

Central Florida Development Council, Incorporated
Statement of Functional Expenses (Public)
Year Ended September 30, 2020

Expenses	Public
Personnel Costs	\$ 544,904
Meetings and Conferences	78,470
Advertising	134,892
Equipment Lease and Maintenance	53,283
Sponsorships	30,751
Professional Fees and Contract Services	41,652
Supplies	27,379
Membership Dues and Subscriptions	14,877
Depreciation and Amortization	13,648
Miscellaneous	5,701
Bad Debt Expense	-
Excess Fees to Polk County	58,464
	<u>58,464</u>
	\$ 1,004,021.00

Central Florida Development Council (CFDC)

Polk County Economic Development Partnership

Fiscal Year 2019/2020 Annual Report

The mission of the CFDC is to grow an economy based on high-skill, high-wage sustainable businesses. Operating under the organizational pillars to:

- Promote Polk County as Florida's Best Place for Business
- Advocate for Key Business Issues
- Facilitate Collaborative Partnerships
- Advance Strategic Initiatives

In 2019/2020 the CFDC Board of Directors were:

- Chair, General Jake Polumbo, Two Blue Aces
- Vice-Chair, Dr. Angela Garcia Falconetti, Polk State College
- Secretary/Treasurer, Bart Allen, Peterson & Myers PA
- Past Chair, Todd Dantzler, SVN Saunders Ralston Dantzler
- Talent Pipeline Chair, Dr. Orathai Northern, Polk State College
- Community Stakeholders Chair, Deena Ware, City of Winter Haven
- Competitiveness & Advocacy Chair, Maggie Mariucci, Florida Polytechnic University
- Investor Relations Chair, Pete Frantzis, Cyndeo Wealth Partners
- Aviation Committee Chair, Gene Conrad, Lakeland Linder International Airport
- County Manager Designee, Bud Strang, Six/Ten LLC
- County Commissioner, George Lindsey, Polk Board of County Commissioners
- Board Member, Emery Smith, Ben Hill Griffin
- Board Member, Drew Wilcox, Nucor Steel Florida
- Board Member, Randy Knapp, RLK Real Estate & Development

2019/2020 Economic Development Success Stories

Job Creation & Investment

Florida Can Manufacturing is building a 300,000+ sf state-of-the-art, advanced manufacturing facility in Winter Haven. They will manufacture 1.5 billion food-grade aluminum cans in Phase I. Future phases could see expanded capacity of up to 6 billion cans annually. The initial \$123.5 million capital investment will create 160 jobs upon opening during Summer 2021.

"Florida Can Manufacturing's selection of Winter Haven is an important signal to the market that Winter Haven has significant industrial capacity in manufacturing due to market access, available industrial land, transportation infrastructure and skilled workforce. These attributes combine to create an investment and production opportunity with mutual benefits for industrial companies and the community." – Bruce Lyon, President, Winter Haven Economic Development Council

A 10-year pact with Coca-Cola North America, owners of the Minute Maid juice brand, created the need for **Peace River Citrus Products** to expand its current footprint in Bartow by 320,000 sf. Once the facility is up and running, every Minute Maid orange juice sold at any McDonald's in the U.S. and Canada will come from Bartow. The expansion brings 175 new high paying jobs to Bartow and Polk County when it begins production in early 2021. The company's capital investment for the project is \$98 million.

"The Peace River Citrus project is a great win for Bartow and all of Polk County. It proves when all parties including the CFDC, City of Bartow and the Polk County Board of County Commissioners work together our community will thrive." – Rob Clancey, President, Bartow Economic Development Council

Dispenser Packaging, Inc. (DPI) has patented a new, more sanitary dispensing technology that is being utilized on plastic juice dispensing containers that are being produced in Frostproof, Florida. DPI has signed a 5-1/2 year lease on 55,000 sf of Ben Hill Griffin space on S. Scenic Highway. As production grows, DPI plans to build their own facility on S. Scenic Highway which, with future expansions, could eventually grow to up to 500,000 sf. DPI currently employs 16 and is expected to employ 90 within the next few years.

"We are thrilled that Dispenser Packaging, Inc. has chosen Frostproof as its new home and are excited to see what the future brings for them" – Nicole McDowell, Frostproof City Manager/City Clerk

Complete Listing of 2019/2020 Economic Development Projects

Farmer Jon's Popcorn (Lakeland)

Manufacturing

New Business

25 total new jobs

\$3M capital investment

Dispenser Packaging Inc. (Frostproof)

Manufacturing

Expansion

50 new jobs – 90 total jobs

\$12.4M capital investment

Florida Can Manufacturing (Winter Haven)

Manufacturing

New Business

110 new jobs – 160 total jobs

\$123.5M capital investment

Peace River Citrus Products (Bartow)

Manufacturing

175 new jobs

\$96.4M capital investment

Pamlico Air (Lake Wales)

Manufacturing

200 new jobs

\$10M capital investment

Amazon.com (Auburndale)

Logistics/Distribution

500 new jobs

\$70M capital investment

Summit Consulting (Lakeland)

Business Services

Expansion

500 retained jobs

\$50M capital investment

Building Resiliency - Helping Polk Prosper

During the Coronavirus (COVID-19) emergency, the Central Florida Development Council worked diligently to provide updated, reliable information to all our stakeholders in Polk County, including businesses, government leaders, municipal economic development organizations and the community at large. Polk's resiliency during these unprecedented times continues and the support offered to businesses through the Board of County Commissioners Polk CARES program demonstrated the 'business friendly' approach of the county. The CFDC was pleased to support the county and business applicants throughout the process. 7,329 applications were processed and over \$19.4M in funding was granted to local Polk County businesses.

Advancing Strategic Initiatives

Expand the local ecosystem for high skill and high wage technology employment emphasizing Health Sciences, Advanced Manufacturing, Autonomous Vehicles and Aviation & Aerospace.

Polk County's strong education programs within each of these industries offers a robust talent pipeline. In addition, the ability to develop rapid response training programs for employers uniquely positions the county for success. Currently, aviation industry leaders from throughout the county are gathering on a quarterly basis to discuss talent and asset needs as well as future sector growth. Understanding the environment surrounding autonomous system and mobility innovation remain critical as we advance the Polk County based asset SunTrax.

Improve Polk's competitiveness in the state through partnerships to create the Central Florida Innovation District and a Research Park.

The vision of a high-tech park surrounding Florida Polytechnic University has long been championed by leaders. An Economic Impact Study that found if developed as planned, the 3,000-acre Central Florida Innovation District (CFID) may provide \$5.2 billion in economic impact and 32,000 jobs in the next 20 years, far exceeding the \$2.4 billion and 20,600 jobs expected without such a district, according to a study by James Farrell, Ph.D., CFA, an associate professor of finance and economics at Florida Southern College.

Advance critical transportation infrastructure to meet the evolving mobility needs of Polk businesses and citizens.

Advancing transportation infrastructure like the Central Polk Parkway and the Southwest Central Florida Connector along with innovative mobility options will ensure the Polk's continued competitiveness in industry attraction and expansion.

Annual Meeting Highlights

Despite the many challenges of 2020, the Central Florida Development Council was pleased to host a limited in-person and live streamed annual meeting event to celebrate the many successes of the year.

Southern Glazer's won the **George W. Harris Jr. Economic Development Award for Success in Large Business**. The award, given to companies with at least 100 employees, was named for George Harris, a former CFDC chairman and president of Citrus & Chemical Bank.

FHS won the **Jim Brantley Economic Development Award for Success in Small Business** for companies with fewer than 100 employees. The award was renamed last year after Brantley, the first director of the agency that has since been renamed the Central Florida Development Council.

Both awards honor businesses based on community service, commitment to growth in business, economic stability and promotion of free enterprise.

"We are fortunate to have so many high-quality companies nominated this year and Southern Glazer's and FHS represent growing companies in our area. Both award winners are deeply committed to helping Polk Prosper. In fact, this describes all our award finalists this year," said Sean Malott, President & CEO of the CFDC. "The awardees are selected by investor members and well-deserving companies received awards."

Superintendent Jaqueline Byrd, who is retiring as superintendent in June, was presented with the **Chairman's Award**, *sponsored by Citizens Bank & Trust* and a great honor for last year's winner, Greg Littleton.

Outgoing Chair Jake Polumbo said Byrd's work is "improving the economic prosperity of Polk County," citing increasing the graduation rate to an unprecedented 81%, improving the district's grade and gaining district accreditation, among others. That's been achieved by things like teaching students to be "self-directed in setting priorities and choosing ethical actions."

"This happens because of great leadership and dedication," Polumbo said, recognizing Byrd for her "role as a key and essential person in our School District. Since her appointment, she worked closely with the School Board and administration to successfully institute a strategic plan to raise academic achievement."

"I'm deeply honored to have received the Central Florida Development Council's Chairman's Award," Byrd said. "Together, the school district and CFDC strive every day to both prepare students for their future careers and build a workforce that will attract employers to our area. Both organizations have the

same vision for Polk County's future: prosperity and opportunity. It has been my pleasure to work closely with the CFDC during my time as superintendent."

Angela Garcia Falconetti, president of Polk State College, became **chair of the CFDC's board of directors**, following Polumbo. Her vision for the next year is clear: "To reach economic recovery and to ensure Polk Prospers, together."

"The development of a holistic vision will naturally lead to the design and delivery of game-changing initiatives — that what we're about at the CFDC," Falconetti said. "Our innovative work has been laid out for us as we continue to respond to COVID-19 and shift our focus to recovery."

"However, we must go above and beyond the challenges presented by the pandemic to propel the economic development of our region forward. We must continue to capitalize on our geographic location, strong infrastructure, the diversity of our industries and the quality of our education and workforce pipeline. We must remain focused, synchronized and unified in our efforts because, as we say at Polk State College — We are Polk, We are the solution, and together, We are better."

Insights - Polk County at a Glance

Prepared by Jim Farrell PH.D., CFA, Florida Southern College

The economic fallout from COVID-19 and its related shutdown drove the Unemployment Rate in Polk County to 17.6% by May. Since then, employment conditions in Polk County have improved with the Unemployment Rate at 7.3% as of October. While most industries were impacted in some way, Leisure and Hospitality, and Education and Health Services were the most impacted, with jobs down 18.4% (L&H) and 8.6% (E&HS). Polk County's labor force was approximately 309,800 as of October 2020. Unlike a typical recession, where many workers become discouraged and leave the labor force, the additional federal aid for unemployment incentivized workers to remain, or even join, in the labor force as unemployed to receive benefits.

Polk County saw significant private sector employment growth from Q1 2016 through Q1 2020, adding over 24,000 jobs (13.1% growth) during the period. This is particularly strong when compared to the national growth of 6.3%. The difference in growth between the nation and county accounts for more than 12,700 jobs locally. Wages have also improved overall, with 16.9% growth to an average weekly wage of \$873. This, however, was outpaced by the growth of wages nationally by 1.2%.

Population

Polk County continues to outpace the state and nation in population growth since the last census in 2010, growing 20.4% as compared to 14.2% and 6.3% for the state and nation, respectively. Within the larger cities (populations greater than 5,000), growth is being led by Auburndale, Davenport, Haines City, Lake Alfred, and Winter Haven, with all between 23.7% and 29.8% population growth over the nine-year period, except Davenport which has grown by 106.1%. The above average population growth in Polk County, particularly the Eastern part, should continue to provide a solid foundation for growth and development.

Age

The county's age distribution reflects a larger portion of younger people (22.0%, under 18) than the state (19.7%) and a larger population of older people (20.4%, 65 and over) than the nation (16.5%). Both Florida (20.9%) and the Polk County have older populations and they are getting older, with the portion of population 65 or older increasing from the 2010 census (18.0% and 17.3% for Polk County and Florida, respectively). The larger portions of younger and older people negatively impact our economy as it results in a smaller population of working age people, as reflected in the smaller labor force population (54.9%, 58.3% and 62.9% for the county, state and nation, respectively), however this moved slightly in our favor this year. Amongst the higher growth cities, there is a split in demographics, with Auburndale, Haines City and Lake Alfred having larger working-age populations and Winter Haven having a larger older population.

Households

Polk County continues to have higher than average homeowner occupancy (68.5%, 65.0% and 63.8% for the county, state, and nation, respectively) and lower than average costs for both homeowners and renters. Polk County has also seen meaningful growth in taxable property values, with total value increasing from \$36.7B in 2019 to \$40.0B in 2020, with over 1.1B of that attributable to new construction. While the largest dollar value growth comes from Lakeland, the largest percentage growth comes from Davenport (32.16%) and Fort Meade (20.77%). Davenport has now had growth greater than 20% taxable property growth for several years.