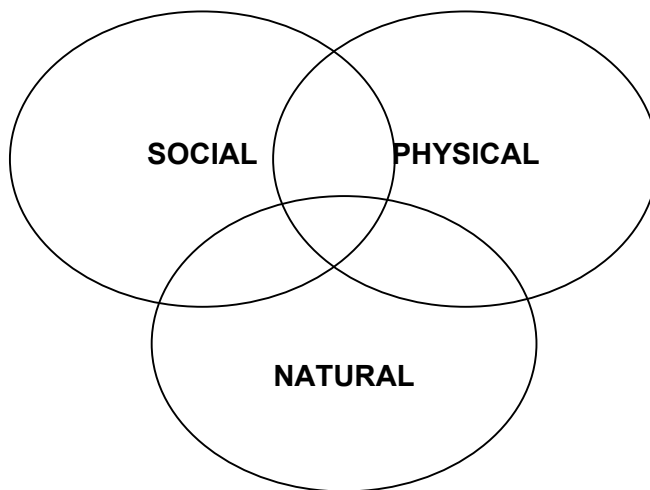


A Vision For The Region

A VISION FOR THE REGION

The long-term growth and economic sustainability of the Treasure Coast Region rests upon the present and future investments in three critical, inter-related areas: physical, social and natural capital. Physical capital refers to all the various elements comprising the built environment such as buildings, equipment, infrastructure, and financial markets and systems. Social capital refers to the Region's knowledge resources, skill sets and the connections and relationships that are formed between organizations. Natural capital consists of the natural environment and its resources, the energy that we use to fuel the economy and the level of our environmental awareness.

Figure III.1: Our Region's Community



Each of these elements, as Hart (1999) calls “Community Capital,” forms the basis upon which residents in communities live and interact productively. How well we develop the Region's areas of competitive advantage, invest in human resources, preserve environmental integrity and enhance the overall quality of life will determine our long-term economic vitality. The Region's liveability is tied to the notion of broadened economic prosperity for all citizens, a natural environment that supports healthy and balanced lifestyles and a shared commitment towards the future.

This section of the plan establishes a vision statement and goals for the District based upon an analysis of overall economic performance and an assessment of economic infrastructure capacity. District goals are based upon key sources of regional competitive advantages and challenges that need to be overcome. The vision sets the strategic direction of the action plan which follows in the next section.

VISION STATEMENT

The Treasure Coast Economic Development District is committed to creating a globally competitive regional economy with increased economic opportunity for all residents through support of quality job growth creation, creation of liveable communities and promotion of regional collaboration.

The District's Vision Statement for 2010 can be distilled into three distinct principles that are more fully discussed below:

Principle #1: Developing a Globally Competitive Regional Economy with Increased Opportunity for All Residents. This direction anticipates the challenges of the New Economy and shifts focus from measuring economic success based upon quantitative growth – more jobs, more industries – to qualitative growth – enhancing those areas of Regional competitive advantage and focusing on broadened prosperity for our residents.

PHYSICAL CAPITAL

Principle #2: Enhancing Our Quality of Life and Natural Resources. We know that the natural environment is one of the greatest assets of the Treasure Coast Region and that its enhancement and preservation is critical to the Region's quality of life. This idea recognizes that the Region's sustainability is intimately connected to and dependent on the balance between our economy, society and environment. Developing human resources and the knowledge base, ensuring environmental integrity and promoting economic diversification will move us closer to regional sustainability.

NATURAL CAPITAL

Principle #3: Promoting Regional Collaboration and Problem Solving Capacity. Shaping the Region's future and addressing its economic challenges are beyond the capacity and scope of any one government, corporation or organization. To succeed, our Region needs to promote collaborative problem solving at the public, private and non-profit levels. In essence, it means increasing our social capital across the public and private sectors. This strategic direction suggests a shared vision to overcome our challenges and broad-based responsibilities at all levels to implement sustainable economic development strategies.

SOCIAL CAPITAL

Principle #1: Developing a Globally Competitive Regional Economy with Increased Opportunity for All Residents.

Transition to a Globally Competitive Economy – Opportunities and Challenges.

Making the transition to a globally competitive economy rests upon strategic investments in human resources, knowledge infrastructure and the promotion of innovation. These investments must also be supported by measures to promote the creation of more quality jobs for residents and economic opportunities for families and individuals that enable them to achieve higher standards of living. Essentially, we need to support the creation of a sustainable economy. Our review of the District's overall economic performance and analysis of its economic foundations suggests unique opportunities that can be taken to enhance our Region's competitive advantage and challenges that need to be mitigated to promote broadened economic prosperity. These are discussed more fully below in the context of overall economic performance and economic infrastructure.

OVERALL ECONOMIC PERFORMANCE

The District's overall economic performance is characterized by strong employment and personal income growth, important emerging industries and persistent wage inequalities.

Strong Economic Growth. The Treasure Coast Region's economy has grown significantly over the past decade and is becoming more diversified and technologically advanced. This reality is borne out by 1) tremendous job and personal income growth over the past decade and 2) the emergence of cluster industries – those that are expected to bring wealth into the Region. Over the next ten years, the Region's economy is projected to grow by an annual average rate of 2.5 percent, creating over 200,000 new jobs by 2010. Short-term (next three to four years) personal income growth in the Region is expected to average between 6.0 and 7.5 percent, outperforming both the State and the nation.

Emerging Industries. Emerging industries with high growth potentials are helping to diversify our economy into high technology, business to business and specialized agricultural research and development sectors. For example, over the last decade, Business Services, Health Services and Engineering and Management Services were three of the fastest growing industry groups and are projected to continue growing at significant rates. These industry groups have been identified as examples of emerging cluster industry sectors that are driving the District economy. Regional economic development leaders and public officials have identified industry clusters that provide high-quality jobs to residents and hold the keys to future regional economic growth. The competitive industries identified include Communications/Information Technology, Business Services, Agribusiness and Aerospace/Aviation.

Income Inequality. Perhaps somewhat paradoxically, however, the growth of high technology industry does not ensure increased social equity or a rising standard of living for the overall workforce. In fact, researchers have noted that income inequality has actually increased in spite of economic growth and tight labor markets. Studies conducted by the Corporation for Enterprise Development and others suggest that many residents are left behind in low-paying, stagnant jobs. One such study of income inequality nationwide noted that in the 1990's, the average income of high-income families grew by 15 percent, while the average income for the lowest income families stayed the same¹. Closer to home, the 1999 Development Report for the States found that Florida created too few quality jobs and is wrestling with poor annual average earnings. The Treasure Coast District is finding itself in the same dilemma – high economic growth accompanied with stagnating high-wage job growth and growth in low-wage sectors such as food and beverage, health and social welfare.

¹ Economic Policy Institute, Press Release, January 18, 2000.

ECONOMIC INFRASTRUCTURE

As indicated in the previous section, the District's economic infrastructure capacity needs enhancement in human resource, infrastructure, quality of life and advanced communications provision. By far, the single most important factor the Region needs to develop to ensure its continued economic growth and prosperity is in human resources. Developing a skilled and knowledgeable workforce in conjunction with increased support of our regional research and development centers and educational institutions is a critical and appropriate government public policy initiative. Providing a readily available pool of skilled labor is arguably the most important investment that state and local governments in the Region can make to create the conditions under which the economy becomes more competitive and advanced.

Principle #2: Enhancing Our Quality of Life and Natural Resources.

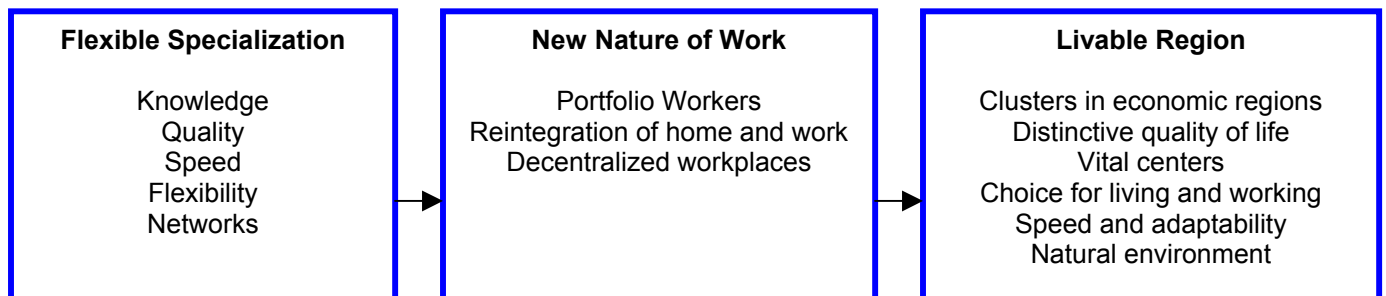
The Region's high quality of life and exceptional natural resources have always been defining elements and two of our key competitive advantages.

A White Paper sponsored by the James Irvine Foundation has found important links between economic development and the reconfiguration of our communities. The industrial economy was characterized by dispersion and separation of work places from housing in the form of office parks, subdivisions, shopping centers, and edge cities. As we move into a new knowledge-based economy companies and individuals can exercise more freedom to choose places where they want to live and work. In fact, as the distinction between "economy" and "community" blurs, people are beginning to see the important relationship between these two concepts.

"...Successful 'economic communities' are places with strong, responsive relationships between the economy and the community that provide companies and individuals with sustained advantage and resilience."

Linking the New Economy to the Livable Community
The James Irvine Foundation

The research also finds that the dynamics of the New Economy place premiums on regions as important places and areas that are natural locations for industrial clustering to occur. The relationship between the economy, workplace and place is illustrated below.



The critical concern for economic development then becomes how we encourage economic development and quality of life to improve simultaneously.

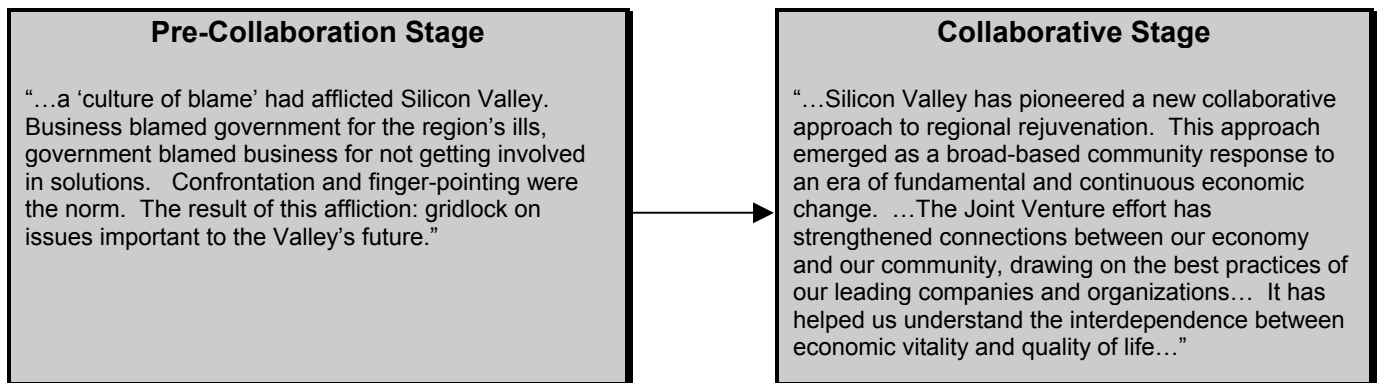
Principle #3: Promoting Regional Collaboration and Problem Solving Capacity.

..."Social capital is the glue that holds together a successful economic community..."

*The Joint Venture Way:
Lessons for Regional
Rejuvenation*

The District's ability to realize a globally competitive region characterized by increased economic opportunity and an enhanced quality of life can only be achieved through collaborative action. Developing the District's competitive advantages requires fostering connections between the public, private and non-profit sectors; an understanding of common regional needs and opportunities; developing a shared vision of the future; and a commitment to partnering to develop collaborative action plans. In short, it means increasing the Region's social capital. What is social capital? Social capital can be defined as features of social organization such as networks, norms and trust that facilitate coordination and cooperation for mutual benefit.

Highly successful economic regions such as Silicon Valley in California and the Research Triangle in North Carolina have all embraced this fundamental idea and have created dynamic, collaborative initiatives to bring creative problem-solving to bear on complex economic challenges facing their regions. These successful economic regions have in fact created social capital. Community leaders in Silicon Valley, for instance, launched a major collaborative approach to regional economic development in 1992 in response to findings that their economy and its foundations were out of balance. The initiative achieved tangible results by improving the business climate, enhancing local regulatory processes, creating fundamental support mechanisms for start-up companies and increasing educational standards.



The Region's future is dependent on the investments that we make and the action that we take collectively to address the existing and future needs of the Treasure Coast economy. This collaborative, regional economic development strategy has four distinct phases.

Phase I Mobilization	Mobilize community stakeholders – economic development leaders, business executives, government officials, individual citizens to discuss regional economic opportunities and challenges.
Phase II Analysis	Regional economic assessment and competitiveness audit.
Phase III Collaborative Strategy	Convene economic leaders and stakeholder organizations and develop a framework for collaborative vision and action.
Phase IV Implementation	Develop an appropriate mechanism for implementation of action plans to promote economic vitality and enhanced quality of life (nonprofit corporation, consortium, etc.).

The following goals and suggested progress measures are presented as a means guiding the Region toward achievement of the above-noted vision.

GOALS AND OBJECTIVES

This section of the Comprehensive Economic Development Strategy outlines the goals and objectives designed to guide the overall economic development of the Treasure Coast Economic Development District. The goals are sensitive to local economic development priorities and were formulated based upon an assessment of regional strengths and challenges - areas where regional competitiveness can be enhanced and a shared vision for the future. The goals are intended to provide specific direction for the formulation of projects, programs, and activities outlined in the Action Plan section of the CEDS.

Goals and Objectives

District Goal 1

Diversification of the District's year-round economy by supporting projects such as new business, emerging industries and enhance existing businesses.

Opportunities: The Treasure Coast District's economy reflects comparative regional advantages in certain industrial sectors such as agriculture and tourist-related industries. Strength in these sectors of the economy could develop into specific industry clusters such as agribusiness, aquaculture, high technology, health care and research and development. International trade represented by growing exports from ports in Palm Beach and Fort Pierce represents another growing industry in the District. Both existing industry strengths and emerging industry clusters need to be enhanced. These actions will help to attract new industry and diversify the local economy.

Constraints: The service and retail trade industries dominate the Treasure Coast District economy. Employment growth in both these sectors is expected to grow in the future. In light of this, economic diversification efforts need to address not only the aspect of new industry recruitment but of enhancing job and training opportunities in these foundation sectors.

Marketing the benefits of the Treasure Coast District and providing technical assistance to local government economic development efforts will help to diversify the District economy.

Objective 1: Support local government efforts to diversify the District economy and to make the District an effective competitor.

Strategies: 1. Provide assistance to local governments, chambers of commerce, economic development councils and regional development groups on business development initiatives.

Strategies: 2. Identify locations for and encourage the development of industry clusters in the District.

Strategies: 3. Encourage and support industry cluster research and development activities.

Objective 2: Research, develop, and disseminate information that will facilitate economic development efforts.

Strategies: 1. Develop summary demographic and economic information for the District and local governments as needed.

Strategies: 2. Develop marketing materials for the District highlighting its unique economic, natural, and cultural aspects.

Objective 3: Support local government initiatives to nurture and/or attract industries that create high-wage, high-quality jobs.

Strategies: 1. Work with local governments to target industries appropriate for their markets.

Objective 4: Support projects that will enhance international trade opportunities for local businesses.

Strategies: 1. Support projects to strengthen international trade networks including, ports, major highways, rail lines, airports, free trade zones and information networks.

District Goal 2

Improvement of the District's education foundation and enhance the work skills of the District's work force.

Opportunities: The Treasure Coast District has an array of educational institutions that provide a high quality of educational opportunities to residents. These educational foundations need to be continually enhanced to provide students with skills that will allow them to compete in the 21st Century knowledge-based economy.

Constraints: Many outside business leaders feel the quality of education in the Treasure Coast District needs improvement. This perception strongly impacts potential business location decisions. Additionally, a continuing mismatch between employee skills and workplace needs is evident. Job training partnerships between industry, government, and the education sector will help to alleviate this persistent problem.

Objective 1: Work with the regional Workforce Development Boards in cooperation with educational institutions to implement a range of job-training programs and business programs to enhance regional workforce skills.

Strategies: 1. Support and market the one-stop concept for workforce development activities.

Strategies: 2. Cultivate education/business partnerships to encourage and develop education/training support programs that will benefit existing and new businesses and employees.

Strategies: 3. Coordinate with local school boards, community colleges, universities and workforce development boards on workforce development activities.

Objective 2: Enhance educational opportunities within the Treasure Coast District.

Strategies: 1. Support and promote the development of a new four-year educational institution in the Treasure Coast District.

Strategies: 2. Support local school boards, community colleges, universities workforce development boards and non-profit organizations by forecasting regional educational needs.

Strategies: 3. Support local government initiatives to increase and enhance Internet connectivity throughout the District.

District Goal 3

Facilitate economic growth through an enhanced business climate and small business and entrepreneurial development initiatives

Opportunities: The vast majority of businesses in the Treasure Coast Region are classified as small. Small business has propelled the Region's significant job growth evidenced over the last decade.

Constraints: A number of constraints to the Region's economy were identified in TCRPC's recently completed regional business survey. These constraints can be viewed as reflections of a business climate that needs improvement because of poorly managed growth and continuing problems in the educational system. Businesses identified local government as the foremost impediment to commerce in the

Region followed by a lack of business growth, traffic congestion and the educational system.

A sizeable proportion of total personal income in the District is derived from investment income and not from wages and salaries. This investment income constitutes unearned income and because it is predominantly invested outside of the District it does not contribute to job creation within the District. Entrepreneurs also point out the lack of access to venture capital for new business initiatives as a constraint. Tapping into this wealth can generate additional financial resources for new, existing and emerging businesses.

Objective 1: Increase local industry awareness of economic development assistance programs available through local, regional, state, and federal agencies.

Strategies: 1. Identify available programs and include them in resource guides for new and expanding businesses.

Strategies: 2. Help economic development agencies market local business assistance programs.

Objective 2: Increase availability of financing to small and minority-owned businesses.

Strategies: 1. Provide technical assistance to small business owners and non-profit organizations seeking development assistance.

Strategies: 2. Establish a Treasure Coast Small Business Revolving Loan Fund or other community-lending vehicle to increase access to capital for small business development.

- Objective 3:** Support the development and expansion of regional incubator facilities.
- Strategies: 1. Encourage and collaborate with banks, intermediary lending organizations and others to increase regional financial capital resources.
- Strategies: 2. Provide technical assistance in the establishment of seed and venture capital mechanisms such as a regional venture forum and a certified capital development corporation in the District.
- Strategies: 3. Assist local incubators in obtaining operating and capital funding for development and expansion efforts.
- Strategies: 4. Support entrepreneurial development initiatives sponsored by regional incubators and other organizations.

District Goal 4

Improved physical and technological infrastructure foundations.

Opportunities: Maintaining public facilities that provide a high quality of life to Treasure Coast District residents is an essential component of economic development. Advanced infrastructure facilities improve the potential to attract clean, high technology industries to the District.

Constraints: Many industrially and commercially zoned sites in the District lack basic infrastructure services such as sewer and water. Other sites remain completely undeveloped. The lack of developed industrial sites and facilities constrains industrial expansion and recruitment efforts.

Objective 1: Ensure that all communities in the Treasure Coast District have adequate infrastructure facilities to meet the needs of their residents and new development.

Strategies: 1. Assist local governments in upgrading or expanding their infrastructure facilities by identifying potential funding sources and supporting funding applications.

Objective 2: Increase the availability of advanced infrastructure facilities such as fiber optic networks to improve the District's attractiveness to high-technology industries.

Strategies: 1. Coordinate with local governments and local and regional utility providers in determining the need for advanced infrastructure facilities and identification of potential funding sources.

Objective 3: Increase the availability of developed commercial and industrial sites that are ready for immediate use.

Strategies: 1. Identify industrial and commercial sites in the District that have adequate infrastructure capacity for future development.

Objective 4: Increase the availability of advanced information and communications infrastructure to support local entrepreneurial and business development.

Strategies: 1. Examine ways to measure the need for specialized business/economic information in the local business community.

Strategies: 2. Develop a specialized business information database to be used by local area businesses to enhance marketing, product development and overall business growth.

Strategies: 3. Provide regional economic information and information on Treasure Coast Economic Development District activities and programs on the TCRPC website.

District Goal 5

Protection and enhancement of the District's natural resources.

Opportunities: The Treasure Coast District's exceptional natural resources and amenities provide a high quality of life to residents and tourists alike. These unique assets can be utilized to market the District to potential businesses and also to develop eco-tourism opportunities.

Constraints: Rapid population growth brings economic opportunity to the District but also places pressure on the natural resources. The District's high quality of life needs to be protected for current and future generations of residents.

Objective 1: Support local government initiatives to protect and preserve the District's natural resources and ensure that growth is well-planned and coordinated.

Strategies: 1. Protect the District's natural resources and ensure their continued existence for the benefit and enjoyment of future generations including the promotion of alternate methods to preserve larger tracts of these natural resources.

Strategies: 2. Encourage regionalism by marketing the District as a whole – highlighting its multiple outdoor recreation and natural amenities, resources, historic sites, cultural activities and facilities.

Strategies: 3. Coordinate with communities in the District and Visit Florida to develop eco-tourism, greenways, blueways and similar conservation corridors where possible.

District Goal 6

Improved regional and local economic development activities through increased partnership and collaboration.

Opportunities: Numerous public, private, non-profit organizations and local governments impact economic development within the Treasure Coast Region because of the activities in which they are involved. These agencies should be regarded as a resource of human capital that could be utilized to benefit region-wide economic growth.

Constraints: Members of the general public and economic development professionals throughout the Region have observed that much of the economic development work being undertaken is parochial and uncoordinated. At times, some of the organizations and institutions seem to work at cross-purposes. Bringing the various stakeholders together in a regional collaborative partnership will help to promote a cooperative effort to affect positive economic growth in the community.

Objective 1: Assist all member governments in developing U.S. Economic Development Administration (EDA) and other economic development projects.

Objective 2: Encourage regional economic development efforts through collaborative partnership approaches.

Strategies: 1. Support the establishment of projects that are regional in nature.