



Q2 19/20 REPORT FOR POLK COUNTY

*Building partnerships and pathways for
economic development in Polk County.*

The CFDC's Organizational Pillars:



Promote Polk County as
Florida's Best Place for Business



Advocate for Key Business
Issues



Facilitate Collaborative
Partnerships



Advance Strategic Initiatives



Promote Polk County as Florida's Best Place for Business

The second quarter of fiscal year 2019/2020 included the announcement of one retained corporate headquarters and two local expansions.

JOB CREATION & INVESTMENT

**FY 2019-2020
(TO DATE)**



**1,625
NEW JOBS**



**\$362.3 M
CAPITAL
INVESTMENT**

Peace River Citrus Products is an independent and privately owned, Florida-based citrus processor that offers a range of citrus products and services. In late January, the company announced a \$98 million expansion of its Bartow, FL citrus processing facility after inking a new 10-year agreement with Coca-Cola North America to manufacture Minute Maid juice beverages. Once the new facility is up and running, it will produce every container of Minute Maid orange juice sold at any McDonalds in the entire world – right out of Bartow. They are constructing a new, state-of-the-art 324,000 sf facility that will employ 175 additional employees.

Florida Can Manufacturing is building an advanced manufacturing facility in Winter Haven, FL to produce food grade aluminum cans for the beverage industry. Phase I will include the construction of the 400,000 sf building that will produce 1.5 billion aluminum cans annually but is expected to double to 3.0 billion cans within three years. The \$123 million capital investment will create 160 new jobs. Cans will be sold to companies to replace the use of plastic bottles in the food industry. The company will ship across the southeast US and export to the Caribbean including to Puerto Rico.

Summit is a home-grown, Lakeland company founded in the late 1970's. They are a leading provider of workers' compensation services in the southeastern United States. Locally, Summit is building its new 150,000 sf corporate headquarters on the iconic Lake Mirror in downtown Lakeland. The project represents the retention of 500 jobs with a \$50-million capital investment. Summit has regional offices located in Baton Rouge, LA and Gainesville, GA.

CFDC business development staff recently participated in two **Enterprise Florida Team Florida missions** to meet with site selectors. During the mission to Washington, DC staff networked with aerospace and aviation related executives from Amazon, Northrop Grumman, Lockheed Martin, Honeywell, Jet Blue Airways, Tesla Motors, SpaceX and Airbus Americas. The other local inbound mission included representatives from Altus Group, Newmark Grubb Knight Frank, Deloitte, Cushman Wakefield, Ryan, Sitar Company, NAI Robert Lynn and BDO Consulting.



International Business Development activities during the second quarter included inbound visits with Philippines' educational delegation and foreign investors from Mexico. In addition, CFDC staff visited Monterrey, Mexico, for **ExpoManufactura**, the country's leading Manufacturing trade fair.



Advocate for Key Business Issues

Florida Trend will feature Polk County in their upcoming May issue. The CFDC was pleased to welcome the publication to Polk County for a series of listening events throughout the county to meet with business and government leaders. Polk County has much to share with the magazine's readers since it was last featured in March 2017.



Facilitate Collaborative Partnerships

During the **January Investor Meeting**, the CFDC welcomed City Manager Mike Herr and Assistant City Manager T. Michael Stavres to offer an update on the newly opened AdventHealth Fieldhouse and Conference Center and other exciting developments for the City. Bruce Lyon with the Winter Haven Economic Development Council shared some great project updates including the latest on Florida Can Manufacturing.

The CFDC was pleased to host its **3rd Annual Site Selectors Tigers Spring Training Event**, Central Florida Industrial Brokers, Developers and Economic Development Partners. This event welcomed 50 attendees representing site selectors, developers and partners from communities and organizations all along the I-4 corridor. Thank you to investor sponsors Ben Hill Griffin, Duke Energy, Florida Polytechnic University, Polk State College, Southeastern University and TECO as well as event sponsor Florida Public Utilities.





Advance Strategic Initiatives

Continuing to foster regional relationships, CFDC staff, along with Board Chair Major General Jake Pumbo, traveled to **Enterprise Florida's** Corporate office in Orlando to meet with senior staff, the business development team and the marketing team. Sixteen EFI representatives attended a roundtable discussion to learn more about new and upcoming developments in Polk County including the **Central Florida Innovation District**.

POLK COUNTY ECONOMIC UPDATE

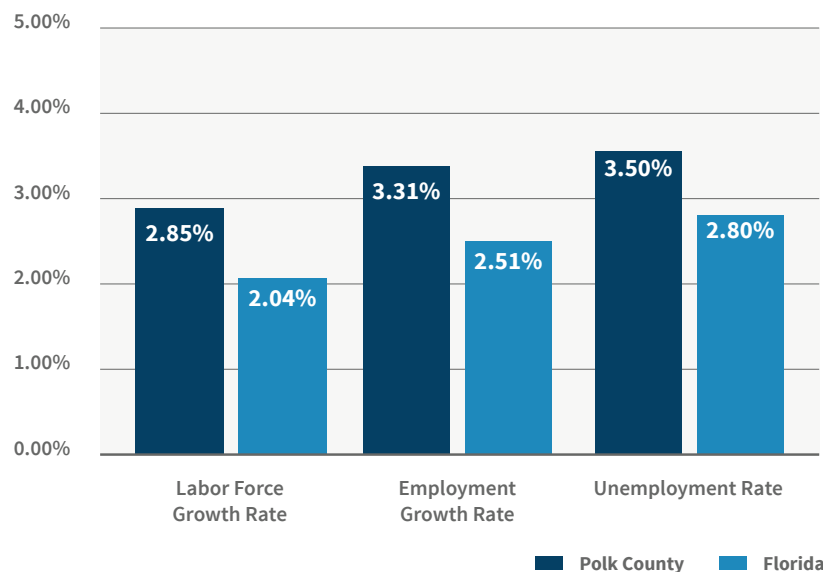
*Prepared by Jim Farrell, Ph.D., CFA,
Florida Southern College*

We are in the midst of a global shock brought about by the COVID-19 pandemic and the efforts to slow the spread of the virus. Between late March and early April, the US saw over 16 million new unemployment applications and the federal government has passed significant aid packages to try to stabilize the economy. We should expect to see significant unemployment (current estimates are between 12% and 15%) and enter into a recession based on the 1st and 2nd quarter results GDP figures. There are a couple of the questions that are still outstanding such as how long will this persist and what will a recovery look like.

Fortunately, we were in a solid economic position going into what is being foreseen as a recession and the recession will not be caused by any fundamental flaws in the economy, but rather a temporary shock that will pass with time. Once this passes, the economy will begin to recover, the demand for the goods and services that we consumed as recently as February will return and the businesses that can, will reopen.

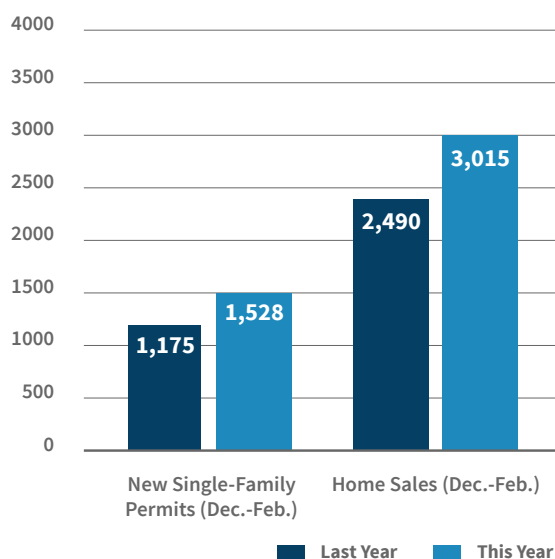
As of February, the unemployment rate had worsened slightly from November, with the county and state rates at 3.5% and 2.8%, respectively, for February. Polk County labor force (2.85% growth to 309,185 people) and employment levels (3.31% growth to 298,486 people) grew more quickly than the state for the prior 12 months. Much has happened in the world and the economy since that data became available.

LABOR MARKET STATISTICS (FEBRUARY 2020)

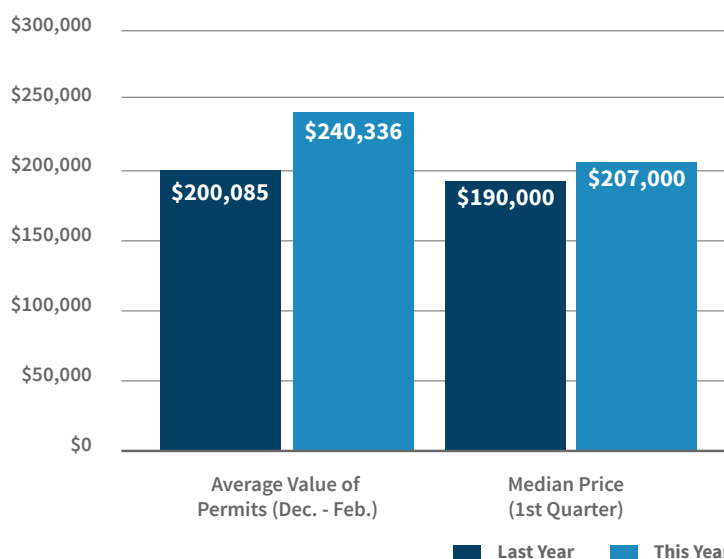


From December 2019 through February 2020, according to My Florida Regional MLS, home sales were up 21.1%, while the median sales price was up 8.9%, year-over-year. According to the Census, new single-family permit requests increased 30.0% and the average value of each permit increased by 20.1% year-over-year. In addition to the single-family home permits, the Census reported 245 multi-family permits between December and February. Early indications of impacts to real estate show a slow-down in existing home listings and sales as a result of the shutdown and virus, we should expect to see the size of those impacts locally in the coming months.

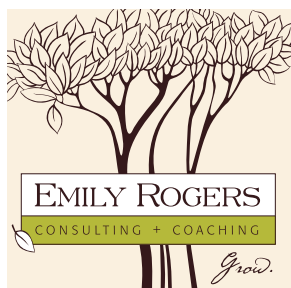
HOUSING VOLUME



HOUSING VALUE



WELCOME NEW INVESTOR



“As a new CFDC investor member, I’m looking forward to working in collaboration with the organization’s staff and members to advance our vision of ensuring the continued development of an economically prosperous community.”

- Emily Rogers

In Quarter 2, the CFDC held the following meetings and events:

- January Investor Meeting
- Enterprise Florida Roundtable
- Florida Trend Listening Events
- Detroit Tigers Spring Training Site Selector Event
- Hosted Delegations from the Philippines and Mexico



ABOUT CFDC The Central Florida Development Council is Polk County’s economic development partnership responsible for recruiting new businesses to Polk County and helping existing businesses expand.