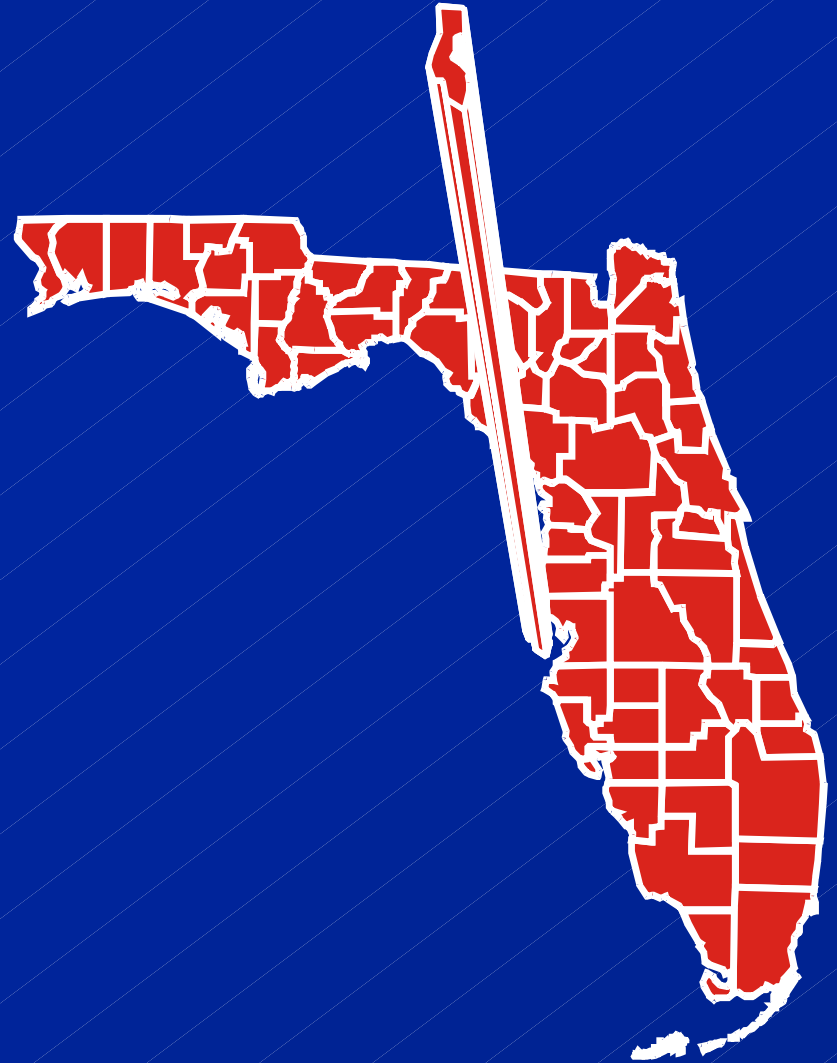


How to Improve...

**The
Pinellas
County
Economy...**



Presented by

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Today we will....

- **Briefly review the Pinellas economy.**
- **Review the influence of reaching physical build-out.**
- **Discuss Target Industries and Business Incentives.**

How a local economy works.

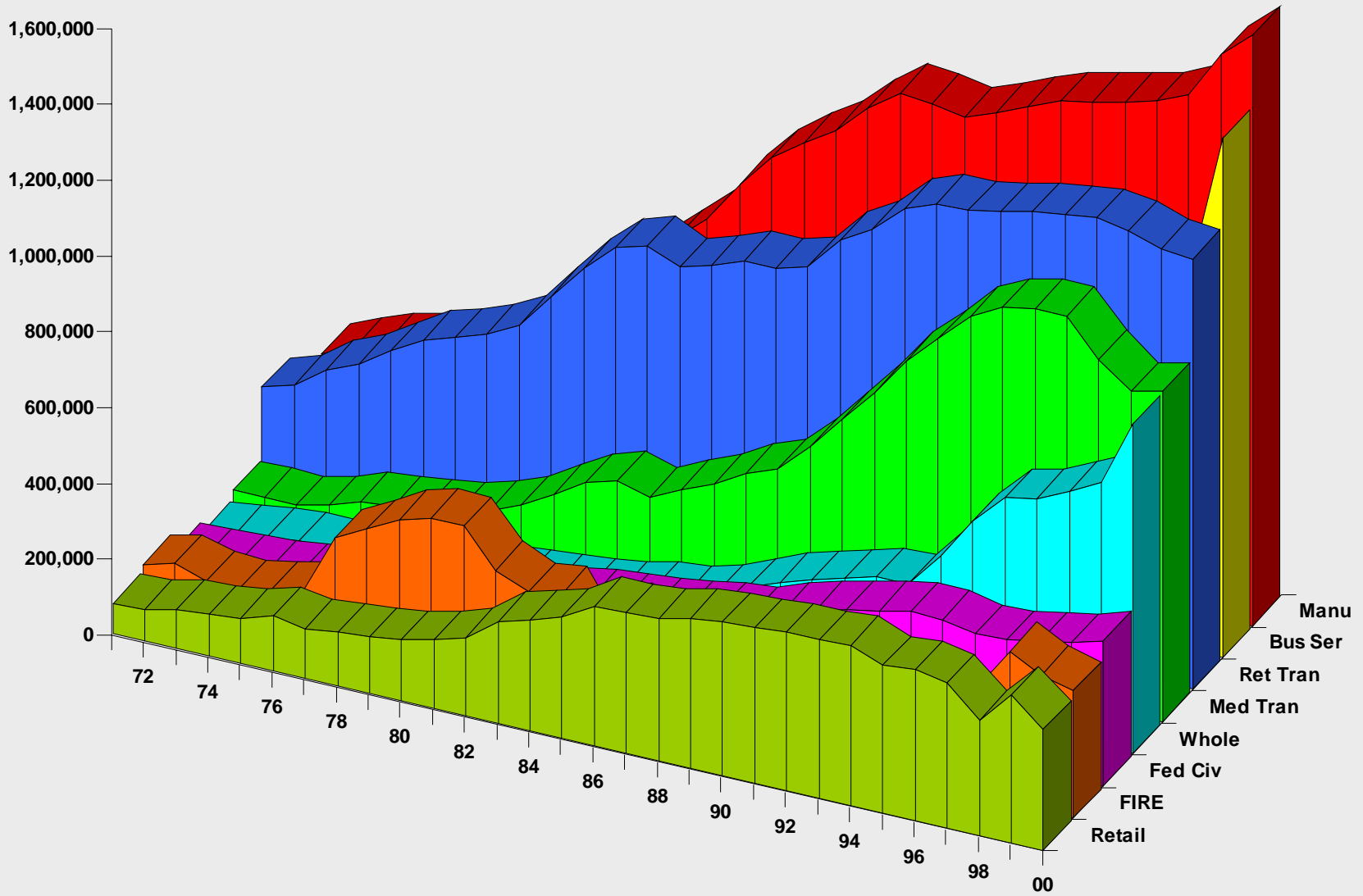
- **Money flows into an area by the primary industries.**
- **The size of an economy is determined by the amount of money flowing in.**
- **The quality of an economy will approach but cannot exceed the wages paid by the primary industries.**

***Primary Industry
Earnings
2000 - 1971***

Pinellas

Primary Industry Earnings (000)

1971-2000



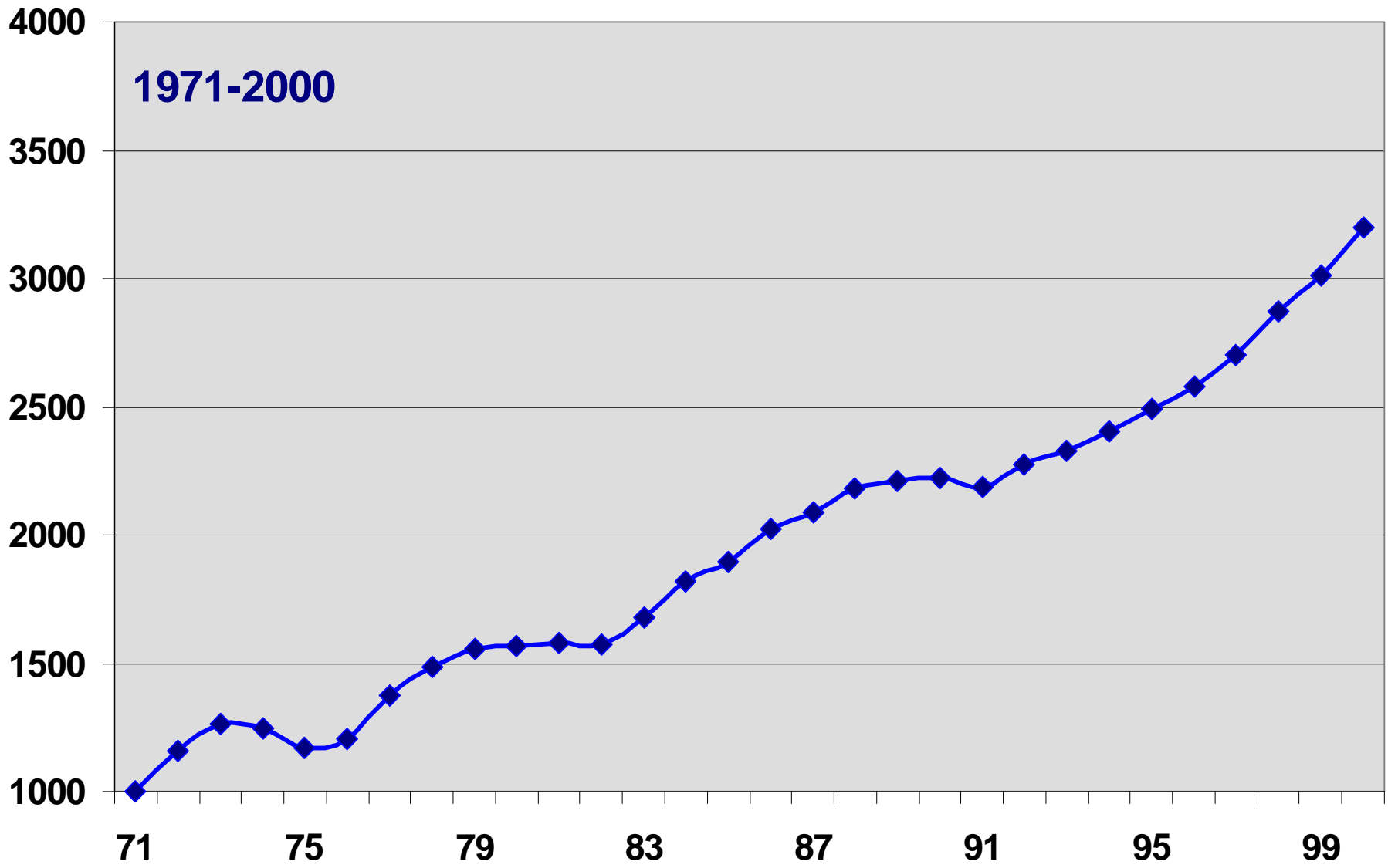
***Pinellas Growth
Rankings
x/318***

Growth In Size

Inflation (CPI)
Adjusted
Earnings

CPI Earnings Factored

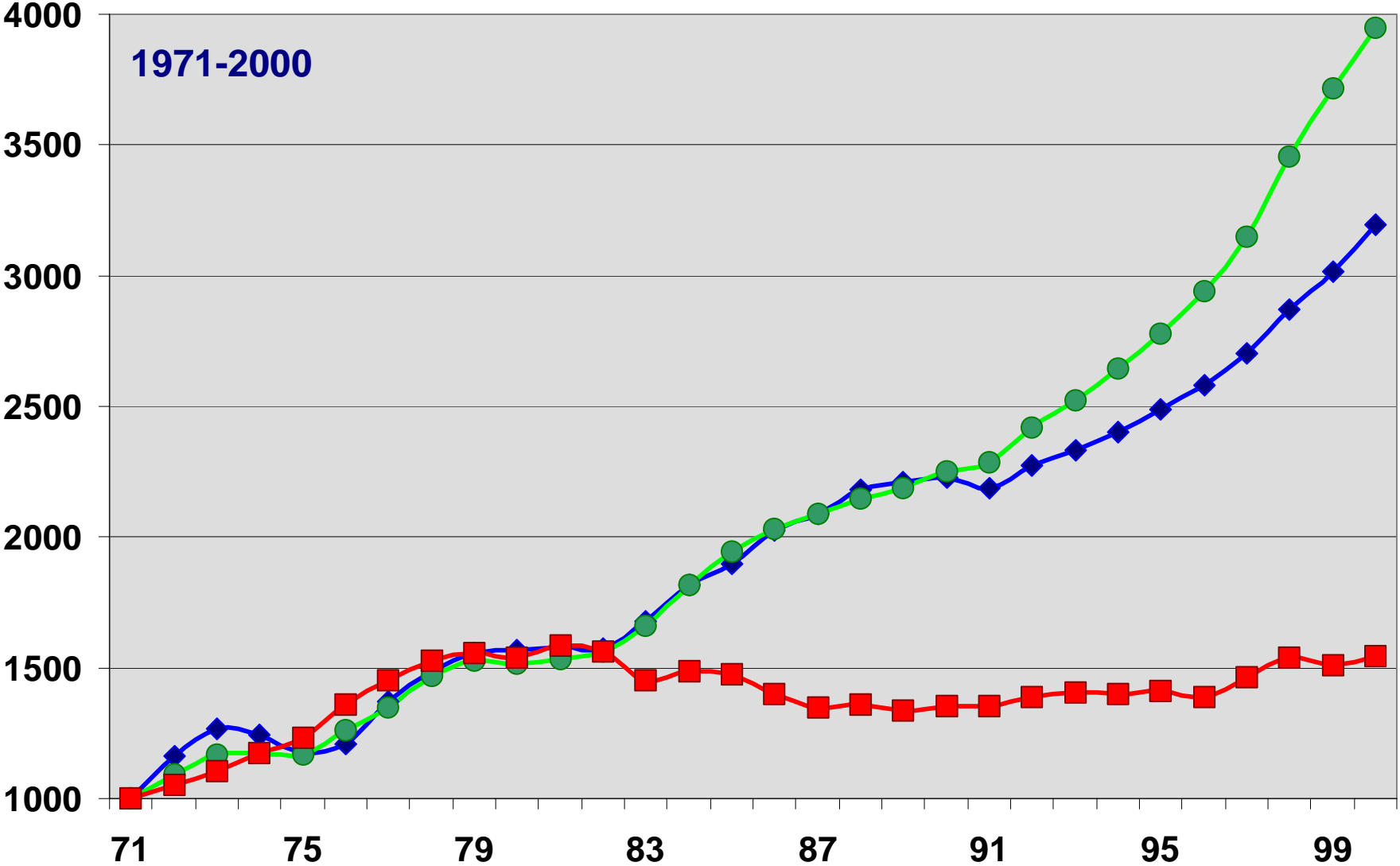
1971-2000



◆ Pinellas

CPI Earnings Factored

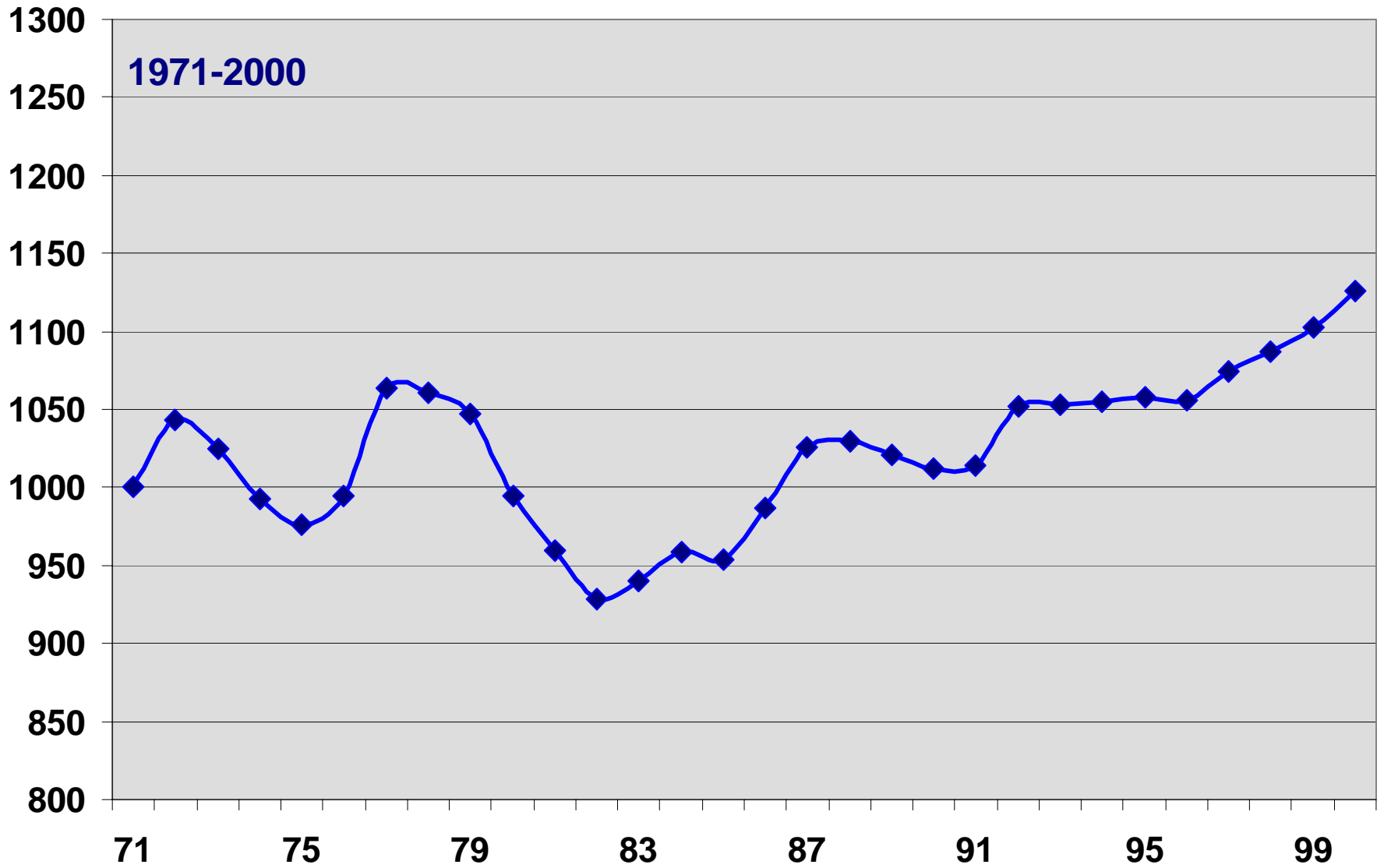
1971-2000



Growth
In
Quality

***CPI Factored
Earnings Per
Worker***

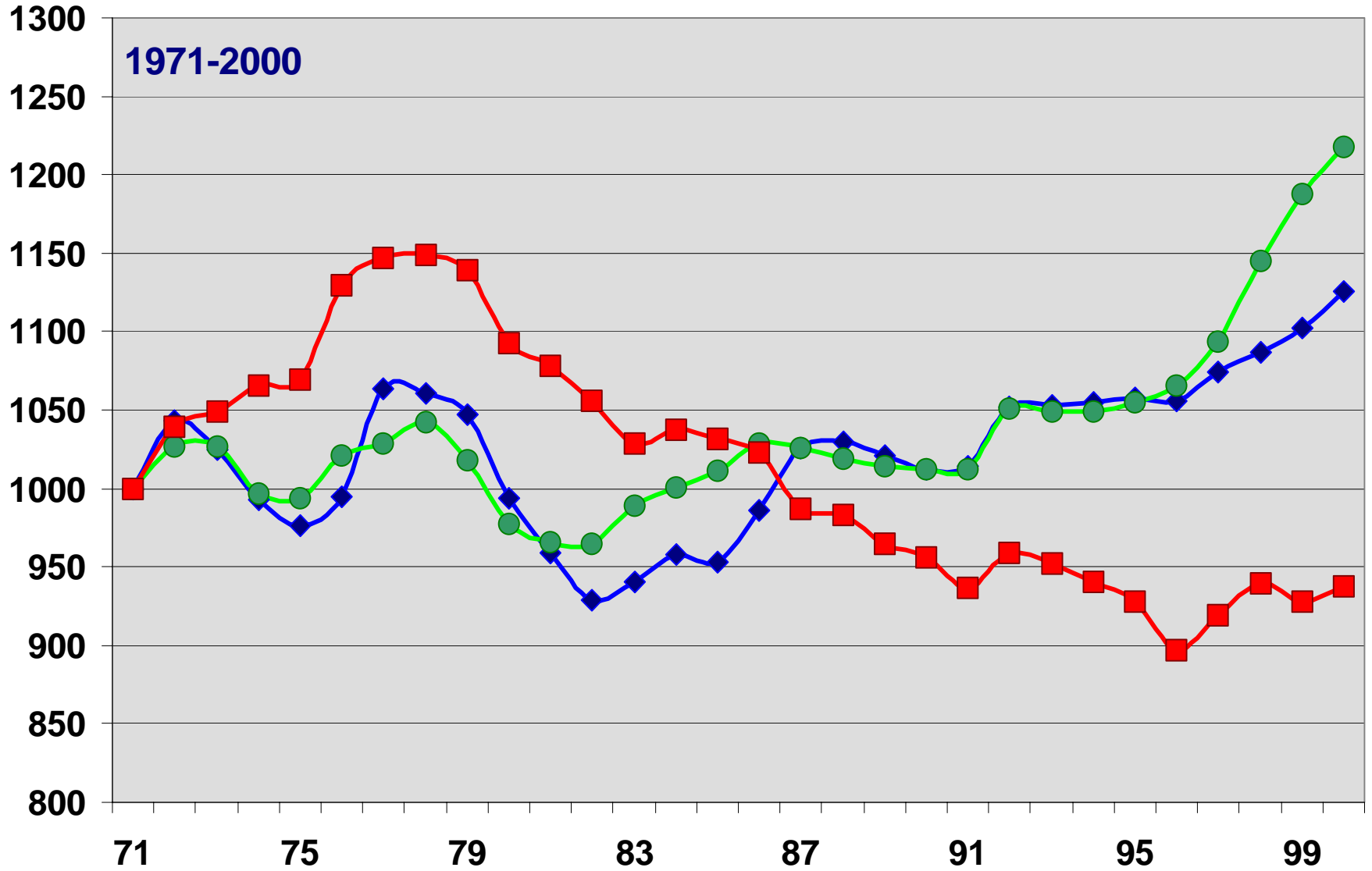
CPI Factored AEPW



◆ Pinellas

CPI Factored AEPW

1971-2000



◆ Pinellas

● Strongest

■ Weakest

How To Improve a Local Economy

Create more primary
industry jobs which pay
a wage higher than the
area average.

Physical Build-Out

***Economic
Development is
ultimately a real
estate transaction.***

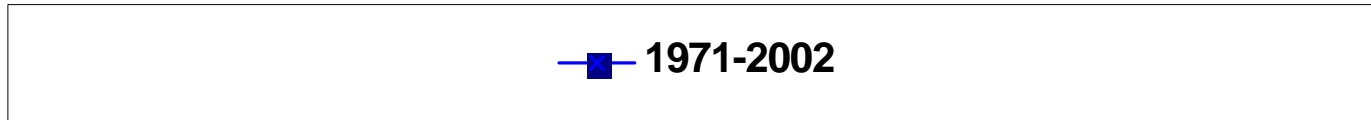
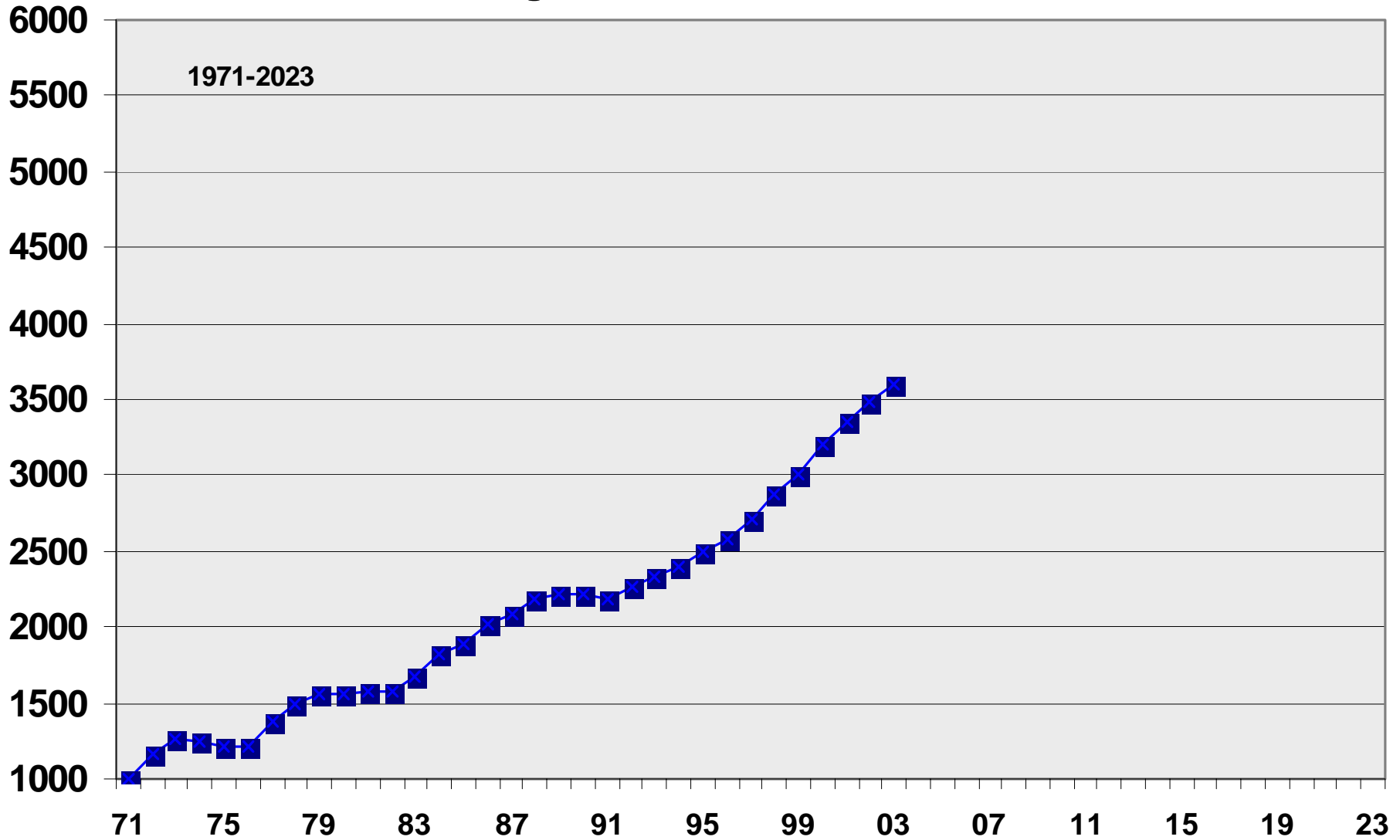
Build-Out

- **By 2006, the county will , for practical purposes, run out of “Greenfield” industrial land.**
- **Existing companies cannot expand and new companies cannot locate.**
- **Existing facilities, over time, will become unusable, and more companies will leave the area.**
- **The economy will stop growing and will begin to decline.**

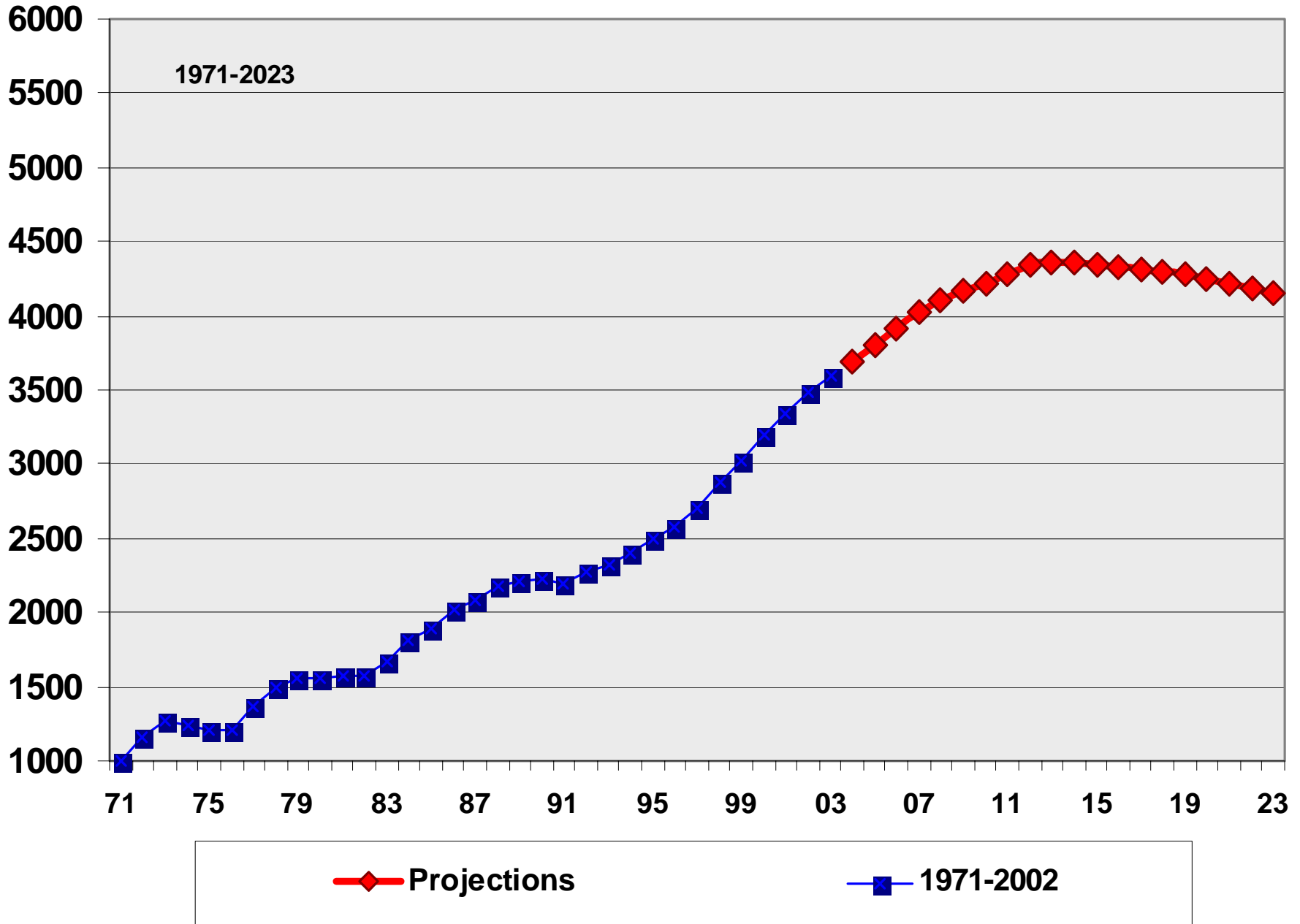
Two Possible Futures

***Projections
and
Goal
2003-2023***

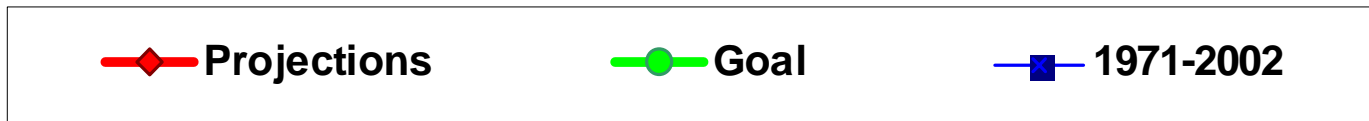
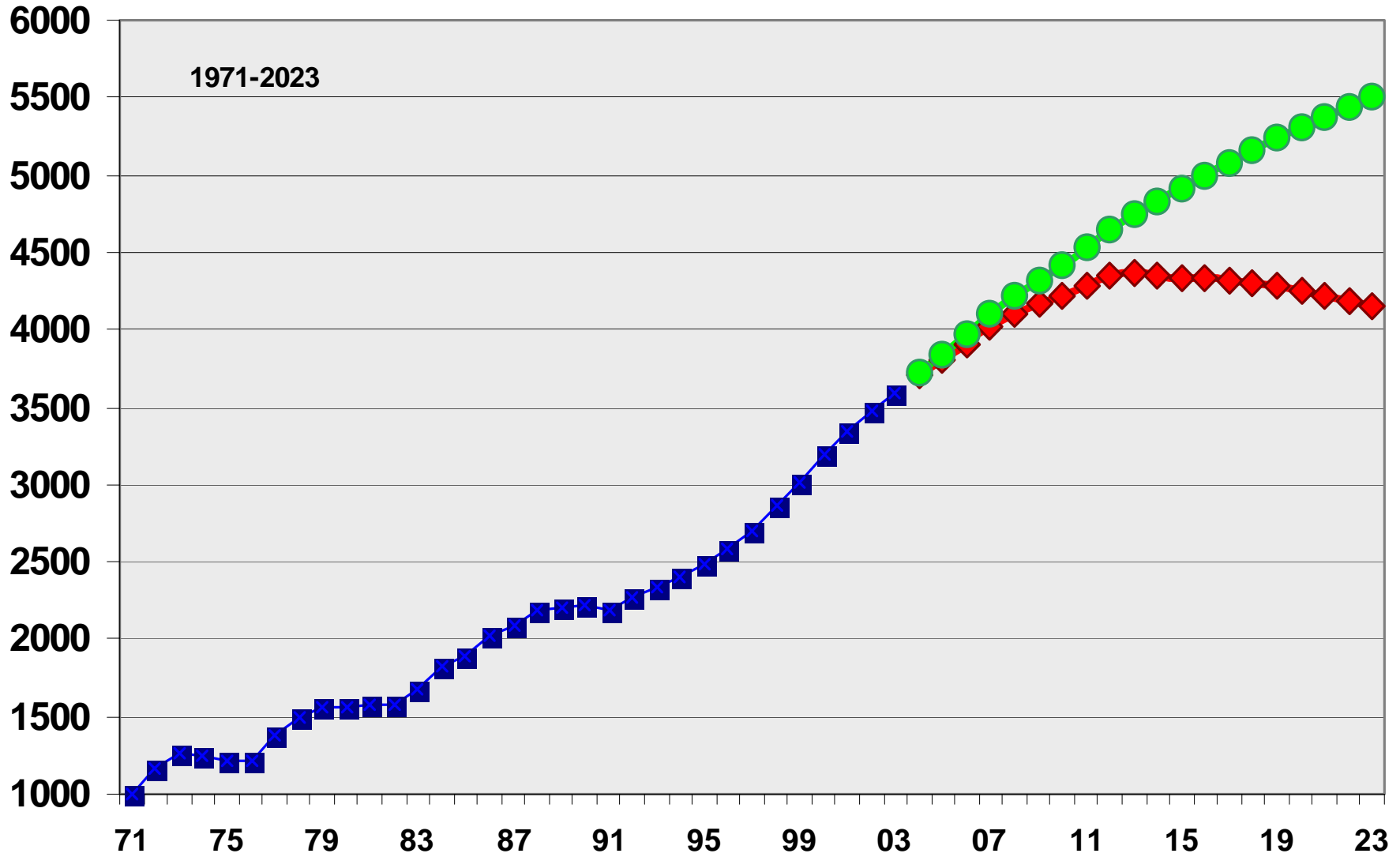
Factored CPI Earnings



Factored CPI Earnings

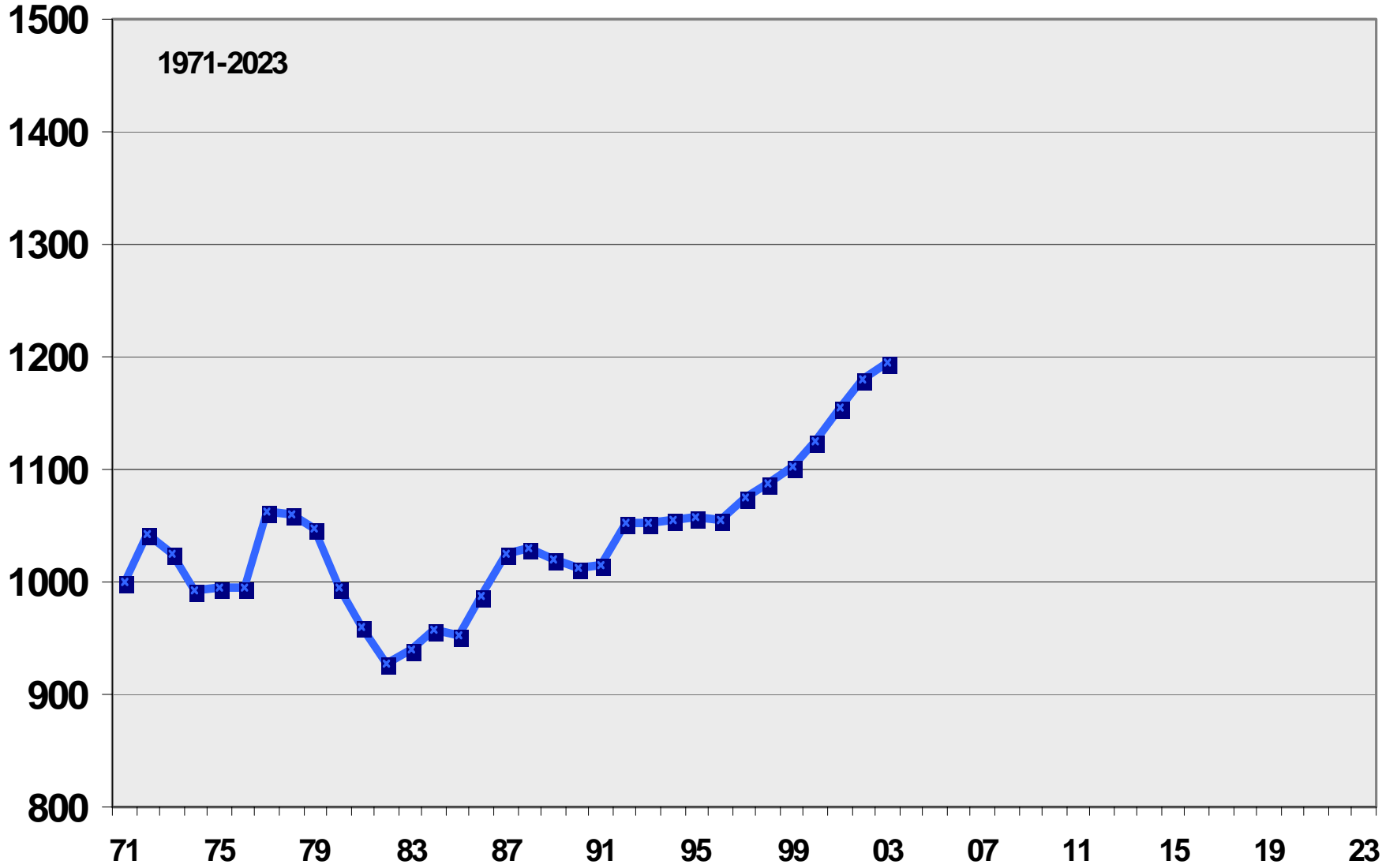


Factored CPI Earnings



CPI-Factored-AEPW

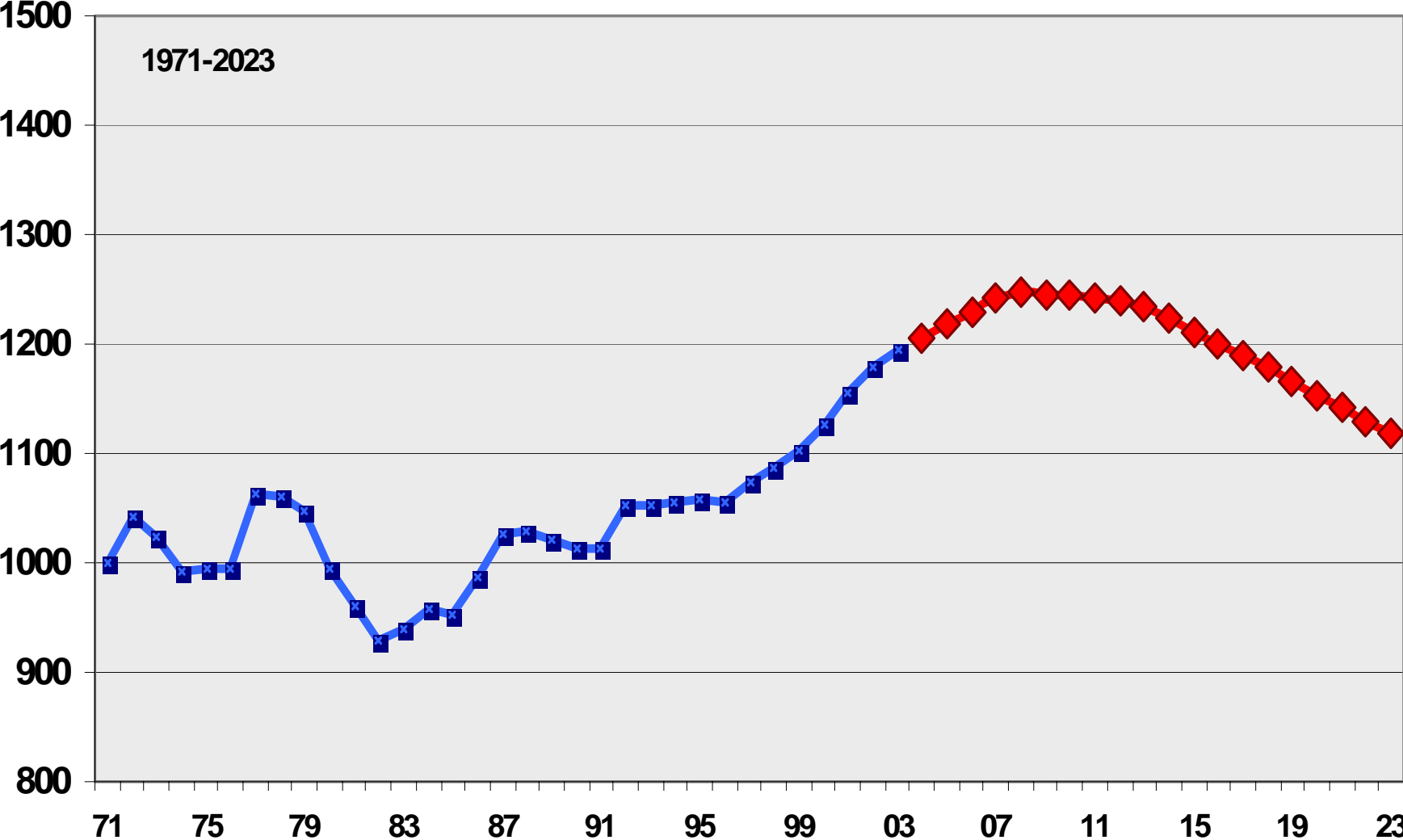
1971-2023



1971-2002

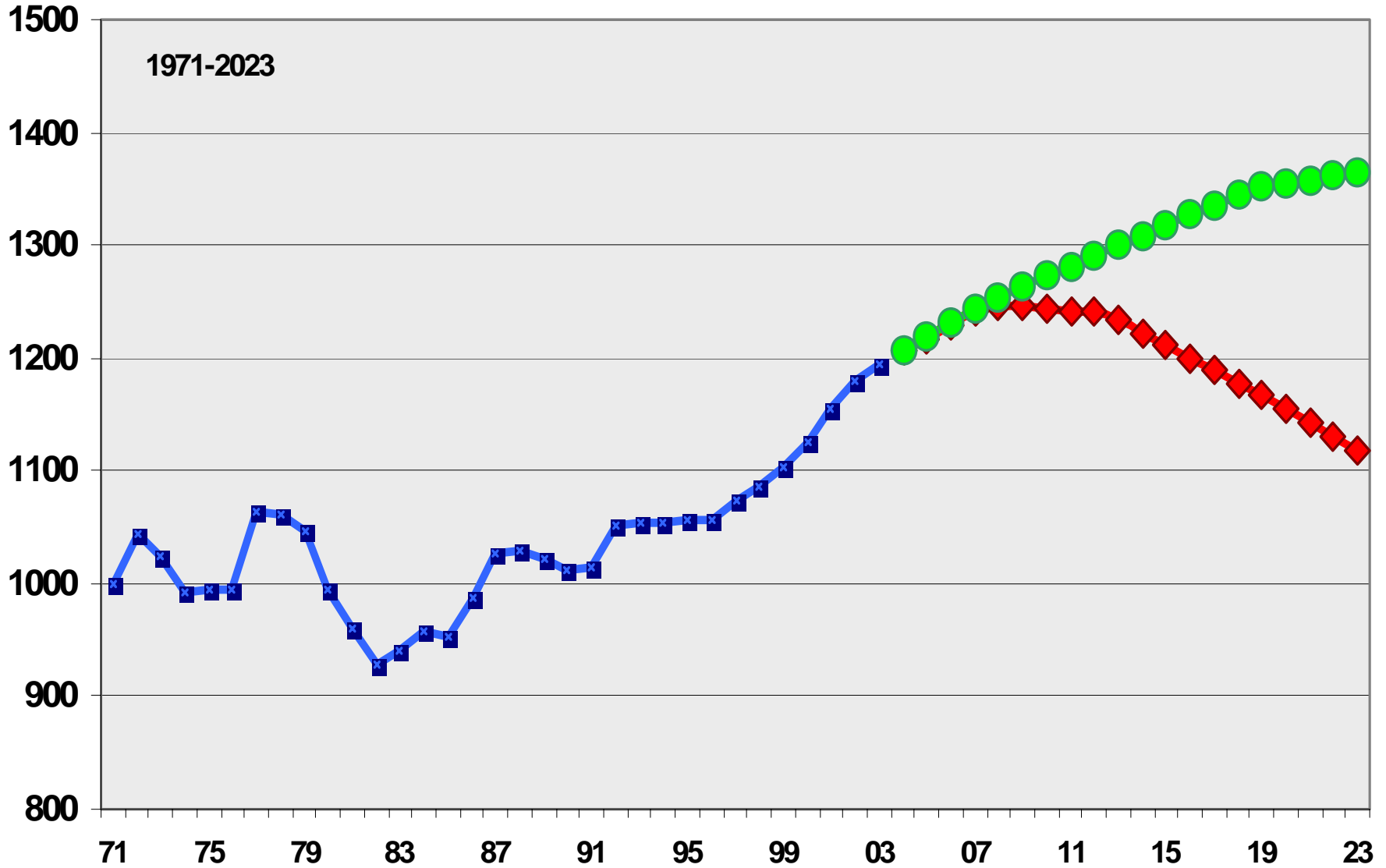
CPI-Factored-AEPW

1971-2023



CPI-Factored-AEPW

1971-2023



***The county needs to
do is recruit new
and cause the
expansion of
existing contributory
employers.***

<u>GOAL</u> <u>Pinellas</u>	<u>New</u> <u>Jobs</u>	<u>New</u> <u>Job</u> <u>Wage</u>
--	---	--

2003	2,352	44,750
2004	2,449	45,745
2005	2,519	47,530
2006	2,592	49,380
2007	2,667	51,299
2008	2,658	53,051
2009	2,645	54,918
2010	2,718	57,188
2011	2,794	59,551

Existing Industry
Recruitment
Start-Up

***Why Target
Industries?***

***Limited time
and financial
resources for
marketing.***

Focus as much as possible on clients most likely to purchase your product and have the greatest benefit to you.

***What do you have
to sell?***

A geographic location which possesses certain features which enables a business to be profitable.

Weaknesses

- Long term shortage of improved, approved real estate.
- Time and costs relative to permitting facilities.

Strengths

- **Air Transportation**
- **Higher Education**
- **Workforce**
- **Relatively Low Wages**
- **No State, Local Income Tax**
- **Commuting Time**

***Choosing
Target
Sectors***

Process - 1,500 6 digit Sub-Sector Groups

- **Geographically restricted**
- **Inherently contributory**
- **Must meet the wage milestone**
- **Growing nationally, state, region.**
- **Can utilize the assets and cope with the liabilities of the area.**
- **High worker/sf ratio.**

Industry Clusters

- **Drug and Pharmaceuticals Manufacturing**
- **Industrial Machinery**
- **Computer & Electronic Product Manufacturing**
- **Medical Equipment Manufacturing**
- **Wholesale Trade**
- **Publishing**
- **Internet Services**
- **Finance and Insurance**
- **Professional, Scientific, and Technical Services.**
- **Management of Companies**

***Just about anyone
in this room could
have come up with
this list.***

1,500
6 digit business
types have been
reduced to
79.

325412

**Pharmaceutical Preparation
Manufacturing**

	<u>Wages</u>	<u>Jobs</u>
USA	74,708	219,252
Pinellas	50,417	1,179

334511

**Search, Detection, Navigation, Guidance
and Aeronautical Devices Manufacturing**

	<u>Wages</u>	<u>Jobs</u>
USA	69,570	148,388
Pinellas	58,133	2,625

423430

**Computer and Computer Peripheral
Equipment and Software
Merchant Wholesalers**

	<u>Wages</u>	<u>Jobs</u>
USA	88,525	293,172
Pinellas	58,831	3,524

551114

**Corporate, Subsidiary, and Regional
Managing Offices**

	<u>Wages</u>	<u>Jobs</u>
USA	66,088	1,614,188
Pinellas	58,423	8,332
Hillsborough	53,473	2,681

***The target list is
comprised of business
sectors which are the
most sought after by
other communities.
The problem is...***

***There are not enough
of them to go around.***

Business Incentives

Types of Business Incentives

- **Tax Abatement.**
- **Loan Interest Loans.**
- **Grants or Cash Gifts.**
- **Discounts on land or buildings.**
- **Regulatory Relief.**

Five Most Frequent Incentives

Industrial Development Revenue Bonds	80.7%
Abatement of Real Property Taxes	73.3%
Low Interest Loan for Land or Building	73.7%
Low Interest Loan for Equipment	72.2%
Low Interest Loan for Onsite Infrastructure	64.9%

Five Most Important Incentives

- 1. Discount - Community Industrial Park Property**
- 2. Grants for Employee Training**
- 3. Abatement of Personal Property Tax on Equip**
- 4. Abatement of Real Property Taxes**
- 5. Grants - Purchase or Lease of Land & Building**

Recommendations

- **Maintain a comprehensive, well financed economic development program.**
- **Maintain a strong relationship with USF.**
- **Make every effort to maintain or shorten commuting time to employment centers.
(Transportation and housing)**
- **Expedite and shorten the time for permitting. (90 days)**
- **Increase utilization of Pinellas Airport.**

Recommendations

- **Create, if you do not have one, a low-interest loan pool for small, contributory companies.**
- **Create programs to assist in preventing the deterioration of existing industrial facilities.**
- **Create a pallet of incentives for “best” companies.**

Incentives Criteria

- **What percentage of the payroll of the company is contributory in nature?**
- **What percentage of the area average wage will the business pay?**
- **How many workers per square foot of building?**
- **How many workers per acre of land?**
- **Capital investment per acre?**
- **What is the anticipated real and personal property tax throw-off per acre?**

***In your workbook,
three scenarios.***

***Thank You
For Inviting
Me.***