

**Nassau County 2030 Comprehensive Plan
Economic Development Element**

Background Data and Analysis

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I. Introduction

Creating an Economic Development Strategy for Nassau County

Nassau County, Florida is a coastal county located in the far northeastern corner of Florida. Part of the Jacksonville metropolitan area, it is best known for the tourist destination of Amelia Island. It has traditionally had a diverse economic base that includes timber and agriculture production, paper and high performance fiber manufacturing, a deepwater seaport and, of course, world-renowned tourist resorts such as the Ritz Carlton Hotel and the Omni Amelia Island Plantation.

While Jacksonville remains the center of population in the region, population growth in the counties surrounding Jacksonville (Baker, Clay, St. Johns and Nassau) is predicted to outpace the traditional regional center of Jacksonville between 2010 and 2030.

Like most communities facing the aftermath of recession, economic development has become an increasingly high priority issue in Nassau County, and a coordinated economic development program was identified as one of the essential outcomes of the 2030 Comprehensive Plan. The goal of economic development is to improve the economic health of a community by creating jobs, fostering the development of new industries, and enhancing the tax base, while protecting and enhancing quality of life in the community.

While residents often talk about the high quality of life in Nassau County, they also frequently mention the shortcomings of long commute times and traffic congestion. These problems are directly related to a lack of high-paying jobs within the County. Jobs in the tourism and construction sectors, which dominated the local economy in recent times, rarely paid wages as high as those in other industry sectors. Nassau County needs specific incentives and policies that support the growth of diverse, higher-wage industries in the County and will move its economy forward.

The Nassau County Growth Management Department, in partnership with the Nassau County Economic Development Board and a wide variety of community stakeholders, identified and analyzed current economic conditions and future trends, and formulated a series of goals, objectives and policies that will guide future decision-making in Nassau County. The result is the Economic Development Element for the Nassau County 2030 Comprehensive Plan.

The Economic Development Element gives the County an advantage by providing a central policy statement for economic development. The goals, objectives and policies form a shared, county-wide economic development strategy. They will support new and growing businesses attract industries that create permanent, higher wage jobs to the County. They will support educational opportunities for residents to create a skilled work force. They will encourage the elimination of cumbersome and unnecessary regulations and maximize the utilization of infrastructure and public services. They will also recognize the relationship between economic growth and quality of life.

Achieving the goals of the 2030 Comprehensive Plan cannot occur without a healthy, robust local economy. Incorporating this new element into our Plan is a big step toward achieving those goals. A strong local economy will support the development of sound infrastructure and a high quality of life for our community, and it will make Nassau County the best place to live, work and play in Florida.

II. An Economic History of Nassau County

Early History (Pre-Civil War to 1945)

Europeans began to settle in the region of northeast Florida that eventually became Nassau County following a visit by French explorer Jean Ribault to Cumberland Sound and the St. Mary's River in the spring of 1562. After the French abandoned northeast Florida in 1566, Nassau County served as a buffer between the colonial interests of Spain and Great Britain. Control over the Nassau countryside flowed between these two superpowers and interests of the emerging United States like the ebb and flow of the coastal tides for nearly three centuries.

Amelia Island was the first area of Nassau to be settled by the Europeans. Additional settlements eventually grew in upland locations along the banks of the St. Mary's River to the north and the Nassau River to the south of the island. Those waterways were the early transportation routes for commerce and trade. Fernandina harbor was a deep and well-protected anchorage and, as early as the first decade of the 1800's, as many as 150 square-rigged ships at one time could be seen anchored there. The Spanish Commandant of Amelia Island, Justo Lopez, ordered the plat of Fernandina to be redrawn in March of 1812. It was the last Spanish town platted in the new world. Fernandina's streets were laid out in a grid system surrounding the Plaza de San Marco where Fort San Marco was built in 1816. To coax inhabitants into complying with the plat's new street alignments, each home owner or business was given additional parcels of land that squared or aligned them with their new property boundaries. The permanent population of the town in that period was about 800. This period was also marked by frequent visits to Fernandina by notorious pirates such as brothers Jean and Pierre Lafitte and Luis Aury.

Land grants were awarded to early settlers who developed plantations of significant size both on Amelia Island and on uplands west of the marshes of the Amelia River. With the establishment of British rule in Florida in 1763 came the introduction of the plantation system and the use of forced labor to produce rice and indigo on plantations along the coast. Further inland, ferry crossings into Georgia were established along the St. Mary's River and, on the Bell's River, Don Eleazer Waterman built a saw mill to saw timber by horse power. The Waterman land grant is now part of the Rayonier forest. The British built highways to connect northeast Florida to its northern colonies. The coastal road became what is now Federal Highway 17 and, in the years just before the American Revolution, the Kings Highway was built from Kings Ferry on the St. Mary's River south towards what would later become Jacksonville. That roadway is now known as Federal Highway 1.

In 1821, Florida became a territory of the United States and, in 1824, Nassau County became Florida's tenth county with Fernandina designated as its new county seat. This period was a difficult time economically for Nassau County as many of its former residents moved south to settle along the St. Johns River as well as further south into central Florida. Fernandina harbor trade declined drastically to the point where a visit by no more than one ship per year was common. In the late 1840's, plans were made to construct a new fort on the northern tip of Amelia Island to protect Cumberland Sound and the St. Mary's River. Construction began in 1850 on what became known as Fort Clinch.

In 1855 the "Father of Florida's railroads", David Yulee, started construction of a railroad line that would eventually run from Fernandina across the entire peninsula of Florida to Cedar Key. Construction of this new transportation artery became the impetus for new economic growth and employment both in Fernandina and in Nassau County's interior. Fernandina became the home of the main offices and repair facilities of what was then called the Florida Railroad. The opening of the railroad provided a steady flow of lumber, timber and naval stores from the mainland to the Port of Fernandina for further shipment by steamers to northern cities. In time, extensive

wharves, railroad maintenance facilities and warehouses were built on the waterfront. By the time of Florida's succession from the Union in 1861, Fernandina had grown from only a few hundred inhabitants to nearly 1,400.

The Confederate military occupied Fort Clinch for the first year of the Civil War, but abandoned it in the spring of 1862 under pressure from the Union naval blockade. Union troops occupied Fort Clinch on March 2, 1862 and Fernandina and Amelia Island remained under military occupation through the end of the war.

During the war, Amelia Island became a sanctuary for free blacks, runaways and slaves released from their owners by the occupying Federal troops. Much of the white population had evacuated within the first year of the war, and so the population tilted heavily on the side of the black—the embryo of a new social order that was taking shape. By the end of the war, the economy and social structure were both in shambles. The Antebellum plantation life was gone forever, and Fernandina and Amelia Island struggled to find a new identity.

Fires plagued the Town of Fernandina, and yellow fever ravaged the entire island during the 1870's, but economic prosperity once again took hold during the next decade as the Port of Fernandina regained its shipping prominence. The port exported millions of dollars' worth of lumber, phosphate, and naval stores via an armada of commercial sailing ships and freight steamers. Phosphate arrived by train from central Florida and by 1932, Fernandina was the only port in The United States shipping hard rock phosphate to customers around the world. Much of the timber and naval stores that were harvested and processed at the turn of the century were grown in pine forests on Nassau County's mainland.

The Gilded Age of the late 1800's gave rise to the Victorian homes that continue to grace the City of Fernandina Beach's 50-block historic district today. By the late 1880's Fernandina's Centre Street was bustling with commercial activity that included bakeries, banks, blacksmith shops and bars. The modern shrimping industry evolved in Fernandina in the 1880's from cast nets and haul seines thrown by shrimpers from rowboats and sailboats in the waters off the town's city dock to massive "otter trawls" towed by motor-powered vessels cruising offshore over the continental shelf. The shrimping industry enjoyed its "golden years" in Fernandina from 1897 to 1920, increasing its production one-hundred fold. By the early 1920's, however, the major shrimp landings had moved south to Cape Canaveral. With Fernandina's shrimp boats not having long-haul capabilities, shrimp industry leaders moved their operations to St. Augustine, and Fernandina faded as a leader in the industry.

The Gilded Age also brought an influx of tourists and vacationers from the north aboard steam ships and railroads. Hotels, bath houses, restaurants, and other amenities were built along Fernandina's white sand beaches to accommodate these new guests and their vacation dollars.

During the Spanish American War in 1898, the United States Army established Camp Amelia east of downtown Fernandina. The camp was used as a large temporary staging facility for troops prior to being deployed to Cuba. Most of the troops were gone when a major hurricane struck the island in November of 1898.

In Nassau County's interior, a network of railroad lines attracted clusters of settlements in places like Harts Road (later Yulee), Callahan, Bryceville, Hilliard and Boulogne. Mills at those locations processed timber and forest products for transport to Fernandina. The soil was also suitable for the manufacture of brick, and several brick factories produced those basic construction materials for use in both commercial and residential buildings throughout northeast Florida. Brick buildings in downtown Fernandina greatly reduced the fire dangers that had plagued the town in the 1870's when structures had been built primarily of wood.

Fernandina Beach is often considered the birthplace of the modern commercial shrimping industry. In 1902, Sollecito Salvador, a Sicilian immigrant living in Fernandina Beach, developed a shrimping technique using a small horsepower engine on his rowboat. Utilizing this engine provided enough power to pull the shrimp seine more quickly and efficiently across the ocean floor. The real boom in the evolution of Fernandina's shrimping industry came in 1913, when Captain Billy Corkum adapted the "otter trawl" to catch shrimp. This is essentially the same bag-like net with doors, which you see on shrimping boats today. The otter trawl enabled the fishermen to fish in deep water where the concentration of shrimp was the heaviest. By the early 1920's, however, the major shrimp landings had moved south . With Fernandina's shrimp boats not having long-haul capabilities, shrimp industry leaders moved their operations to St. Augustine, and Fernandina faded as a leader in the industry.

The towns of Callahan and Hilliard flourished through the early decades of the 20th Century as passenger trains and federal highways brought a constant stream of travelers through Nassau County. Many of them stopped to enjoy the local hotels, boarding houses, and restaurants that catered to travelers. The towns also provided for the needs of the surrounding populations. By 1926, the Pine Breeze poultry farm in Callahan was producing 90,000 dozen eggs annually, during which time Nassau County led the southeast in poultry production, according to a county promotional brochure. Dairy farming was also a successful enterprise during this time.

The Great Depression of the 1930's brought widespread unemployment to Nassau County. The Civilian Conservation Corps (CCC) established camps in 1933, and enlisted young men to work on conservation and infrastructure projects throughout the county. Miles of new county roads were cut and bridges built or improved. The CCC program and its workers vastly improved the county road system and put food on many dinner tables.

In June of 1937, during the darkest days of the Great Depression, Container Corporation began construction on the first unit of its Kraft Corporation of America mill on a 200-acre site one mile north of downtown Fernandina. The \$2.5 million construction project brought several hundred temporary construction jobs to the island and several hundred more permanent mill jobs when the project was completed at a final cost of \$7 million in 1937. The mill has been in continuous operation since, employing more than 600 people in Kraft linerboard and cardboard box production.

That same year, Rayonier began construction on its Fernandina mill. Japan had been a large customer for the company's pulp products, but that market disappeared as the winds of the Second World War blew across Asia. Construction on the Rayonier Fernandina mill was halted until 1939, when the U.S. military's demand for nitrocellulose used in smokeless gunpowder, and rayon, Rayonier's first major end product, compelled the Federal Government to give the plant material and construction priorities. The plant was completed and in full production by 1941. It has operated continuously since that time and has become a global market leader in specialty cellulosic fiber products. Rayonier also bought tens of thousands of acres of timber land throughout Nassau County and today remains the county's single largest land owner.

In 1942, the Federal Government and the City of Fernandina entered an agreement whereby the city purchased 1,230 acres of land and leased it to the U.S. Government to build and operate a small air facility for the United States Navy. Four runways, taxiways, a fuel depot, barracks, terminal building, and dining hall were constructed by the Navy which operated the facility throughout World War II as a refueling and rearming facility for aircraft based at Jacksonville. After the end of the war, the Federal Government turned over its facilities to the city, which continues to operate it as the Fernandina Beach Municipal Airport, a general aviation airport.

Also in 1942, a small community hospital opened in Fernandina to better serve the medical needs of Fernandina and eastern Nassau County. The hospital moved to its current location on Lime Street in Fernandina Beach in the 1970's. In 1994, the hospital was acquired from Nassau County by Baptist Health, which began an extensive capital improvement program that significantly enlarged and upgraded the hospital's facilities and services. Today, with more than 400 employees, the hospital is one of Nassau County's largest employers. It is an Accredited Chest Pain Center, has earned Magnet™ recognition for excellence in patient care, and offers many advanced services and technologies not typically found in a community hospital.

Post-war Period (1945-1975)

The end of the Second World War brought a keen sense of optimism and new vigor to the United States. Thousands of returning veterans enrolled in college and post-secondary education programs funded by the G.I. Bill. The post-war domestic economy exploded as the United States bankrolled reconstruction efforts throughout Europe and Japan. The "baby boom" led to a demand for new suburban neighborhoods throughout America, including Nassau County, and that demand drove the need for additional public services like schools, roads, police and fire protection. Those pressures drove government employment to the point where the Nassau District Schools became the county's largest employer, and the Nassau County Government its third largest employer.

Economic prosperity also brought Americans more leisure time. Florida became an even more attractive vacation destination after World War II. Not only did it continue to cater to its traditionally wealthy clientele, but also to a growing middle class of young families. The automobile became the transportation mode of choice for many of those families, and nearly anyone traveling by car to the East Coast of Florida had to travel through Nassau County. Federal Highways 1, 23, and 301 shared a common right-of-way from the Georgia state line north of Hilliard through the Town of Callahan. Pictures from the 1950's and early 1960's show how prosperous the "mom and pop" hospitality and travel industry was along that route in Nassau County during the time. The picture was much the same in eastern Nassau County, where Federal Highway 17, the "Coastal Road", provided yet another major transportation artery from the mid-Atlantic states into Florida. Rental properties and vacation homes sprang up along North and South Fletcher Avenues which traced the eastern shoreline of Amelia Island.

In 1954, the Terminal Bag Corporation constructed a 300,000 square foot packaging facility on U.S. Highway 17, two miles south of the center of old Yulee. The building was eventually purchased jointly by Stone Container Corporation and Gaylord Container Corporation and operated as S&G Packaging. The plant produced paper bags for the fast food industry and supermarket chains such as Publix. At its peak, it employed more than 300 people. The plant was closed in the early 2000's. The building is currently owned by an investment group based in South Florida and it remains the largest available contiguous manufacturing and warehousing space in Nassau County. Space in the building is currently leased to Kinder-Morgan Nassau Terminals and Summer Industries.

The Town of Hilliard gained a major jobs center for Nassau County when the Federal Aviation Administration (FAA) began construction of a \$6 million radar Air Route Traffic Control Center in 1958. The first phase of construction of the 54,000 square foot facility was finished in 1959 and, on April 9, 1960, the Town of Hilliard staged an open house day for all FAA personnel and their families. That event drew more than 3,000 visitors and guests. On February 25, 1961, radio control of air traffic in a 5-state area was transferred to the new Jacksonville En Route Air Traffic Control Center in Hilliard from the old facility at the Imeson Airport in Jacksonville. Today, the facility employs 550 people, making it the fifth largest employer in Nassau County.

In June of 1956, the U.S. Congress authorized the National Interstate and Defense Highways Act, providing for the construction of the Interstate Highway System. This system of high-speed, limited access roadways changed forever the way Americans preferred to live and travel. The freeway system serves nearly all major U.S. cities, with many interstates passing through downtown areas. Virtually all goods and services use the highway system as a means of distribution, and residents of American cities commonly use urban Interstates to travel to their workplaces. Interstate Highway 95 is the longest north-south highway in the system, extending from the Canadian border to Miami, Florida. It also serves the greatest number of states—15 plus the District of Columbia—making it one of the most heavily traveled. Nassau County is the first to welcome travelers into Florida on I-95. After the 12.9 miles of I-95 were constructed in Nassau County in the early 1970's, the State of Florida moved its visitor welcome station from U.S. 17 to I-95 in 1976. The current welcome center is operated by a public/private partnership called "Visit Florida". Its staff of 12 serve more than 800,000 guests each year. More than 60,500 vehicles per day travel portions of I-95 in Nassau County. Opening the Interstate system had a devastating effect on the hotel/motel business along the U.S. Highway system. The relics of a bygone travel era can still be seen on U.S. 17 through Yulee, and on the King's Highway (U.S. 1/23/301) between Hilliard and Callahan.

In 1971, Charles Fraser and the Sea Pines Company of Hilton Head, South Carolina, purchased a large tract of undeveloped land at the south end of Amelia Island. Along with his partner, land use planner Ian McHarg, Fraser created a master plan for development "in harmony with nature" in what became known as the Amelia Island Plantation—an exclusive resort and residential community. The master plan protected tidal marshes and oceanfront sand dunes, grasslands and savannahs that were part of the natural environment of the island. An unprecedented 40-foot wide strip of natural vegetation was added as a buffer to all waterways allowing them to remain a wildlife refuge, and to provide travel corridors and food sources for that wildlife. In order to protect these standards, covenants were put in place that the resort company and property owners would adhere to in order to build and live in harmony with nature. The Amelia Island Plantation today encompasses 1,350 acres and is owned and operated by Omni Hotels and Resorts. The resort employs more than 680 people and is Nassau County's largest private employer.

In 1973, Howard Gilman became Chairman of the Gilman Paper Company and split his time between the company's New York City headquarters and the family's private 7,400-acre estate, White Oak Plantation, in Yulee. A small, 1,000-acre portion of that property had originally been granted to Jerym Wright by the British more than 200 years earlier. Wright laid out extensive rice fields in the low flat marshlands. Gilman used that same terrain and more to create grazing lands for the conservation of endangered species from around the world. Among the thirty species housed at White Oak Conservation Center are okapi, cheetahs, black rhinos, and southern white rhinos. Gilman was a lover of the arts, and personally helped dancer Mikhail Baryshnikov settle in New York immediately following his defection from the Soviet Union in the 1980's. When Baryshnikov expressed an eagerness to work with contemporary American choreographers, Gilman offered White Oak Plantation as a venue for creative collaboration that became known as The White Oak Dance Project. Today, White Oak facilities host international dance companies including world-renowned classical ballet companies such as American Ballet Theater. In 1981, Gilman founded The Howard Gilman Foundation which now operates White Oak Plantation. Its mission is to "preserve and protect those areas Howard considered most vulnerable and in need of his help. This includes the conservation of endangered animals, the support and nourishment of the arts, as well as the funding of medical research in the fields of HIV/AIDS and cardiology." White Oak Plantation also hosts regular retreats of former President Bill Clinton's Global Initiative Policy Planning Group.

Modern Growth Period (1975-2007)

The Port of Fernandina had seen a dramatic decline in business following the Great Depression when protectionism constrained international trade. Competition for freight handling from Henry Flagler's East Coast Railroad and from other ports along the Eastern Seaboard further eroded the port's business. The Nassau County Ocean Highway and Port Authority (OHPA) was chartered in 1941. Its charter grants the Authority broad powers to acquire property, set tariffs, incur indebtedness, and regulate land use and buildings on port properties.

In 1985, the Port Authority decided to capitalize on a new deeper entrance channel constructed by the U.S. Navy for submarine operations at Kings Bay, Georgia. OHPA issued bonds that year to construct a modern seaport terminal. Old, rotten wood pilings were replaced by a new concrete pile dock, paved marshaling yard, cranes and new warehouses. These improvements gave the port the capability to handle bulk, break-bulk, and containerized cargos. OHPA contracted with Kinder Morgan Nassau Terminals, LLC, to operate the Port of Fernandina. Today, the Port of Fernandina serves as a strategic niche market cargo port providing terminal service to more than fifteen pulp and paper mills located throughout Florida and the Southeast. Fernandina also supports a number of independent container lines serving Venezuela, Colombia, Ecuador, the Dominican Republic, Haiti, Jamaica, Aruba, Puerto Rico, and Bermuda.

The OHPA also played a role in the acquisition of land in Yulee that became known as the Fernandina-Yulee International Tradeplex, an industrial park comprising several hundred acres. This initiative was in keeping with OHPA's public purpose of encouraging economic development in Nassau County. The Board of County Commissioners adopted Ordinance 89-7 in 1989, which established a Planned Unit Development called the Fernandina International Tradeplex PUD. The following year, county commissioners approved a Development of Regional Impact application and a Development Order allowing the owners of the Tradeplex to develop the site in accordance with the original PUD.

The first company to locate in the Tradeplex was Coastline Plastics, a division of Victaulic Company based in Easton, Pennsylvania. Coastline Plastics opened a 22,500 square foot plant in 1995 to manufacture extruded plastic pipe. It created 10 new jobs when the plant opened, and employment grew to more than 50 in less than 12 years. Coastline Plastics also expanded its facility to 42,000 square feet later in the decade. Parent Company Victaulic built a 30,000 square foot facility of its own in the Tradeplex in 1999 to manufacture pipe fittings that complement Coastline's products.

In 1995, Georgia Pacific Corporation (GP) opened a 500,000 square foot regional distribution center in the Tradeplex for its plywood products. GP's distribution operations were purchased by a group of investors in 2004 and the company's name changed to BlueLinx Corporation. Today, BlueLinx is the largest distributor of building products in the United States. When the housing bubble burst in 2007, demand for building products plummeted and BlueLinx reduced its distribution center inventories to the point where it now subleases a portion of its space to other companies.

Over the years, the Tradeplex added a number of other tenants including manufacturers Masonite Door, Florida Machine Works, Science First, and Rosenblad Design Group, as well as the transportation and logistics company RDL Logistics.

Industrial jobs growth was not lost on post-secondary education providers in northeast Florida. In 1986, what was then called Florida Community College at Jacksonville (FCCJ), began acquiring property for a new campus in Yulee, about 1.5 miles east of I-95. The college built its first facility—the Outdoor Education Center—on a 20-acre pristine wooded site just off William Burgess

Boulevard in 1994. This encampment of rustic cedar “camp-like” buildings provides facilities for seven educational programs: the low ropes course, the climbing wall, team building, corporate and organizational training, wilderness training/adventures, environmental education and college credit outdoor adventure courses. The Center is also used for various leadership courses and programs.

In August of 2000, FCCJ opened the Betty P. Cook Nassau Center on its 102-acre campus. The main building houses classrooms, computer labs, a science lab, meeting rooms, a library operated jointly by the college and the Nassau Public Library System, a student lounge, and administrative, and faculty offices. The college’s academic offerings are constantly evolving to meet the changing community and industry needs. The college has also generously provided office space at no charge to the Nassau County Economic Development Board (NCEDB). Being located on a college campus sends the important message to NCEDB’s clients that the community understands the importance of a well-educated workforce for businesses competing in the global economy.

Exactly six years later, in August of 2006, FCCJ opened a new facility, the Lewis “Red” Bean Nassau Technical Career Center. This state-of-the-art instructional center was funded and is operated in partnership with the Nassau public school district. The Technical Career Center offers programs in air traffic control, practical nursing, culinary arts, and heating and air conditioning systems. In 2009, changes in state law allowed the community college to offer bachelor’s degrees in certain academic areas, so FCCJ’s name was changed to Florida State College at Jacksonville that year.

On Amelia Island, another industry began to grow—leisure and hospitality. Due in large measure to the success of the Amelia Island Plantation Resort on South Amelia Island, other resort operators began to explore opportunities on the island. The Ritz-Carlton Amelia Island Hotel opened in 1991, and proudly maintains its AAA Five-Diamond Hotel service status today. It is the second largest private employer in Nassau County. It recently added conference and meeting space to attract a greater share of the conventions market and, for the past sixteen years, it has been one of the hosts of the world-class *Concours d’Elegance* classic automobile show on Amelia Island.

Taking a slightly different tack on resort opportunities, Summer Beach Resort found its niche in the condominium, townhouse, villa, and penthouse luxury resort rental business beginning in 1995. Summer Beach facilities include the Golf Club of Amelia Island on Summer Beach (site of the *Concours d’Elegance*), a beach club, and five distinctive properties catering to a wide variety of accommodations needs.

In downtown Fernandina Beach, many Victorian homes were privately purchased and converted into “bed and breakfast” lodgings for travelers wanting that type of vacation experience. The resort properties, bed and breakfasts, and the restaurant infrastructure on Amelia Island combine to make the leisure and hospitality industry the second largest employment sector in Nassau County.

Nassau County’s population grew by 13,721 in the decade between 1990 and 2000 (31.2%), and by an additional 15,651 (27.1%) between 2000 and 2010. This population growth helped to fuel a residential housing boom in Nassau County that lasted nearly twenty years. Because of its desirable coastal location, the housing boom also included the construction of second homes or vacation rental properties for non-residents. New subdivisions were developed on Amelia Island outside the city limits of Fernandina Beach, and Yulee became the fastest growing area in Nassau County as substantial new neighborhoods were built on the Amelia Concourse, Barnwell Road, Chester Road and William Burgess Boulevard. While western Nassau County developed

more slowly, much of its new growth came from families who wanted to escape increasingly dense Jacksonville/Duval County for a more rural lifestyle in Nassau.

The county's population growth fueled a demand for more retail establishments, both on and off Amelia Island. On Amelia Island, retail power centers are anchored by Publix, Winn Dixie, Food Lion, K-Mart and Wal-Mart. In Yulee, similar centers are anchored by Winn-Dixie, Target, Lowe's, Super Wal-Mart and The Home Depot. A new power center, the Villages at Amelia, will be anchored by Publix, Kohl's, and two other national "big box" retailers in the 2011-12 timeframe.

Commercial retail strip development has also been common along collector and arterial roads in Nassau County. In fact, construction of strip centers was so robust until 2007 that a significant amount of retail space remained unoccupied during the Great Recession of 2008-09.

Nassau County's wholesale and retail trade jobs combine with jobs in transportation and utilities to make that employment sector the largest in the county. Nearly one in four jobs is found in trade, transportation and utilities.

The Great Recession and its Aftermath (2008-present)

Economists put the start of the Great Recession in December of 2007, and its end in June of 2009—the longest recession since World War II. Table ED-1, below, presents the number of workers employed as of October in the years from 2005 through 2010 for the seven-county northeast Florida region. The data indicate that Nassau County employed the greatest number of workers in October of 2008 at 34,424.

The unemployment rate in Nassau County in October of 2006 was 2.7 percent—its lowest rate in the six-year period. By October of 2009, (three months after the official "end" of the recession) Nassau County's unemployment rate was 10.7 percent. Since then, unemployment reached its peak in January of 2011 at 12.2 percent.

Not surprisingly, Nassau County saw its greatest job losses in construction. In 2006, during the peak of the housing boom, there were 1,256 construction jobs in Nassau County. In 2010, the number had dropped to 759, a loss of nearly 40%. Education and health services was the only sector to add jobs in the county during the recession.

In addition to the spike in unemployment, the recession has had a profound effect on other dimensions of the economy as well. Building permit and licensing activity has dropped precipitously over the past three years (despite a moratorium on the imposition of impact fees for new construction). The overall value of the county's real property tax digest declined by 10.7% percent in 2010. And retail sales are well below the highs established in 2007.

Table ED-1 Number of Workers Employed in Northeast Florida

Date	Baker	Clay	Duval	Flagler	Nassau	Putnam	St. Johns
Oct 2005	10,853	84,454	408,515	29,048	31,931	29,909	81,719
Oct 2006	11,341	89,851	421,459	29,234	33,474	30,658	87,112
Oct 2007	11,527	90,868	424,513	29,003	34,141	30,470	89,770
Oct 2008	11,585	91,137	420,427	28,881	34,424	29,518	91,800
Oct 2009	12,284	95,526	396,220	27,740	32,442	28,171	86,514
Oct 2010	10,879	85,581	394,793	27,478	32,325	27,293	86,203

Source: Florida Agency for Workforce Innovation

Planning for the Future

While economic activity has remained in the doldrums, Nassau County's political and business leadership have used this "time out" to plan for a brighter economic future. The county adopted its 2010 Comprehensive Plan Evaluation and Appraisal Report in July of 2008, and completed a major 25-year visioning process in 2009. The input from those two exercises provided guidance for the development of Nassau County's 2030 Comprehensive Plan which was adopted in late 2010. The county also adopted a new plan review and permitting process that allows for thorough but expeditious review of industrial development projects. The Nassau County Economic Development Board has updated its list of targeted industries for business recruitment, and the county's planning and zoning board is doing a top-to-bottom revision of its land development code.

For more than four centuries, residents of Nassau County have used their abundant natural resources, transportation systems, access to world-wide markets, and entrepreneurial creativity to grow their local economy. This same combination of factors will help Nassau County to continue a pattern of quality, sustainable growth through the 21st Century.

III. Trends and Conditions Report

Population and Household Characteristics

Population Estimates and Projections

In 2010, the County's total population was estimated to be 73,100. It is predicted to increase by 42 percent to 104,000 people in 2030, a raw numerical increase of 30,900 people. This is an average of approximately 2.1 percent per year, which is a more modest growth rate than the County has seen in previously, with annual rates often approaching 4.0 percent per year. Figure ED-1 and Table ED-2 shows the permanent population estimates and projections for the County from 2007 through 2030.

Figure ED-1 Permanent Population Estimates & Projections, 2007-2030

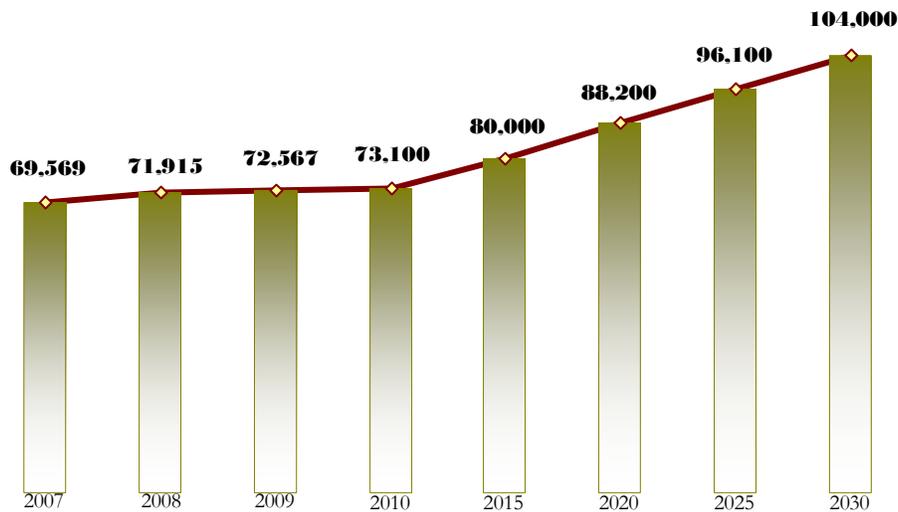


Table ED-2 Permanent Population Estimates & Projections, 2007-2030

	2007	2008	2009	2010	2015	2020	2025	2030
Total Population	69,569	71,915	72,567	73,100	80,000	88,200	96,100	104,000
Callahan	1,171	1,105	1,163	1,197	1,388	1,682	1,970	2,258
Fernandina Beach	11,911	11,998	12,055	12,212	12,609	13,037	13,523	14,010
Hilliard	2,967	2,947	2,949	2,953	3,057	3,207	3,333	3,459
Unincorporated Area	53,520	55,842	56,130	56,738	62,946	70,274	77,314	84,273

Sources: Bureau of Economic and Business Research (BEBR), University of Florida.; Nassau County Growth Mgmt. Dept.

In order to estimate the seasonal population, the permanent population estimates and projections for 2015-2030 were subject to a multiplier of 1.095 in order to obtain the maximum population projection for permanent and seasonal residents. This multiplier is based on analysis of information from the University of Florida's Shimberg Center for Affordable Housing and the U.S. Census Bureau American Communities Survey (ACS) (2007) that found housing units for

seasonal population will account for approximately 9.5 percent of the County total housing inventory. Also, based on this data it was assumed that the majority of seasonal residents (82 percent) would be residing in unincorporated areas of the County, with the remainder (18 percent) assigned to the City of Fernandina Beach. Seasonal population estimates are shown in Table ED-3 below.

Table ED-3 Seasonal Population Estimates & Projections, 2007-2030

	2007	2008	2009	2010	2015	2020	2025	2030
Perm. Population	69,569	71,915	72,567	73,100	80,000	88,200	96,100	104,000
Callahan	0	0	0	0	0	0	0	0
Fernandina Beach	1,132	1,140	1,145	1,160	1,198	1,239	1,285	1,331
Hilliard	0	0	0	0	0	0	0	0
Unincorporated Area	5,084	5,305	5,332	5,390	5,980	6,676	7,345	8,006
Total Perm. + Seasonal	75,785	78,360	79,045	79,650	87,178	96,115	104,730	113,337

Sources: Bureau of Economic and Business Research (BEBR) and Shimberg Center for Affordable Housing, University of Florida.; U.S. Census Bureau American Communities Survey (ACS) (2007); Nassau County Growth Mgmt. Dept.

Regional Population Projections

Nassau County is designated by the U.S. Census Bureau as part of the Jacksonville metropolitan statistical area (MSA) which includes Clay, Duval, Nassau, Baker and St. Johns counties. In addition to the Jacksonville MSA, Nassau County is also likely to be affected by increases in population in Camden County and Charlton County, Georgia, which border Nassau County to the North and West. A significant amount of growth is predicted to occur in Camden County near the Nassau County border due to the future expansion of the Kings Bay Naval Submarine Base and the development of large multi-use projects such as the Villages of Kingsland and the Kingsland Town Center Super Project. Table ED-4 shows the permanent population projections for the Jacksonville MSA by county, as well as projections for Camden and Charlton County, Georgia.

Table ED-4 Regional Permanent Population Projections by County, 2010-2030

	2010	2015	2020	2025	2030
Jacksonville MSA					
Jacksonville(Duval County)	914,696	971,516	1,026,687	1,077,165	1,122,732
St. Johns County	183,718	210,246	236,967	262,991	287,456
Clay County	221,293	267,386	303,040	330,703	385,204
Nassau County	73,100	80,000	88,200	96,100	104,000
Baker County	26,256	28,780	31,260	34,581	37,068
Total	1,419,063	1,557,928	1,686,154	1,801,540	1,936,460
Georgia Counties					

Camden County, GA	58,251	62,257	65,453	68,382	70,997
Charlton County, GA	11,236	11,752	12,292	12,856	13,446
Total	69,487	74,009	77,745	81,238	84,443

Sources: Bureau of Economic and Business Research (BEBR); University of Florida; US Census Bureau; Coastal Georgia RDC ; Nassau County Growth Mgmt. Dept.

Household Characteristics

The U.S. Census Bureau defines a household as all the people who occupy a housing unit. A housing unit is a house, an apartment, a manufactured housing unit, a group of rooms, or a single room intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from other people in the building and have a separate entrance. A household is a single family, one person living alone, two or more families living together, or any group of people who live together. The projected number of households provides an indicator of how many housing units will be needed as the county grows, as well as the future need for public services. Table ED-5 shows the number of permanent households by jurisdiction through 2030.

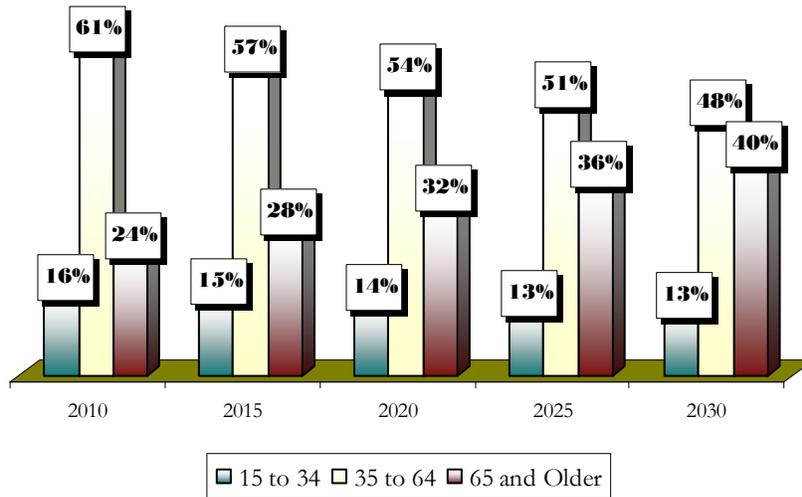
Table ED- 5 Estimated and Projected Number of Households, 2010-2030

	2010	2015	2020	2025	2030
Total Households	29,476	32,787	36,750	40,894	44,828
Callahan	483	569	701	838	973
Fernandina Beach	4,924	5,168	5,432	5,754	6,039
Hilliard	1,191	1,253	1,336	1,418	1,491
Unincorporated Area	22,878	25,798	29,281	32,900	36,325

Source: Shimberg Center for Affordable Housing, University of Florida, US Census Bureau

Figure ED-2 illustrates the projected number of permanent households by the age of the householder. While the percentage of most householder age groups will remain fairly constant in the next 20 years, it is clear from this data that there is a significant trend in the increasing percentage of householders over the age of 65. The population over 65 years of age is considered elderly. The U.S. Census Bureau is projecting that the nation's elderly population will double in the next 30 years. Consistent with this national demographic trend, the Shimberg Center projects that the number of elderly households in the County will increase significantly from 24 percent of the total households in 2010 to 40 percent in 2030. The vast majority of these elderly households will be located within the City of Fernandina Beach or in unincorporated areas on or near Amelia Island. In areas of the County where the most new growth is anticipated, such as the Yulee area, the age of householders is expected to be younger.

Figure ED-2 Projected Households by Age of Householder 2010-2030



Household Size

The average household size is predicted to decrease in the County, coinciding with the increase in elderly households. Elderly households would, of course, be smaller than those of younger householders with children living at home. As shown in Table ED-6, the average household size will decrease from 2.48 persons per household in 2010 to 2.32 in 2030.

Table ED-6 Estimated and Projected Average Household Size, 2005-2030

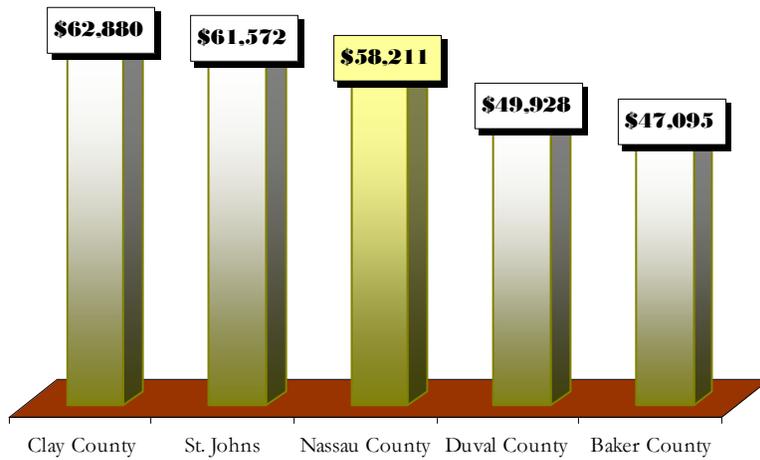
2005	2010	2015	2020	2025	2030
2.54	2.48	2.44	2.40	2.35	2.32

Source: Shimberg Center for Affordable Housing, University of Florida

Income

In 2010, median household income ranged from a low of \$47,095 to a high of \$62,880 within the five-counties of the Jacksonville metro area. With a median income of \$58,211, Nassau County ranked third, behind Clay and St. Johns counties, but significantly ahead of Duval County (Jacksonville). Rural Baker County had the lowest median income at \$47,095.

Figure ED-3 Median Household Income - Jacksonville Metro Area



Source: JAXUSA Partnership for Regional Development, 2010

Table ED-7 Income Levels by Percentage of Households - Jacksonville Metro Area

	\$ 0 - \$10K	\$ 10K - \$15K	\$ 15K - \$25K	\$ 25K - \$35K	\$ 35K - \$50K	\$ 50K - \$75K	\$ 75K - \$100K	\$100K - \$125K	\$125K - \$150K	\$150K+
Baker County	5.6%	4.0%	12.1%	15.5%	16.8%	20.8%	14.9%	4.9%	4.1%	1.4%
Clay County	3.9%	2.7%	5.2%	9.6%	15.1%	24.3%	16.6%	10.7%	5.2%	6.7%
Duval County	7.7%	4.6%	10.0%	11.9%	15.9%	20.5%	12.9%	7.0%	3.8%	5.8%
Nassau County	4.3%	4.3%	9.0%	8.1%	14.2%	23.7%	15.7%	9.6%	3.4%	7.7%
St. Johns County	4.1%	4.7%	8.1%	8.8%	14.4%	18.7%	14.0%	9.0%	5.9%	12.3%

Source: JAXUSA Partnership for Regional Development, 2010

Employment

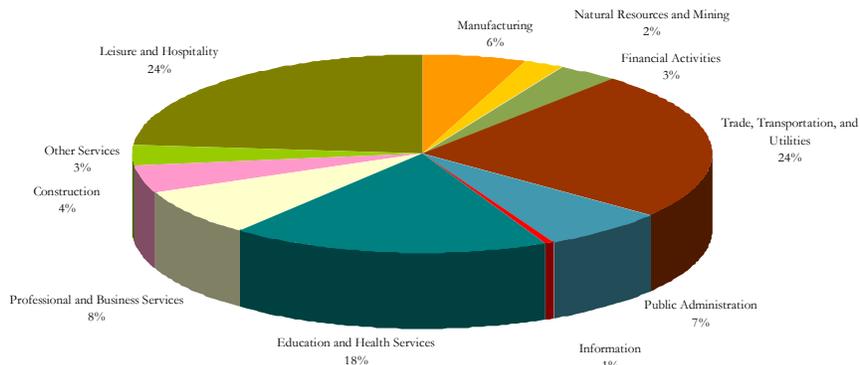
According to the Nassau County Economic Development Board (NCEDB), the top employment sectors in Nassau County are the leisure and hospitality industry (24 percent) and trade, transportation and utilities (24 percent); followed by education and health services (18 percent); professional and business services (8 percent); public administration (7 percent); and manufacturing (6 percent).

Table ED-8 Employment by Industry- Nassau County, 2010 (3Q)

Industry Title	Employment	% Total	Avg Wkly Wage
Manufacturing	1,035	6%	\$ 1,367
Natural Resources and Mining	390	2%	\$ 1,358
Financial Activities	545	3%	\$ 889
Trade, Transportation, and Utilities	4,208	24%	\$ 778
Public Administration	1,198	7%	\$ 775
Information	106	1%	\$ 712
Education and Health Services	3,098	18%	\$ 674
Prof. and Business Services	1,375	8%	\$ 650
Construction	759	4%	\$ 561
Other Services	602	3%	\$ 472
Leisure and Hospitality	4,091	24%	\$ 429
Total All Industries	17,407	100%	\$ 698

Source: Nassau County Economic Development Board

Figure ED-4 Employment by Industry- Nassau County, 2010 (3Q)



The Nassau County School Board is the largest overall employer in the County, with the major tourist resorts of Omni Amelia Island Plantation and the Ritz Carlton Amelia Island leading as the largest private employers. Paper and performance fiber manufacturers RockTenn and Rayonier lead as the largest employers in the manufacturing sector.

Table ED-9 Ten Largest Employers- Nassau County

Employer	Sector	Employees (2007)
1. Nassau County School Board	Education	1,481
2. Omni Amelia Island Plantation	Resort/Hospitality	680
3. Nassau County Government	Government	672
4. The Ritz-Carlton Amelia Island	Resort/Hospitality	567
5. Federal Aviation Administration	Aviation	550
6. RockTenn*	Manufacturing	445
7. Baptist Medical Center—Nassau	Healthcare	413
8. Wal-Mart	Retail Trade	410
9. Rayonier	Manufacturing	280
10. Care Center of Nassau	Healthcare	250

Source: Nassau County Economic Development Board

** Formerly Smurfit-Stone Container Corp.*

Commuting Patterns

Approximately 46 percent of Nassau County's employed workforce commute outside of the county for work. Approximately 38 percent of the total workforce is heading south to employment centers located in the Jacksonville MSA in Duval, Clay or St. Johns Counties. Approximately 4.5 percent of the total workforce is heading north to employment in Camden or Charlton County, Georgia. High out-of-county commuter rates contribute to traffic congestion, and are considered an indicator of a lack of high paying job sectors within the county. Figures ED-5 and ED-6 display the in- and out- commuter rates for the County.

Figure ED-5 Workplace of Nassau County Resident Workforce (by County), 2007

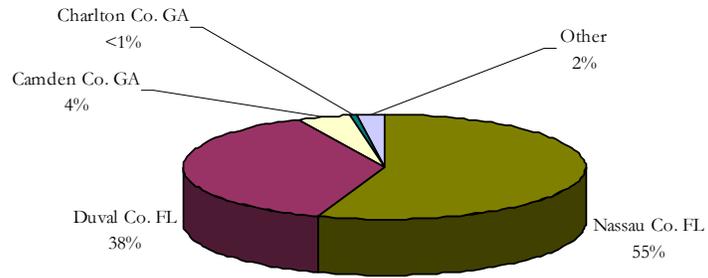
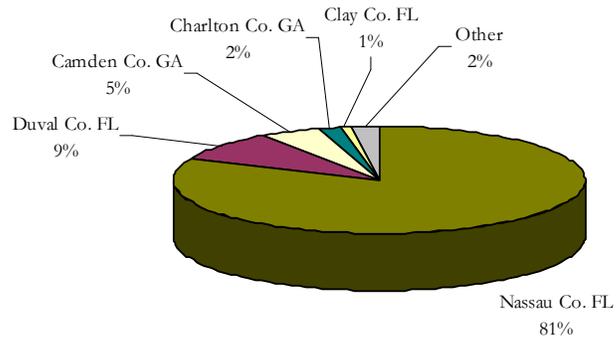


Figure ED-6 Residence of Nassau County Workforce (by County), 2007



Infrastructure

It is important to ensure that the necessary public infrastructure is readily available to support the development of job-creating uses, support the needs of a growing resident workforce; and maintain the quality of life for all residents. Existing and future conditions for public services necessary for continued economic development and the maintenance of residents' quality of life are briefly summarized here.

Transportation

Nassau County contains a highly accessible roadway transportation network, including two interchanges with Interstate 95, and access to several arterial roadways including U.S. 17, U.S. 1, U.S. 301 and S.R. 200/A1A.

The railway network within includes tracks and associated facilities owned and operated by CSX, Norfolk Southern and short-line operator First Coast Railroad (FCRR), which provides rail service to the Port of Fernandina. The FCRR interchanges with CSX lines in Yulee.

The Port of Fernandina is a natural deep water port situated on the west side of Amelia Island about 2.2 miles from the mouth of the Amelia River. It provides terminal service to pulp and paper producers located throughout Florida and the Southeast. It also supports a number of independent container lines serving Latin America and the Caribbean.

The nearest airport to Nassau County with scheduled commercial airline service is Jacksonville International Airport. Two general aviation airports are active in Nassau County: The Fernandina Beach Municipal Airport, a city-owned public use airport three paved runways; and Hilliard Airpark, a small privately-owned general aviation facility with one runway.

Land use and transportation systems are highly interdependent; changes in one often have a direct effect on the other. As the County has grown, the dependency upon A1A/S.R. 200 as the primary east-west connector in the County's transportation network has raised concerns about the need for additional roadway facilities to improve connectivity, maintain acceptable hurricane evacuation times, and encourage local economic development that will reduce the need to commute outside the County for work. The County's Comprehensive Plan emphasizes accessibility and connectivity by encouraging the development of compact, efficient development patterns that will reduce vehicle miles traveled.

Water & Sewer

Jacksonville -based JEA is one of the largest public utilities in the nation and currently operates regional water and wastewater treatment facilities that serve unincorporated areas in Nassau County. These facilities currently serve over 15,000 residents with central water and sewer service.

Nassau Amelia Utilities (NAU) is the only water and wastewater utility owned and operated by the County. Its service area includes the unincorporated areas on the southern part of Amelia Island, NAU currently serves approximately 8,700 residents within its service area.

Existing and planned water treatment facilities serving the unincorporated areas of the County could serve a much larger percentage of the County's future population than the latest St. Johns River Water Management District (SJRWMD) Water Supply Assessment (2008) projects. However, capacity itself does not guarantee a larger percentage of users for central systems. In order for water and sewer systems to expand, it must be cost-effective for both providers and

developers to build the necessary infrastructure (water and sewer lines, pump stations, etc.). An adequate water supply from the Floridan aquifer or alternative sources must be readily available; and adequate and environmentally sound methods of effluent disposal or reuse of wastewater must be readily available.

In order to promote more efficient development patterns, the County is considering strategies to encourage compact, higher density and/or intensity development in areas that are either currently served by central water and/or sewer systems or are planned to be served in the short term (i.e. 3-5 years). This may include the establishment of minimum densities that make connection to central water supplies economically feasible; policies requiring connection at density thresholds; and establishment of a minimum lot area for the use of private wells.

Natural Gas

The fact that Nassau County has not been served by commercial quantities of natural gas in the past has hindered its growth in projects where that utility is required. Many manufacturing operations, for example, use natural gas in their production processes. While manufacturing jobs pay nearly twice the average wage for all jobs in Nassau County, manufacturing employs only 6 percent of its labor force. Providing commercial natural gas to strategic industrial areas of the county would significantly enhance its attractiveness to this type of economic development.

Florida Public Utilities, a major utility provider in the county, merged with Chesapeake Utilities Corporation in October of 2009 and is now a subsidiary of that company. Its plans are to make natural gas available to commercial and residential customers throughout Nassau County by the end of 2012.

Telecommunications

Nassau County, like many communities, recognizes that broadband telecommunications infrastructure is just as important as other areas of public infrastructure.

“Broadband” generally refers to high-speed Internet service that—unlike dial-up modem service—is always “on.” This technology has become widely available throughout the United States, and well over half of American households now have broadband access at home. Broadband is already becoming key to our nation’s systems of education and commerce.

In terms of economic development, broadband usage and employment are strongly linked. Businesses (and jobs) will seek move to regions where instant, high-bandwidth connectivity is available and affordable. A 2007 Brookings Institution report found that “for every one percentage point increase in broadband penetration in a state, employment is projected to increase by 0.2 to 0.3 percent per year”.

Broadband access is currently available in most areas of Nassau County through Comcast or AT&T.

Public Schools

Despite a slight decline in 2009-2010, the school age population in Nassau County is predicted to continue to grow steadily, though it will not grow at as high a rate as the population in general, and it will represent a declining percentage of the population as a whole.

According to the Nassau County School District, school enrollment in the Fernandina Beach area is declining, while the Yulee schools report the greatest increase in school population. Schools in the western area of the County (i.e. Callahan, Hilliard and Bryceville) show slight to moderate enrollment increases in recent years.

The overall average utilization for each school type is under 100 percent, and the School District should be able to eliminate any deficits in student capacity and maintain the adopted levels of service during the next 5-year period.

Prudent use of capital outlay funds and student scheduling has allowed the School District to meet current class size reduction requirements; and the District does not need to implement busing or scheduling alternatives to increase school capacity to maintain levels of service.

Recreation and Open Space

As of 2009, the County's park system includes 20 developed parks and recreational facilities encompassing approximately 165 acres. The vast majority (95 percent) of parks built and maintained by the County are classified as either community or regional parks. The County has limited resources, and a large number of small neighborhood facilities would be inefficient to manage. Three-quarters of the County's parks are water-dependent facilities such as boat ramps and beach accesses.

There are several projects planned that will improve the County's park system. These projects include improvements to active facilities at community parks, improvements to several boat ramp facilities, and a conceptual plan for development of a new regional park on the west side of the County.

Acquisition of land and subsequent development of community and regional parks should be a primary focus of the County in the future. The Recreation and Open Space Element requires the County to create a Parks and Recreation Master Plan to identify specific park development and location criteria based on characteristics specific to Nassau County including: demographics, geography, proximity to parklands managed by other jurisdictions; and extensive public participation. This Plan should be completed by the end of 2012.

Solid Waste Disposal

In September 2009, the County closed its West Nassau Class I landfill and signed an interlocal agreement with Camden County, Georgia to transport Nassau County's Class I non-hazardous waste to the Camden County Landfill Solid Waste Disposal Facility for disposal in amounts up to 450 tons per day. An agreement was also signed with Waste Management, Inc., to allow the County to dispose of additional waste at its Chesser Island Road facility in Charlton County, Georgia.

The County projects that it will produce between 137 and 169 tons per day of solid waste requiring landfilling in the next 10 years, leaving a significant surplus of capacity.

Housing

The condition of an area's housing stock strongly influences the community's quality of life. Neighborhoods play an important part in determining the vitality, stability, and way of life of the residents within a community. A stable community offers a variety of housing units that appeal to a wide range of age groups, income levels, and family sizes. A mix of different housing types lends itself to accommodating different lifestyles and helps to encourage the development of a well-balanced community.

Housing impacts the economic strength of a community and provides a basis for directing the manner and type of economic development within an area. Since housing helps determine the economic strength of a community, the County seeks to protect existing housing values and develop policies that result in the appreciation of existing neighborhoods. New development should be designed to offer housing choices and contribute to favorable quality of life conditions within the community.

Nassau County contained 32,809 housing units in 2007, including seasonal, and vacant housing units. Approximately 77 percent of all housing units are located in the unincorporated area of the County.

Table ED- 10 Total Housing Units by Jurisdiction, Nassau County, 2007

	Total Housing Units		Occupied units		Seasonal units		Vacant units	
Callahan	601	1.8%	555	2.0%	0	0.0%	47	2.0%
Fernandina Beach	5,642	17.2%	4,683	17.1%	564	18.0%	395	17.1%
Hilliard	1,282	3.9%	1,183	4.3%	0	0.0%	100	4.3%
Unincorporated	25,283	77.1%	20,947	76.5%	2,570	82.0%	1,767	76.6%
Total	32,809		27,367		3,134		2,308	

Sources: Shimberg Center for Affordable Housing, University of Florida; U.S. Census Bureau

Single family homes are the predominant housing type in the County, accounting for 58 percent of units in 2007. The percentage of multi-family units is 16 percent, and the percentage of mobile homes and other residential types is 26 percent.

Table ED- 11 Housing Units by Type, Nassau County, 2007

	Single Family Units	Multi Family Units	Mobile Home/Other	Total
Callahan	246	181	128	601
Fernandina Beach	4,813	2,228	26	5,642
Hilliard	626	288	445	1,282
Unincorporated	13,347	2,634	7,847	25,283
Total	19,032	5,331	8,446	32,809

Sources: 2007 American Community Survey (ACS), Shimberg Center for Affordable Housing, University of Florida.

The County's housing stock is relatively young, with more than half of all units having been built after 1986. Typically, most homes begin to require major repairs or rehabilitation at 30 or 40 years. Table ED-12 shows the number of housing units built by decade that are in current existence.

Table ED- 12 Age of Housing Stock, Nassau County

Age	Units	%
Built 2005 or later	204	1%
Built 2000 to 2004	3,053	9%
Built 1990 to 1999	10,032	31%
Built 1980 to 1989	8,088	25%
Built 1970 to 1979	5,520	17%
Built 1960 to 1969	2,717	8%
Built 1950 to 1959	1,895	6%
Built 1940 to 1949	563	2%
Built 1939 or earlier	737	2%
Total:	32,809	

Source: 2007 American Community Survey (ACS)

The ratio of owner-occupied units versus rental units is an indicator of stability. The County's homeownership rates were slightly above the State average of 70 percent in 2007. In recent years, the unincorporated areas of Nassau County had some of the highest homeownership rates in the metropolitan area, often in excess of 80 percent.

Table ED- 13 Households by Tenure, Nassau County

Tenure	Households	%
Owner occupied	20,384	75%
Renter occupied	6,983	25%
Total	27,367	

Sources: 2007 American Community Survey (ACS)

Workforce Housing

Workforce housing has become a critical issue as housing becomes less and less affordable to middle income families. While the onset of recession and the end of the 2000s housing "bubble" has in many cases meant a sharp decline in the value of real estate in Florida, wages have not increased; and the continuing lack of employment opportunities leads to the same difficulties for many middle-class families in obtaining housing as existed when real estate prices were rapidly rising. Florida defines workforce housing as housing affordable to households whose total annual income does not exceed 140 percent of the area median income, adjusted for household size, or 150 percent of area median income, adjusted for household size, in areas of critical state concern.

The traditional response to workforce housing needs has often been for households in this range to move to low density areas that lack infrastructure. However, as the costs of commuting increase this solution becomes less cost-effective for these households and the County as a whole. In order to mitigate the high costs of commuting for workforce households and to maximize the cost effectiveness of the County's infrastructure, different solutions must be explored, such as promoting the development of master-planned, mixed use communities and encouraging higher residential densities in areas where infrastructure is available.

Florida's Community Workforce Housing Innovation Pilot Program (CWHIP) was created by the Legislature in 2006 to provide affordable rental and home ownership community workforce housing for essential services personnel affected by the high cost of housing, using regulatory

incentives and state and local funds to promote local public-private partnerships and leverage government and private resources.

The Florida Housing Finance Corporation (FHFC) is authorized to provide CWHIP program loans to an applicant for construction or rehabilitation of workforce housing in eligible areas. This funding is intended to be used with other public and private sector resources.

CWHIP promotes the creation of public-private partnerships to finance, build and manage workforce housing and requires the coordinated efforts of all levels of government as well as private sector developers, financiers, business interests and service providers. It encourages the pooling of local resources, local regulatory incentives, including land use strategies and non-traditional sources of local funding.

Educational Facilities

In order to be economically competitive, the County will need a skilled labor force. The County's competitive advantage will depend, in large part, on its ability to equip today's and tomorrow's citizens with the skills and attitudes for economic and civic success in an increasingly knowledge-based economy. The County's educational facilities need to coordinate with major employers and other economic development partners in order to offer education and training programs that will strengthen development of the resident workforce in order to ensure economic prosperity into the future.

Florida State College at Jacksonville (FSCJ)

Florida State College at Jacksonville (FSCJ), formerly called Florida Community College at Jacksonville (FCCJ), operates the Betty P. Cook Nassau Center on 102 acres in Yulee, approximately one-half mile east of the Interstate 95/AIA intersection. The centralized location of the Center gives local residents convenient access to the classes and programs offered within the county.

The main building, opened in 2000, houses classrooms, computer labs, a science lab, meeting rooms, a library operated jointly by the college and the Nassau Public Library System, a student lounge, and administrative, and faculty offices. The college also provides office space (at no charge) to the Nassau County Economic Development Board (NCEDB).

A 16-acre portion of the campus is dedicated to the College's Outdoor Education Center. The outdoor education program offers team building, leadership, and environmental education programs to corporations and businesses, non-profit organizations, and educational institutions at all levels.

In August of 2006, FCCJ opened a new facility, the Lewis "Red" Bean Nassau Technical Career Center. This state-of-the-art instructional center was funded and is operated in partnership with the Nassau public school district. The Technical Career Center offers programs in air traffic control, practical nursing, culinary arts, and heating and air conditioning systems. The 45,000 square foot facility is fully equipped with classroom spaces, computer labs, instructional television classroom, library, science lab, and student support offices.

The college's academic offerings are constantly evolving to meet the changing community and industry needs. Current offerings include A.A. and A.S. college credit classes, Cisco Networking and practical nursing classes, and customized workforce education classes,

Nassau County School District

The Nassau County School District (NCSD) operates 16 schools and an adult education program in five communities throughout the county. The district's students consistently perform at or above the state average on the Florida Comprehensive Assessment Test (FCAT), which measures student performance in communications and mathematics and is a requirement for graduation.

Nassau County Adult Education (NCAE) offers adult education classes in four locations around Nassau County. Adult Basic Education (ABE) and General Education Development (GED) classes are offered four nights a week in Fernandina Beach, Yulee, and Callahan, and 2 nights a week in Hilliard. A full-time adult high school has been added during the daytime hours at each of the four locations. In addition to these adult education classes, an adult English as a Second Language (ESOL) class is offered two nights a week in Fernandina Beach. NCAE annually

enrolls between 400 and 450 students in the evening ABE and GED classes, 100 students in the full-time adult high school, and around 15 ESOL students.

The School District partners with Florida State College of Jacksonville (FSCJ), WorkSource, and Community Action Agency to provide students with a variety of resources. FSCJ and the NCSD have had a long partnership in the development of the Lewis “Red” Bean Technical Center (see above) and have agreed to focus efforts on expanding the programs offered at the technical center to help high school students and adults train for high skill/high wage careers. Currently, NCSD offers several high school credit career and technical programs at the technical center in addition to the college credit career programs offered by FSCJ. The programs that are currently offered by NCSD at the technical center include Culinary Arts, Drafting, HVAC, Video Game Design and Programming.

Economic Development Organizations

Nassau County Economic Development Board (NCEDB)

Currently, economic development activities in Nassau County are spearheaded by the Nassau County Economic Development Board (NCEDB), a non-profit organization formed in 1995 as a public-private partnership. The staff of the NCEDB provides site selection, permitting/zoning, workforce development and other assistance to new and expanding businesses. The NCEDB maintains a list of targeted industries and encourage the development of the workforce skills, infrastructure and financial assistance needed to recruit and nurture high-technology, innovation industries. The NCEDB also serves as the official representative of Nassau County for the JAXUSA Partnership for Regional Development.

Chambers of Commerce

Amelia Island-Fernandina Beach-Yulee Chamber of Commerce

The Amelia Island-Fernandina Beach-Yulee Chamber of Commerce is a membership-based association of businesses, professional leaders and individuals working together to advocate on behalf of the business community to maintain and improve the economic climate and quality of life.

Programs offered by the Chamber include: hosting informational meetings for entrepreneurs looking to start their own businesses and counselors to meet one-on-one with business owners; encouraging Nassau County residents to patronize local businesses; offering a community leader development program for residents to educate them concerning the County's economic, political, cultural and environmental issues; publishing a business guide for Amelia Island visitors, new and potential residents; and maintaining a website and social media presence sharing news and information about Chamber events and programs. The Chamber also monitors issues and legislative action affecting the business community and provides information on those issues to its members.

Greater Nassau County Chamber of Commerce

The Greater Nassau County Chamber of Commerce, based in Callahan, provides networking opportunities, a business referral system, and an advocacy program designed to work on issues that affect the County's quality of life. The Chamber maintains a strong partnership with business and individual members through monthly meetings and special events that promote networking and building membership.

Amelia Island Tourist Development Council

Created by the Nassau County Board of County Commissioners in 1988, The Amelia Island Tourist Development Council (AITDC) oversees the development and marketing of Amelia Island as a world-class tourism destination. The AITDC is funded by a four percent (4%) tourism development tax. The tax is levied on accommodations on Amelia Island rented for less than six months.

The goals of the AITDC are to generate visitation to Amelia Island and its attractions/special events, thereby increasing tax revenues, including sales taxes and those imposed on the hospitality industry. In turn, those tax revenues may be used to improve the quality of life for the citizens of the community, provide support for beach renourishment, and ensure a viable hospitality industry.

Ocean Highway and Port Authority (OHPA)

The Ocean Highway and Port Authority (OHPA) is an independent authority that has policy-making, budgeting and general oversight responsibilities for the Port of Fernandina and related facilities. The Authority is governed by five elected commissioners that serve four year terms. Its charter grants the OHPA broad powers to acquire property through negotiation or condemnation, issue negotiable revenue bonds or certificates, set tariffs, and regulate land use and buildings on port properties.

The OHPA's principal public purpose is to encourage economic development in Nassau County by constructing and renovating its deepwater port facilities. The OHPA also played a role in the acquisition several hundred acres of land in Yulee that is now the Nassau Tradeplex, industrial park .

JAXUSA Partnership for Regional Development

Nassau County is part of the seven-county JAXUSA Partnership for Regional Development. Formerly known as Cornerstone Regional Development Partnership, JAXUSA is the economic development entity of the Jacksonville Regional Chamber of Commerce. It works in partnership with JEA, WorkSource, the Jacksonville Port Authority (Jaxport), the Jacksonville Aviation Authority (JAA) and the Jacksonville Transportation Authority (JTA).

The partnership serves seven counties in the Northeast Florida region, including Nassau, Baker, Clay, Duval, St. Johns, Putnam and Flagler counties. As mentioned earlier, the NCEDB serves as the official representative of Nassau County. JAXUSA is also a regional partner with Enterprise Florida in business development and marketing.

Enterprise Florida

Enterprise Florida, Inc. (EFI), a public-private partnership of corporate and government leaders, serves as the State's primary economic development organization. EFI provides prospective businesses with confidential site selection assistance and works generally to improve Florida's business climate. EFI works collaboratively with a number of regional and local economic development organizations to achieve its goals.

The Enterprise Florida Board of Directors is charged with developing a five- year strategic plan and submitting it to the Governor and Legislative leaders. This plan, called The Roadmap to Florida's Future drives economic development policy-making throughout the state, providing an action agenda of key priorities to achieve the goals of providing Florida residents with well-paying jobs; a high quality of life; and a diverse, globally competitive economy.

Major Trends

Demographic Changes

Despite recent economic downturns, the County and the surrounding region are expected to continue growing in population at an average rate of approximately two (2) percent per year through the planning horizon of 2030.

While the consolidated City of Jacksonville (Duval County) remains the region's largest urban center, Nassau and the other surrounding counties in the Jacksonville metro area (Clay, St. Johns, and Baker) are growing at a relatively faster rate. Jacksonville's percentage of the metro population has declined over the past several decades. This trend will continue and accelerate. In 1990, Jacksonville comprised 86 percent of the population of the metro area. By 2000, Jacksonville's share of the metro population had decreased to 71 percent and is projected to be less than 60 percent of the metro area in 2030. In Nassau County and the other surrounding counties, most of the future growth is predicted to occur in the unincorporated portions of the counties. The majority of future population growth is predicted to occur in the unincorporated portions of the County. By 2030, approximately 81 percent of the total population of the County will live in unincorporated areas.

The average household size in the County will decrease in the next 20 years, largely because number of households in the County headed by householders over 65 years of age will increase significantly in the next 20 years.

These changes will have a significant impact on the economy of Nassau County, and will present challenges and opportunities to the County in preserving its quality of life, especially concerns about the availability of public services; health care services; and housing choices and affordability.

Jobs-to-Housing Balance

A jobs-to-housing balance refers to the relationship between where people work (the "jobs" side) and where they live (the "housing" side). When an area has a low job-to-housing balance, it indicates that the majority of employed residents travel to other area's for work. It also creates longer commute times and a higher average Vehicle Miles Traveled (VMT).

As mentioned previously, approximately 46 percent of Nassau County's employed workforce commute outside of the County for work, with most heading south to employment centers located in the Jacksonville metro area in Duval, Clay or St. Johns Counties; a smaller percentage head north to employment in Georgia.

Because a large percentage of employed residents currently drive to other counties for work, Nassau County is considered a "bedroom community", providing skilled workers for industries in Jacksonville or other neighboring counties. With a limited amount of employment centers along existing transportation corridors, residents also have to drive further to reach daily commercial, office and service-related activities. These conditions help contribute to Nassau County's existing low jobs-to-housing ratio. If current trends continue, a large percentage of the County's workforce will continue to commute to workplaces outside of the County.

This existing trend of workers commuting to neighboring counties is unsustainable, and if continued at present rates will negatively impact the quality of life for Nassau County residents. High out-of-county commuter rates contribute to traffic congestion, and are considered an indicator of a lack of high paying job sectors within the county.

The solution to this problem centers on the ability of Nassau County to accommodate industries which bring new and higher-wage primary jobs to the county. The 2030 Future Land Use Plan was developed to address the imbalance of residential growth and job creation. Nassau County's goal is to achieve a desirable county-wide jobs-to-housing balance ratio between .80 and 1.20 to 1 by 2030. The Plan encourages mixed use development, employment centers, and rural village centers in order to provide greater opportunities for the growth of high-wage jobs.

Tourism

Tourism plays a critical role in the Nassau County economy, driving growth in employment, capital investment, and personal income. Tourist spending for lodging, restaurants, shopping, entertainment and other goods and services injects millions of dollars in direct spending into the local economy, generating millions of dollars in additional annual inter-industry sales and purchases and creating local jobs.

Amelia Island remains the primary tourist destination in the County. The Amelia Island Tourist Development Council (AITDC), created by the Board of County Commissioners in 1988, oversees the development and marketing of Amelia Island as a world-class tourism destination. The AITDC is funded by a four percent (4%) tourism development tax. The tax is levied on accommodations on Amelia Island rented for less than six months.

The tourism industry affects the entire community, both on Amelia Island, the primary tourist destination in the County, and in Nassau County. Because of this broad influence, community support is critical to the continued success of tourism. Tourism businesses depend extensively on each other as well as on other businesses, government, and the local residents. The economic benefits of tourism affect virtually everyone in the region in one way or another.

The Impact of Tourism

According to the Florida Department of Revenue., tourism related businesses generated over \$165 million in taxable sales through the third quarter of fiscal year 2010, or 34% of the County total. For the State of Florida as a whole, tourism businesses generated 22% of the total taxable sales.

Tourism sales in Nassau County are growing at a faster rate than those statewide as well. In the same time period, tourism sales increased 5% versus 3% statewide. In the accommodations segment, taxable revenue increased 12% versus 5.6% statewide.

According to the Florida Agency for Workforce Innovation, despite a significant downturn, the hospitality industry still provide almost 1 in 5 jobs in Nassau County. Of the 17,537 positions in the workplace, 4,129 of them were in tourism related businesses. Food services was the largest employer in the segment, providing 1,776 jobs, while lodging followed closely behind at 1,729. Total payroll was \$81.3 million. The Omni Amelia Island Plantation continues to be the largest private sector employer in Nassau County.

In 2010, The Nassau County Tax Collector's office reports on any given day there were 3,925 transient lodging units (hotel, condo, home, B&B, and units under property management) available on Amelia Island for rent by tourists. Total revenue for 2010 was \$65,527,231 generating \$4,586,906 in sales tax and \$1,929,663 in tourism development taxes.

Marketing Challenges for Tourism

According to the AITDC, The primary market for Amelia Island is the six-hour drive market with an emphasis on the large cities of Atlanta, Orlando and Tampa. The secondary market includes the

Northeast and Midwest states with New York, Ohio, Pennsylvania, Tennessee, Texas, Illinois, the Carolinas and specifically, the cities of New York , Chicago, Charlotte, Washington D.C. and Boston.

The AITDC considers the competition for Amelia Island as a tourist destination to consist of other historic destinations in the same six-hour drive market, including Savannah, Charleston, Hilton Head, Jacksonville, St. Augustine, Myrtle Beach, Daytona Beach, and Ft. Walton.

Among the strengths the AITDC cites for Amelia Island as a tourist destination are close proximity to Jacksonville International Airport and excellent access to I-95; a variety of accommodations and activities, including from world-class resorts, historic B&B's, golf, shopping, restaurants, nature-based activities; and pristine beaches. Strong brands in the Omni and Ritz Carlton resorts are considered a strength in attracting meetings and conventions.

However, Amelia Island faces stiff competition from other destinations within its primary market. While Amelia Island has gained some broader exposure (Conde Nast recently named it as one of the best island destinations in North America in their Readers' Choice Awards), it has traditionally had limited name recognition outside the primary drive market. Warmer winter destinations farther south in Florida attract more tourists and lead to weaker occupancy in the fall and winter months. The recent trends toward teleconferencing and limitations on business travel threaten the traditionally strong meetings market at the major resorts.

In order to be competitive as a tourist destination, Amelia Island (and Nassau County) must be able to expand its name recognition to a broader market. According to AITDC's 2011 Marketing Plan, an important part of this will be to maintain and enhance its key selling point as "a pristine environment that is untouched, unspoiled, and non-commercialized". This will require the County to promote future development that protects natural and historical resources, ensures an efficient transportation system, and adequate infrastructure to accommodate visitors.

Intermodal Transportation and Logistics

In terms of supply chain logistics, Northeast Florida is ideal for companies that depend on logistics and intermodal capacity. There are three major interstates (I-95, I-75 and I-10); three railroads (CSX, Norfolk Southern and Florida East Coast); two deepwater ports - JaxPort, which has three separate marine terminals, and the Port of Fernandina (in Nassau County); and an international airport (Jacksonville International Airport- JAX). There are 45 million people within an eight-hour drive; and 60 percent of the U.S. population (approximately 179 million people) is within a 24-hour truck drive.

In order to capitalize on these opportunities, Nassau County must be a part of a regional multi-modal transportation system that allows for the quick and efficient movement of freight within and out of the region. Creating an environment for the quick and efficient movement of freight will require a strong system of deep water ports; roadway and rail systems; and a network of modern logistics facilities and points of distribution.

Port of Fernandina

The Port of Fernandina, governed by the Nassau County Ocean Highway and Port Authority (OHPA) , is a natural deep water port situated on the west side of Amelia Island about 2.2 miles from the mouth of the Amelia River. It provides terminal service to pulp and paper producers located throughout Florida and the Southeast; and also supports a number of independent container lines serving Latin America and the Caribbean. The berth consists of one 1,200 linear foot marginal wharf. Draft alongside the berth is maintained at a depth of 36 feet mean low water (MLW). All berths can handle container or conventional cargo vessels. The adjoining marshaling

area can accommodate 3,200 TEU including 50 electrical hookups for refrigerated containers. A chassis depot is located near the port with parking for 500 chassis.

The OHPA has policy-making, budgeting and general oversight responsibilities for all port activities. Since 1990, The Authority has employed Nassau Terminals, LLC (a subsidiary of Kinder Morgan since 2001) to manage, market, and administer the port.

The Port of Fernandina will play a crucial role in future economic development. The significance of this role is recognized by its inclusion in the Florida Strategic Intermodal System (SIS) Plan of the Florida Department of Transportation (FDOT).

Rail Transportation

Rail is a key mode in a state transportation system that underpins the Florida economy. It supports the economy by lowering logistics costs, thus making many sectors competitive throughout the country.

Florida's economy is more dependent than the United States' economy on services-related industries, including retail trade, finance, real estate, business, professional, and hospitality services. The relatively low percent of manufacturing and high percent of trade and services means that a greater than average amount of goods need to be imported from other states and countries. Service industries tend to move higher value, more time-sensitive goods. They often keep inventories low to reduce costs, but this requires a dependable supply chain. The trucking industry has historically dominated these types of shipments, but railroads have responded by offering scheduled services and improved reliability. Containers and trailers filled with goods supporting service industries has exhibited, and continues to exhibit, the greatest growth rate in the rail industry.

As mentioned previously, Nassau County is served by two Class I railroads, Norfolk Southern and CSX, and one short line railroad, Genessee-Wyoming's First Coast Railroad. The two Class I mainline rails actually cross one another at a point known as the "Crawford Diamond", about five miles southwest of the town of Callahan. Rayonier's real estate development subsidiary, TerraPointe, has designated approximately 1,800 acres adjacent to that mainline intersection for industrial development of up to 10+ million square feet. The Crawford Diamond Industrial Park is one of the few truly "dual-rail" served sites in the southeastern United States, making it extremely attractive for manufacturing and distribution users.

Logistics Facilities

Nassau County needs to develop criteria for the location and protection of sites suitable for modern logistics and distribution facilities, ensuring direct access to the regional transportation network, including interstate highways, rail and port facilities; and suitable separation from residential or other incompatible uses.

A type of specialized modern logistics facility of particular interest in this region is the so-called "inland port". These are physical sites located away from traditional land, air and coastal borders designed to facilitate the flow of cargo between ships and major land transportation networks. It is a specialized logistics facility that has come about with the advent of the standardized shipping container.

Rather than goods being loaded or unloaded at a seaport, the container may be transferred again between ship, road and rail transport elsewhere and the goods are only loaded or unloaded at their point of origin or final destination. Shipping containers also allow some functions traditionally carried out at a seaport to be moved elsewhere. Examples are the functions of receiving,

processing through customs, inspecting, sorting, and consolidating containers going to the same overseas port.

The idea of the “inland port” is to allow container transfer to be sped up and container handling space to be reduced at the seaport by transferring time-consuming sorting and processing functions to an inland site, away from the seaport.

Although there is no consensus on the definition of “inland port” facilities, the following represent some popular concepts that are helpful in understanding the set of widely diverse activities that are conducted under this name.

Satellite Terminal- A satellite terminal is a facility located in relative proximity to a port terminal and which mainly serves to accommodate additional traffic and functions that are of lower added value, such as a container depot. Satellite terminals can be serviced by truck shuttles, short line rail or barge services. This is an especially important function in areas where available real estate for port operations is at a premium.

Logistics Park- A logistics park is an industrial park with a focus on a specific area of industry – the movement of goods. The logistics parks concept is to create large distribution centers that connect closely with air, rail, and truck transportation modes, and with as many retailers and transportation companies as well.

Trade Processing Center- A trade processing center is a one-stop international trade hub. Highly accessible by multi-modal transportation facilities, its services may include airfreight, in bond merchandise, air passenger clearance, bonded warehouse, and Foreign-Trade Zones (FTZ). It often houses administrative offices for a Foreign Trade Zone and U.S. Customs and Border Protection.. FTZ administrative staff can provide on-going support for new company activation and operational start-up; on-site FTZ training; and liaison with federal agencies. Customs on-site services may include clearance of all in bond shipments from airport jurisdiction, which includes transshipments from other ports via truck, air, or rail.

Logistics Airport- The logistics airport concept is focused around an airport, often a former military air base, developed into a business and industrial airport complex. Initial tenants are primarily aircraft-related businesses and retail distribution centers; if these tenants are successful it will make the location a good candidate for long-term inland port development.

Defense -Related Industries

According to Enterprise Florida, military and defense operations in Florida contribute over \$52 billion to the economy. Regionally, the total regional economic impact to Northeast Florida is estimated at \$14.1 billion. Procurement, salaries, and pensions/transfers accounted for \$4.1 billion in defense spending within Northeast Florida.

Directly and indirectly, the military is responsible for 188,900 jobs in Northeast Florida. The average wage earning per military job in Northeast Florida is \$40,000 per year.

Kings Bay Naval Submarine Base

The Kings Bay Naval Submarine Base is located in Camden County, Georgia, near the Florida-Georgia border adjacent to Nassau County. This 16,000 acre facility will likely become the Navy’s primary Trident submarine base on the East Coast. The base currently employs approximately 9,000 military and civilian personnel, many of which make their home in Nassau County. The economic impact of Kings Bay is approximately \$700 million annually.

Naval Station (NS) Mayport

Naval Station Mayport is located approximately eight miles south of Amelia Island at the entrance to the St. Johns River. Since its commissioning in December 1942, it has grown to become the third largest fleet concentration area in the United States. Mayport's operational composition is unique, with a busy harbor capable of accommodating 34 ships and an 8,000-foot runway capable of handling any aircraft in the Department of Defense inventory. The number of jobs will increase to up to 5,000 with the addition of the accompanying air squadrons. In 2016 the U.S. Navy is scheduled to re-locate a nuclear aircraft carrier to Mayport. The move will create one-time construction spending of \$259-356 million and is estimated to generate 6,000 jobs and \$425 million in annual revenue.

Naval Air Station (NAS) Jacksonville

NAS Jacksonville, located in southwest Duval County employs over 24,000 civilian and active duty personnel (14,920 active duty, and 10,325 civilian personnel). NAS Jacksonville is home to the Navy's largest aviation squadron, Patron Squadron Thirty (VP-30), and is an aviation maintenance training facility. The economic impact of NAS Jacksonville is calculated at \$2.7 billion annually.

Economic Development Opportunity Areas (EDOAs)

Originally identified in the background data and analysis for the Future Land Use Element as an aid to decision-making for land development issues, Economic Development Opportunity Areas (EDOAs) are areas that have been identified as ideal locations for new and expanding industries. EDOAs are located on sites containing a minimum of 100 developable acres; with good access to major highways, rail lines or airports, with preference given to sites with multi-modal access. EDOAs may be combined into mixed use communities where regional employment, housing and commercial opportunities are in close proximity and where multi-modal transportation and transit options may be provided. Some EDOAs are presently served with roadways, central water and sewer service and other necessary infrastructure to accommodate new business; while others will require a future investment in such infrastructure to reach their development potential. The location, size, and status of infrastructure development at the EDOAs is shown on Map ED-1 and in Table ED-14 below.

Table ED-14 Economic Development Opportunity Areas (EDOAs)

Map #	Name	Acres	Roadways	Rail	Water & Sewer
1	Nassau Tradeplex	265ac	Direct Access to: SR 200/A1A 5.5 mi to SR200- I95 Interchange	CSX	Provider: JEA Available on <i>site</i>
2	Harts RD-US17	120ac	Direct Access to: US17 4.4 mi to SR200- I95 Interchange	CSX	Provider: JEA Available on site
3	East Nassau	2000+ac	Direct Access to: SR 200/A1A, US 17 Adjacent to SR200-I95 and US17/I95 Interchanges	CSX	Provider: JEA Not available on site <i>Comp Plan requires expansion to site for development</i>
4	Crawford Diamond	1,505ac	Direct Access to: SR 200/A1A 16.5 mi to SR200- I95 Interchange	CSX Norfolk Southern	Provider: N/A Not available on site <i>Landowner will provide plan for service options</i>
5	US17-I95	150ac	Direct Access to: SR 200/A1A Adjacent to US17- I95 Interchange	CSX	Provider: JEA Not available on site <i>Developer-funded improvements included in capital plan</i>
6	ICI North	372ac	Direct Access to: US 90 4.2 mi to US301- I10 Interchange	CSX	Provider: Town of Baldwin Not available on site

Source; Nassau County Growth Management Dept.

IV. Tools for Economic Development

Incentives

Economic incentives are tools used to influence business decisions regarding location of new investment such as expansion of an existing business or location of a new facility. Such incentives can either be direct financial incentives such as tax exemptions and land assembly, or non-financial “in-kind”, incentives such as infrastructure improvements. Nassau County is currently classified as a rural county by the State of Florida creating additional incentives under certain State economic development program.

Direct financial incentives can take many forms. The most commonly used incentives of this type in Florida are land donation, tax abatement and fee waivers.

With land donation, a local government or designated economic development agency assembles land and either donates outright or sells at a discount to an entity that will then use the property for a job creating use. The advantage of this incentive to the job-generator is a streamlining of the purchase process that results from a single conveyor of land, as well as cost savings on both the purchase price and transaction costs. The advantage of this incentive to the economic development agency is the ability to target specific locations for economic development. In the wake of the controversial *Kelo v. City of New London* decision by the U.S. Supreme Court, Florida passed an amendment to the state constitution in 2006 restricting the conveyance of land condemned by eminent domain to private entities for economic development.

Tax abatement can take many forms; the most common locally administered forms are a reduction of ad valorem taxes for a set period of time or refund of a portion of ad valorem taxes paid. Other tax credits, such as sales tax and corporate income tax credits may also be offered as an economic incentive, especially if the local government has a state or federally designated enterprise zone or empowerment zone. Nassau County is expected to implement an ad valorem Return of Enhanced Value or “REV” grant incentive program in 2012.

Local governments may also use fee credits as an economic incentive. Fees that could be credited include utility connection charges, development review fees, impact fees, “mobility fees” and fair share assessments. In the case of Nassau County, the county could investigate alternative methods for determining fair share assessments for primary job creating industries. Because such a high proportion of county residents commute to other counties for work, attracting job creating industries would actually have a positive impact on traffic congestion on county roads, thus justifying reduced assessments.

In-kind incentives are another method for attractive primary industries. Common in-kind incentives include technical assistance, expedited review processes, density and intensity bonuses, and provision of infrastructure such as utilities and roads. In-kind incentives are frequently offered in conjunction with a targeted location and targeted industry approach to economic development.

Technical assistance is a very broad category of incentives that includes activities ranging from development review assistance to workforce development. With development review assistance, an economic development agency may “walk through” the development review process with an employer, or act on behalf of an employer so that the review process runs smoothly. The economic development agency essentially acts as an advocate for the employer.

Another in-kind incentive is an expedited review process for targeted industries and/or targeted areas. Under this scenario, a streamlined process would be established for review of zoning and land development activities. This could take the form of concurrent reviews of building permit and zoning requests. Nassau County currently classifies certain projects related to economic

development as Class IV development, and has created an accelerated development review process and reduced fee structure.

Workforce development is an increasingly popular tool that communities are using to attract businesses. Such efforts may include industry specific job training, literacy programs, job placement and employee assistance programs geared toward employee retention. Workforce development programs benefit employers by providing a ready supply of employees and benefit communities by assisting with development of skills needed for higher wage jobs.

It is essential to employ safeguards when using publicly-funded incentives to attract businesses. Such safeguarding mechanisms include performance-based incentives that tie financial incentives to job and payroll promises and regular audits to ensure that obligations of the business receiving incentives are met.

Public - Private Partnerships

A Public-Private Partnership (PPP) is a contractual agreement between a public agency (federal, state or local) and a private sector entity. Through this agreement, the skills and assets of each sector (public and private) are shared in delivering a service or facility for the use of the general public. In addition to the sharing of resources, each party shares in the risks and rewards potential in the delivery of the service and/or facility.

PPPs involve a contract between a public-sector authority and a private party, in which the private party provides a public service or project and assumes substantial financial, technical and operational risk in the project. In some types of PPP, the cost of using the service is borne exclusively by the users of the service and not by the taxpayer. In other types of PPPs, capital investment is made by the private sector on the strength of a contract with government to provide agreed services and the cost of providing the service is borne wholly or in part by the government.

Government contributions to a PPP may also be in kind (notably the transfer of existing assets). In projects that are aimed at creating public goods like in the infrastructure sector, the government may provide a capital subsidy in the form of a one-time grant, so as to make it more attractive to the private investors. In some other cases, the government may support the project by providing revenue subsidies, including tax breaks or by providing guaranteed annual revenues for a fixed period.

The benefits of PPPs can be attractive to both the government and the private sector. For the government, private financing can support increased infrastructure investment without immediately adding to government borrowing and debt, and can be a source of government revenue. At the same time, better management in the private sector, and its capacity to innovate, can lead to increased efficiency; this in turn should translate into a combination of better quality and lower cost services. For the private sector, PPPs present business opportunities in areas from which it was in many cases previously excluded.

The County should seek to increase public-private partnership activities with the County's local and regional economic development organizations, business organizations and major landowners. Key partners should include the Nassau County Economic Development Board, the JAXUSA Regional Development Partnership, and the Chambers of Commerce, and Rayonier (The the County's largest private landowner).

Quality of Life Indicators

A range of different factors contributes to the overall – and highly subjective – definition of quality of life. Key attributes for a high quality-of-life ranking include high-performing schools (public, private, and post-secondary), affordable housing in a variety of good neighborhoods, short

commute times, low crime rates, high-quality healthcare, spouse employment opportunities, and competitive child-care costs. A good balance of lifestyle amenities – shopping, entertainment, weather and open space and recreational opportunities are also factors.

Which quality-of-life criteria have the greatest impact on the site selection process depends on the type of project and the work force that will be moving. Generally speaking, companies in the targeted industry clusters tend to rank quality-of-life issues higher on the list than those planning other types of projects. Quality of life affects personnel issues and ultimately productivity. A high quality of life is particularly important for recruitment i.e., the ability to attract the best and most desired talent to your location; and retention i.e., having employees stay with the company because they are satisfied with their quality of life. While it may be only one of many factors going into the relocation decision, quality of life can make or break the decision.