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Economic Potential Evaluation of the Future of Hillsborough County Comprehensive Plan

Case Study No. 3: Jacksonville/Duval, Florida

FINAL
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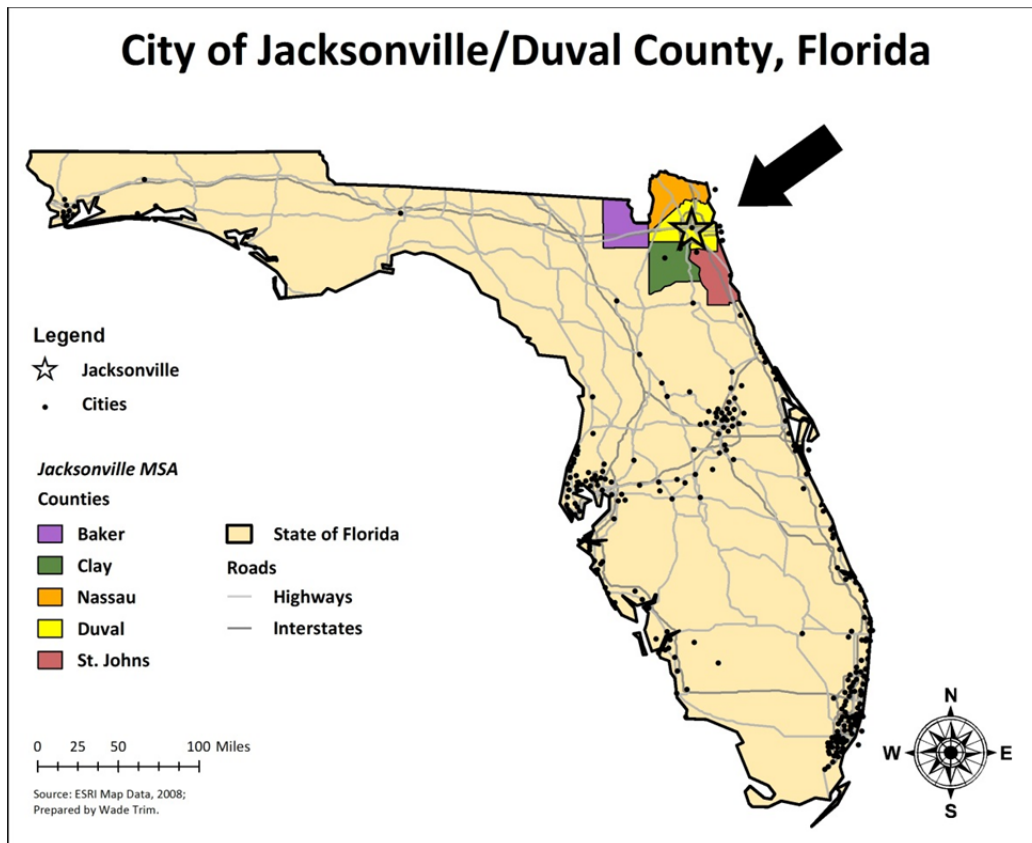
Representative Case Studies

Case Study No. 3: City of Jacksonville/Duval County, Florida

BACKGROUND

The City of Jacksonville is the largest city in Florida in terms of both land area and population. In fact, Jacksonville's vast jurisdiction, comprising 757 square miles,¹ makes it the largest city in terms of land area in the continental United States.² Jacksonville is located in Duval County, at the far northeastern corner of Florida on the Atlantic Coast. Duval County's land area is 774 square miles, located approximately 200 miles northeast of Tampa and 350 miles north of Miami (see Map 1, below).

Map 1: Location



The City of Jacksonville and Duval County (Jacksonville) was selected as a case study for its similar assets and industry profile, as well as for its strong business and public-private partnerships through the Jacksonville Economic Development Commission. Like Hillsborough County, Jacksonville is treasured for its intermodal resources, particularly its port and associated distribution facilities. Moreover, Jacksonville has an industry profile similar to that of Hillsborough County. Its major players include banking/financial institutions as a result of economic development activities in the 1980s, which faltered

¹ 2000 U.S. Census.

² Official website of the City of Jacksonville. <http://www.coj.net>. Accessed August 2011.

in the 2000s. Like most communities in Florida, it is vulnerable to changes in the real estate/construction market. Jacksonville has a strong military presence, as well as major health facilities such as the Mayo Clinic, similar to MacDill Air Force Base and the USF/Moffitt Cancer Center in Tampa.

COMMUNITY PROFILE

Population

The city limits of Jacksonville are nearly coterminous with those of Duval County, with which the city government consolidated in 1968. According to the 2010 U.S. Census, the population of Jacksonville is 821,784, while the population of Duval County is 864,263. Other cities and towns within Duval County include Atlantic Beach, Baldwin, Jacksonville Beach and Neptune Beach (these communities maintain their own municipal governments and are not included in the corporate limits of Jacksonville).

Jacksonville is the principal city in the Jacksonville Metropolitan Statistical Area (MSA). With a 2010 population of more than 1.3 million, the Jacksonville MSA ranks as the 40th largest in the United States. The population of the Jacksonville MSA has grown by 19.85 percent between 2000 and 2010 (slightly higher rate than the Tampa-St. Petersburg-Clearwater MSA at 16.16 percent), while the City and County populations grew by 11.7 percent and 11.0 percent, respectively, during the same period. According to the 2010 U.S. Census, the median age of City residents is 35.5 years (35.8 for Duval County).

Race/Ethnicity

Sixty-one percent of Duval County's population reported as white during the 2010 U.S. Census. Approximately 30 percent reported as black or African-American and four percent reported as Asian. Less than one percent reported as American Indian/Alaska Native or Native Hawaiian/Pacific Islander. Another two percent reported as some other race than those identified above. Eight (8) percent of Duval County's population reported as Hispanic or Latino compared to 25 percent of Hillsborough County's population. Like Hillsborough County, this population has grown since 2000. The Hispanic or Latino population of Duval County grew by four percent from 2000 to 2010, compared to Hillsborough County which grew by seven percent.

Income

According to the American Community Survey (ACS) for 2005-2009, median household income in Jacksonville is estimated to be \$48,514 (City of Tampa's is \$43,215). Duval County's median household income is slightly higher at \$49,135, whereas Hillsborough County's is \$49,594.

Education

Unlike Hillsborough County, Jacksonville does not have a top-tier research university. Duval County is home to several institutions of higher education, including the University of North Florida, Jacksonville University, Edward Waters College, Florida State College at Jacksonville, and Jones College; however, these institutions do not create a significant regional draw because of Jacksonville's proximity to the University of Florida at Gainesville. As for kindergarten through 12th grade education, the Duval County Public School District provides 185 schools with a total enrollment of 122,586 students.³

³ CCD Public School District Data for the 2009-2010 School Year.

In terms of degree attainment, 87 percent of persons age 25 and older living in Duval County are high school graduates and 25 percent have a bachelor's degree or higher.⁴ When compared to Hillsborough County, the percentages are similar (85 percent and 29 percent, respectively).

Government

Duval County government consolidated with the City of Jacksonville in 1968. The City follows a strong mayor form of government, where residents elect a mayor and a 19-member City Council, with five at-large members and 14 members elected by district.⁵ Although the consolidated government has some benefits in that there are fewer political "turf" battles, there is limited incentive to encourage businesses to locate in the downtown, given the lack of competition between the former jurisdictions.

Another interesting characteristic of Jacksonville's government is that it does not assess impact fees. Instead, Jacksonville uses a sales tax to pay for public facilities and infrastructure. This is an important component of Jacksonville's "pro-business" ethos.

Intermodal/Infrastructure

Jacksonville's major transportation routes and hubs include: Interstates 10, 95 and 295; a mass transit system featuring bus service, trolleys and a downtown people mover; the Jacksonville International Airport, a joint civil-military public airport and the 55th largest primary airport in the U.S. in terms of enplanements⁶; and the Port of Jacksonville, the 37th largest port in the U.S. in terms of total trade volume.⁷

Workforce/Economy

As of July 2011, the total labor force of the Jacksonville MSA was 698,667 with an unemployment rate of 10.4 percent.⁸ Duval County's unemployment rate is slightly higher at 11.2 percent, while Jacksonville's is similar at 11.0 percent. Mean travel time to work is approximately 24 minutes,⁹ somewhat analogous to Hillsborough County.

PLANNING POLICY FRAMEWORK

Similar to Hillsborough County and other fast growing metropolitan areas, a central planning challenge for Duval County and the City of Jacksonville is growth management. Although the City/County consolidation has lessened the competition between the city and the suburbs for new development, the combating of sprawl at the urban fringe continues to be a challenge in the community. Region-wide job creation and reinvestment efforts within downtown Jacksonville are additional key challenges for planning in Jacksonville and Duval County.¹⁰

⁴ American Community Survey (ACS), 2005-2009.

⁵ Official website of the City of Jacksonville. <http://www.coj.net>. Accessed August 2011.

⁶ Preliminary Calendar year 2010 Enplanements at Primary Airports. Federal Aviation Administration.

⁷ U.S. Port Rankings by Cargo Tonnage (2009). American Association of Port Authorities.

⁸ State of Florida Agency for Workforce Innovation, Local Area Unemployment Statistics by MSA, 2011.

⁹ American Community Survey (ACS), 2005-2009.

¹⁰ August 4, 2011 phone interview with Paul Crawford, Deputy Economic Development Director of the City of Jacksonville.

Comprehensive Planning

The 13-member City Planning Commission (appointed by the mayor) and technical staff of the Planning and Development Department manage existing and future development within the City of Jacksonville. Matters pertaining to zoning, the comprehensive plan, concurrency, land use, inspections and building codes fall within the purview of the department. The department consists of several divisions, including the Community Planning Division, which is given the responsibility of the preparation of the City's comprehensive plan. The City of Jacksonville 2030 Comprehensive Plan contains elements addressing future land use, housing, transportation, infrastructure, conservation coastal management, recreation and open space, intergovernmental coordination, public school facilities, historic preservation and capital improvements.¹¹ However, the 2030 Comprehensive Plan does not include an economic development element. Rather, economic development is indirectly addressed in the other elements of the Plan.

Related to economic development, the Planning and Development Department is also responsible for the management of the City's Brownfields Redevelopment Program, the preparation of sub-area planning (corridors, neighborhoods and districts), transportation planning and coordination with local and regional transportation partners such as the Jacksonville Transportation Authority (JTA), Jacksonville Airport Authority (JAA), and Jacksonville Port Authority (JPA).¹²

Better Jacksonville Plan

In 2000, Jacksonville residents approved the Better Jacksonville Plan (BJP) as a blueprint for Jacksonville's future. The BJP is a \$2.25 billion comprehensive growth management strategy that provides road and infrastructure improvements, environmental preservation, targeted economic development, and new and improved public facilities. It is codified as Section 761 of Jacksonville's Code of Ordinances. The Plan is funded through a half-penny sales tax and by leveraging existing revenue sources. The targeted economic development component of the BJP includes funding for the Jacksonville Equestrian Center and Cecil Recreation Complex (\$25 million), Jacksonville Zoo (\$10 million), and the Northwest Jacksonville Economic Development Trust Fund (NWJEDF) (\$25 million). The NWJEDF has public funds used to provide capital for project development and is open to any existing or prospective business in the northwest Jacksonville area.

ECONOMIC DEVELOPMENT FRAMEWORK

The Jacksonville Economic Development Commission (JEDC) is the economic development and community redevelopment agency for the City of Jacksonville. The JEDC is separate from the Planning and Development Department. The aim of the JEDC is to develop and execute policies that result in sustainable job growth, rising personal incomes and a broader tax base. The JEDC achieves its mission through five main objectives:

1. Recruit and expand higher wage job opportunities
2. Promote and encourage private capital investment
3. Increase the growth and expansion of small business
4. Promote and leverage investment in economically distressed areas

¹¹ Official website of the City of Jacksonville. <http://www.coj.net>. Accessed August 2011.

¹² Ibid.

5. Promote a healthy and vibrant downtown¹³

In recent years, the JEDC has had success in facilitating projects that provide a high yield of private and public investment. Significant achievements were experienced in business development and small business initiatives, sports and entertainment marketing, and downtown redevelopment.¹⁴

The JEDC also has planning responsibility within downtown Jacksonville. Guided by the 2000 Downtown Master Plan, the Downtown Development division of the JEDC strives to strengthen the urban core by creating opportunities for growth and economic expansion, ensuring high-quality design standards and assisting with the development process. The 2007 Downtown Action Plan, prepared by the JEDC, identified 19 action steps for achieving the Downtown Master Plan.¹⁵

The JEDC utilizes a variety of tools to entice and promote economic development. One tool is the City of Jacksonville Enterprise and Empowerment Zone program. These zones are state and federal geographically designated areas targeted for economic revitalization through the use of tax incentives that result in economic growth and job creation.¹⁶

The JEDC also is responsible for the Cecil Commerce Center, a long-term economic development asset to the City of Jacksonville, representing more than 3 percent of the land area in Duval County (17,000 acres). The Cecil Commerce Center offers mid to large-size parcels for development with strategic access to transportation and utility infrastructure. As the largest single industrial land holding in Jacksonville, the commerce center is well positioned to be a landside complement to the Port of Jacksonville (JaxPort) and home to companies dependent on supply chain logistics. More than \$180 million of roadway and utility infrastructure improvements have been implemented at the commerce center.¹⁷

Other economic development initiatives of the JEDC include the operation of a Film & Television Office supported by financial incentives, the establishment of the Jacksonville International Airport Community Redevelopment Area (JIA CRA), and the operation of a Sports & Entertainment Office.¹⁸

Economic Partnerships

Beyond the efforts of the JEDC and the Planning and Development Department, the City has forged strong relationship with outside entities to promote economic development in the region. These include partnerships with the Jacksonville Regional Chamber of Commerce, JAXUSA Partnership, and Mayport Waterfront Partnership.

With its large membership of businesses and technical staff, the Jacksonville Regional Chamber of Commerce plays an important role in business advocacy. The Chamber's Public Policy department connects members of the business community and coordinates actions to create and protect a healthy business environment.¹⁹

¹³ Official website of the City of Jacksonville. <http://www.coj.net>. Accessed August 2011.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ Official website of the City of Jacksonville. <http://www.coj.net>. Accessed August 2011.

¹⁹ Chamber of Commerce website. <http://www.opportunityjacksonville.com>. Accessed August 2011.

The JAXUSA Partnership (formerly the Cornerstone Regional Development Partnership) is Jacksonville and Northeast Florida's regional economic development initiative. JAXUSA is a private, nonprofit division of the Jacksonville Regional Chamber of Commerce. JAXUSA is a regional marketing, prospecting and international trade partnership. The organization offers a variety of services for businesses that are considering corporate relocation or expansion in Jacksonville and Northeast Florida. JAXUSA's professional economic development team is trained to assist company executives and site consultants in all aspects of the site selection process.²⁰

The Mayport Waterfront Partnership was created by the cities of Atlantic Beach and Jacksonville in 1997 to bring economic revitalization to the eastern shore area of Duval County. Since that time, the partnership has expanded into a multi-government agency, business and community task force. The 25-member Waterfront Board represents the wide interests of groups such as the U.S. Navy, the National Park Service, local government, business and community groups.²¹

Primary/Targeted Industries

Jacksonville's regional economy is driven by its core strengths and competitive assets. Chief among these is its large deep water port (JaxPort), Jacksonville International Airport, Cecil Field (joint civil-military airport at Cecil Commerce Center), its location as a gateway to Florida, its proximity to I-10 and I-95 affording access to the west and east coasts, a healthy business climate, a high quality of life, and advantageous tax structure.²²

The Jacksonville region enjoys a well diversified economy. Key industries include manufacturing, logistics/distribution, aviation/aerospace, finance/insurance, information technology, life sciences (biotech, healthcare, etc.), and tourism. Jacksonville is home to four Fortune 500 companies: CSX Corporation, Fidelity National Financial, Fidelity National Information Services, and Winn-Dixie Stores, Inc.²³ With numerous military facilities in or near Jacksonville, primarily naval sea and air facilities, the military is also a major employer in the region.

In 2005, JAXUSA Partnership, in an effort to expand the region's economic development efforts, identified seven key target industries that have led to a more diversified and larger economic base in Northeast Florida. The target industries are:

1. Advanced Manufacturing
2. Aviation and Aerospace
3. Finance and Insurance Services
4. Headquarters (attracting major companies)
5. Information Technology
6. Life Sciences
7. Logistics and Distribution²⁴

Additionally, the City of Jacksonville has leveraged its NFL franchise and strategic location on the Florida-Georgia border to expand its sporting and entertainment industry. The Jacksonville Economic

²⁰ JAXUSA Partnership website. [Http://www.expandinjax.com](http://www.expandinjax.com). Accessed August 2011.

²¹ Official website of the City of Jacksonville. [Http://www.coj.net](http://www.coj.net). Accessed August 2011.

²² JAXUSA Partnership website. [Http://www.expandinjax.com](http://www.expandinjax.com). Accessed August 2011.

²³ JAXUSA Partnership website. [Http://www.expandinjax.com](http://www.expandinjax.com). Accessed August 2011.

²⁴ Ibid.

Development Commission's Sports and Entertainment Office is ready to assist in the hosting and promotion of various kinds of sporting and entertainment events. Building upon its location on the Florida-Georgia border, Jacksonville established the Florida-Georgia Hall of Fame and annually hosts the Florida vs. Georgia Football Classic.

These primary and targeted industries build upon the strengths and competitive advantages of the Jacksonville region as noted above.

LESSONS LEARNED

The Jacksonville/Duval planning and economic development programs and strategies include several that are worthy of recognition and potential consideration for Hillsborough County. These strategies are summarized below:

- **Consolidated Government Structure.** The consolidation of city and county governments is relatively unique in the United States. Jacksonville and Duval County's consolidation has enabled a more efficient and streamlined government structure, allowing for less "red tape" in the development review process, a characteristic welcomed by the business and development community. The consolidation has eliminated the "friendly competition" that is commonly experienced by core cities and suburbs to attract new growth and resultant tax revenues. While otherwise positive, the lack of competition between the former jurisdictions results in less incentive to encourage businesses to locate in the downtown.
- **Better Jacksonville Plan (BJP).** The voter approved and well funded BJP has resulted in major infrastructure investments that directly or indirectly attract new development and job creation. The BJP's funding of the Northwest Jacksonville Economic Development Trust Fund is a noteworthy investment tool that spurs business expansions and attracts new businesses.
- **Promoting Available Sites and Infrastructure.** A key strategy for economic development in Jacksonville is the promotion of available industrial sites with strategic access to key infrastructure. A prime example of this is the Cecil Commerce Center, Jacksonville's 17,000 acre business development opportunity. Having undertaken extensive internal infrastructure investments (\$180 million), and with Jacksonville's proximity to major road, rail, sea and air transportation routes and hubs, the commerce center is a prime location to attract a diversified array of businesses.
- **Strong business and public-private partnerships** through the Jacksonville Economic Development Commission (JEDC) and with the Jacksonville Regional Chamber of Commerce, JAXUSA Partnership, Mayport Waterfront Partnership, et al. Such partnerships serve to proactively court prospective businesses that could benefit from Jacksonville's competitive assets.

Sources

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