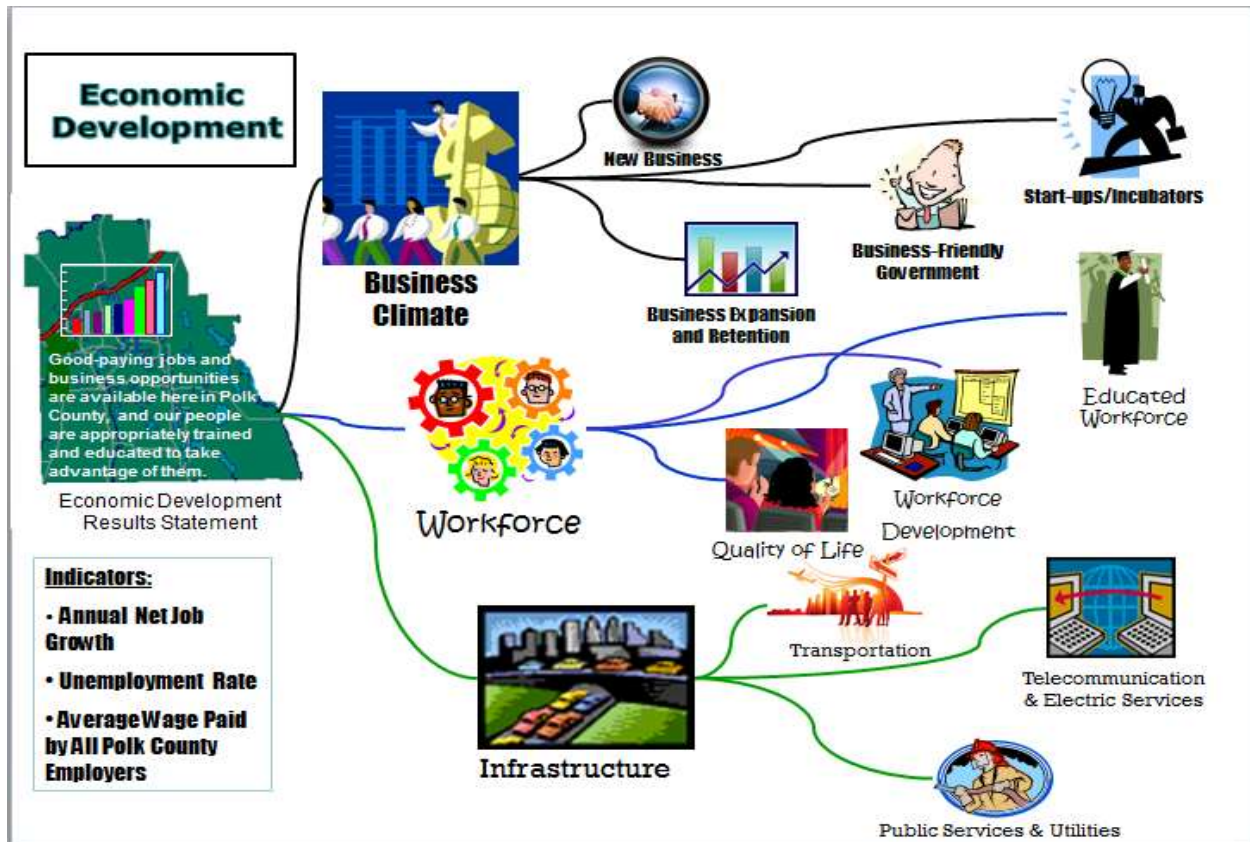


Economic Development

“Good paying jobs and business opportunities are available here in Polk County, and the people are appropriately trained and educated to take advantage of them.”

Primary Factors for Achieving the Result

As shown below on the Economic Development causal map, these are the primary factors the Polk County Board of County Commissioners’ (BoCC) have to obtain to meet the residents’ expectations: (1) healthy business climate, (2) educated workforce, and (3) adequate infrastructure.



Strategies for Achieving the Result

All of the programs included in the Economic Development Result Area provide services that enhance the Economic Climate of Polk County through one or more of the following strategies:

1. Attract higher wage industries, continue to diversify the economic base, and grow Polk County existing businesses
2. Try to ensure a skilled and educated workforce exists in Polk County to support business needs today and in the future
3. Provide a responsive and fast government

**ECONOMIC DEVELOPMENT
DIVISION PROGRAM SUMMARY**

Program <i>(number listed is the program number)</i>	FTE	Adopted FY 23/24			Plan FY 24/25		
		General Fund	Other Funds/ Sources	Total	General Fund	Other Funds/ Sources	Total
Economic Development							
Economic Development Reserves/Transfers - 1081	0.00	2,316,615	-	2,316,615	2,321,310	-	2,321,310
Economic Development Contributions - 1665	0.00	112,250	-	112,250	117,000	-	117,000
Economic Development and Business Incentives - 1714	0.00	5,910,638	-	5,910,638	5,004,670	-	5,004,670
Subtotal	0.00	8,339,503	-	8,339,503	7,442,980	-	7,442,980
Equity Office							
Small, Women, and Minority Business Assistance - 1713	0.00	50,000	-	50,000	50,000	-	50,000
Subtotal	0.00	50,000	-	50,000	50,000	-	50,000
Tourism/Sports Marketing							
Tourism 5th Penny Activities/Commitments - 405	0.00	-	9,924,967	9,924,967	-	4,003,632	4,003,632
Tourism CIP Projects - 312	0.00	-	2,471,565	2,471,565	-	-	-
Tourism Professional Sports Facilities - 310	0.00	-	2,481,655	2,481,655	-	2,482,211	2,482,211
Tourism Reserves/Transfers - 311	0.00	-	7,689,801	7,689,801	-	13,948,674	13,948,674
Tourism Development - 399	22.00	-	13,436,768	13,436,768	-	12,989,406	12,989,406
Visitor Services/Outpost 27 - 406	5.63	-	1,747,235	1,747,235	-	1,688,426	1,688,426
Subtotal	27.63	-	37,751,991	37,751,991	-	35,112,349	35,112,349
TOTAL BoCC	27.63	8,389,503	37,751,991	46,141,494	7,492,980	35,112,349	42,605,329

Programs highlighted in gray are not printed

Economic Development

Appropriations	Actual FY 20/21	Budget FY 21/22	Adopted FY 22/23	Plan FY 23/24
Personal Services Expenses	1,905,750	2,190,782	2,459,495	2,524,493
Operating Expenses	6,865,501	10,156,959	13,197,944	11,317,905
Capital Expenses	11,788	61,850	2,645,000	45,000
Debt Service	3,518,877	3,526,005	2,966,346	2,970,641
Grants And Aids	1,102,872	5,461,670	9,249,299	7,308,345
Interfund Transfers	1,297,000	47,000	6,054,000	54,000
Indirect Expense	610,587	739,250	600,003	600,003
Reserves	0	6,890,781	8,294,913	13,368,253
Total Result Area	15,312,375	29,074,297	45,467,000	38,188,640

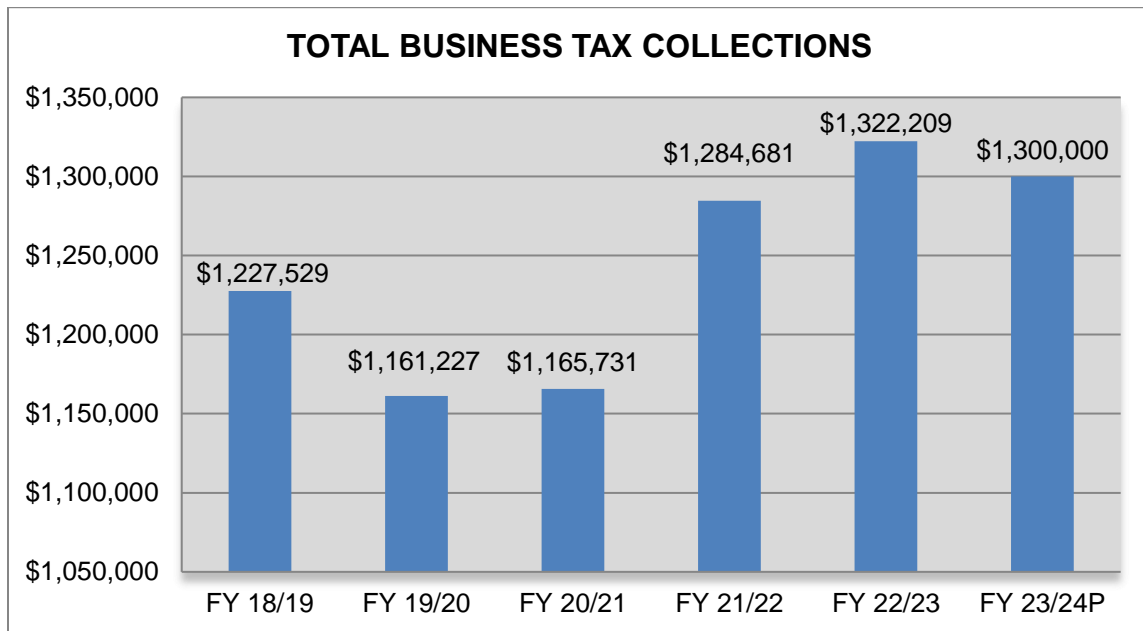
Revenue by Fund	Actual FY 20/21	Budget FY 21/22	Adopted FY 22/23	Plan FY 23/24
00100 General Fund	1,407,892	7,034,836	6,957,432	7,020,552
10150 Special Revenue Grants	50,218	30,000	30,000	30,000
12160 Tourism Tax Funds	16,048,585	22,009,461	38,479,568	31,138,088
Total Result Area	17,506,695	29,074,297	45,467,000	38,188,640

Personnel				
Full Time Equivalents	26	27	28	28

TRENDS AND ISSUES

The programs in this Result Area are dedicated to improving the overall economic climate in Polk County. Residents have informed the County that they expect Polk County to have good-paying jobs and business opportunities available and its residents have access to education to be appropriately trained to take advantage of them. To address this expectation, these programs focus on (1) attracting higher-wage industries, (2) continuing to diversify the economic base, (3) growing existing businesses, (4) ensuring a skilled and educated workforce exists in Polk County to support business needs today and in the future, and (5) providing expedited permitting for projects. The narrative below presents the trends and issues affecting the economic development divisions and programs.

This budget reflects the Board's direction to continue to provide a consistent level of public funding from prior years to support the economic development program, including allocating the occupational license fee (business tax) revenue to economic development initiatives. In FY 23/24, Business Tax collections are projected to increase to \$1.3 million.



Polk County continues to maintain funding for the Polk County Incentive Program in FY 23/24. These funds are used to incentivize companies to locate in Polk County and to provide matching funds for existing projects in the State Qualified Target Industry Tax Refund Program (QTI). The QTI program was discontinued by the State in FY 20/21. All unused funds are held in reserve for use in future years for the Incentive Program.

Polk County continues to make population growth news and new statistics from the U.S. Census Bureau confirm it. The County is now ranked as the fastest-growing county in Florida and the fifth fastest-growing county in the country. Polk's population grew 8.6% between April 2020 and July 2022. The Board's investment in economic development is critical to continuing to build higher wage opportunities for County residents. An economically-prosperous community attracts

and retains quality businesses with high-paying careers. A strong business environment uniquely positions a community with an enhanced tax base. Residents moving to the area need quality jobs, and the Board's investment promotes Polk County as Florida's Best Place for Business.

The Bureau of Labor Statistics has estimated County employment to be 352,000, which is the highest level ever reached in the county, driven by both a growing population and strong labor markets. The percentage of working age population of the labor force has also grown by 11% over the last five years. The largest job gains were in the industries of health sciences, logistics, leisure and hospitality, business services, manufacturing, and government.

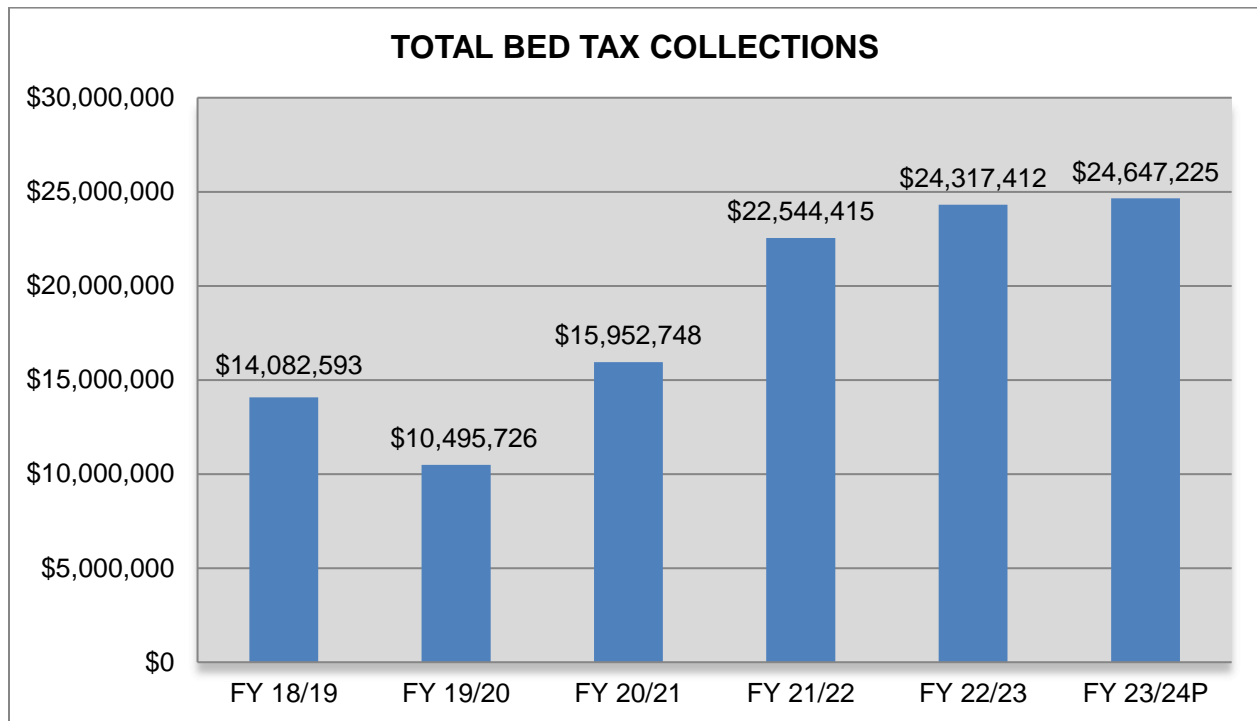
During FY 12/13, Polk County adopted an ordinance authorizing an Economic Development Ad Valorem Tax Exemption (AVTE) for companies locating or expanding in Polk County. The exemption program was originally set to expire on November 6, 2022. A ten-year extension of the program was approved and reauthorized by the overwhelming support of 74.6% of the voters on November 3, 2020 to continue the program until November 5, 2030. This exceptional vote of support speaks to the community's interest in building economic opportunities for residents. Exemptions are for County ad valorem taxes only and are weighed by job creation and capital investment by qualifying companies. The AVTE program is continuously monitored by a third party ensuring each company meets the agreed-upon job and capital investment. The program is expected to continue its growth as existing companies expand and new companies move to the area.

Tourism and sports combined are one of Polk County's top three economic engines, attracting 5.83 million visitors annually, employing more than 37,700 residents, and generating more than \$4.14 billion in economic impact for Polk County. Polk County Tourism & Sports Marketing (PCTSM) focuses on two primary strategies: driving demand and developing tourism/sports-related supply. Since the pandemic, PCTSM recovered faster than any of the contiguous counties and the State of Florida. In FY 22/23, PCTSM continued its 25-month consecutive monthly revenue record and set yet another annual record by generating the most Tourism Bed Tax Collections in the County's history. Learn About Central Florida and Polk County at www.visitcentralflorida.org/about.

In large part, PCTSM's record-setting performance was a result of a results-oriented strategic plan and aggressively activating that plan across key market segments. While many in the tourism industry were still recovering to pre-pandemic levels, PCTSM's game plan, particularly the emphasis on the recession-resistant sports industry, enabled Polk to capitalize on emerging trends and gain market share. The once-in-a-lifetime 100th Anniversary of Water-Skiing campaign was a smashing hit at the beginning of the fiscal year. For FY 23/24, a brand new culinary/farm-to-fork marketing initiative coupled with the 50th anniversary of Sun n Fun campaign will dominate Visit Central Florida's marketing plan during the next fiscal year.

Six supply-side capital improvement projects are either complete or scheduled to open in the next 18 months. At Lake Myrtle, the multi-purpose stadium and the new championship ski lake are open. The Chain of Lakes Baseball Complex is scheduled to be complete in 2024. Five existing fields at the Simmers Young Soccer/multi-purpose complex will be converted to turf playing surfaces. The PCTSM headquarters office will be undergoing an expansion to accommodate several governing bodies, including the American Powerboat Association, USA Water Ski and Wake Sports, and more. Finally, the Bartow 555 Sports Complex will have four refurbished fields which create a total of eight competition fields at one site.

PCTSM's economic development initiative has been leading the charge by keeping up with Polk's growing demand for hotel and alternative forms of accommodations (RVs, VRHs, etc.). There has been significant progress with more than 1,200 new hotel rooms the pipeline; several are either opening or currently under construction. PCTSM has also made significant headway recruiting a new commercial airline to Lakeland Linder International Airport. PCTSM and the airport are further along now in the commercial airline recruiting process than at any time in the last ten years.



Economic Development and Business Incentives

Significant Changes

Business Tax revenue for FY 23/24 is expected to increase to \$1.3 million. Business location decisions have been slowed due to uncertainty in the market because of supply chain issues and labor availability. The project pipeline remains full, and it is anticipated that businesses will migrate to more open markets when they are able to return to a sense of normalcy.

This budget reflects the Board's direction to continue providing the same level of public funding to support the economic development program, including allocating the business tax license fee (formerly Occupational tax) revenues as the funding source for this program.

The CFDC's organizational pillars are:

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

Personnel:	Actual	Budget	Adopted	Plan
	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Full Time Equivalents	0.00	0.00	0.00	0.00
Funding Sources:	Actual	Budget	Adopted	Plan
	FY 21/22	FY 22/23	FY 23/24	FY 24/25
General Fund Subsidy	0	500,000	0	0
Cash/Fund Balance Forward	0	3,077,926	4,806,510	3,906,974
Interest	0	475	0	0
Taxes	1,223,303	1,024,118	1,104,128	1,097,696
Total Program	1,223,303	4,602,519	5,910,638	5,004,670
Revenue by Fund:	Actual	Budget	Adopted	Plan
	FY 21/22	FY 22/23	FY 23/24	FY 24/25
General Fund	1,223,303	4,602,519	5,910,638	5,004,670
Total Program	1,223,303	4,602,519	5,910,638	5,004,670
Appropriations:	Actual	Budget	Adopted	Plan
	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Operating Expenses	1,045,844	1,076,603	1,168,878	1,165,396
Grants And Aids	122,114	3,525,916	4,741,760	3,839,274
Total Program	1,167,958	4,602,519	5,910,638	5,004,670

**Tourism Development
Significant Changes**

PCTSM has been preparing for what they believe will be new challenges on the road ahead. A major focus as they activate these new strategies will be a very heavy emphasis on the development of low-risk, high-yield supply, including new accommodations. PCTSM will be focusing on the development of new facilities, aggressively recruiting recession-resistant sporting events, and targeting outdoor recreational leisure travelers, including the red-hot RV market. PCTSM will continue to recruit and assist in the development of new accommodations, facilities, increasing demand, and total revenue. Balancing a results-oriented combination of supply and demand strategies, which complement one another, creates a balanced portfolio and recession resistant hedge, which ultimately creates a sustainable tourism destination.

Personnel:	Actual FY 21/22	Budget FY 22/23	Adopted FY 23/24	Plan FY 24/25
Full Time Equivalents	21.00	22.00	22.00	22.00
Funding Sources:	Actual FY 21/22	Budget FY 22/23	Adopted FY 23/24	Plan FY 24/25
Tourism Tax Funds	9,089,238	12,396,357	13,013,310	12,705,464
Cash/Fund Balance Forward	0	757,625	213,458	73,942
Interfund Transfer	19,121	0	0	0
Intergovernmental	1,792	30,000	60,000	60,000
Miscellaneous	239,567	120,000	150,000	150,000
Total Program	9,349,718	13,303,982	13,436,768	12,989,406
Revenue by Fund:	Actual FY 21/22	Budget FY 22/23	Adopted FY 23/24	Plan FY 24/25
Special Revenue Grants	20,913	30,000	60,000	60,000
Tourism Tax Funds	9,328,805	13,273,982	13,376,768	12,929,406
Total Program	9,349,718	13,303,982	13,436,768	12,989,406
Appropriations:	Actual FY 21/22	Budget FY 22/23	Adopted FY 23/24	Plan FY 24/25
Personal Services Expenses	1,736,303	2,011,811	2,038,735	2,122,083
Operating Expenses	7,429,890	10,893,171	10,984,033	10,443,323
Capital Expenses	114,587	45,000	60,000	70,000
Debt Service	2,817	0	0	0
Grants And Aids	0	300,000	300,000	300,000
Interfund Transfers	66,121	54,000	54,000	54,000
Total Program	9,349,718	13,303,982	13,436,768	12,989,406

Visitor Services/Outpost 27

Program Number:	406
Result Area:	Economic Development
Division:	Tourism and Sports Marketing
Section:	N/A

I. Program Offer Description:

The primary goal of Visitor Services is to put heads in beds and make cash registers ring. Staff provides concierge services, visitor information (collateral), wayfinding services, discount attraction tickets, and educational programs in an effort to convert visitors to the area, create local brand ambassadors, and achieve the organizational mission. Staff conducts customer and market research, analysis, and subsequent reporting which are used to formulate strategic marketing plans and budgetary projections.

II. Contribution to Result:

The program's contribution directly and indirectly accomplishes Polk County Tourism & Sports Marketing's (PCTSM) mission of "putting heads in beds and making cash registers ring" as a result of converting visitors into Polk County customers. Tourism is Polk's largest economic engine and drives the creation of jobs, diversifies the economy, creates new revenue, and generates sales tax revenue throughout the County.

This Program is:	Not Mandated ()	Mandated: Federal ()	State ()	Local (X)
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III. Performance Objectives:

1	Utilize the visitor centers, kiosks, brochure racks, events, research, and related resources to effectively execute the conversion process, which in turn increases overnight stays and direct spending, while improving the overall economic climate for internal and external industry stakeholders
2	Provide a wide variety of visitor services to industry stakeholders such as wayfinding signage, collateral distribution, marketing partnerships, and education/training programs
3	Provide fulfillment services for all divisions of PCTSM and additional external customers
4	Collect and analyze visitor research continually in an effort to assist PCTSM and its stakeholders with better understanding the visitor's interests, demographics, and psychographics

IV. Measures:

	Key Obj.	Actual FY 21/22	Budget FY 22/23	Adopted FY 23/24	Plan FY 24/25
Workload Indicators:					
# of visitors assisted at the Outpost	1,2,4	26,484	35,000	30,000	31,000
# of visitors assisted at the LEGOLAND Visitor Center	1,2,4	51,064	75,000	55,000	60,000
# of visitors assisted at community events/presentations	1,2,4	15,744	17,500	18,000	19,000
# of hours of operation (open to the public)	1,2,3	3,222	3,222	3,222	3,222
# of meetings, functions, and events	1,2	45	65	50	55
Effectiveness Indicators:					
# of visitors converted (additional spend)	1,2	20,658	25,000	25,000	25,000
Amount of PCTSM collateral distributed	1,2	300,265	300,000	305,000	310,000
Amount of fulfillment pieces distributed	1,2,3	47,310	30,000	45,000	47,500
Attraction ticket sales generated at Outpost 27	1,2	\$234,315	\$225,000	\$250,000	\$275,000
Efficiency Indicators:					
Visitor impressions generated through billboards, advertising, and promotions	2	207,030,920	155,000,000	200,000,000	210,000,000
# of volunteers hours worked	2	1,425	2,100	1,500	1,750

Significant Changes

According to research conducted by Downs & St. Germain, 54% of visitors to the County indicated visiting friends and family as a top activity, during their stay in Polk County. Therefore, creating local brand ambassadors is crucial to extending the reach and effectiveness of the Visitor Services staff. The Certified Ambassador of Tourism and Sports (CATS) training initiative directly increases the brand ambassador base through a certification process, which requires training, testing, and first-hand experience at many attractions, restaurants, and/or events. Maintaining partnerships with industry stakeholders will prove vital moving into next year, as the County strives to increase visitation, broaden the reach of the education efforts, and continue the distribution of all PCTSM collateral materials through more than 100 local businesses. 90% of visitors to Polk County arrive by car, and the expectation is for that statistic to remain flat moving into next year. PCTSM collateral continues to be available at the State of Florida Welcome Centers, and increased signage and billboards will be a priority. Through research we know that 78% of the visitors that engage with the Visitor Services staff spend more money while in Polk County. FY 23/24, the division will be bringing a mobile visitor information center online in order to maximize the opportunity to engage with visitors across the County in high-traffic locations and at marquee special events. As many macro economic factors work against the growth of the tourism industry, including inflation and dwindling discretionary income, it will be integral to cultivate and promote new discount opportunities throughout the County for visitors in an effort to prevent leakages. The continued expansion of the Sunshine Savings Pass and the Adventure on Tap Pass will be priority moving into FY 23/24 as more than 40% of visitors indicated that the presence of discounts are a primary driver in choosing a destination.

The Visitor Services team also conducts extensive research as well as gathering and analyzing data for the entire PCTSM staff. Assistance is also provided to and in cooperation with, Downs & St Germain, which is critically important as the industry continues to move forward out of the pandemic and subsequent declines. Staff will use in-person surveys, e-mails, and phone calls, which provide critical information, including the demographics, psychographics, and attitudinal dynamics of visitors, as well as the status of resident industry stakeholders. The information obtained is utilized to determine core target markets and consumer wants and needs ultimately generating a higher volume and spending by Polk County visitors.

Visitor Services/Outpost 27

Personnel:		Actual FY 21/22	Budget FY 22/23	Adopted FY 23/24	Plan FY 24/25
Full Time Equivalents		5.63	5.63	5.63	5.63
Funding Sources:		Actual FY 21/22	Budget FY 22/23	Adopted FY 23/24	Plan FY 24/25
Tourism Tax Funds		1,192,553	1,565,854	1,697,235	1,638,426
Miscellaneous		38,356	50,000	50,000	50,000
Total Program		1,230,909	1,615,854	1,747,235	1,688,426
Revenue by Fund:		Actual FY 21/22	Budget FY 22/23	Adopted FY 23/24	Plan FY 24/25
Tourism Tax Funds		1,230,909	1,615,854	1,747,235	1,688,426
Total Program		1,230,909	1,615,854	1,747,235	1,688,426
Appropriations:		Actual FY 21/22	Budget FY 22/23	Adopted FY 23/24	Plan FY 24/25
Personal Services Expenses		413,234	447,684	497,235	518,426
Operating Expenses		765,024	1,068,170	1,150,000	1,150,000
Capital Expenses		0	100,000	100,000	20,000
Debt Service		52,651	0	0	0
Total Program		1,230,909	1,615,854	1,747,235	1,688,426