

2015 Sumter County Strategic Economic Development Plan



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MISSION STATEMENT

To provide timely and efficient support to Sumter County's businesses, to improve their success and encourage their expansion.

To promote awareness of Sumter County as a desirable, beneficial and strategically advantageous location for new businesses.

EXECUTIVE SUMMARY

Looking forward, we will narrow our strategic focus, specifically targeting businesses related to manufacturing, distribution and agriculture. This concentrates our efforts and finite resources on higher-probability prospects in industries with a higher likelihood of benefiting from the assets Sumter County has to offer.

We will, of course, continue to promote our strengths, including:

- A unique physical location and road system serving as a major, regional transportation hub for Central Florida, at the crossroads of Interstate 75, the Florida Turnpike and CSX's main freight line, with access to major airports and seaports less than 90 minutes distant, Sumter County is an ideal location for manufacturing and distribution operations
- Pro-business county leadership with a personal commitment and passion for supporting local businesses
- An Economic Development team that is county controlled with no committees, middle-men or other obstacles getting in the way
- An Industrial Development Authority whose sole mission is to facilitate business growth and expedite processing of Bond issues, with no county issuance fees
- Explosive population growth which, on a percentage basis, ranks Sumter County as one of the fastest growing counties in the United States, and the fastest in the State of Florida
- A broad range of business, civic, not-for-profit and government entities ready and willing to partner to build the future

EXECUTIVE SUMMARY

Expand Existing Businesses

Existing businesses provide the best return on investment for job creation:

It is a well-known business axiom that expanding existing local businesses is always the least expensive method to create new jobs. Sumter County actively cultivates an environment of growth and support for local business, through low taxes, a business-friendly regulatory environment, and a commitment to providing quality infrastructure and public services.

Recruit New Businesses

Actively and aggressively pursue new and relocating businesses:

Sumter County will continue to pursue new and relocating businesses, especially those businesses which are within our targeted industries of manufacturing, distribution and agriculture. Sumter County is in the middle of it all; near Orlando, Tampa and the treasure trove of opportunities that await you in the heart of the Sunshine State. Industry, agriculture, ecology, record-setting commercial and residential development, are all woven into the fabric of our community. Whatever industry you're in, chances are your business will be right at home in Sumter County.

Become an Agricultural Business and Research Cluster

Provide key support for a local industry of great history and bright future:

Sumter County's agrarian land are ideally suited for large-scale agribusinesses. County leaders have made agriculture and the support of agribusiness a top priority for the future. As other areas of the U.S. continue to suffer from record freezes and drought, Sumter County remains an ideal destination for relocating agricultural based businesses. Our zone 9 climate is perfect for a wide variety of crops – and the region's mild winters allow crops to be grown year-round.

Build and Brand a Regional Hub for Transportation

Transportation was the past and is the future:

The importance of rail transportation, coupled with the natural confluence of CSX's main freight line, Interstate 75, the Florida Turnpike, US-301, and the close affinity of two international airports and four major seaports, make Sumter County a truly ideal location for manufacturing and distribution operations. Effectively branding Sumter County's transportation hub advantages will bring both industrial development and regional distribution warehousing.

EXECUTIVE SUMMARY

Marketing Outreach

Continued Initiatives for Business Recruitment, Expansion and Support:

Sumter County will continue to maintain an aggressive program of marketing outreach, using a variety of methods and media, from state-of-the-art digital media and online promotions, to proven traditional outreach methods such as print and cooperative advertising.

Current marketing successes include: a state-of-the-art economic development website incorporating a dynamic county asset locator; a new county government website housing a vast archive of useful planning and development documents; the Agricultural Alliance website to support new and expanding agricultural businesses; regular coverage in local and regional media outlets, and targeted digital direct-marketing packages (promo kits) distributed electronically to potential prospects. A variety of marketing outreach exists in the form of partner agencies with which the county maintains relationships-organizations such as the State of Florida's economic development office, Enterprise Florida, and the state's capital investment wing, Grow Florida, as well as regional marketing and business

development partners such as Florida Virtual Entrepreneur Center. Our partner organizations provide high-profile outlets through which Sumter County can piggyback outreach efforts, further exposing our brand and more broadly communicating our message via an extremely efficient and cost-effective means.

Enterprise Florida's "Team Florida Partnership Program" is an excellent example of the partnership marketing described above. By joining "Team Florida", a pay to play partnership program, Sumter County can participate in an assortment of Enterprise Florida marketing opportunities. Featured opportunities include: attending several state-level economic development events targeting site consultants and out-of-state corporate executives, placing a print ad in either The Economist or Fortune magazines, hosting a state meet & greet, and more.

EXECUTIVE SUMMARY

Other specific marketing initiatives that are bearing fruit are the county-facilitated matchmaking relationships between local businesses. By engaging resident businesses to partner with other resident businesses, a mutually-beneficial synergy is created.

Potential new opportunities for expanding marketing outreach include:

- The use of video and online media to convey the unique “flavor” of Sumter County and to express county leadership’s high level of personal commitment in supporting businesses;
- A multi-page, full-color print brochure and/or pocket folder highlighting our development strategies and industries-of-focus;
- Online (digital) and print advertising campaigns within targeted publications such as Site Selection Magazine and their associated websites.

Education

Building skilled people and a stronger workforce:

Vocational, post-secondary and workforce training are critical to developing and maintaining a skilled workforce. Local employers cite properly trained/educated workers as the single most critical aspect to the successful operation of their businesses. From certificates to degrees, quality secondary education builds a skilled workforce that attracts business growth and higher paying jobs.

Sumter County understands the importance of education and workforce training to enable business growth. The county offers excellent public and charter schools.

Additionally, the Lake-Sumter State College Workforce Innovation Partnership ensures that post-secondary educational programs address the specific needs of the business community. Vocation-specific training programs such as welding and lean manufacturing ensure that tomorrow’s workforce is not only well trained to perform the job at hand, but also ensures the crucial needs of businesses are being met by producing a labor force pertinent to those needs.

HISTORY

Even as early as 1875, visionary entrepreneurs understood the strategic importance of Central-Florida as a vital corridor for the distribution of goods in and out of Florida. Thanks to a mild sub-tropical climate and an incredibly long growing season, Sumter County went on to become the U.S. “capital” of agricultural production for cucumbers, cabbage, green beans and citrus fruits, over the course of more than a century. Local businesses were able to dominate the U.S. market with locally produced goods, due to the timely and efficient mass distribution of these perishable crops throughout the U.S.

A History of (Recent) Successes

Contemporary businesses are still capitalizing on the distribution advantages of this crucial corridor through the heart of Florida. Success stories like Time Definite Services, Inc. are a testament to the advantages of our transportation hub location and agricultural proclivities. This long-haul trucking service has quickly grown its reputation as a strong temperature-controlled carrier, specializing in the shipment of fresh produce and frozen products between Florida and the Midwest.

While the products being transported have changed repeatedly over time, the strategic importance of this vital transportation corridor remains, efficiently linking Florida to the entire eastern seaboard and throughout the East Coast and Midwest. With two international airports within a one-hour's drive, and central proximity to five major seaports, Sumter County goods now enjoy

an efficient and convenient link to the rest of the world.

Resident companies Speedling, Cutrale, Briteleaf Nursery, Cal-Maine Foods, Central Beef, and others know well the agricultural advantages of Sumter County. Agromillora will implement the research of the University of Florida at their Sumter County facility to combat citrus greening to ensure Florida retains its position as a major orange producer. Cutrale is one of the leading worldwide producers and distributors of citrus juices.

Sumter County's resident manufacturers are also benefiting from the distribution advantages of Sumter County. Outokumpu stainless tubular products ships stainless steel pipe products around the globe from their Sumter County location in Wildwood.

Sumter County is also home to two recipients of the Florida Governor's Award for Growth, Galaxy Electric and Highway Systems, winning back-to-back awards for 2013 and 2014, respectively.

Sumter County's fertile environment for business growth is evident in the success stories of local businesses that have their roots in the county. The T&D Family of Companies had its humble origins as a single concrete worker and now delivers a broad range of services such as concrete work, pools and patios, screen enclosures, construction materials and supplies, and more, growing to become the county's second largest employer.

DEMOGRAPHICS

Population

The population of Sumter County continued to grow rapidly over the most recent half-decade. The explosive growth in the northern region of the County, fueled primarily by The Villages MSA, is leading to substantial gains in overall population figures, reaching a total county population of 115,447 according to the Sumter County Development Services in 2015. This represents an impressive 23.7% growth rate for 2010 -2015. The Population residing within one-hour's drive of Sumter county has grown to 1,182,770.

Density

The County has an average population density of 211 persons per square mile, however this figure does not fully reflect the disparity in population densities found within the County. Average population density varies from as low as 79 persons per square mile in the southern portion of the County, to 2,180 persons per square mile in The Villages. Despite the dense metropolitan population in the northern region of the county, a rural population distribution is the attribute that characterizes most of the county's geography. According to 2015 figures, The Villages residents represented a full 66% of the County's total population.

Age

Much of the population of Sumter County is characterized as 60 and over years of age, representing a full 40% of the County's total population. The population range between the ages of 18-64, representing labor force-aged adults, totaled 42.3%. This tells us that while there is a large population of senior residents, there are also promising advantages to the remaining workforce-aged residents who are in a position to serve our growing, diverse marketplace. This bodes well for the sustained growth of employment in the near term (University of Florida Bureau of Economic and Business Research).

Unemployment

Sumter's unemployment stands at 4.7% (Dec. 2014) as cited by the U.S. Bureau of Labor Statistics, compared to the state unemployment rate of 5.7% for that same period.

Personal Income

Personal Income in Sumter County has been trending upward substantially over the last couple of decades. In fact, total personal income has more than quadrupled since 2000, increasing from \$887,129,000 to \$3,983,073,000, making Sumter the number one County in the state for growth in total income (Florida Office of Economic and Demographic Research).

DEMOGRAPHICS

Per Capita Income

Sumter County had significant increases in per capita income over the 10 year period ending in 2010, climbing from \$16,508 to \$30,094, an astounding 82.3% increase, due in large part to the influx of high-income residents to The Villages. Per Capita Income reached \$37,206 in 2013, according to the latest confirmed figure from the Florida Office of Economic and Demographic Research.

Labor Force

The Sumter County labor force has decreased over the previous 5 year period from 32,986 in 2010, to 28,443 in 2015, representing a reduction of 12.6% . The labor force has grown 18.6% over the previous 10 year period, up from 23,974 in 2005. The total Labor Force population within one- hour's drive of Sumter County is estimated to be 861,425 (USBLS).

Average Wage Level

The Average Annual Wage for Sumter County continues to trend upwards, reaching \$37,575 as of 2014, trailing slightly the State average annual wage of \$43,651 (Florida Office of Economic and Demographic Research).

Median Income

Sumter County Median Household Income equaled \$48,493 as of 2013, a 3.3% lead vs. the statewide median of \$46,956 (Florida Office of Economic and Demographic Research).

Poverty

When it comes to Poverty Rates, Sumter County is improving, but this is a false positive to a large degree. The percentage of individuals living below the poverty line in 2012 was 13.7%, (3.5% lower than the state wide rate of 17.2%). However, while the poverty rate has decreased from 14.9% to 13.2% over the 12 year period between 2000-2012 , the population of the County exploded due to the expansion of The Villages, thus reducing the rate as a percentage of the entire population. But when factoring out the extraordinary, predominantly affluent population gains in The Villages, it should be noted the net effect has been an increase in the physical number of families and individuals living in poverty over that same period. Currently, 34.2% of children aged 0-17 live in poverty. Rising dramatically from the 25.6% level 5 years prior (FOEDR).

DEMOGRAPHICS

Industry Types, Income and Wages

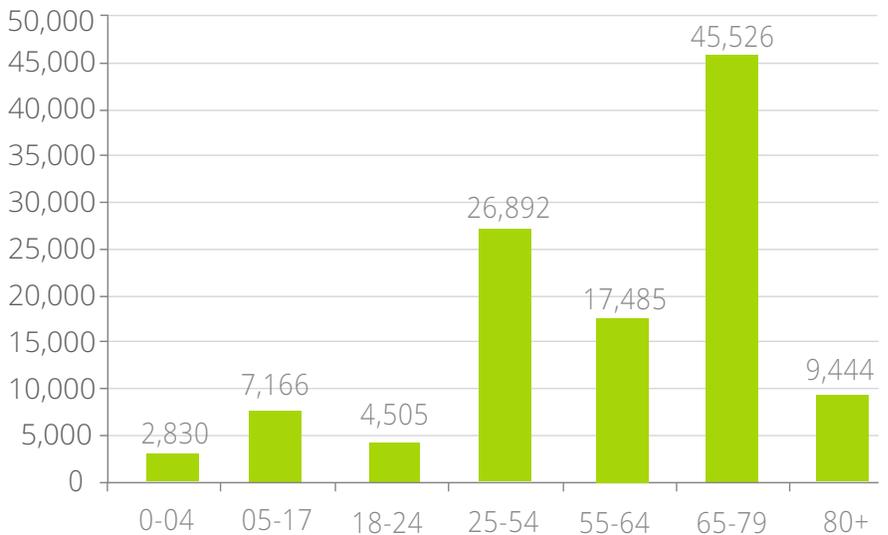
The Government sector is the leading employer in the county, employing 22.2% of the Sumter County workforce, followed by Trade, Transportation and Utilities, employing 19.1% of the labor force, Education & Health employing 16.5%, Leisure and Hospitality at 13.5%, and construction at 13%. This relatively high figure for Government sector employment can be attributed in large part to the large number of jobs provided by the State and federal prisons located within the county, which inflates the government numbers

beyond the typical county and city government employment totals (FOEDR).

When considering the average wages associated with each of the employment sectors, Professional and Business Services were responsible for the highest wages among the various sectors, at an average wage of \$80,467, with Information Services coming in a distant second at \$58,991; and third-ranked Financial Services averaging an annual wage of \$46,734 (US Bureau of Economic Analysis).

AGE DISTRIBUTION - *Number of People*

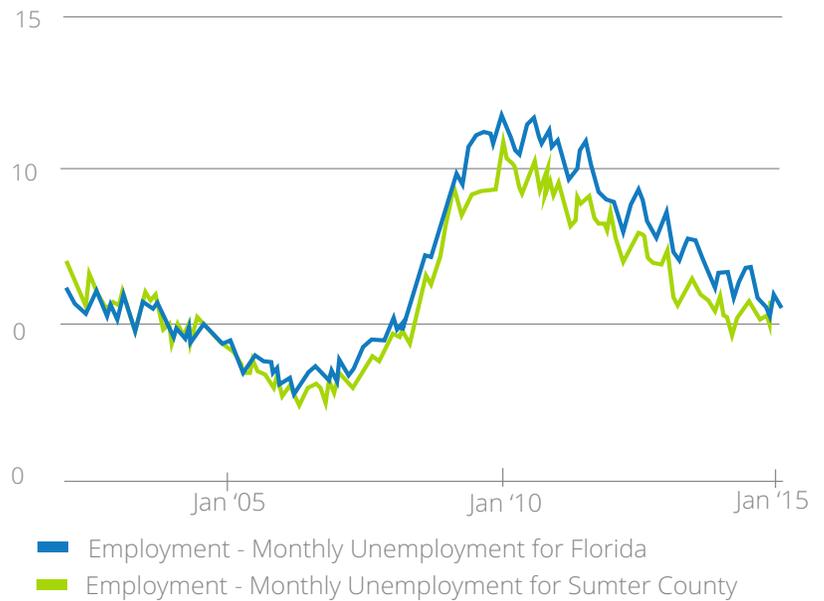
University of Florida Bureau of Economic and Business Research



DEMOGRAPHICS

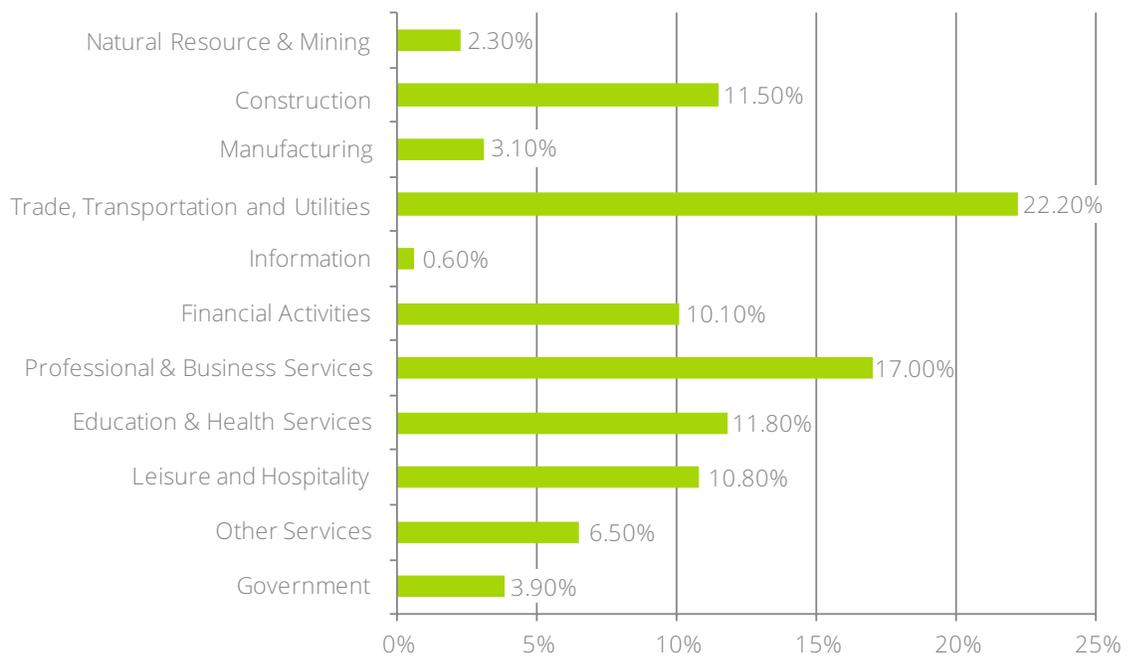
UNEMPLOYMENT

University of Florida Bureau of Economic and Business Research



EMPLOYMENT BY INDUSTRY TYPE

2015 - Florida Office of Economic and Demographic Research



LOCAL ASSETS

Transportation

Positioned at the apex of central Florida's economic triangle, Sumter County represents a distribution hub unique in the state. Major transportation arteries include Interstate 75, the Florida Turnpike, US Highway 301, and State Roads 44, 48 and 470. In addition, CSX rail bisects the county from north to south. This unique confluence of transportation systems makes Sumter an ideal manufacturing and distribution hub for businesses considering regional or national product distribution.

Land Use

Dynamic, forward-thinking leadership, planned future growth and land use within the county and its cities. A large industrial activity center is reserved from C-470 north to SR 44 along US 301 and I-75. Sumter County contains state conservation lands totaling 65,389 acres, or 102 sq. miles, 18.6% of the total 547 square miles that support the balance of our rural and rapidly expanding urban areas.

Housing

In addition to the rapidly expanding age-restricted housing in The Villages® community, Sumter County encourages and promotes the availability of adequate and non-age restricted housing resources. A key component to future economic growth is the development of mid-priced housing targeted toward younger, working-age families.

The county supports public and private partnerships to further the availability of

affordable housing. Building successful partnerships between local and state government agencies, non-profit organizations, community leaders, private lending institutions and community-based groups is important in establishing a commitment to public service and establishing a cost-effective economic environment. These partnerships can help achieve shared goals in creating and preserving long-term affordable housing, revitalizing substandard housing, and improving the quality of life for residents.

The county also periodically reviews and updates all housing and land development codes to ensure a streamlined land development review and approval process.

Infrastructure

Sumter County and its municipalities provide superior levels of public services to local residents and businesses.

The Sumter County comprehensive plan specifies how additional future infrastructure will be provided and funded. The county and its municipalities determine the financial feasibility of any capital improvements.

Provision of infrastructure necessary to enable desired economic growth within the county is a priority for continuing the economic development efforts, including water and sewer service extensions to fully-entitled industrial properties.

LOCAL ASSETS

Water and Sewer Resources

Abundant ground and surface waters are among the county's most valuable natural assets. Ground water serves as the predominant source of potable water within the county. The county has good groundwater quality.

Surface water quality is also good and of vital importance to the county's recreation and natural resource-based tourism industries, and is thereby of critical importance to the area's economic well being.

The water and sewer services are provided through a unique and innovative system of localized agreements between the municipalities and district governments, designating Utility Service Areas (USA) wherein a city provides water, wastewater and reclaimed water services. The county itself abstains from the development and operation of public water and sewer services but provides funding support of water and sewer lines to serve fully entitled industrial properties. Sanitary sewer service is provided by cities and district governments.

Solid Waste

Disposal of solid waste is found in both a transfer station and a local landfill operated by Waste Management and ACMS, Inc. respectively. Collection of solid waste is provided by each of the municipalities, district governments, and by the county via its single solid waste drop off location.

Roads

Sumter County contains 132 miles of state highways within its borders. Major transportation arteries include Interstate 75, the Florida Turnpike, US Highway 301, and State Roads 44 and 48. This unique coalescence of transportation systems make Sumter an ideal distribution hub for businesses considering regional or national product distribution.

The County and FDOT are making major strides in the approval of two new interchanges that will have significant impact on local residential and industrial development. Several Project Development and Environmental (PD&E) studies, and Preliminary Engineering Studies (PES) are underway to maintain capacity of the roadways for the growth that is planned. The roads under evaluation are US 301 from SR 44 to C-470, C-470 from I-75 to the Lake County line including the C-470 interchanges at the Florida Turnpike, C-501 from C-468 to C-470, and the proposed interchange at I-75 and CR 514.

C-468 is currently under construction to be widened to a four-lane facility. A full interchange connection on C-468 at the Turnpike is planned before the year 2025.

Railroads

CSX rail is an Integral element of the Sumter County/Wildwood transportation hub. The CSX rail transportation system runs the entire north-south length of the county, providing Sumter businesses major distribution advantages, both current

LOCAL ASSETS

and future. Sumter County and regional leaders project the expansion of rail freight as a prime benefit to future business development. CSX reports that significant portions of their rail freight traffic will be diverted from their Florida East Coast "A" line to the Central Florida "S" line, which runs through Sumter County. CSX maintains a large rail yard in Wildwood, directly adjacent to the interchange of Florida's Turnpike and Interstate 75, providing multi-modal distribution and transportation convenience unlike any other in Florida.

CSX currently rolls 15 to 25 trains per day through Wildwood and Sumter County, each pulling up to 90 freight cars, serving 23 states, over their 21,000 mile rail network. In Florida alone, CSX operates 2,800 miles of railroad, moving 1.1 million carloads of freight in 2013, employing 5,000 Floridians and compensating them a total of \$557 million.

Airports and Seaports

Sumter County is located approximately one hour from both the Tampa and Orlando International Airports. Sumter is also served by a regional airport, capable of jet traffic, at Leesburg Municipal Airport. Sumter County's excellent highway and railway transportation arteries allow convenient access to all of Florida's 12 ports, including the ports of Tampa, Manatee, Jacksonville, Canaveral and Miami, making us a prime candidate for development of an inland seaport. An inland port would ease multi-modal freight movement by shifting traffic to the center

of the state and away from the increasingly congested port terminals.

Heavy Industrial Properties

Sumter County has several heavy industrial properties from five acres to over 1,500 acres in size. The county's economic development website, SumterBusiness.com, provides a convenient tool for locating area industrial parks, as well as other economic development assets.

Broadband

Fiber optic infrastructure continues to expand in the growing areas of development in Wildwood and The Villages. In the areas that are not wired with FiOs, carriers such as Bright House Networks and Comcast (cable), as well as CenturyLink and Verizon (DSL) are the most common forms of network infrastructure. Satellite broadband is also utilized in rural areas lacking broadband infrastructure.

Telecommunications

Today while the cost of cell phones has made calling long distance much cheaper and easier, the residents of Sumter County who still prefer to use a land line find themselves being charged long distance rates to call the opposite end of the county. Long distance charges may create a natural barrier between intra-county commerce because ordering products, and calling suppliers requires a long distance call. Cell phone coverage in the county can also be spotty in areas of the county. These "dead zones" are most commonly found between

GOALS AND OBJECTIVES

Strategy:

Retain, Assist, and Improve Existing Businesses

Existing businesses should receive the highest priority. They've already invested their future in Sumter County. There is a well-known business axiom that states: It is cheaper and more effective to grow an existing customer than to recruit a new one. Resources spent to create new job development among existing businesses will always be less than resources spent to attract new companies.

Such assistance may take several forms: providing outstanding service and personal commitment in support of growing local businesses, through warranted infrastructure improvements and any other reasonable accommodations that help to effectively and efficiently grow their business.

Strategy:

Brand and Expand the Regional Transportation Hub

The confluence of roads, interstates, railroads and nearby airports and seaports, has a natural ability to develop Sumter County as Central Florida's major transportation and distribution hub northeast of Tampa and northwest of Orlando. To turn this potential high goal into reality requires careful and continued cooperation and partnership between existing major stakeholders, such as the Florida Department of

Transportation, Florida's Turnpike Authority, CSX, utility providers, and the existing industrial operations. Building a regional transportation hub requires a combination of marketing and mainline customers to launch the reputation and momentum of the location.

Strategy:

Become a Center for Agricultural Business and Research

The cattle industry provides a strong economic segment of our agribusiness while also helping to generate economic viability of the county's pasture lands. Residents and resident-businesses consider Sumter's natural open space and farmlands key quality-of-life and business-attraction issues. Central Beef Industries recently completed a \$10 million expansion, doubling their capacity, opening the opportunity for collateral research.

Sumter County's proximity to no less than five major universities offers abundant opportunity to benefit from nearby educational partners' agricultural research, studies and innovation. Agribusinesses, Agromillora and Cutrale, capitalized on the unique assets and valuable benefits of doing business in Sumter County in the northern and southern areas respectively. Agromillora of Florida, Inc. will implement the research of the University of Florida at their Sumter County facility to combat citrus greening to ensure Florida retains its position as a major orange producer.

GOALS AND OBJECTIVES

Strategy:

Train Workforce to Better Serve the Existing Business Community and Efficiently Fill Existing Job Market Vacancies

Programs such as the LSSC Workforce Innovation Partnership initiated the opportunity to combine the resources of post-secondary education and universities to create training programs for welding and lean manufacturing methodologies to fill the skill demands for the county's manufacturers. This program also targets the growing demand for certification and degrees with hard and soft skill training.

Sumter County Economic Development will continue to support post-secondary training, certificate training, apprentice programs and degree programs to provide training and skills for the emerging new economy.

Strategy:

Provide Incentives for Businesses to Locate in Sumter County

The Sumter County Board of County Commissioners has adopted targeted incentives for manufacturing, distribution and agricultural job growth, via its Manufacturing Jobs Tax Credit (MJTC), Distribution Jobs Tax Credit (DJTC) and Agricultural Jobs Tax Credit (AJTC), respectively.

This was a warranted, competitive step in the marketplace, providing businesses

with tangible, financial assistance to help incentivize relocation and stimulate growth within the county.

By doing so, we not only help businesses grow, but also the county receives a tangible return on investment before the incentive payments are made. This methodology effectively demonstrates our support and commitment to our valuable businesses while providing responsible stewardship of public funds.

Strategy:

Partner with all Available Resources and Organizations to Grow Businesses

It is important to provide businesses the best market, technical and financial information available. Major state, federal, and other business organizations exist whose mission it is to assist businesses — organizations such as Enterprise Florida, Inc., CareerSource of Central Florida, CareerSource of Florida, The Small Business Administration, the Small Business Development Center, local banking institutions, professional associations and the local Sumter County Chamber of Commerce.

Sumter County Economic Development will continue to strengthen these business services connections through website links, business alerts, individual meetings, and timely responses to requests for assistance.

GOALS AND OBJECTIVES

Strategy:

Create a Regional and National Business Identity for Sumter County to Attract New Businesses

Sumter County must continue to further solidify its brand and positioning as a world-class, business-friendly, supportive, committed, quality-of-life location.

Sumter County is a great business location with a stable and steady business environment, boasting record-setting residential and commercial growth, thriving and growing agricultural enterprises, and a core transportation hub and distribution center for Central Florida. Beyond the Marketing Outreach previously mentioned, Sumter County must proactively strive to cultivate our brand to represent all of these outstanding qualities.

Strategy:

Expand Infrastructure

Water and sewer infrastructure is the highest priority need for expansion. Sumter County has multiple heavy industrial sites that are fully-entitled or ready for entitlement with no water or sewer service adjacent to them for immediate service to new industry. Water and sewer infrastructure must continue to be expanded in order to attract, support and maintain business growth. It is a challenge that must be met, otherwise our position for competitive recruiting will be severely diminished.

Sumter County's Top Employers

Central Florida Health Alliance
T&D Concrete
Outokumpu Stainless Steel
The Villages
Central Beef Industries
Charlotte Pipe & Foundry
Robbins Manufacturing
Metal Industries

SECO Electric
Cemex
FCC Coleman
American Cement
Publix Supermarkets
Russell Stover Candies
Walmart