

Marion County, Florida
Office of Economic and Small Business Development
2011 Economic Development Survey for Marion County, Florida

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Marion County Government - 2710 East Silver Springs Boulevard, Ocala, Florida 34470

During the 2010 Florida Legislative Session, the legislature approved Section 125.045, Florida Statutes, requiring local governments to report economic development incentives granted to organizations and companies during the local fiscal year to the Office of Economic and Demographic Research (EDR). These new legislative requirements also requires that a contract between a County government and any economic development agency or organization, acting on behalf of the local government, provide a summary of activity related to the contracted services.

In 2011, Marion County Government provided public funding for three agreements for economic development services. One agreement was provided to the Ocala/Marion County Chamber of Commerce for International Exporting and Trade Assistance and the other two to the Ocala/Marion County Economic Development Corporation (EDC). The funding of the EDC was for general economic development services as well as a business recruitment focus on aviation maintenance companies and related aviation activity These two contracts to the EDC have been combined into one report. The total amount of public funding for all three agreements totaled \$208,000 for calendar year 2011.

The following is a summary of the economic development activities reported by these contracted community organizations for calendar year 2011.

Ocala/Marion Economic Development Corporation, Inc.

The Enterprise Center, Suite #105

3003 S.W. College Road, Ocala, Florida 34474

Contact Person: Pete J. Tesch, President and CEO

Contracted Activity: Economic Development and Business Recruitment Services

- A. Amount of the Contract: \$195,000
- B. Amount received from other governmental bodies: \$180,000
- C. Funds received from private investors: \$349,975
- D. Administrative Cost for the Ocala/Marion Economic Development Corporation: \$276,606
- E. Number of businesses assisted: The EDC assisted over 63 qualified prospects and handled numerous other general inquiries in support of requested site selection, incentive education, general community demographics and workforce and training assistance. The EDC averaged 4,400 monthly website requests for general information.
- F. Matching grants or incentives provided by the EDC during the funding period: None
- G. Total capital investment of businesses assisted by the Chamber during the funding period:
Total of \$53.2 million in proposed capital investment:

Senture, LLC: An existing telecommunication sales company has proposed a \$700,000 expansion of the company's Ocala location along with up to 160 additional jobs. The EDC provided a series of community and real estate based services to assist this expansion.

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American Fresh Farms: A proposed \$32 million capital investment for the development of an enclosed agricultural greenhouse complex to be located at the Ocala International Airport. The EDC assisted in facilitating project development with the City of Ocala and with Marion County governments. Overall community investment by Marion County Government and the City of Ocala include an estimated \$8 million in performance-based employment, land and development related incentives. As of December 31, 2011 – project is still pending.

Pathlab Services: A new medical pathology laboratory company has invested an estimated \$500,000 in the build-out of new facilities created an opportunity for up to 34 new jobs within the City of Ocala. The EDC assisted the company in providing community based coordination for workforce, permitting and other related services.

HealthSouth Healthcare: This new healthcare rehabilitation services company is proposing a capital investment of approximately \$20 million for construction and the outfitting of a new rehabilitation care facility. The EDC is providing community coordination services for the hiring of up to 112 new healthcare workers. Project is expected to begin in mid 2012.

- H. Total foreign investment of businesses assisted by the Chamber during the funding period: \$0
- I. Number of new direct jobs resulting from a business being moved into the area or expanding in the area due to the assistance provided by the EDC: Total of 410 jobs
- J. Number of these jobs retained and the length of the job retention: None
- K. The type of incentives and the amount of incentives that the EDC successfully assisted businesses in receiving during the funding period:
- | | |
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| a. Florida's Qualified Target Industry Tax Refund Program: | \$0.00 |
| b. Governor's Closing Fund: | \$1,500,000 |
| c. Florida's Quick Response Training Fund: | \$75,000 |
- L. Any additional information that would show an economic benefit to the local government as a result of the efforts of the EDC: No additional information provided by grantee.

Ocala/Marion County Chamber of Commerce

310 S.E. Third Street, Ocala, Florida 34471

Contact Person: Jaye Baillie, President and CEO

Contracted Activity: International Trade and "Gold Key" Services and Grants

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| A. Amount of the Contract: | \$15,000 |
| B. Amount received from other governmental bodies: | \$0.00 |
| C. Funds received from private investors: | \$0.00 |
| D. Administrative Cost for the Ocala/Marion County Chamber of Commerce: | \$0.00 |
- E. Number of businesses assisted: 4
- F. Grants provided from the International Trade and Exporting Fund: 1
A payment of \$2,346.97 was awarded to the Marion County Office of Economic and Small Business Development to support a "Foreign Direct Investment" business recruitment mission to British Columbia on July 14-15, 2011. This mission was part of the County's business

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recruitment efforts to advance negotiations for the expansion of a Canadian-based food production company to Marion County. Negotiations are on-going resulting in two exploratory visits to Marion County during 2011. Additional meetings are scheduled for Toronto during the Q1/2012. If successful, this project represents a potential foreign direct capital investment of over \$120 million and an opportunity for up to 300 new to Marion County jobs.

- G. Total capital investment of businesses assisted by the Chamber during the funding period: \$0.00
- H. Total foreign investment of businesses assisted by the Chamber during the funding period: \$0.00
- I. Number of new direct jobs resulting from a business being moved into the area or expanding in the area due to the assistance of the Chamber: None
- J. Number of these jobs retained and the length of the job retention: None
- K. The type of incentives and the amount of incentives that the Chamber has successfully assisted businesses in receiving: None
- L. Any additional information that would show an economic benefit to the local government as a result of the efforts of the Chamber.

The Chamber's International Trade "Gold Key" initiative promoted the availability of grants to assist Marion County businesses in advancing international trade opportunities. While no "Gold Key" grants were awarded, information meetings were held with several dozen Marion County businesses and new networks of coordination have been established with both the Marion County's new Office of Economic and Small Business Development and the U.S Department of Commerce's Foreign Commercial Service.

Funding from the Chamber's International Trade "Gold Key" account was instrumental in supporting the business recruitment mission to Canadian and a promising project that has great potential for an excellent return on this investment.

Additionally, the Chamber's website includes information on the Gold Key Program.
http://www.ocalacc.com/ocala_florida/templates/do-business.aspx?articleid=928&zoneid=10

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Office of Economic and Small Business Development
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- A. Department Operational Budget: \$590,845
- B. Economic Development Financial Incentive Grant Program: \$936,509
- C. Economic Development Infrastructure Grant Program: \$500,000

During 2011, the Marion County Board of County Commissioners extended economic development financial incentives through its "Economic Development Financial Incentive Fund" (EDFIG) and the county's "Economic Development Infrastructure Fund" (EDIG) to support a series of job creation activities. Additionally, actions taken by the Marion County Board of County Commissioners in January 2011 extended the county's suspension of Transportation Impact Fees (TIF) and Fire Impact Fees (FIP) until December 31, 2012.

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Marion County's Office of Economic and Small Business Development conducted a series of business recruitment and relocation initiatives that included direct contact with more than 2,400 food and beverage manufacturing companies throughout the United States and Canada. More than 12,000 direct calls were made to identify key decision makers generating a series of pre-qualified conference calls between management and county personnel. A number of these initial contacts have developed into active business prospects with discussions and negotiations ongoing including a number of site visits to potential business sites in Marion County.

A summary of the actions taken by the Marion County Board of County Commissioners and the Office of Economic and Small Business Development for the use of economic development financial incentives for 2011 are summarized below. They include:

American Fresh Farms: A proposed \$32 million capital investment for the development of an enclosed agricultural greenhouse complex to be located at the Ocala International Airport. The Marion County Board of County Commissioners provided a performance-based employment incentive of \$300,000 to support up to 300 proposed workers and an estimated \$1.4 million abatement of Transportation Impact Fees to assist in facilitating this project. As of December 31, 2011 – project is still pending.

Integrated Manufacturing, Inc: A Colorado-based manufacturer planning to expand the company's manufacturing operations to an existing facility in Ocala. In June 2011, Marion County committed a proposed performance-based \$105,000 investment to be used as a 20-percent local financial match to qualify the company for a Florida Qualified Target Industry Tax Refund (QTI) grant of \$525,000. These funds will be used to support the creation of up to 175 new to Marion County jobs. Project is pending.

Adena Farms Harvesting, LLC: This project represents an estimated \$39 million foreign direct capital investment from Canada for the development of a state-of-the-art meat harvesting facility. Marion County has helped to facilitate the site development planning and permitting for this project in addition to providing \$71,000 in county transportation impact fee abatements. Upon completion, this project will provide value-added employment for up to 150 new to Marion County jobs. Project is in progress.

Moody Mineral Water Bottling Company: A Marion County entrepreneurial start-up company seeking to establish a mineral water bottling operation. In May 2011, Marion County provided "special use" provisions in permitting this company's development of an artesian well site and will abate up to \$25,000 in county transportation impact fees. The mineral water will be transported to an existing manufacturing space and the overall activity has the potential of creation up to 40 new to Marion County jobs.

CitraPac, Inc: This project represents a proposed \$32 million national joint venture for the development of a 130,000 square foot frozen food manufacturing operation. Marion County has committed a proposed performance-based \$255,000 investment to be used as a 20-percent local financial match to qualify the company for a Florida Qualified Target Industry Tax Refund (QTI) grant of \$1,275,000. These funds will be used to support the creation of up to 425 new to Marion County jobs. In addition to the support for a QTI grant, Marion County also awarded a \$500,000 performance grant to facilitate the initial renovation and start-up costs related to this project. The grant is designed as a reimbursable means of off-setting the initial hiring of production workers, payment of facility lease costs and utilities as well as providing funding for the replacement of required freezer and refrigeration infrastructure. Project is in progress.

West Ocala ALF/ALZ: In December 2011, the Marion County Board of County Commissioners approved support to encourage funding of a proposed \$17 million healthcare facility through the United

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States Department of Housing and Urban Development's (HUD) Section 108 Loan guarantee program. If approved by HUD, this project has the potential of creating 100 new to Marion County jobs and estimated \$12 million tax base and \$5 million in new infrastructure. As of December 31, 2011 - Project is pending.

The Refuge Foundation, Inc: An EDIG infrastructure grant in the amount of \$150,000 was approved in December 2011 by the Marion County Board of County Commissioners. This EDIG grant will support new road infrastructure improvements and egress for this major employer of mental healthcare services. This use of the Economic Development Infrastructure Grant funding from the county will support the expansion of mental healthcare facilities and the creation of up to 75 new to Marion County jobs within three years.

Magna Industrial Center: The Marion County Board of County Commissioners approved in September 2011 new capital investments in excess of \$13 million to support the acquisition, engineering and construction of new road, water and sewer infrastructure for the development of a new industrial and transportation intermodal logistics center. This 489 acre industrial park project is located adjacent to Interstate 75 and the west rail line of CSX Railroad. This major capital investment by the county will provide infrastructure support for the future development of up to 4 million square feet of industrial and distribution space. The project is currently underway and expected to be completed by mid 2013.

Pro Poly of America, Inc: The Marion County Board of County Commissioners approved submission of a State of Florida Economic Development Transportation (EDTF) grant in September 2011. The application was part of a \$130,000 funding strategy for the reconstruction of NW 57 Street in Ocala to support the expansion of Pro Poly of America; a local manufacturer of specialty transportation vehicle equipment. In October, 2011, the State of Florida approved this \$100,000 EDTF grant to support Pro Poly's efforts to expand the company's manufacturing presence in Florida. A total of 12 additional jobs are expected to be added as part of the overall project.
