Invest:

Tampa Bay 2019

An in-depth review of the key issues facing the cities of Tampa, St. Petersburg and Clearwater, featuring the exclusive insights of prominent industry leaders

$159.00
ISBN 978-0-9988966-1-8
59999>
9 780998 896618

100 Great Hospitals in America 2018 (fifth consecutive year)

Named one of 100 Hospitals and Health Systems with Great Orthopedic and Heart Programs for 2018.
– *Becker's Hospital Review*

***Forbes*' list of America's Best Employers 2018**

2018 Most Wired Hospitals
– *College of Healthcare Information Management Executives*

Magnet Designated Hospital (three consecutive times)
– *American Nurses Credentialing Center*

Verified Level I Trauma Center
– *American College of Surgeons*

5 medical helicopters transporting patients from 23 counties

Accredited Adult and Pediatric Inpatient Rehabilitation Programs
– *Commission on Accreditation of Rehabilitation Facilities*

Nationally Accredited Comprehensive Stroke Designation
– *Healthcare Facilities Accreditation Program*

1 of 2 Adult and Pediatric Verified Burn Centers in Florida

USF HEALTH MORSANI COLLEGE OF MEDICINE UNIVERSITY OF SOUTH FLORIDA

PRIMARY
TEACHING HOSPITAL

Tampa General Medical Group TGMG

Tampa General Private Practice Physicians

STRONG COLLABORATION
AND PARTNERSHIP

Explore more at TGH.org

Contents:


BUCCANEERS

Contents:

Invest:

Tampa 2019

ISBN 978-0-9988966-1-8

President:
Abby Melone

Chief Financial Officer:
Albert Lindenberg

Executive Director:
Alexandra Wilkinson

Design & Production Lead:
Nisha Cunningham

Content Manager:
Max Crampton-Thomas

Lead Copy Editor:
Mario Di Simine

Contributing Designer:
Md Shahidullah

Writers:
Ian Leigh
Sean O'Toole

Intern:
Meagan Harmon

Cover Photo:
Judy Kennamer

Invest: Miami is published once a year by Capital Analytics Associates, LLC.

For all editorial and advertising questions, please e-mail: contact@capitalaa.com

To order a copy of Invest: Miami 2019, please e-mail: contact@capitalaa.com

CAPITAL
ANALYTICS
ASSOCIATES

Photo Credits:

Contents:
pg 2 – Top left – City of Clearwater
pg 2 – Bottom – Tampa Hillsborough Economic Development Corporation
pg 4 – Tampa's Lowry Park Zoo

Economy:
pg 5 – Large photo – Visit Tampa Bay
pg 5 – Small photo – Hillsborough County
pg 10 – Hillsborough County
pg 18 – Keir Magoulas
pg 20 – City of St. Petersburg
pg 25 – Visit Tampa Bay

Technology & Innovation:
pg 27 – Large photo – Scanrail
pg 27 – Small photo – IMMERTEC
pg 28, 32 – Accusoft
pg 35 – ReliaQuest

Healthcare:
pg 39 – Large photo – Galen School of Nursing
pg 39 – Small photo – Galen School of Nursing
pg 40 – Tampa General Hospital

Banking & Finance:
pg 53 – Large photo – Fifth Third Bank
pg 53 – Small photo – Fifth Third Bank
pg 54 – Seacoast Bank
pg 61 – The Bank of Tampa
pg 69 – Fifth Third Bank

Legal:
pg 71 – Large photo – Trenam Law
pg 71 – Small photo – Trenam Law
pg 72, 75 – Trenam Law

Real Estate:
pg 83 – Large photo – RD Management
pg 83 – Small photo – Keir Magoulas
pg 84 – Harvard Jolly
pg 88 – Keir Magoulas
pg 94 – Visit Tampa Bay

Construction & Infrastructure:
pg 97 – Large photo – Plaza Construction
pg 97 – Small photo – Tampa Electric Company
pg 98 – Plaza Construction
pg 104 – Tampa Electric Company
pg 109 – Ajax Building Corporation

Transportation, Aviation & Logistics:
pg 111 – Large photo – Tampa International Airport
pg 111 – Small photo – Keir Magoulas
pg 112 – Tampa International Airport
pg 118, 121 – Port Tampa Bay

Education:
pg 123 – Large photo – University of South Florida
pg 123 – Small photo – University of South Florida
pg 124 – University of South Florida
pg 127 – Ultimate Medical Academy
pg 128 – Florida Southern College
pg 132 – Polk State College

Tourism, Arts & Culture:
pg 135 – Large photo – Matt Dine
pg 135 – Small photo – Keir Magoulas
pg 136 – Rob-Harris Productions, Inc.
pg 137 – Kelly Smith
pg 138 – Tampa Museum of Art
pg 141 – City of Clearwater
pg 145 – The Florida Aquarium
pg 146 – Visit Tampa Bay

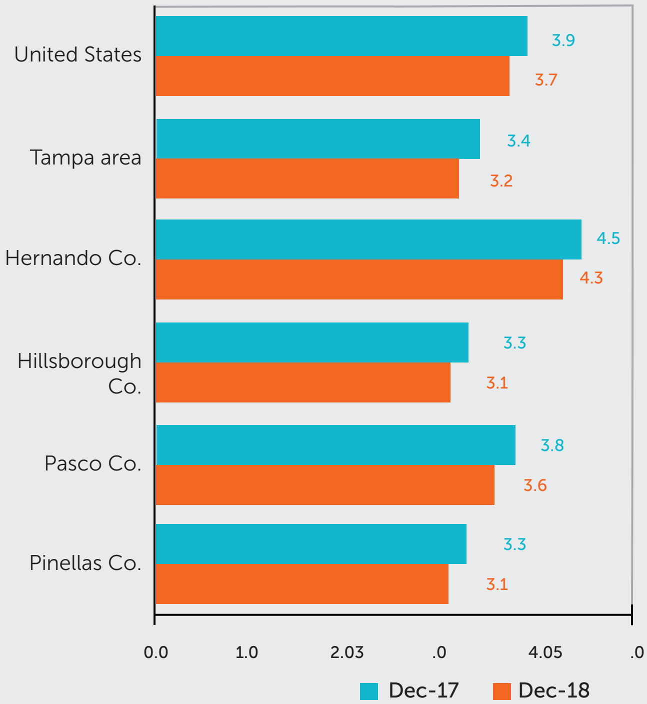
Sports:
pg 149 – Large photo – Tampa Bay Lightning
pg 149 – Small photo – Hillsborough County
pg 150 – Tampa Bay Rays
pg 152 – Tampa Bay Rowdies
pg 155 – Tampa Bay Lightning

Economy:

With 150 people a day moving to Tampa Bay, the efforts of government and business leaders to revitalize and improve the urban core are bearing fruit. Jobs are coming, millennials are arriving, and investment is pouring in. The region has the wind at its back and is sailing into a solid future.

Economy in numbers:

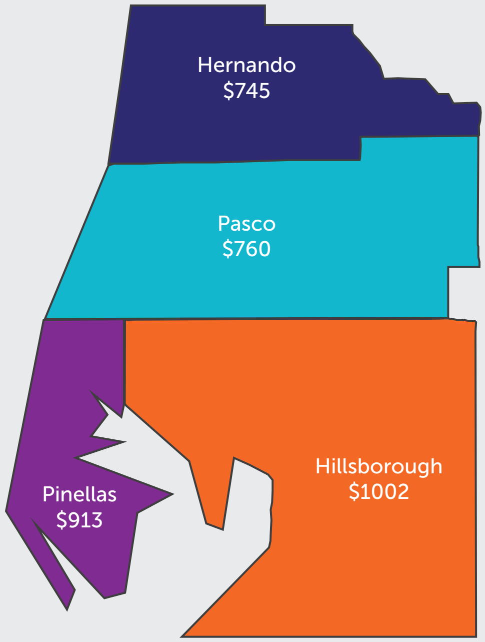
Unemployment rates



Source: U.S. BLS, Local Area Unemployment Statistics.

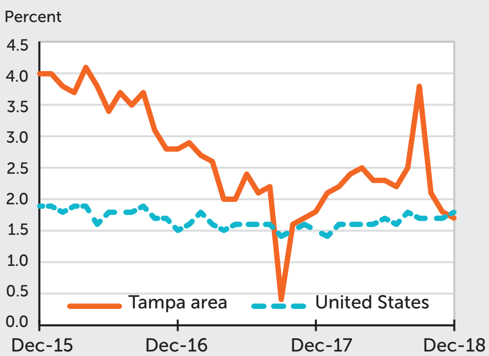
Average weekly wages for all industries by county

(Tampa Area, 2nd Quarter 2018)



Source: U.S. BLS, Quarterly Census of Employment and Wages.

12-month% changes in employment

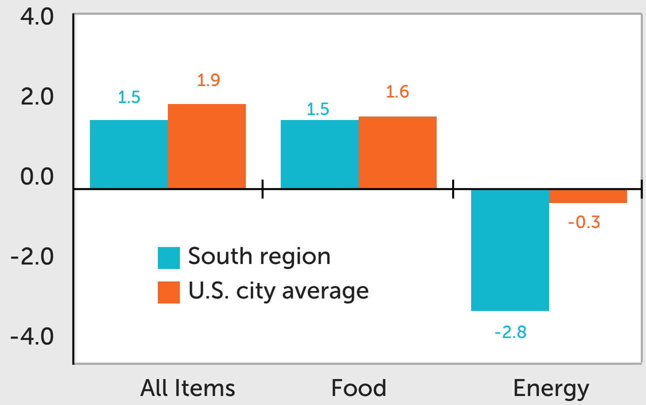


Source: U.S.BLS, Current Employment Statistics.

Tampa area employment (numbers in thousands)	Dec. 2018	Change from Dec. 2017 to Dec. 2018	
		Number	Percent
Total nonfarm	1,369.9	22.4	1.7
Mining and logging	0.2	0.0	0.0
Construction	76.2	3.7	5.1
Manufacturing	69.7	2.6	3.9
Trade, transportation, and utilities	257.1	0.7	0.3
Information	24.6	-0.2	-0.8
Financial activities	118.7	2.5	2.2
Professional and business services	243.1	2.2	0.9
Education and health services	215.6	6.0	2.9
Leisure and hospitality	162.9	7.8	5.0
Other services	47.7	1.4	3.0
Government	154.1	-4.3	-2.7

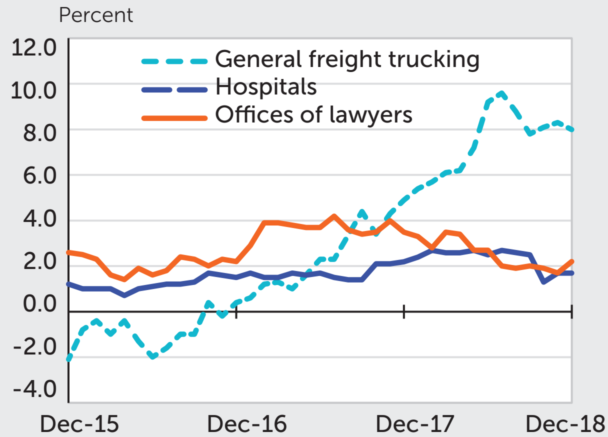
Source: U.S. BLS, Current Employment Statistics.

12-month% change in CPI-U, December 2018



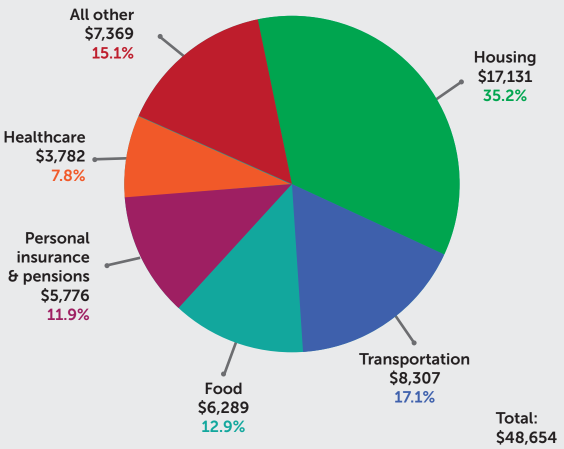
Source: U.S. BLS, Consumer Price Index.

12-month% changesin PPI



Source: U.S. BLS, Producer Price Index.

Tampa area average annual expenditures 2016-17



Source: U.S. BLS, Consumer Expenditure Survey.

Average hourly wages for selected occupations

Occupation	Tampa area	United States
Total, all occupations	$22.15	$24.34
Accountants and auditors	33.58	37.46
Registered nurses	32.21	35.36
Bookkeeping, accounting, and auditing clerks	18.19	19.76
Customer service representatives	15.39	17.14
Construction laborers	13.89	18.70
Waiters and waitresses	13.04	12.15
Landscaping and groundskeeping workers	12.87	14.28
Retail salespersons	12.17	14.28
Security guards	11.91	13.20
Cooks, fast food	10.46	10.39
Cashiers	9.84	10.64

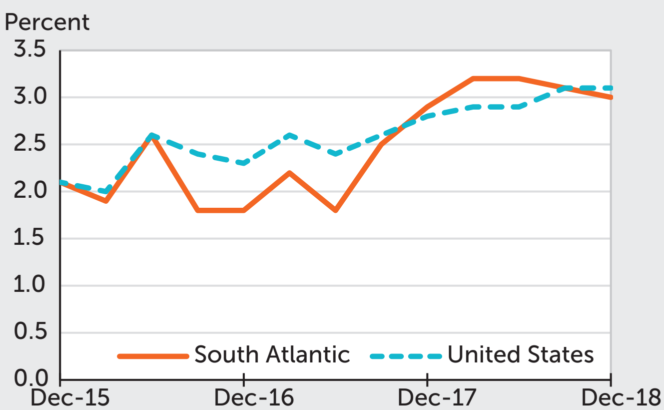
Source: U.S. BLS, Occupational Employment Statistics, May 2017.

Employer costs per hour worked for wages and selected employee benefits

Private industry, September 2018	South Atlantic (1)	United States
Total compensation	$31.27	$34.53
Wages and salaries	22.18	24.06
Total benefits	9.09	10.48
Paid leave	2.17	2.41
Vacation	1.12	1.25
Supplemental pay	0.94	1.32
Insurance	2.42	2.74
Retirement and savings	1.24	1.35
Legally required benefits	2.32	2.66

Source: U.S. BLS, Employer Costs for Employee Compensation.

Over-the-year changes in wages and salaries



Source: U.S. BLS, Employment Cost Index.

Bold action

Citing a 'unique opportunity,' Gov. DeSantis spells out his vision for Florida, pushing the environment, economy and education to the top of the agenda

Ron **DeSantis**

Governor – State of Florida

I'm optimistic that this legislative session provides us with a unique opportunity to advance needed reforms in a variety of different areas that will strengthen our state and benefit the people now and in the future.

In less than 60 days, my administration has taken bold action to address issues that Floridians care about:

- reorienting our environmental policy around the goal of cleaning up our water;
- announcing far-reaching education reforms designed to make Florida No. 1 in skills-based education by 2030;
- securing hundreds of millions of dollars for storm-ravaged parts of NW Florida;
- bringing accountability to entities ranging from the Broward Sheriff's Office to the South Florida Water Management District;
- and appointing three spectacular justices to our Supreme Court.

And this is just the beginning.

Environment

Florida is blessed with some of the nation's finest natural resources. The state's unique natural environment is central to our economy, our quality of life, and our identity as Floridians.

We are repositioning our water policy to meet the needs of our citizens, by, among other things:

- expediting key projects like the EAA reservoir and raising the Tamiami Trail;
- establishing a blue-green algae task force to develop policies to fight algae blooms, fight red tide and improve water quality; and
- appointing a Chief Science Officer to better harness scientific data and research in service of Florida's most pressing environmental needs.

I've requested $2.5 billion over the next four years for water resources projects and Everglades restoration. This represents a $1 billion increase compared to the previous four years and will allow us to bring major projects to completion. Given the persistent water problems we have seen over the past several years, now is the time to be bold. We cannot leave for tomorrow that which we can do today.

Because the people of Florida should have confidence that their interests are being reflected in policy implementation, I asked and received the resignations of all members on the South Florida Water Management District. We needed a fresh start and I'm pleased to report that I've appointed a number of good people to this board.

Economy

We are a mobile, highly-connected society and as taxes become more onerous and as the business climate deteriorates in these states, people vote with their feet. Taxpayers and businesses leave.

The tax base erodes and the fiscal situations of these states get more ominous, yielding massive budget shortfalls. It is a vicious cycle. We won't repeat those mistakes in Florida. We will always remain a low-tax state. And we will never have an income tax!

I have proposed more than $330 million in tax relief for Florida families, including a property tax cut.

Education

Maintaining low taxes and a healthy economic climate are important, but the most important factor regarding Florida's economic potential is human capital. I'm proud that Florida's university system is ranked #1 in the nation — ahead of Texas, California and New York. This wasn't always so; the climb atop the rankings has been remarkable.

We are poised for growth in finance, technology, healthcare, aerospace and more – let's support the continued ascent of our universities so that these industries can grow by employing our own graduates in good, high-paying jobs in our low-tax, business-friendly environment.

Skills-based education offers a focused, and often more cost-effective means, by which students can acquire the tools they need to be successful.

Our workforce education initiatives include grants to place students in apprenticeships, money to train teachers in computer science and funds for workforce programs within our state college system. These reforms will make a difference and deserve your support.

Education opportunity shouldn't be limited by parental income or zip code. One way Florida has expanded opportunity has been through the Tax Credit Scholarship program for students from low-income families. More than 100,000 students – nearly 70% of whom are African-American or Hispanic, with an average family income of roughly $26,000 per year – are utilizing the scholarship.

The results have been positive: the Urban Institute recently released a study that found tax credit scholarship students are 43% more likely to attend a four-year college and up to 20% more likely to obtain a bachelor's degree. Students who use the scholarship more than four years are up to 99% more likely to attend college and up to 45% more likely to earn a bachelor's degree.

Healthcare

We need to enact policies to make health insurance, prescription drugs and medical care more affordable for Floridians. As you are aware, healthcare is being hotly debated at the national level, so let me say: Any proposal that seeks to eliminate the private health insurance policies of millions of Floridians is unacceptable. Government has no right to take away the policies that Floridians earn through their jobs or purchase on the individual market.

I want Floridians to be able to purchase prescription drugs from Canada at lower prices. There is an avenue under existing federal law to accomplish this; the president is supportive of this effort and has asked me to plow ahead. This could save money for individuals, reduce costs for businesses and relieve pressure on our state budget.

Bringing price transparency to healthcare can also help reduce costs, and I have instructed Secretary Mayhew from AHCA to expedite the price transparency database that the legislature required. To make the tool effective, we need legislation to provide for shared savings policies so that patients receive a financial benefit when they choose a more cost-effective option.

Closing

Many are called to serve in elected office, but only a few are entrusted with authority by the voters. Fewer still are presented with the opportunities we see before us today. Let's fight the good fight and lets keep the faith so that when Floridians look back on the fruits of this session, they'll see it as one of our finest hours. ■

Outperformer:

Tampa Bay leads on a number of economic fronts, attracting jobs, people and money

The Tampa Bay region, situated on the west coast of Florida along the bay for which it is named, is one of the fastest-growing major metropolitan areas in the U.S. and the 18th-largest in the country. With a booming local economy bolstered by strong job growth, solid population gains, record-breaking tourism and a healthy housing market, the Tampa Bay area is poised to enjoy continued economic prosperity in 2019.

The U.S. Census Bureau defines the Tampa/St. Petersburg/Clearwater Metropolitan Statistical Area (MSA) as including Hillsborough, Pinellas, Hernando and Pasco counties. Pinellas County, Clearwater and St. Petersburg occupy a peninsula between Tampa Bay and the Gulf of Mexico, while a large part of the City of Tampa lies on a smaller peninsula that juts out into the bay. In 2018, Tampa Bay MSA's population was estimated at 3,091,399, and projected to grow to 3.1 million by the end of 2019 and 3.3 million over the next five years.

In 1824, the U.S. Army established Fort Brooke on the east bank of the Hillsborough River to protect the strategic harbor at Tampa Bay. However, the region's true development didn't begin until it officially became part of the United States in 1845.

In 1884, Henry Plant extended his railroad to the Hillsborough River, providing convenient access to new territories and sparking the construction of lavish hotels along the rail line to entice visitors. In the late 1880s, phosphates were discovered in the region, giving birth to the mining and shipping industries, which in turn prompted an explosion of growth and wealth that lasted through the end of the 19th century. Today, Tampa's port is the largest in Florida, but now phosphate shipping is supplemented by trade in shrimp and a bustling pleasure cruise industry.

In 1886, Vicente Martinez Ybor established a cigar factory in Tampa, and it was from the steps of his factory in today's Ybor City neighborhood that Jose Marti rallied cigar workers to take up arms against Spain in the late 1800s. From the city's inception, the military has played a major role in Tampa's development. The area served as the principal outfitting and embarkation point for troops bound for Cuba during the Spanish-American War. Today, the U.S. Central Command and the U.S. Special Operations Command are headquartered at MacDill Air Force Base, located (▪▪▪)

Smart city

How new Mayor Jane Castor views Tampa, and her priorities for growing the city into an innovation hub

Jane **Castor**

Mayor – City of Tampa

What are some of your top priorities as the new mayor of Tampa?

The first thing will actually be about 100 things! In reality, the most pressing issues in our community are transportation, affordable housing and workforce development. The other areas that I'll be addressing are Tampa Bay's sustainability efforts, the effects of climate change and the ways in which we can reduce our carbon footprint in the region.

My vision for Tampa is that we are seen as the innovation hub of the nation. Tampa will be known as a smart city that attracts businesses, entrepreneurs, investors and the best and brightest individuals from around the world, all while we continue to focus on growing jobs and businesses here locally.

How do you believe Tampa stays competitive in drawing corporate relocation versus other midlevel cities in Florida?

Tampa is already competitive and grows more competitive every day. The best way to sell a community as an attractive place to live, work and play is through others who have moved to the area and have realized what a great place it is to live. We will continue to promote our community through a number of avenues but, really, it's those who reside here in Tampa who are the best marketers for the region. I recently spoke with some of the individuals from the Water Street Project, who consisted of several young people from different areas of the country. I asked them, 'You were attracted to Tampa based on the fact we're on just about every Top 10 list that comes out, right?' and they all said, 'No, when we arrived here we thought we were coming to some small sort of backwoods town, but then realized after seeing all the development and meeting the residents that this is the greatest city in the nation.'

We need to up our marketing game to make sure the nation and the world are aware of what a great place Tampa is to live, work and prosper."

What are the most notable challenges right now to Tampa's growth and development?

The most notable challenges are time and money. One of the areas that has been our Achilles' heel here in Tampa Bay is transportation, which is similar to a lot of the cities in the Southeast. We were just able to pass the penny referendum for transportation, which added a penny to our sales tax, so we will finally have the funding we lacked to address the problems. Once we can connect the entire Tampa Bay area, it's going to be a game changer for this region.

George **Cretekos**

Mayor – City of Clearwater

"We want to have people in downtown Clearwater. Unfortunately, that takes time and it takes money. My dream is for the downtown area to become everybody's second neighborhood. I hope that will become a reality when Imagine Clearwater is completed. The city invested roughly $30 million in beach development. After that investment the beach transformed itself. There are still some small, limited-service hotels and mom and pop places that people have been going to for years and will continue to go to, but there are also some new resorts that have upped our game and put Clearwater on the map. This was all done by the private sector after the city made the investment."

(▪▪▪) just four miles south-southwest of Downtown Tampa.

Tampa Bay was also home to the world's first scheduled commercial airline services, when Percival Ellicott Fansler introduced the St. Petersburg-Tampa Airboat Line in 1914. The city of Tampa's main business district has experienced significant growth since the 1960s as major banks and an increasing number of corporations flock to the area to fill the steel and glass high rises overlooking the river. Similarly, downtown St. Petersburg has experienced significant revitalization in recent years, enjoying a flourishing retail and arts scene and attracting businesses from outside the city to the urban core. Today, the Tampa Bay region is a multicultural, diverse business center that offers a high-quality and affordable lifestyle to its residents, complete with more than 300 days of sunshine a year.

Demographic shifts

According to the U.S. Census Bureau, nearly 150 people are moving to Tampa Bay every day. In fact, the region is the third-most popular place to move in the U.S. Focused efforts by government and economic development leaders to revitalize and improve the urban core have helped entice a younger population to live and work in the region. This growing population of young professionals generates a great deal of dynamic energy in the downtown areas of Tampa Bay's largest cities.

Public investment in mega projects like the Tampa Riverwalk, as well as booming construction of apartments, condos, restaurants and retail and public-private partnerships incentivizing businesses to relocate to Tampa Bay, are all fueling an urban rebirth that is attractive to a younger demographic.

Some areas like the city of Pinellas Park are experiencing the good fortune of this population growth due to their location in the region. Sandra Bradbury, Mayor for the city of Pinellas Park, described the impact this has had on her city: "The city of Pinellas Park is an optimal location for businesses and residents because it is situated right in the heart of Pinellas County. You can't get to St. Pete, Clearwater or Tampa without passing through Pinellas Park."

In Hillsborough County, about 24% of the population is between the ages of 18 and 34, contributing to the county's low median age of 37.6 years. According to research by the Tampa Hillsborough Economic Development Corporation, the Tampa Bay MSA saw an increase of 12.35% in the key 25 to 34 age group from 2014 to 2018. While the median age of Tampa has increased slightly since 2010, from 34 to 35.6, it remains well below the statewide average of 41.8.

St. Petersburg's median age is 44.6. While this is higher than Florida's average, the city's annual state of the economy report showed that it had declined by 3.3 years since 1970. During that same period, the national median age increased by nearly 10 years.

There has also been a demographic shift occurring as more hispanic professionals are leaving their home countries, mainly in Central and South America, in hopes of securing a better future in the Tampa Bay region. "There is a constant growth of Hispanic professionals in the Tampa Bay area, and it's only going to continue," Diane Cortes, President of the Hispanic Chamber of Commerce of Tampa Bay, told Invest:. "It's impressive, because people are seeing Tampa as an iconic new place for business, manufacturing and innovation. Hispanics from all over Latin America and Central America are receiving this information and are relocating to Tampa. The reality is that Tampa's is a hidden paradise that they're just discovering."

The Tampa Bay area population is projected to grow 6.3% from 2019 to 2023, with a 4.4% increase in the 25 to 34 age range and a 9% increase in the 35 to 44 group. Part of the reason for the latter increase is due to the growing tech sector, which requires a slightly more experienced workforce. While all of this (▪▪▪)

Q&A:

Bob **Buckhorn**
Former Mayor
City of Tampa

How did you succeed in turning the city around after the recession in 2007-2008?

Tampa was devastated by the recession like a lot of cities, particularly emerging Sunbelt cities. Interestingly, it also gave us opportunities that we never would have had if we had not hit rock bottom. That was largely driven by the fact that I knew we weren't going to cut our way out of the ditch; we were going to have to grow our way out of the ditch. And if we were going to do that, it meant we had to change the way we do business. We had to change our economic model and our DNA. We had been losing our best and brightest to places like Charlotte, Raleigh and Austin for years. The brain drain leaving Tampa was a one-way street; we were a donor city to other cities' success. I knew that if we were going to attract that talent back and be a destination for talent, we had to recreate an urban core that people — particularly young people — want to be a part of. We spent a year creating a blueprint with the help of a lot of people in this community. That blueprint now guides everything we do.

How does Tampa stay competitive?

We're competing with emerging Sunbelt cities like Raleigh and Austin. Where we try to differentiate ourselves, first and foremost, is through our diversity and our willingness to celebrate the fact that we are an international community. We also have the largest deep-water port in the state of Florida that is the closest to the Panama Canal. We have an international airport that has added dozens of new direct flights. We have major universities that are producing talented young people to fill the talent pipeline. We're home to MacDill Air Force Base. There are 2,400 defense-contracting firms in the Tampa Bay area that largely feed off of central command but, more specifically, special operations command. The financial services sector also has a big footprint here. ■

Market voices: Economic development

"Pinellas County is the second-largest manufacturing base in Florida, with 30,000 people working in manufacturing. That's more than anywhere else except Miami-Dade. However, our mix is more high-tech and high-wage than Miami. We have electronics, communications, aerospace, aviation and defense. Our recruitment efforts are exclusively in the realm of manufacturing, financial services, corporate headquarters and IT companies."

Mike **Meidel**
Director
Pinellas County Economic Development

Craig **Richard**
President & CEO
Tampa Hillsborough Economic Development

"The Tampa EDC had a stellar 2018; it was a fantastic year. We've assisted over 31 companies with expanding in or relocating to Tampa Bay. That represents 3,441 direct jobs and $109 million in capital investment. Mosaic recently announced the relocation of its headquarters, which represents our first Fortune 500 company relocation. Additionally, pharmaceutical giant Amgen, and global legal firm Baker McKenzie set up shared services operations here. We've also had great success with our international trade missions."

"The St. Petersburg Economic Development Corporation (EDC) was created two years ago. Prior to that, St. Petersburg did not have a dedicated voice for growing the business and job sector. We've created some great opportunities thus far. We introduced 11 new companies, and we have another 27 projects in our pipeline. The most impactful company to relocate to St. Petersburg since we started was PandaDoc, which we recruited from San Francisco."

J.P. DuBuque
President
St. Petersburg EDC

Bill **Cronin**
President & CEO
Pasco EDC

"To be more competitive, we have been focusing on product development and workforce development. This is one of the few counties in Florida that has both available land and available workforce. Most other regions have one or the other. To better position ourselves, we hired a consultant to help evaluate and certify land for industrial development. Over the last year, we identified over 1,265 acres of 'ready sites' to recruit industry."

"We have some major projects going in our downtown. One is an 824-space parking garage — the first one being built downtown in 30 years. It is a public-private partnership with the hospital, a local developer, the largest credit union in the area. We also have another office building under construction, a foodhall and brewery coming to Lake Mirror and a 330-apartment complex underway. Major developers from all over the country are investing in Lakeland."

Steve **Scruggs**
CEO
Lakeland Economic Development Council

LOCAL RESOURCES. GLOBAL ACCESS.

By land, air, or sea Tampa offers businesses the connectivity they need to succeed domestically and internationally.

PORT TAMPA BAY

Florida's largest and most diversified seaport and the nation's closest deep-water gateway to the Panama Canal.

TAMPA INTERNATIONAL AIRPORT

Top-rated airport serving 21 million passengers a year with non-stop service to 90 international and national business destinations.

TAMPA HILLSBOROUGH ECONOMIC DEVELOPMENT CORPORATION

Lead economic development agency attracting and retaining high-growth companies.

Working together, these economic development powerhouses are creating a gateway for international business and attracting global companies like The Mosaic Company.

But it's not just this partnership alone. Tampa's pro-business climate, collaborative community spirit, excellent talent pool, low taxes, and high-quality of life are contributing to Tampa's status as one of the nation's fastest-growing markets.

Whether your company is in the Tampa Bay region and interested in exporting or abroad and looking to expand to the U.S. market, the Tampa Hillsborough EDC can connect you to the business resources you need to thrive.

PORT TAMPA BAY

Tampa International Airport

TAMPA HILLSBOROUGH ECONOMIC DEVELOPMENT CORPORATION

0892MKT-0219

Recognized

How St. Petersburg is attracting millennials, developing its reputation as an open community, and collaborating with cities and counties across the region

Rick **Kriseman**

Mayor – City of St. Petersburg

What are some of the major draws to St. Petersburg?
How much time do you have? We have one of the largest waterfront park systems in North America. We have been recognized and awarded as having some of the best parks in the country. Our population was once just a retirement community, but that has changed dramatically over the years. The average age is now 41.7, and we've become known as one of the best cities in the state of Florida for millennials. It's an incredibly walkable, bike-friendly, and healthy community. Our tolerant, welcoming nature is reflected by our Municipal Equality Index (MEI) rating of 100%.

We are an arts and culture hub. We have two new museums opening up. We are home to the largest collection of Salvador Dali's work outside of Spain. We have a Holocaust Museum, a fine arts museum, a history museum and several other outstanding museums. Our new pier will include an entirely new pier district when it opens up toward the end of next year. We also have the largest municipally-owned marina in the Southeast market.

How can local government maintain St. Pete's reputation as an open and inclusive community?
The city didn't really have a unified vision when I came into office. The importance of diversity and tolerance and being a welcoming community is really integrated into our vision statement. We believe that St. Pete is a city of opportunity, where the sun shines on all who come to live, work and play.

Do you feel a collaborative effort between all the cities and counties in the Tampa Bay region?
That is new. Before I was the mayor, the city of St. Pete and the city of Tampa rarely worked together. They competed against each other. There was very little collaboration between Hillsborough and Pinellas counties. Pasco, Polk, Sarasota and Manatee counties were all afterthoughts. Fortunately, former Mayor Buckhorn and I have known each other for more than 20 years, and we decided to end that bitterness.

We are much better when we are working together and selling our region on its strengths. We worked hard at forming these relationships, creating collaboration and cooperation. Now, it isn't unusual to go to an event and see former Mayor Buckhorn, Mayor Cretekos and myself, or someone from Hillsborough, Pinellas, Pasco and Polk counties, all talking about the strengths of our collective region. We often go on trade missions together and have traveled to Latin America and Canada. That never used to happen, but it does now.

Aakash Patel
President – Elevate Inc.

"The quality of life in Tampa has been one of the biggest factors in growing our economy. People want to live where they are happy. We have a city that appeals to the majority of people and offers a place for everyone. There are the people who want the big-city life, which they can have in downtown Tampa and downtown St. Petersburg, and then there are those who want the suburban life, which we also have in abundance. This is rare anywhere, but it's especially rare in Florida."

(▪▪▪) growth and dynamic young energy is a positive thing for the region's economy, it does bring with it some challenges. These include expanding transit options to accommodate not only the increased numbers but also the shifting needs of a younger demographic and creating affordable housing options to accommodate all income levels.

Community leaders caution that growth needs to follow a well-thought-out path. "This isn't a community that is interested in development at any cost," said Jason Mathis, CEO of St. Petersburg Downtown Partnership. "This is a community that wants to take some time and be thoughtful about development. We want to recognize that there is limited space and that downtown is thriving already. We want to think about the integration between higher education and the tech center and entrepreneurship. We want to grow industries here using the workforce that we have."

"Almost 500 foreign-owned companies from more than 40 nations call Tampa Bay home."

Corporate attraction

In recent years, Tampa Bay has been receiving a lot of attention from corporations looking to expand or relocate. In 2017, leading global biotechnology company Amgen announced it would be opening a capability center in the area, bringing with it 450 jobs and a $25 million investment by the end of 2018. After considering nearly 300 U.S. metro areas, the company ultimately settled on Tampa Bay due to its world-class talent, accessibility and quality of life.

Defense optics manufacturing company Meopta USA and custom battery maker Resistacap Energy Products also moved to Tampa in 2018. The Pasco County Economic Development Corporation helped Meopta with permitting and transitioning, while Career Source aided in the company's hiring efforts. Resistacap cited the low cost of doing business as its main reason for moving its headquarters from Alabama to the Tampa Bay area.

Also in 2018, Fortune 500 company Mosaic, which produces phosphate and potash nutrients for the global agricultural industry, announced that it was moving its headquarters from Minnesota to Hillsborough County. In addition to cost savings, Tampa Bay provides proximity to the company's Mosaic Fertilizantes business in Brazil, as well as access to the Central Florida market.

Foreign investment

Almost 500 foreign-owned companies from more than 40 nations call Tampa Bay home. A significant number of foreign investors use Tampa Bay as an export hub or regional office to serve customers in Latin America. In response to increased international interest, Enterprise Florida, the state's economic development arm, launched Venture Bridge Florida in June 2018, an initiative designed to help local economic development efforts by improving services offered to foreign investors and companies. These services will include virtual training programs to prepare foreign companies for entry into the U.S. market in Florida. Targeted companies are those logging $500,000 to $20 million in annual sales. (▪▪▪)

Roundtable: County leaders

As the Tampa Bay region grows, counties and cities across the area are facing challenges to adapt, diversify and improve. Local leaders cite the need for collaboration between the public and private sectors to take advantage of the emerging possibilities.

Sandra **Murman**
Commissioner
Hillsborough County

What initiatives are you taking to keep young professionals in the region after they graduate from school?

Here in Tampa, we're intent on acquiring higher-wage tech jobs to keep graduates local after they move on from our colleges and universities. We want to be seen as a Charlotte, Chicago or New York — an attractive city that young professionals want to call home. Hillsborough County Economic Development has done an outstanding job facilitating partnerships with groups that have deep ties to the local tech ecosystem to advance this goal. The positive impacts of their work through the County's Entrepreneur Collaborative Center with groups like 1 Million Cups Tampa, which nurtures and empowers the local entrepreneurial community, cannot be understated.

How important is collaboration between the private and public sectors to solve the challenges facing Tampa Bay?

Government, in and of itself, cannot be the sole solution to the problems we face. What we have to do is partner with the private sector to collaboratively solve challenges, such as transportation, affordable housing, and children's services. That impact is compounded onto the next generation. If the government and the private sector can work together to move the needle on these big-picture issues that affect everybody, the benefits will be exponential for our children and even our grandchildren. For example we just made a large investment in our general revenue budget, providing an extra $5.2 million for affordable housing. The plan is to leverage that money with private developers to maximize our impact. By enlisting the support of the private sector, we can ensure innovation and sustainability as it relates to addressing the formidable and pressing social infrastructure needs of our communities. ■

Kenneth **Welch**
Commissioner
Pinellas County

How has the St. Pete region grown and developed over the past decade?

As the foundational elements were built, St. Pete evolved into one of the most diverse and vibrant downtowns in the state of Florida, if not the Southeast. We have the expanding downtown, and we have that funky vibe that is unique to St. Pete. We're seeing a lot more young professional entrepreneurs moving downtown to live, work and play. That expansion is stretching westward now, too, toward West St. Pete. This has been one of the most evolutionary transformations in terms of the business economy: the residential climate downtown. The influx of residents, especially younger residents, has reversed the demographic trend of St. Pete being the place where people come to solely retire.

What are some challenges facing Pinellas County and how are you addressing these challenges?

We are the first built-out county, horizontally, in the state of Florida. We're also the most densely populated county in the state of Florida, and the smallest geographic county in terms of our square mileage, other than Union County. We have challenges that other counties don't have, and we're really the first county that's in full redevelopment mode. In light of that, we have the opportunity to set the pattern for how to redevelop a dense urban county. We're looking at all options. We understand that we can't work in silos anymore; what we do in terms of planning for housing and business has to be linked to what we do for planning for transportation and transit.

Affordable housing remains an issue. We are about to refresh our affordable housing plan from the 2006 era. We made a conscious effort to study the housing market and look at availability. We don't want to become a community where folks only come to work and then go back to Pasco or Manatee County because the cost of living is lower there. ■

Sean **Malott**
President & CEO
Central Florida Development Council

How has Polk County benefited from the region's continued growth?

Polk County is growing significantly. We have a tremendous number of people coming into the area, and Florida as a whole is supposed to grow in population by about 6 million in the next 10 to 15 years. Our focus as the Central Florida Development Council is the Polk County area, which is about halfway between Orlando and Tampa Bay. We have seen significant growth in manufacturing in Polk County over the last year or so. We had a base in food manufacturing, but the sector has continued to grow in other areas as well. Nucor steel made an announcement that it will be opening its first Florida micromill, which will be a $240 million capital investment in the market. This is a high-paying employer and industry as a whole that we are happy to see expand in the region.

What opportunities have new technologies and innovation presented to the region?

As far as business attraction goes, we are seeing a huge opportunity in the autonomous and unmanned systems arena. We have SunTrax developing in the region, which is a major investment in our economy. A lot of research in this space is happening at our local universities as well. The autonomous and unmanned systems technology space is something that we are putting a lot of focus on.

What challenges has continued growth brought to Polk County?

A challenge we are seeing is keeping up with the change and demand that is happening in the region. Some of the global trade struggles have impacted our business market here in Polk County, which has opened an opportunity to improve our strategies. Our region is seeing a lot of growth, and with that growth comes challenges across all sectors. ■

Amanda **Thompson**

Executive Director – Clearwater CRA

Clearwater is a unique place. We are five minutes away from America's No. 1 beach. We also have 700 employees in the high-tech business downtown, with a niche in cybersecurity. The CEOs of those companies love the quality of life here. They love that it's close to the beach, affordable, walkable and they can attract the talent that they need. Clearwater looks different than other places because of our beautiful streetscape design: the mix of mature trees and the scale of the buildings. It has a distinctly different look than other parts of Pinellas County and Tampa Bay. Whereas other parts of our region are built out, Clearwater has the highest allowable density in Pinellas County and the most property available for redevelopment in proximity to a downtown core. It's a good formula. We have an exciting opportunity to redefine what it means to live, work and play on the coast.

(▪▪▪) According to 2017 data, international trade and foreign direct investment (FDI) accounts for about one-sixth of Florida's total economic output.

In addition to statewide initiatives, Global Tampa Bay works to help companies expand their sales in international markets and assist foreign companies interested in establishing operations in the Tampa Bay area. In March 2019, Global Tampa Bay conducted a sales mission to Panama, Florida's 10th-largest export destination, to build on previous economic missions targeting Central and South America. Florida already supplies 30% of total U.S. exports to Panama, which translated to $1.9 billion in 2017. In 2018, export sales missions to Mexico City, Mexico, and Santiago, Chile, yielded more than $38 million in projected future sales and economic activity for local companies.

The Tampa Bay region is home to dozens of breweries including Cigar City Brewing Co.

Trade tensions

Though the U.S. economy is strong right now, businesses and investors are growing increasingly concerned about the Trump administration's trade crackdown. The first round of tariffs levied on China — 25% on $34 billion in goods (mostly industrial goods and intermediate parts) — took effect in July 2018, and a second round took effect on another $16 billion in late August. These followed tariffs imposed on U.S. allies Canada, Mexico and the European Union, to which the allies swiftly responded in kind. In September, a third round of tariffs on $200 billion worth of Chinese goods went into effect, and for the first time, consumer goods like fruit juice, furniture and air conditioners were directly hit by the new 10% tax, increasing prices for U.S. shoppers. These duties were raised to 25% in May 2019. The tariffs have had a negative impact on some local Tampa businesses like Vanguard Protex Global. "Because we're a global brand, we don't necessarily look at the Tampa market for growth in retail. We're focused on the global market," said President and CEO Chris Kelsch. "There are some challenges that could also provide some opportunities; for example, the fact that Asia's about to go into a recession could help us. On the flip side, the trade war needs to be over; most of the goods I bring in are hit with a 10% tariff, and we have to absorb that cost. This impacts our ability to bring our products into the country at a better price."

Despite Trump's protectionist tariff efforts, the U.S. deficit hit a 10-year high in December 2018, reaching $621 billion, according to the U.S. Department of Commerce. Exports also fell for the third month in a row in December, primarily due to slowing global demand and the strong dollar, which makes American-made products less competitive on the international market. However, even with tensions running high between the U.S. and Chinese governments, both countries are still looking to trade as major growth drivers.

> "Since 2014, the median household income in St. Petersburg has increased by 19.7%."

In January 2019, Chinese COSCO Shipping, the world's third-largest ocean carrier by size, launched a new weekly container ship service to Port Tampa Bay. This marks the port's first direct service to and from China. It is estimated that the new service will bring in about 500 containers a week to Port Tampa Bay, which saw total throughput of 87,526 TEU in containers in 2018. The port recently added two additional ship-to-shore cranes, at a cost of $24 million, in preparation for handling a larger share of the southeastern U.S. freight market.

Positive indicators

Despite escalating global trade tensions and rising interest rates portending a potential slowdown on the horizon, Tampa Bay's economic indicators were positive in the first half of 2019. Unemployment is hovering at near-all-time lows, labor participation is increasing and the region's GDP is approaching 3.5% growth. Job openings continue to rise across almost all industries, and wage growth has rebounded, if only modestly, since the recession.

Since 2014, the median household income in St. Petersburg has increased by 19.7%, the second-highest growth among its peer cities. The city also recorded the highest construction value on record in 2018, at $695.9 million, issuing more than 34,000 permits. This trounced 2017's record of $671.7 million and 31,000 permits. The Tampa Bay area enjoys a cost of living index of 89.6, the lowest of all of Florida's major markets.

Total employment in St. Petersburg in 2018 was 119,305, with solid growth in a number of industries targeted by the Grow Smarter initiative, including

People business

How Tampa is putting the right people in place and creating the necessary services to accommodate demand from a growing population and deliver better healthcare

Dr. Ravi **Chari**

President – HCA West Florida

What are some areas to consider when addressing the influx in population throughout the region?

We are privileged to have so many people want to live in this area. When we see this much of a population change in Tampa, for a healthcare system, it raises the challenge of having to expand services to accommodate this new demand to ensure that we meet our goal to be the provider system of choice. Our culture is one of excellence, execution and accountability. Healthcare is a people business, and to deliver the best care to our patients, our first consideration is always going to be our people. When rapidly building our staff to accommodate the growth, we also have to ensure that we are able to inculcate our culture across our new colleagues joining our organization.

The second consideration is making sure we have and are focusing on the right services. This is where HCA West Florida is unique in west Florida because, due to HCA Healthcare's size and scale, we are able to provide insights into care that other systems may not. For instance, our data assets within the company are unparalleled. On a yearly basis, HCA Healthcare has almost 9 million ER visits to its 185 hospitals, with 710,000 of those in this division's 15 hospitals. Across the enterprise, we see more than 2 million admissions annually and over 180,000 in the West Florida Division. We are able to use these patient-centered data to not only look at how we can improve care, but also how we can better deliver the services our patients need and deserve.

What does HCA West Florida see as the potential for telemedicine in the future of healthcare?

Telemedicine is a very important component of what we do today as well as to our future ability to deliver care to our patients. We currently utilize telemedicine for our stroke and behavioral health services. We know that the most important element for a time-based diagnosis is having a specialist. We use telemedicine to take advantage of our network of physicians to provide support and care in that moment.

How do the demographics of West Florida compare to other regions in the HCA umbrella?

The demographics in West Florida are unlike any other in America. There are two dynamics: 1) a massive influx of new residents and 2) an annual seasonal influx of residents who spend their winters in the region. Combined, this dynamic demands that we understand what services are critical to provide, and which we need to make readily available. ■

Ronald **Christaldi**

President & CEO – Shumaker Advisors Florida, LLC

“The biggest driver for businesses and individuals in this region is our tremendous growth, which continues to bring an extraordinary amount of opportunity to the area. With advancements in technology that allow many to work remotely and choose where they want to be, Tampa Bay has become a very attractive place. We have a world-class airport and a world-class port to facilitate importing and exporting for businesses. We are experiencing a significant economic growth and have a wide diversity of live, work, play experiences, as well as a variety of options for those who want to be in a planned community, an urban core or an arts district. We have great K-12 public schools and academic institutions in the area as well as a wide variety of arts and cultural organizations. When you combine all those things and the influx of talent, you get a tremendous opportunity for student retention.”

(▪▪▪) marine and life sciences (up 12.2%), specialized manufacturing (13.6%), financial services (4.2%), data analysis (79.3%) and creative arts and design (7.2%).

The city of Largo also posted positive indicators in its overall growth, as stated by Mayor Woody Brown. “The city of Largo’s population is over 83,000 now. We were just ranked the seventh-fastest home sales market in the state, and there are a couple reasons for that. First, it’s a great location; there are still safe, affordable places to live in Largo, and it’s right in the center of Pinellas County. Second, the schools in Largo have really improved over the last 10 years. These are the main drivers that are not only bringing more people and more families here but are also attracting small, medium and large businesses.”

According to the Florida Department of Economic Opportunity, the state’s private-sector job growth continues to outpace the nation. Central Florida added 52,400 new jobs in 2018, 26,700 in the Tampa Bay area. These gains were largely bolstered by the education and health services (with 8,700 new jobs) and leisure and hospitality (13,200 new jobs) industries.

Rising to challenges

The greatest challenges facing Tampa Bay today are familiar ones. Education and infrastructure improvements generally top out the list, but the good news is that in late 2018, the region’s voters approved a number of referendums that will make strides toward alleviating these pain points.

Hillsborough County voters approved a 1 cent sales tax hike that will raise $276 million a year for 30 years for transportation improvements across the county. They also approved a 10-year half-cent sales tax levy by the school board to fund air conditioning replacement and repairs, capital improvements and school construction, building enhancement for security and other school maintenance needs. Combined, these measures will raise the county’s sales tax from 7% to 8.5%, making it the highest in the state of Florida.

In Polk County, voters approved the continuation of a half-cent tax originally approved in 2003 for an additional 15 years. This tax is expected to raise as much as $40 million a year to fund school maintenance and construction. Polk County is also using other means to stimulate their economy and continue on the growth pattern of the surrounding region. “The idea is to drive the economy through our hospitality locations and use our tourist and development tax to market the properties and create assets to improve our sports and tourism facilities, which bring a high number of visitors through their events. The objective is to grow and diversify our economy through those efforts,” George Lindsey,

The Tampa Bay MSA population is expected to grow to 3.3 million in the next five years.

Commissioner on the Polk County Commission, told Invest:.

Meanwhile, Pasco County voters approved four separate bond referendums totaling $241 million. A new .6017 mill property tax levy will help the county to expand the jail, improve fire and rescue services, maintain parks and remodel libraries.

Strong momentum

There's no question that Florida — and Tampa Bay — has been outperforming the nation in terms of job growth. Interest rates remain low, and all industries are experiencing strong economic momentum. The region continues to attract residents and visitors in droves, and communities are coming together to address the challenges this kind of growth inevitably brings with it. Despite the dark clouds of global trade tensions and U.S. political uncertainty lingering on the horizon, all indicators suggest that Tampa Bay's economy will remain strong in 2019.

Market voices: Chambers

Robin **Miller**
CEO
Tampa Bay Beaches
Chamber of Commerce

"We work cohesively with Pinellas County, which offers us assistance on a granular level. We have a representative on our task force who is developing recommendations for our city, things such as walkability, green space, aesthetics, a good coffee shop, brewery or steakhouse. These are the types of requests that we take to the county to figure out how we can make it happen."

"If you look at our larger employers and Fortune 500 companies, most started as small businesses here in St. Pete. We have great leadership in companies like Raymond James, Tech Data, ValPak and HSN. These are all homegrown St. Pete companies that are leading the charge. We feel confident in our ability to grow small companies into big companies. We're confident in our startups that are farther along because they have no trouble attracting talent. Whether you've been here three weeks or your entire life, there's a spirit of connectivity that all the businesses and individuals relish."

Chris **Steinocher**
President & CEO
St. Petersburg Area
Chamber of Commerce

Bob **Grammig**
Chair
Florida Chamber of
Commerce

"Tort reform is probably the most significant thing we can do to improve the business climate in Florida. Secondly, the regulatory situation has improved enormously since 2010. The Scott administration made tremendous strides in this area, and there is every indication that the DeSantis administration will continue to improve the regulatory environment. However, we still face challenges with burdensome and unproductive regulation in some municipalities and other local jurisdictions. This is another area of needed improvement, but I can confirm that at least in the Tampa Bay region these issues are being addressed."

"The I-4 Corridor is developing at an incredibly rapid pace in terms of economic development. Tampa, and Brandon, is growing exponentially in terms of the logistics and supply chain areas of the economy. This is in large part attributed to Tampa being the eighth-largest port globally and a key destination to receive and move materials to other parts of the country and world and to Tampa International Airport. Healthcare, manufacturing, education, finance and technology are the other key drivers of our economy in the Brandon and Tampa Bay area."

Nancee **Sorenson**
Chairman of the Board
The Greater Brandon
Chamber of Commerce