

Summary of Economic Development Presentations

Escambia County
RESTORE Advisory Committee
April 7, 2014

NAACP Pensacola Chapter

Business & Economic Development:

- Development of technology and media products
- Increase in minority business formation rates and development
- Enhance business opportunities for minority firms
- Increase minority business development capacity
- Improve African-American & minority tourism

Education & Workforce Development:

- Address digital divide in low-income & minority communities
- Increase technology & media training
- Facilitate early childhood education
- Develop jobs in art & entertainment
- Increase youth employment & job training
- Amplify parent & family literacy efforts
- Increase focus on STEM & arts training

UWF (Rick Harper)

Four Types of Jobs:

- Non-routine cognitive
- Non-routine manual
- Routine cognitive
- Routine manual

Bottom Line:

- Economic activity results from mating area resources (supply) with marketplace needs (demand)
- Improving quality of local assets enhances marketplace returns
- Routine cognitive, routine manual jobs to be automated, off-shored
- Safe streets, good schools essential to healthy growth
- Small, new businesses are net job generators

UWF (Ramie Gougeon)

Outline:

- Cultural resources are non-renewable
- Federal actions (incl. RESTORE) require cultural resource impact analysis
- Heritage tourism is a major economic driver, part of sustainable development

Heritage Tourism:

- Identify, conserve cultural resources
- Accurate interpretation, management of cultural resources
- Authentic visitor experiences through understanding of community impact of tourists
- Revenue generation thorough protection, marketing, promoting cultural resources

Suggested Criteria:

- Demonstrated awareness of regulatory regime, budget for cultural resource evaluation
- Projects enhance cultural, historic resources

UWF (Brice Harris)

Economic Challenges:

- Population growth; gross household earnings; economic diversification; talent supply & education; public health & safety; infrastructure

Economic Opportunities:

- Leverage state, federal, other oil spill resources
- Performance-based business incentives
 - Closing fund; utility expenses; tax inducements
- Homeowner incentives
 - First-time, out-of-state, existing
- Capacity-building projects
 - “Speculative buildings” should require sustainable occupancy commitments upfront
 - Defer, forgo initial cost as incentive
 - Infrastructure-intensive projects yield highest cost-per-job, lowest near-term ROI
- Micro loans; small business grants
- Community Redevelopment Areas
- Employment education endowment
- Public-private partnerships

UWF (Brice Harris cont'd)

The Way Forward:

- Policy should drive strategy, tactics
 - Define end-state
 - Catalog resources
 - Bridge ends and means
- Local, regional, state studies abound
 - Implementation funding historically lacking
- Lead with strengths
- Leverage funds when, where possible
- Multi-pronged approach OK, even preferable
- Accountability is key
 - Sanctions, “clawback” critical for non-performance
- Rising tides lift all ships

Visit Pensacola

Economic Impact of Tourism:

- \$1.00 hotel/lodging sales = \$7.60 total taxable spending in local area
- 16,000+ jobs related to visitor industry
- Tourism assets attract new residents, companies
- Tourism is 3rd largest industry sector (after defense, healthcare)
- FY2012 = 4,302,643 overnight visitors = \$715M direct spending
- FY2012 lodging revenue = \$178M = 11% increase over FY2011

Suggested Criteria:

- Evidence-based market demand analysis
- Site selection connects with other visitor destinations, amenities; is compatible with local area; permits future expansion; promotes ancillary activities
- Design supported by operational finances, tells unique/compelling story

Key Tourism Metrics:

- Focus on overnight vs. day visitors
- Increased length of stay, spending
- Drives new visitation

Tourism Administration & Convention Committee – Budget Subcommittee

- Leisure, hospitality a particularly strong candidate for job growth
 - Due in part to government, healthcare spending reductions; weakness in housing sector
 - Automation, declining international transport costs = permanent, long-term decline in manufacturing employment
- Visitor spending vital to Pensacola economy
 - Avg. \$1,780 spent per person/trip (2010 data)
 - Accounting for more than 16,000 jobs, \$0.5B annual earnings
 - Only defense, healthcare larger than tourism
 - Most significant driver of economic development for region
- Shift to year-round tourism market would promote capital investment, job creation
 - Arts, sports, heritage, convention sectors can contribute greatly to shoulder season market development
- Net gain to local tax base
 - Tourists pay taxes, cluster
 - Tourists demand less physically than residents in terms of public infrastructure, public services

Florida Dept. of Health (John Lanza)

Escambia County Health Condition:

- 30% of health = health care; genetics
- 70% of health = poverty; education; race/ethnicity; personal choice; location
- Most unfavorable health factors = arthritis disability; female breast cancer; asthma; smoking; teen births; STDs; poor birth outcomes (esp. for African-American babies); cardiovascular/heart disease; stroke; COPD; diabetes
- Chronic disease = single greatest challenge of 21st century (diabetes; high blood pressure; heart disease)
- Main causes of chronic disease = physical inactivity; poor nutrition; smoking
- CDC's "winnable battles" = national program linkage; nutrition, physical, obesity; tobacco use

Recommendations:

- Reduce obesity by improving physical activity, nutrition
- Reduce tobacco use
- Health management = resource navigation, self care, worksite wellness

Workforce/Economic Development Committee (Scott Luth, Jennifer McFarren, Rod Lewis, Susan Nelms)

Overview:

- Strong economy = economic/community/workforce development policies, programs
- Strategic advantages = available sites, buildings; strong emphasis on business park development; leading employers; military assets; transportation network
- Key target industries for Pensacola MSA = advanced manufacturing; aviation/aerospace MRO; maritime MRO; IT/cyber security; back office/call center

Workforce Readiness:

- STEM-focused programming, solutions
- Build employability skills into existing curriculum, programs (not stand alone)
- Defined outcomes/success/completion metrics
 - Short-term success (e.g., STEM program enrollment/completion; math/science test score improvement)
 - Long-term success (e.g., adult literacy; HS graduation; math/science test score improvement)

Workforce Development Committee (cont'd)

Workforce Development:

- Collaboration, articulation among institutions, organizations
 - E.g., alignment, cooperation between secondary and/or post-secondary education providers
- Solution inclusiveness
 - E.g., open vs. restrictive to large population
- Alignment with key target industries and/or key infrastructure
 - E.g., advanced manufacturing; aviation/aerospace; maritime; IT/cyber security; back office/call center
- Championed by business/industry
 - E.g., consortium of local IT, manufacturing companies presenting solutions, training
- Proven need, defined success, tracking mechanisms
 - E.g., Evidence-based; well-defined outcomes; use of best practices

Disqualifying Criterion:

- Duplicates existing programs rather than expanding, replicating best practices

Center for Independent Living

- Major tourist attractions not handicapped accessible
 - Beaches; fishing piers; Eco-trail; parks; cultural heritage; infrastructure; parking lots; historic village; recreational facilities; marinas
- Inclusiveness, Accessibility, Universal Design/ADA Compliance
 - Good for economy, everyone
- Persons with disabilities earn \$1T/year
 - Untapped consumer market worth \$220B/year
 - Families, friends, communities, employers, service providers further enlarge untapped market
- \$81.7B spent on travel by disabled persons in 1995

Recommendations:

- Hire ADA consultant to design criteria for evaluating project compliance with state, federal disability civil rights laws
- Place high priority on enhanced accessibility to built environment
- Establish EEOC committee to ensure targeting economic, workforce development projects toward persons with disabilities, African-Americans, minorities, other underemployed populations

Diversity Program Advisors (George Hawthorne)

Social Infrastructure Project Portfolio System

- Set project prioritization system
- Social infrastructure projects = “community facilities, services and networks which help individuals, families, groups and communities meet their social needs, maximize their potential for development, and enhance community wellbeing”
- Includes universal community facilities, education (e.g., education, training, health, recreation, arts, cultural facilities, community meeting places
- Also includes targeted community facilities, services for groups with special needs (e.g., persons with disabilities, ethnically/culturally diverse people)
- Goal is to promote “transformational change projects;” avoid “implementation gap;” personal persuasion, reduce multi-tasking
- Screening criteria = economic evaluation; benefit/cost techniques; project risk; market research; community benefit
- Selection techniques = ad hoc approaches; comparative approaches; weighted scoring model techniques; existing project matrices; community optimization models

Diversity Program Advisors (cont'd)

Analytical Hierarchy Process

- Organization of “mitigating factors” in hierarchical structure
- Prioritization allows trade-offs to be made between project selection criteria, alternatives
- Include non-financial factors (e.g., quality of life, safety)

Community Engagement & Project Input Process

- Community commitment
- Needs identification
- Project proposals
- Project pre-screening
- Portfolio selection
- Community presentation
- Portfolio refinement
- Portfolio adoption
- Review, evaluation

Key Take-Aways

- Multiple inputs and perspectives into how to address job creation & workforce development projects – these perspectives should be designed into the process for determining project priority and the projects themselves
- Job Creation, workforce development, tourism, environmental projects can be vastly different thereby making direct comparisons for trade-off difficult
 - Risk of slighting initiatives by not assessing individually
 - Overlap should occur organically, not by force
- Leverage funds when, where possible
- Multi-pronged approach OK, even preferable
- Accountability is key
- Rising tides lift all ships
- Fundamentally are two types of workforce development projects:
 - Skilled workforce development
 - Workforce readiness

Skilled Workforce Development

- Focuses on programs that prepare specific skillsets to support high skill/high wage occupations in growing sectors of economy
- These programs can occur at secondary and post-secondary education levels and should be connected across levels to allow for articulated credit
- Content should be driven by industry and result in the degrees/certifications/skillsets that industry values
- Pensacola Chamber & UWF Haas Center are finalizing work with industry and education/training partners to identify specific workforce gaps in manufacturing, IT
- Project proposals should provide a focus on removal of barriers for under-represented populations into the programs AND a focus on movement from program to employment

Workforce Readiness Programs

- Purpose is to provide additional resources/programs that allow ALL of our residents to engage in the education/training programs that lead to high-skill/high-wage employment
- Includes a focus on traditionally under-represented populations including those living in poverty, persons with disabilities, African-Americans, minorities, underemployed, transitioning military
- Would include programming in the areas that research demonstrates lead to workforce readiness including but not limited to:
 - Early childhood education
 - Parent & family literacy
 - Digital literacy/ access
 - Youth employment & job training programs
 - Adult/basic education/ GED programs
- Should be carried out through partnerships including CBO's, FBO's, industry, education, government, etc.

Job Creation

- Leverage Public, Private Resources
- Performance-Based Business Incentives
 - Closing fund; utility fees; tax inducements
- Homeowner Incentives
- Capacity-Building Projects
- Micro Loans
- Small Business Grants
- Employment Education Endowment
- Capital Acceleration Opportunities

Criteria

- Collaboration & Articulation Among Institutions, Organizations
 - Secondary & post-secondary education; business & industry; under-represented populations
- Level of Inclusiveness
 - Programming open to large population; focused on removing barriers; open access
- Emphasis on High-Skill/High-Wage Training, Preparedness, Jobs
 - In-demand occupations
 - Job creation levels
 - Wage levels (% of County average)
- Proven Need, Defined Success, Tracking Outcomes
 - Problem identification/proposal supported by data & metrics
 - Tracking mechanism for performance & reporting
 - Return on investment
 - Program Sustainability

Discussion Period

- Questions
- Comments
- Observations
- Suggestions

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