

# Central Florida Development Council (CFDC) Polk County Economic Development Partnership Fiscal Year 2018/19 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 2018/19 the CFDC Board of Directors were:

- Chair, Todd Dantzler, Saunders Ralston Dantzler
- Vice Chair, Jake Polumbo, Two Blue Aces
- Secretary/Treasurer, Dr. Angela Garcia Falconetti, Polk State College
- County Manager Designee, Bud Strang, Six/Ten
- County Commission Designee, Commissioner George Lindsey
- Community Stakeholders Chair, Amy Palmer, City of Auburndale,
- Competitiveness & Advocacy Chair, Maggie Mariucci, Florida Polytechnic University
- Investor Relations Chair, Pete Frantzis, UBS Kilgroe, Frantzis, Quinty and Associates Wealth Management
- Board Members, Leonard Mass, Drummond Company, Inc. and Grasslands Golf & Country Club at Oakbridge,
- Dr. Naomi Boyer, Boyer Building Corp
- Greg Littleton, Citizens Bank & Trust
- Matthew Johnson, JSK Consulting
- Bart Allen, Peterson & Myers, P.A.

## **Polk County by the Numbers**

9<sup>th</sup> most populous county

4<sup>th</sup> largest county in size

708,009 2019 population

## **2018/19 Economic Development Success Stories**

**Carvana** is one of the leading e-commerce platforms for buying and selling reconditioned vehicles. Carvana purchased 87 acres in Haines City, Florida to build a new, state of the art Inspection and Reconditioning Centers (IRC). This move will allow Carvana to increase inventory capacity and reduce delivery time by expanding its logistics network. The **\$40 million**

**capital investment** project includes land acquisition, construction of a **new 200,000 sf facility**, site infrastructure and new equipment and machinery. Carvana expects to create **450 new full-time positions** over the next 5 years. Partners included the Haines City EDC, the City of Haines City and the Polk County Board of County Commissioners.

**Molekule** is a science and technology company manufacturing individual air purification systems in their Lakeland facility. Headquartered out of San Francisco, California since 2014, Molekule's air purifiers use patented photoelectrochemical oxidation (PECO) to destroy chemicals, microbes, allergens and other forms of air pollution. The project expects to create more than **30 new jobs** paying an average annual wage above \$45,000. Partners included the Lakeland EDC, the City of Lakeland, Florida Polytechnic University, University of South Florida, Polk County Board of County Commissioners and Enterprise Florida.

**Amazon** entered a ground lease to build a sorting facility that will be connected to the Lakeland Linder International Airport with a ground service equipment warehouse that will house three separate warehouses for maintenance, storage and service. Total square footage for the sorting facility and additional warehouse space is **285,000 sf**. Amazon's **\$100 million investment** will create up to **1,000 new jobs** and is expected to be operational in the summer of 2020. Amazon will have approximately 9 flights per day coming in and out of the airport. Partners include Lakeland Linder International Airport, the Lakeland EDC, the City of Lakeland, Enterprise Florida and the Polk County Board of County Commissioners.

## **Complete Listings of 2018/19 Economic Development Projects**

### Alsim (Lake Wales)

Aviation and Aerospace Industry

New Business

10 total new jobs

\$1M capital investment

### Amazon Air (Lakeland)

Logistics and Distribution

Expansion

1,000 total new jobs

\$100M capital investment

### Carvana (Haines City)

Logistics and Distribution

New Business

453 total new jobs

\$40M capital investment

### Digital Architecture (Lakeland)

Research and Technology

Expansion

59 total new jobs

\$5M capital investment

### Molekule (Lakeland)

Manufacturing

New Business

34 total new jobs

\$1M capital investment

### United Parcel Services (Davenport)

Logistics and Distribution

New Business

25 total jobs

\$11.8M capital investment

In 2018/19 the CFDC attended and/or organized the following business development events and missions.

- Area Development Consultants Forum – Charlotte, NC
- Area Development Consultants Forum – Miami Beach, FL
- Area Development Women in Economic Development Summit – Chicago, IL
- Autonomous Vehicle Summit (AVS) – Orlando, FL
- Canada Florida Chamber of Commerce Mission – Miami, FL
- Custom Brokers & Freight Forwarders Conference- Miami, FL
- Enterprise Florida Team Florida Mission – Atlanta, GA
- Enterprise Florida Team Florida Mission – Washington, DC
- IAMC/Enterprise Florida Team Florida Site Selector Event – Milwaukee, WI
- IAMC/Enterprise Florida Team Florida Site Selector Event – Santa Barbara, CA
- EXPO MANUFACTURA - Monterrey, Mexico
- F-AIR Colombia Airshow- Medellin, Colombia
- Florida Automated Vehicle Summit – Tampa, FL
- Florida International Trade & Cultural Expo (FITCE) – Fort Lauderdale, FL
- Florida International Trade and Investment Conference – Coral Gables, FL
- Florida Opportunity Zones Conference – Orlando, FL
- Foreign Direct Investment Trade Mission – Jaen, Spain
- Foreign Direct Investment Trade Mission – São Paulo, Brazil
- Import, Export and FDI Opportunity Mission - Guayaquil, Ecuador
- Paris Air Show – Paris, France
- Select USA – Washington, DC
- Team Tampa Bay Site Selector Mission – Dallas, TX

- Trade and Education Mission (jointly with PSC) - Merida, Mexico
- U.S.A. 360 Expo – Guayaquil, Ecuador

In 2018/19 the CFDC hosted the following international business delegations.

- Brazil
- Canada
- Colombia
- France
- Germany
- Holland
- Puerto Rico
- Turkey
- Saudi Arabia
- Venezuela

Over the past year, the CFDC has worked to advance strategic initiatives that further strengthen Polk County's economic prosperity and framework for future development.

## **Central Florida Innovation District**

The Central Florida Innovation District is comprised of roughly 3,000 acres leveraging major state investments in Florida Polytechnic University and SunTrax. It represents a concerted multi-jurisdictional effort between Lakeland, Auburndale and Polk County to create a new community that welcomes the knowledge economy, fosters an ecosystem for innovation and values proximity, connectivity and collaboration. The target industry catalysts of the district are Health Technology, Information Science & Engineering, Advanced Manufacturing and Mobility. Brad Lunz, president of The Lunz Group, and Tim Hoeft, managing principal of Straughn Trout Architects, were commissioned to collaborate on a vision plan for the district. The development goal for the area is to maximize investment synergies and community values along the high-tech Interstate 4 corridor.

## **Autonomous Vehicle & Unmanned Systems Ecosystem**

Working to create a thriving ecosystem for autonomous vehicles, unmanned systems R&D and innovative technologies within Polk County began with an update event from Florida Polytechnic University's Advanced Mobility Institute (AMI) and SunTrax. These institutions are instrumental to building the county's ecosystem to support this innovative industry. Continuing to improve local regulations, develop and target supplier network companies and enhance infrastructure are critical to future development.

## Aviation & Aerospace

Aviation and aerospace is taking flight in Polk County as this growing industry provides an estimated \$878 million economic impact to the area. The county's aviation leaders, working together as part of a Central Florida Development Council's aviation committee in hopes to keep growing this sector of the economy. The addition of Amazon Air and \_\_\_\_\_ (French co.) are strong indicators that Polk's airports, talent pipeline, location and infrastructure are high-value assets for aviation companies. Exploring county-wide business development efforts and understanding key industry assets will further enhance the marketability of the area.

## Central Polk Parkway – Infrastructure

Infrastructure and regional transportation is critical to Polk County's continued development and arteries like the future Central Polk Parkway will address critical mobility needs across all of Central Florida. Advocating for the completion of the Central Polk Parkway thoroughfare continues and substantial progress has been made as funding is now allocated.

## Annual Meeting Highlights

This year's annual meeting, Brighter Horizons marked an exciting milestone as the Central Florida Development Council has named its small-business award in honor of Jim Brantley's instrumental leadership in the creation of the agency 35 years ago.

Addressing Jim Brantley, the first director of the agency, Polk State College President Angela Garcia Falconetti said, "In honor of your leadership in the creation of the Central Florida Development Council and your early commitment to building economic prosperity throughout the county, we are pleased to name in your honor the Jim Brantley Economic Development Award — Success in Small Business."

"Jim Brantley was the right leader to start a movement, collaborating with city officials and business leaders in an effort to begin to diversify Polk County's economy," said CFDC President and CEO Sean Malott. "Our county would be a very different place were it not for his enthusiasm, knowledge and vision." Brantley was the county's director of Community Development, a man who worked with officials in the county's 17 cities, people who trusted him. He became the first executive director of the newly created Economic Development Department within Polk County government.

**The Lunz Group** won the **2019 Jim Brantley Economic Development Award – Success in Small Business**, while **Draken** — the 18th fastest-growing private company in America, according to Inc. magazine — won the **2019 George Harris Jr. Economic Development**

**Award** for Success in Large Business. Both companies demonstrate what the awards stand for — promoting free enterprise, economic stability, quality growth and community service.

“Draken International is thrilled to be recognized as the recipient of CFDC’s Economic Development Success in Large Business Award for 2019,” said company Vice President John Baum. “Draken International has called Polk County home since our inception in 2011. We could not dream of a better host and partner than Polk County’s elected and business leaders to facilitate our tremendous growth. As you know, Draken is comprised of 87% veterans who continue to support our U.S. Air Force, Navy and Marines every day.”

Draken operates the world’s largest commercial fleet of 150 ex-military aircraft out of Lakeland Linder International Airport. Their pilots spar with Department of Defense and Allied nations’ military pilots to prepare them for combat and other duties.

The other finalists in the large-business category were Central Florida Health Care and the Polk County Board of County Commissioners.

The Lunz Group was selected in the small-business category for its growth, expanding its footprint beyond Polk County in Central Florida to the Atlantic and the Gulf coast. It recently was named one of Florida’s 50 Companies to Watch by GrowFL.

“This award is as much about us as it is the people who are a part of the CFDC,” said company President Brad Lunz. “This award is not only a testament to our growth as a company, but also our growth as a region. Together, we’re building communities. By building our communities, they’ve helped build us.”

In the small business category, the other finalists were the Greater Winter Haven Chamber of Commerce and Grindley Williams Engineering.

At the annual meeting, the CFDC also recognized Greg Littleton, president and CEO of Citizens Bank & Trust, with the 2019 Central Florida Development Council’s Chairman’s Award.

Retired four-star Gen. Lori Robinson captivated the audience with her speech about serving in the U.S. Air Force, where the lessons she learned translate to private companies. She addressed the need to be innovative and creative, two of the most important traits business leaders can have today. Being responsive to change and leading boldly is what keeps companies in business, she said.

At the close of the meeting CFDC board Chairman Todd Dantzler turned over leadership to retired Air Force Maj. Gen. Jake Polumbo, who had served as vice chair. Polumbo has been actively involved in the aviation sector, works part time at Florida Polytechnic University and is the founding partner and a senior consultant with Two Blue Aces Consulting.

## **Polk County at a Glance**

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

Polk County has seen significant private sector employment growth from over the last four years, adding over 22,000 jobs (12.6% growth) during the period. This is particularly strong when compared to the national growth of 7.5%. The difference in growth between the nation and county accounts for more 8,900 jobs locally. Polk County's labor force was 304,236 as of August 2019 an increase of 5,685 people, or 1.9% from the prior year.

Employment conditions continue to improve with the unemployment rate falling to 4.1% as of August, as compared to 4.2% in August 2018, with employment in each industry up or even year-over-year as of July.

The largest gains continue to come from Mining, Logging and Construction as construction activity contributing the bulk of the gains. Additional gains have come from Professional and Business Services, and Leisure and Hospitality.

## **Population**

Polk County continues to outpace the state and nation in population growth since the last census in 2010, growing 17.6% as compared to 13.3% and 6.0% for the state and nation, respectively. Within the larger cities (populations greater than 5,000), growth is being led by Auburndale, Haines City, Lake Alfred, and Winter Haven, with each gaining between 20.9% and 24.5% population growth. 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 (22.1%, under 18) than the state (19.9%) and a larger population of older people (20.2%, 65 and over) than the nation (16.0%). Both Florida (20.5%) and the Polk County have older populations and they are getting older, with the portion of population 65 or older increasing from the last 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 (54.7%, 58.4% and 63.0% for the county, state and nation, respectively). 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 (68.3%, 64.8% and 63.6% for the county, state and nation, respectively) and lower than average costs for both homeowners and renters. There is a wide range in average home values across the county with a low of \$63,100 in Fort Meade to a high of \$148,700 in Auburndale.

Polk County has also seen meaningful growth in taxable property values, with total value increasing from \$34.1B in 2018 to \$36.7B in 2019, with nearly \$930M of that attributable to new construction. While the largest dollar value growth comes from Lakeland, the largest percentage growth comes from Polk City (52.5%), and Davenport (23.4%).