



CHAMBER OF COMMERCE

July 22, 2005

Greg Mihalic
Economic Development Director
Lake County
20763 U. S. Highway 27
Groveland, Florida 34736

Subject: Economic Development Element

Dear Greg:

It is my understanding that the IDA is in the process of reviewing the Goals, Objectives and Policies of the existing Economic Development Element of the Comprehensive Plan. I have reviewed the existing element and have enclosed specific recommendations based on my personal experience with economic development and with the needs of the County.

In addition to the recommendations, I have enclosed a series of comments and questions that I believe must be answered before a significant and meaningful update to the economic development can be completed. That does not mean that the proposed draft element cannot be approved in the near term, while a more detailed analysis and update is prepared for future comprehensive plan amendments.

The largest issue, with the existing economic development element and the draft element is the lack of analysis of current and future demand for industrial, commercial, office and retail land use. While the draft Land Use Element has not been completed, I do not believe that the existing staff has sufficient commercial market analysis expertise to accurately define future demand. This to me is one of the most critical issues that should be addressed through the comprehensive plan.

If you have any questions concerning this matter, please contact me at (352) 735-2506 or by email at rdj@commerceparkinvestments.com.

Sincerely,

Robert D. Johnson, AICP
Vice President, Governmental Affairs &
Investor Relations

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Recommendations for Updating the Economic Development Element:

1. **Interim Approach.** The existing element needs to be streamlined. Delete all policies that are currently not assigned to a department in the County for implementation, have already been completed or are already covered by another element of the comprehensive plan. A time table for implementation of each policy or goal needs to be established to ensure progress.
2. **Independent Assessment.** An independent analysis of our past efforts (including incentives), current conditions and projected demands should be completed prior to any significant change in policy. This assessment should be completed within the next year.
3. **Focus on Strategic Planning.** Land use planning needs to make up a significant portion of the data and analysis for the economic development element. Currently the economic development plan does not establish any goals for land use other than agriculture. If Class A office space is desirable, the County needs to determine what actions must be taken to support and attract this type of development. Additionally, local governments with overlapping and adjoining jurisdictional authority need to improve economic development planning of employment centers.
4. **Engagement.** Once an independent analysis is completed, the public, business community and regional partners should be engaged in the analysis of the independent assessment to determine the goals for the future. It is important that the engagement process goes beyond the legal advertisement process used by government and takes more of a product marketing approach. Like the independent assessment process, the engagement process must also be performed by professionals that are experts in achieving this engagement process.
5. **Measurable Goals.** Limit Goals, Policies and Objectives to those issues that can be benchmarked or measured and specifically assigned to staff members, with defined timeframes for completion.
6. **Target and Focus.** I believe that a concerted effort should be made to attract targeted industries so that they locate in Lake County, providing new high-wage jobs. I believe that the Metro Orlando EDC working with the County does have an active outreach and marketing plan, but I do not believe that Lake County has sufficiently defined the types of targeted industries we are seeking to attract to Lake County. It is very important that the County be able to support the targeted industries (i.e. land, transportation, workforce, etc.) prior to marketing to these targeted industries.
7. **Annual Review.** An independent body of County citizens should be challenged with the responsibility of annually reviewing the progress of the goals, based on the benchmarks that are defined as part of the goal development process.

ISSUES AND QUESTIONS CONCERNING THE ECONOMIC DEVELOPMENT ELEMENT

1. The Comprehensive Plan is formatted in two sections: (1) data and analysis and (2) Goals, Objectives and Policies. The discussion to date concerning the Economic Development Element has been focused around the need to update the Goals section of the comprehensive plan. How can we assess our goals without knowing where we *are* and where we are *going*? Significant changes have occurred to the economic landscape of Lake County and will continue to do so in the coming years. Additionally, Lake County's economic status with the region has also change as land prices and market demands continue to increase. It would appear premature to consider new goals without have a clear understanding of our past performance. This analysis would create the basis of a new data and analysis section of the economic development element.
2. It is difficult to assess whether many of the goals defined should be continued, modified or discontinued, without having an independent assessment of the County's implementation of the existing goals.
3. There are 86 goals, policies and objectives identified in the economic development element. While the element is comprehensive is it realistic? Can the public or the County officials and staff effectively implement such a comprehensive plan? Who is responsible for each item the economic development plans and when are they expected to complete it? Is anyone held accountable? Currently the comprehensive planning process does not establish responsibility, accountability or timetables for its implementation. While DCA does provide comments and a limited amount of accountability for the required elements of the comprehensive plan, there is no such State level accountability for the optional elements.
4. Policy 11-11.2 calls for on-going strategic planning. Strategic economic development planning needs to be implemented. It is my belief that independent economic development strategic planning experts can bring impartial analysis and external experience to our effort. As part of the assessment process all local taxpayer funded economic development incentives should be analyzed for their effectiveness, with the term "effectiveness" being adequately defined before the analysis is started.
5. The economic development is one of many elements in the comprehensive plan with the most important element being the land use element. Lake County, like most high growth counties is attempting to get ahead of the curve in planning for land use needs. Growth projections are generally used by planners to defined demand the various land uses. The problem with this approach is that future land use demand is based solely on past experience. These types of models do nothing to help a community evolve from one type of economic base (i.e. agricultural, tourist, industrial, office, etc.) to another through land use planning. For example, Lake County currently has no Class A office, therefore, future land use projections, using a linear analysis, would continue to show no or low demand for such land use. However, a regional analysis of existing Class A office demand, availability of such land use in surrounding jurisdiction and transportations corridors where analyzed, future demand would be greater. The County needs to consultant industrial, commercial and retail property demand experts, not just the professionals that work these fields.
6. There are many policies in the comprehensive plan that no longer a pressing issue or are more appropriately addressed by another government agencies. I have reviewed each goal, objective and policy in the plan have found that the policies can be classified as meeting one or more of the following conditions:

V – Statement is too vague to determine how to measure success or sometimes what should be measured.

C – Item has already been completed.

D – Item is covered or should be covered by another element of the comprehensive plans and does not need to be addressed in the economic development element.

F – Not part of the core focus.

U – Unnecessary or not appropriate as a policy.

R – Repeats concepts defined in another goal, policy or objective.

O – On going activity.

N – Not currently being implemented

The following chart classifies each of the policies, objectives and goals in one of the above categories. The results were that 39 issues have been either been completed, deemed un-appropriate as policies or addressed by other comprehensive plan elements or policies within the economic development element. Twenty –three policies are currently being implemented with 16 additional not being implements. There is an additional 11 issues that are vague in description as to either purpose or anticipate outcome. The result of this analysis is intended to illustrate that the number of issues addressed by the economic development element should be concise and reflect the core focus of the element.

V (11)	C (5)	D (8)	F (6)	U (16)	R (4)	O (23)	N (16)
P 11-1.1	P 11-4.6	P 11-1.5	P 11-2.4	O 11-2	P 11-4.7	G 11	P 11-2.3
P 11-1.2	O 11-5	P 11-7.5	P 11-2.5	P 11-2.1	P 11-5.1	O 11-1	P 11-3.2
P 11-3.4	P 11-5.2	P 11-8.2	P 11-2.6	P 11-2.2	P 11-5.2	P 11-1.3	P 11-3.8
O 11-4	P 11-5.7	P 11-8.3	P 11-2.7	P 11-2.3	R 11-5.9	P 11-1.4	P 11-4.1
P 11-4.2	P 11-9.5	P 11-8.4	P 11-3.7	P 11-4.5		P 11-1.5	P 11-4.3
P 11-5.6		P 11-8.5	P 11-8.6	P 11-5.1		O 11-3	P 11-4.4
O 11-6		P 11-10.1		P 11-5.5		P 11-3.1	P 11-6.4
P 11-6.11		P 11.10.2		P 11-5.10		P 11-3.3	P 11-6.5
P 11-8.1				P 11-5.11		P 11-3.5	P 11-6.6
P 11-9.3				P 11-6.3		P 11-3.6	P 11-7.2
O 11-11				P 11-6.7		P 11-5.3	P 11-7.3
				P 11-6.7		P 11-5.4	O 11-8
				P 11-9		P 11-5.8	P 11-8.7
				P 11-9.1		P 11-5.9	P 11-11.1
				P 11-9.2		P 11-6.10	P 11-11.2
				O 11-10		P 11-6.12	P 11-11.3
						O 11-7	
						P 11-7.1	
						P 11-7.4	
						P 11-8.8	
						P 11-9.4	
						P 11-10.3	
						P 11-11.4	