pay to play” funding model. Okaloosa County has 70 private members.

Bay County charges the two Chambers of Commerce and the TDC \$30,000/year. The St. Joe Company and the Panama City Port Authority pay \$20,000/year. Other private members pay \$5,000/year.

All three indicated a strained or tense relationship with the local Chambers of Commerce in matters relating to economic development.

In spite of problems in the past with private sector involvement in the governing board for the Walton County EDA, the participation of the private sector, specifically people with financial and engineering expertise, is highly desirable.

An executive committee in all three organizations develops policy. Execution is left to the director and the staff, or a small executive committee.

In all cases, the chairman is not an elected county official, but a county citizen. In one case the chairman is a pastor.

Bay County has 19 members, Jackson County has 14 -18 members, and Okaloosa County has a policy board of 40, and an executive committee of six. All three counties have private sector involvement in the policy setting committee.

The Jackson County Development Council is 100% publicly funded, but has private working men and women on their policy board.

All these organizations are tracking 1-30 projects at any given time. Because of the competitive nature of the business, their success rate is less than 5%. The goal of any EDA must be having as large a number of projects in the pipeline as possible. The Bay County EDA director told us, *“Economic development is an elimination game.”*

Bay and Jackson County operate under the Florida Sunshine Law, yet they protect the identity of the potential clients by using pseudonyms. Both directors believe in a transparent organization, and their meetings are open to the public.

## **SHOVEL-READY SITES**

Relocation decisions are often made within three to six months, therefore, companies expect prepared, even certified, sites. Alabama currently has 27 such sites available throughout the State. Florida has a few, and Walton County has none.

The shovel-ready designation means a business can obtain the site and be ready to build, or remodel an existing building, in a matter of months. Shovel-ready also refers to land that is roughly prepared with main roads and major infrastructure, such as access to water, sewer, and electricity.

If the county or city owns the land, the sales price and cost per acre are determined. If leasing is an option, the terms and contract format are developed and approved in advance. If tax abatements are available, the appropriate governing body discusses and approves it in advance. These items enable the economic development staff to provide information in a timely manner to interested parties.

We recommend the EDA investigate having Mossy Head certified, possibly on a cost-sharing basis with Gulf Power.

McCullum-Sweeny, located in Greensboro, SC, is well-known consulting firm in this field.

## **WEBSITES**

Websites are a valuable tool for any EDA/EDC.

The key websites for Jackson County, which is rural, are Enterprise Florida's and Florida's Great Northwest. Jackson County has aerial photos of their sites, and they have the ability to use the Opportunity Florida site. Freeport might also qualify to use it, since it is included in the ordinance that created Opportunity Florida.

The normal process for site selection consultants, especially if they represent an European, Asian or South American business, is go to state or regional websites. From these sites they go to a specific county's website.

Okaloosa and Bay Counties EDA/EDC leaders believe their county websites are the most important vehicle they have to attract attention.

Keeping the website fresh, with pertinent information concerning their organization, their sites, the workforce, and reasons to locate in their county, is critical.

Okaloosa County allows their higher paying members to advertise on the website. This is exposure for the advertiser, and shows visitors the other companies in the county.

The Okaloosa County EDC said the website is their number one tool.

A website should:

- document physical sites
- list inventory – highlight shovel ready sites and certified sites
- identify the educational systems (K-12, colleges, and technical schools)
- emphasize quality of place
- identify workforce capabilities

We recommend the EDA complete the updating of the website, and maintain its content and accuracy. It is the best means of broadcasting information about Walton County. The website should also include a listing of all available commercial properties.

## **BUILDING PERMITS**

Criticism of the permitting process in Walton County is widespread.

In a business-friendly environment, businesses expect to find a consistent and predictable approach to dealing with local authorities. Based on comments from many people, that is not the case in Walton County.

While it is not the role of the EDA to manage the permitting process, the EDA needs to encourage County government to streamline the process, and encourage all county agencies -- the county administrator, building department, planning department, public works department, and elected officers -- to work together in a time sensitive manner to ensure good customer service. Delays and bureaucracy are unacceptable. Unless extraordinary circumstances exist, permitting should be completed in less than 90 days.

When Family Dollar wanted to build a 1.2 million square feet (the equivalent of 26 football fields) distribution center in Jackson County, the county did the development order in 3 weeks after the contract was signed. The distribution center was running 12 months after signing the contract. Family Dollar said it was the shortest timeline they ever accomplished.

We recommend the EDA encourage the Board of County Commissioners to require all those involved to work together effectively to minimize the process of permitting.

When a company or individual approaches the County for a building permit, one person ought to be assigned to expedite the company through the entire process.

## OPTIONS

We considered the following options for the EDA:

1. Seek private participation on a “pay-to-play” basis:

Having private sector members on the board of the Walton County EDA has not worked well in the past, however, all EDAs we are familiar with do include them. We recommend the EDA involve the participation of professionals from the world of banking, accounting, civil engineering, and other related fields. The EDA as currently structured, lacks needed expertise and experience.

2. Seek additional funding from the County or from other sources:

Additional funding from the Board of County Commissioners, or from other sources, is needed. Based on the investment made by other counties, Walton County EDA cannot compete effectively in its economic development efforts. One option of additional funding is to use monies from the sale of land in Mossy Head to fund future EDA activity.

3. Seek the participation of volunteers who could assist the EDA:

Seeking the participation of a retired executive(s) who would contribute time on a *pro bono* basis to supplement the director’s efforts is an option that should be considered, if the BCC decides against additional funding. The EDA could consider utilizing a retired executive as the director of the EDA, and using the budget to pay for additional support staff.

4. Seek a new director who will work alone, as the previous director did:

Hire one person who will be responsible for economic development, as was done in the past.

5. Seek a cooperative venture with another economic development organization:

Investigate a cooperative venture with another organization involved in economic development that could provide expertise and assistance to the EDA.

(The possibility of a regional effort should also be considered, similar to the Defense Strategic Initiative (DSI) that represents five counties in the Florida Panhandle.)

Of these options, we recommend Option 5, a cooperative venture, specifically with Bay County.

We discussed the option of a cooperative venture with the Okaloosa EDC and Bay County EDA. Both organizations responded positively to the idea.

Of the two, Bay County EDA is the more logical option because of similarities and ways in which they complement each other. Bay and Walton are heavily oriented toward tourism. Bay County has a deep water port and commercial airport, which has cargo capabilities. Walton does not. Walton has much rural land, and Interstate 10 crossing the county. Bay County does not.

An agreement could be reached, possibly for a minimum of two years, which specifies the duties and responsibilities of both parties, and the financial commitment involved. If Walton County decided to end the partnership, it would have gained valuable experience from one of the most effective economic development experts in the country.

Bay County's EDA executive director, Neal Wade, has outstanding experience and a national reputation in his field. He is open to a cooperative venture, with one condition: that everyone on the EDA board is completely committed to the partnership.

Should the EDA not pursue an agreement with the Bay County EDA, we recommend, as a second option, it seek additional funding from the BCC, or other sources, in order to make its economic development efforts competitive with other counties in Northwest Florida.



## 25 IDEAS TO HELP STIMULATE ECONOMIC DEVELOPMENT

1. The Mossy Head site on I-10 at exit 70, owned by Walton County, is a prime opportunity. As we previously recommended to the EDA, a truck and travel center operated by companies such as Love's, Pilot Flying J, or Travel Centers of America, would be highly desirable. There is no other truck stop in Florida of this size on I-10 west of exit 130. Such travel centers are usually located on 10 acres, and cost about \$8-10 million to build. In 2011, Love's built a truck stop on I-10 at exit 130 in Cottonwood, in Jackson County. They purchased 40 acres for \$37,000 per acre.
2. Wood pellets – since the 1997 signing of The Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC), an international treaty sets binding obligations on industrialized countries to reduce emissions of greenhouse gases. This has created a market for clean burning wood pellets as a fuel source in many foreign countries.

Green Circle Bio Energy has a site in Jackson County that produces wood pellets, which are shipped to Europe. The company is considering one more operation in the Panhandle at least 50 miles away, perhaps in Walton or Escambia. The Jackson County plant has 244 jobs and \$150 million in capital investment.

3. Do property searches for all the properties that are for sale along I-10 in Walton County, along Highway 98, and for commercially zoned areas on 331.
4. Investigate opportunity for value added agribusiness. Panhandle Fresh is a farming cooperative that markets the crops grown on small farms and sells them to restaurants and large retailers, such as Wal-Mart. Panhandle Fresh has been successful and wants to expand, but demand exceeds the amount of produce they can bring to market. They are looking to add growers, invest in a packaging plant, and buy refrigerator trucks. Jackson County has businesses that produce sturgeon and caviar.
5. One producer of olive oil is successfully operating in Jackson County. We identified one farmer in Walton County who has planted a grove of olive trees. The terrain and climate for 30 miles north and south of I-10 is well-suited to growing olives. There is an olive growers association in Georgia already with many growers in the southern part of that state.

6. Bees are needed to pollinate crops in other parts of the county. Several local bee keepers send bees to California every year to help growers with the almond crops.
7. Investigate the possible upgrading or rebranding of Healthmark Regional Medical Center on 331, south of I-10. Additional healthcare facilities are also needed in areas such as Paxton, Argyle, and Mossy Head.
8. Commercial property is available along Highway 98, however it tends to be expensive and its use is limited by Scenic Corridor restrictions. Nevertheless, the area is well-suited to communities for retirees and for senior care centers.
9. The EDA should attempt to communicate directly with commercial real estate brokerage firms, such as Cushman and Wakefield and Coldwell Banker Commercial, to identify businesses in major northern locations that might be considering relocation.
10. The EDA should develop a relationship with area military installations for the purpose of contacting servicemen and women, especially those with technical or mechanical skills, who are in the process of leaving the military.
11. The EDA should work with area professionals who can contribute talent and experience to developing a master plan for 331 as it is widened to 4 lanes.
12. Encourage the participation of retired executives, or executives who have second homes in Walton County, to add their knowledge and experience to the local economic development activity. Some may have contacts who might be interested in relocating businesses here.
13. Investigate the opportunities that might exist for suppliers to the new Airbus factory in Mobile, AL.
14. Continue to promote career-oriented training that focuses on the work skills that prospective companies seek. Current vocational training offered by local education institutions is useful, and should be expanded. (See Appendix 1)
15. Explore opportunities to develop fish hatcheries, as was done in Jackson County.

16. The number of working farms in Walton County has decreased over the years, as it has in many parts of the Panhandle, however, people have developed profitable ranches and farms.

Representatives of the Farm Bureau indicated that 2012 was an excellent year for cattle ranching, and the trend should continue for years to come. Sheep ranching, though less common, has also been successful. Domestically raised lamb is highly sought after by high-end restaurants.

People engaged in these businesses have urged us to do whatever we can to promote the return of Future Farmers of America to the local school system. FFA in Walton County High School was headed by Odon Russell, but the program was dropped.

17. Nursery and floral production is a potential business opportunity. Local retailers, such as Fresh Market in Destin, sell large amounts of fresh cut flowers. The flowers they sell are shipped from California, even though Florida is the largest producing flower state in the county.
18. Four Mile Creek, in Freeport, has outstanding facilities for boat building and repair that could be utilized. Contacting boat builders in other parts of the county could attract new businesses and jobs.
19. Promotion of the creative arts in beachside communities that cater to tourists and vacationers could promote job growth.
20. Investigate the feasibility of a commercial laundry to serve the businesses in the beachside communities. As an example, Sacred Heart Hospital's linens are sent to Pensacola for cleaning.
21. Many people who work in the shopping centers, restaurants, hotels near Highway 98 and 30A live north of the Bay. Investigate the feasibility of a day care center or after school care program to assist parents who work south of the Bay.
22. Investigate the feasibility of an outlet mall at Mossy Head. The Howard Group, which operates Silver Sands Mall in Miramar Beach, is a developer to talk with.

23. The Muscogee Indian Nation in Bruce is likely to get recognition from the Federal government in the near future, which will allow the tribe to operate with significant tax advantages. They are interested in starting a hydroponic tomato growing business, which could employ 10-12 people.
24. The Work Opportunity Tax Credit Program (see Appendix 2) provides private employers tax benefits of up to \$9,600 for hiring certain classifications of people.
25. Investigate the possibility of developing a technical/industrial park on 331 near 1-10 in DeFuniak Springs. A 1,400 acre site just south of I-10 is a possible site.

## **CONCLUSIONS**

As stated at the outset of this report, in order for the Walton County EDA to achieve success in economic development, we recommend that it address six key topics:

1. Encourage the development of skilled talent to meet the needs of businesses.
2. Develop an inventory of shovel-ready and certified sites.
3. Impress upon the Board of County Commissioners the importance of improving the permitting process.
4. Increase the financial resources devoted to economic development.
5. Include more private sector members of the community in the economic development process.
6. Demonstrate stronger leadership and increased teamwork among the EDA, county agencies, educators, the financial community, other businesses, and neighboring counties.

## Appendix 1

### **Walton Career Development Center and Career Academies**

The Walton Career Development Center is a valuable resource for Walton County. The facility's auto maintenance bays, the building construction lab, IT classrooms, and health science labs are impressive

The center is the newest tech center in Florida. It is in its 5th year and has over 200 post-secondary students. The current curricula are: licensed practical nurse (LPN), care tech, auto mechanics, information technology (4 programs), and cosmetology. They will be beginning cyber security next semester.

The center has an 82% placement record. This exceeds the 70% required by the state to get funding. Most post-secondary graduates stay in the region, especially in Dothan and Okaloosa County.

The LPN program gets students from the region, and many go on to RN school at Northwest Florida State College or Gulf Coast College.

WCDC could come on line with a new course, if the EDA requested it. An IT course could be organized in weeks because only software is needed. Classes such as welding or machine tools would require equipment and more time. They use Federal grants called Perkins Grants for equipment.

The cost for post-secondary is \$54/clock hour, and most courses are 900 to 1300 hours. They follow the state of Florida's frame work for classes.

--Paxton has the Early Childhood Academy and Instructional Technology Academy. Walton has an Academy of Culinary Arts and Academy of Early Childhood Education.

--Freeport has the Freeport Academy of Instructional Technologies.

--South Walton has the Institute of Medical Sciences and Institute of Instructional Technologies.

--Walton has the Career Development Center – Building Construction Technologies Academy and Instructional Technologies Academy.

--Emerald Coast Middle School has Microsoft Academy of Instructional Technologies.

Opp, AL has the McArthur Technical School, which could be a source of skilled people to fill jobs in Walton County.

## Appendix 2

### **Work Opportunity Tax Credit (WOTC) Program**

On January 3, 2013, the President signed into law the American Tax Payer Relief Act of 2012, which authorizes an extension of the WOTC program:

WOTC continues authorization of all veteran target groups (including those implemented under the VOW to Hire Heroes Act) until December 31, 2013.

WOTC retroactively reauthorizes all WOTC non-veteran target groups, from December 31, 2011 to December 31, 2013.

WOTC retroactively reauthorizes Empowerment Zones, which determines eligibility for the summer youth target group, from December 31, 2011 to December 31, 2013

The Work Opportunity Tax Credit is a federal income tax credit that provides incentives to private for-profit employers to encourage the hiring of individuals from certain targeted groups of jobseekers who traditionally have difficulty finding employment.

Employers can reduce their federal income tax liability up to \$9,600 during the first year of employment of a member of a targeted group, depending on the target group. There is no limit to the number of qualified employees for which an employer may receive this tax credit.

#### WOTC Targeted Groups

Qualified Temporary Assistance to Needy Families Recipients

Qualified Veterans/Disabled Veterans

Qualified Unemployed Veterans

Qualified Ex-felons

Qualified Designated Community Residents (residing in an Empowerment Zone)

Qualified Vocational Rehabilitation Referrals

Qualified Summer Youth (residing in an Employment Zone)

Qualified Food Stamp Recipients

Qualified Supplemental Security Income Recipients

Qualified Long-term Family Assistance Recipients

Qualified Disconnected Youth

#### Eligibility Requirements

For job applicants who appear eligible, employers must submit a physical (mail) or electronic (online) application, a Pre-Screening Notice and Certification Request for the Work Opportunity Credit within 28 days of the employee's employment start date.

# Appendix 3



## Florida Strategic Plan for Economic Development July 2012 – June 2017 (V19.0, [www.floridajobs.org/FL5yrPlan](http://www.floridajobs.org/FL5yrPlan))

### At-A-Glance

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