

Chapter 9

Economic Development



ECONOMIC DEVELOPMENT



Fig. 7.1 Tavares Economic Development Strategy
 Source: City of Tavares Economic Development Department/
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Downtown Tavares has traditionally served as the government center for Lake County, and this has been the primary driving force behind economic activity in the Redevelopment Area. In subsequent years, the area witnessed economic decline which was characterized by a proliferation of vacant storefronts, deteriorated housing conditions, and lack in private investment. The City of Tavares, through its redevelopment program has made significant progress in improving the condition of it under-performing downtown. Downtown's continued revitalization will translate into growth in opportunities for new businesses and residential development.

An expanding regional population and a progressive business environment will help position the Downtown CRA to attract significant new development, which will benefit both the Redevelopment Area and the City. The City's central location in the Central Florida region, government infrastructure, new construction activity, and a unique historic culture reinforces Downtown Tavares as the "capital waterfront city" of Lake County. According to the Lake County Growth Management staff estimates, the City of Tavares has witnessed a population increase by nearly 25% between 2000 and 2005, with nearly 12,000 residents living in the City limits. Since the decline of the region's citrus industry in the 1980s, Lake County has transformed into a bedroom community for people from the rapidly growing Orange County- Central Florida region. The population in Lake County nearly doubled from 1980 to 2000 (210,508 persons) and is projected to again double over the next 25 years and reach a population of 500,000 persons by 2030. With the widening of the Florida Turnpike from four to eight lanes between US 441 and Interstate 4, connecting the region to Northwest and South Florida and possible future interchanges servicing Minneola and Clermont, Lake County is positioned to continue to attract more residents from a larger region.

Anticipated Construction Projects: Downtown Tavares Redevelopment Area				
	2008	2009	2010	2011
County Parking Garage	●			
Judicial Center Expansion	●	●		
Central Energy Building	●			
Tavares Station Phase I		●	●	
Wooton Park Improvements	●	●		
Main Street Roundabout		●	●	●

Table of Major Construction Projects that are anticipated to have a significant impact on investment in Downtown Tavares

Situated at the intersection of US 441 and SR 19, Downtown Tavares is easily accessible from these corridors and other regional corridors within the Central Florida region. Opportunities for extending the Central Florida commuter rail service to Lake County and Downtown Tavares are being explored, and will be pivotal in not only the accommodating movement of people and goods through the region, but to also build new, walkable, transit-oriented communities around its stations. Downtown Tavares has both opportunities and challenges for future growth that will have a pivotal role in the successful realization of the community's vision to revitalize its Downtown. Some of the key opportunities and challenges include:

Opportunities

- Slow growth in the housing and construction market at the local, regional and national levels. While this could be a perceived as a liability in the long term, it also presents Tavares with a unique opportunity to capitalize on new construction (Wooton Park, County Parking Garage, Judicial Center Expansion, and Tavares Station mixed-use development) in its Downtown in order to pursue high priority public realm improvements in the absence of development pressures.
- Large commuter workforce and employment base (Lake County and Florida Hospital Waterman) that could potentially serve as the residential population base for the Downtown.
- Renewed interest in the waterfront with planned improvements including the seaplane basin and marina, water-taxi service, and more than fifteen planned events. This unique asset now provides opportunities for eco-tourism, recreation and entertainment.
- Regional multimodal transportation network including the potential to start commuter rail transit service into Downtown.
- Strong community desire for positive change and the continued support of the leadership in implementing the vision of their community.
- Economic initiatives currently underway at the City level- Freight Village, Medical Village, Commerce Park, Sports Park.

Challenges

- Lack of diversity in housing stock- primarily single-family residential.
- Downtown office market limited to government related professional services and lack of Class-A office space available.
- Lack of retail and restaurant establishments in the Downtown.
- Lack of hotel and tourism related market to support event related spin-off activities and capture the potential income in the Downtown.
- Competitive growth in other communities between Orlando and Tavares.
- Presence of jail and courthouse related activities that are sometimes perceived negatively investors and future residents.
- Lack of identity and attractive gateways for the Downtown and its amenities.
- Limited amenities and destinations in the Downtown.
- Inadequate roadway capacity on local roads to accommodate high traffic volumes and infrastructure related to future transit service

The intent of this Plan is to build upon Downtown's advantages and the City's commitment to create a multimodal Downtown core that will ensure efficient allocation and sharing of resources for all neighborhoods. Tavares' strategic location and related steady growth in the region is expected to continue to attract investment in its Downtown, and presents a unique opportunity for the Downtown to capitalize on developing market niches related to its assets. The economic development strategies outlined in this chapter provide a framework for the community to capitalize on the positive effects of development, increase the City's tax base and promote new economic growth, while ensuring that the community's desire to create a compact mixed-use environment that builds upon its historic foundation is fulfilled.

Demographic Profile

This section presents demographic and socio-economic conditions in the Downtown Redevelopment Area, the City of Tavares and the surrounding region to develop a better understanding of the economic context and development potential for the recommendations presented in this Plan. Demographic information was obtained from the 2006 Metro Orlando Economic Development Commission database.

Population

Tavares' population has grown quickly over the course of the last decade. In 2000, the City's population was 9,642; by 2006, it had grown by over 30% to 12,591. By 2011, Tavares' population is forecast to grow an additional 18% to just over 14,900. These figures closely resemble similar growth patterns for Lake County as a whole, which has grown to over 286,000 people at an even faster pace than Tavares since 2000. Overall, Lake County and Tavares' growth rates are expected to moderate by roughly one-third over the next three years from 2006 levels.

Households

Household figures are important indicators of housing demand, householder characteristics, and market potential in a community. A significant increase in household numbers of almost 25% occurred between 2000 and 2006—a rate that was actually exceeded by Lake County as a whole in the same timeframe. Over the next three years, the number of households in both City and County is expected to grow somewhat less than 20% from 2006 levels. Household growth rates, therefore, are closely aligned to respective population growth rates in the same period.

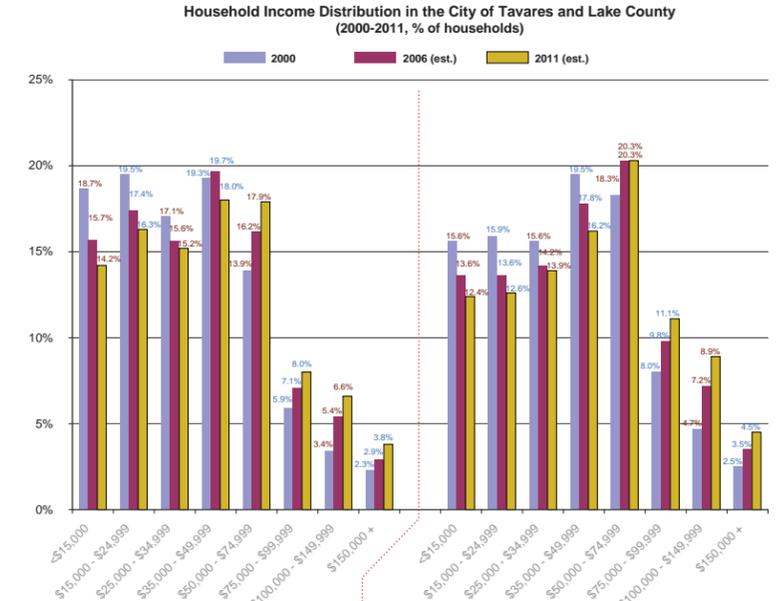
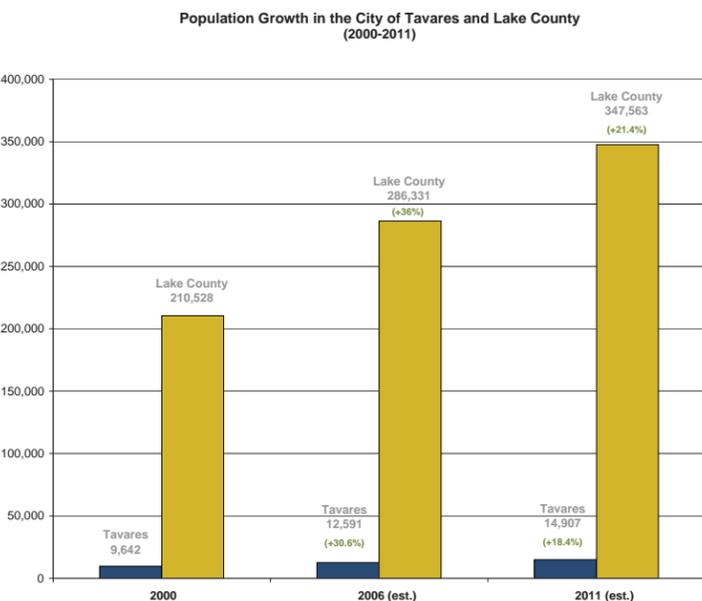
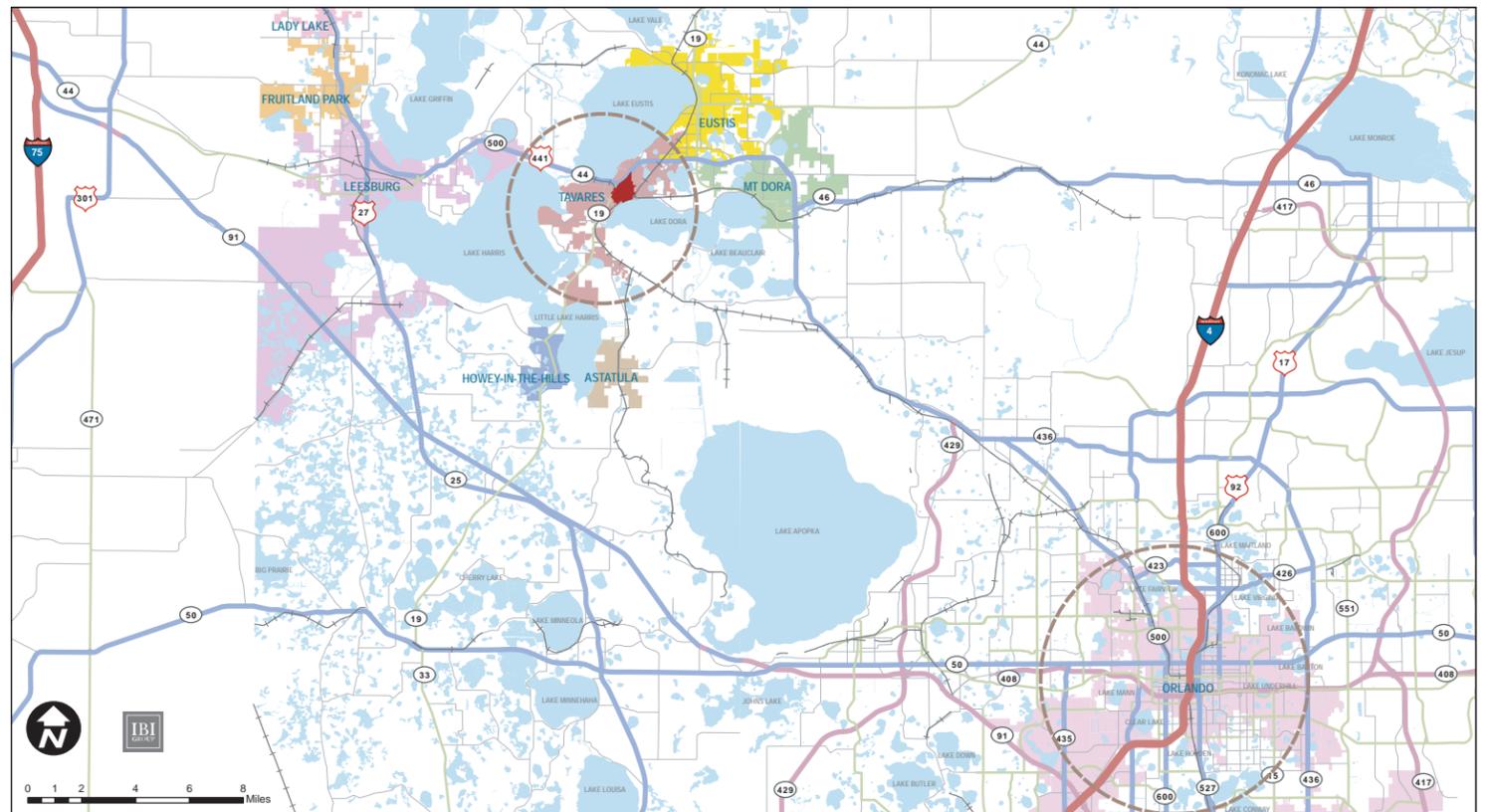
A small divergence is observed when comparing occupancy types and rates. Tavares has a smaller proportion of households occupied by their owners compared to Lake County (in 2000, 64.9% to 70.1%, respectively). This divergence carries through 2006 and is expected to remain through 2011. And while Tavares and Lake County share similar renter-occupied rates, Tavares has a noticeably higher proportion of household vacancies compared to the County. This proportion also increases over time when compared to the county—in 2000, 20.6% of Tavares households were vacant compared to Lake County's 14%. By 2006, Tavares' rate had fallen to 15.7%, but county-wide the rate had fallen even further to 8.8%.

In terms of median household income, however, the two demographic areas compare rather favorably. A significant (14.7%) difference in 2000 average incomes between Tavares and Lake County, with Tavares at the low side, had almost been entirely negated by 2006 when average incomes differed by only 3.1%. According to the Metro Orlando Economic Development Commission 2006 estimates, the average household income in the City was \$51,254 and the County's average income was estimated as \$52,613. Although by 2011, it is expected that the Lake County average income will widen the gap compared to Tavares' average incomes, the difference will still remain below 5%.

Ethnic Composition

Tavares and Lake County alike are predominately white communities, although trends indicate there will be a very gradual shrinking of the white population in favor largely of the Hispanic demographic. In 2006, it was estimated that whites comprised 89% of Tavares' population, down only 0.2% from the 2000 U.S. census figure. During this six-year period, Lake County's white population also declined by an equally-slim 0.6% to comprise 86.9% of the total population. Over this timeframe, the black population grew in Lake County by 0.7% to make up 9% of the population and outpacing Tavares' rate of 0.2%. Population changes in black and white groups were outdone by the Hispanic segment, which grew through 2006 at 3.7% county-wide and 2.2% in Tavares alone. In fact, by 2011, it is expected that Lake County's Hispanic population, at 11.1%, will be larger than its black population and registering the fastest growth rates of any demographic. In Tavares, meanwhile, the black population will remain the second-largest segment at 8.3%.

REGIONAL CONTEXT



When examining Tavares' demographic data from radial boundaries, few indicators show significant change between the one-, three-, and five-mile radii. One indicator that does show change is the black population, which is largest within a one-mile radius of Downtown (11.1%) but shrinks to 7.4% within the three-mile radius. But moderate changes in the demographic profile notwithstanding, Tavares and Lake County are expected to remain more than four-fifths white in 2011. Apart from blacks and Hispanics, who combined will represent no more than about 15% of the Tavares population and 20% of the Lake County population, other ethnicities will continue to make up a very small 3 to 4% of the population in both demographic areas.

Age

Interesting age trends become evident in comparing Tavares and Lake County. Tavares' median age was approximately seven years lower than Lake County's in 2006, yet Tavares had a significantly larger-proportioned retirement-age population than the county and a smaller proportion of infants and preschool-age children than the county. As with the county, Tavares' age breakdowns varied only marginally over the six years since the 2000 census and are expected to remain steady through 2011. In most cases, proportion changes in any age bracket are well less than 1%. Taken as a whole, however, Tavares is seen to be very gradually growing older while Lake County is expected to get very slightly younger. Trends indicate that Tavares will continue to be populated by a larger share of retirement-age people.

Education and Income

Economic conditions in a community are often analyzed through indicators such as per capita income, median and average household incomes, employment rate, educational attainment, labor force participation, and poverty rate, but there may be correlations as well between income performance and educational attainment.

The Metro Orlando EDC 2006 estimates reported that over 40% of Tavares residents over the age of 25, have obtained their high school diploma, while an additional 25.9% have attended college (and 18.0% of the total resident population having completed college). This compares fairly evenly with Lake County as a whole—although the county's high school completion rate is somewhat lower than Tavares', its college degree attainment rate is somewhat higher. In either case, the proportion of residents with less than a ninth-grade education is very low at just over 3% in 2006; lower than it was in the 2000 census.

Future trends appear to indicate that the proportion of those with low levels of education will continue to shrink, while those achieving high school diplomas will grow slightly and those attaining college degrees growing moderately. By 2011, just over 30% of Tavares residents will have obtained a college degree or better, while almost 35% will have done the same county-wide.

Whether or not there is a causal relation between educational attainment and income, it can be observed that income disparities—like educational disparities—between Tavares and Lake County have become minimal. In 2000, average county-wide household incomes were almost 15% greater than Tavares', but only six years later the discrepancy had reduced to hardly more than 3%. By 2011, Lake County's average income will still only be less than 5% higher. Across all income brackets, Tavares' proportions compare well with Lake County's as a whole, with the largest spreads in 2006 occurring at the \$15,000-\$24,999 range and \$50,000-\$74,999 range (Tavares had a 4% higher proportion and Lake County had a 4% higher proportion, respectively).

Employment

According to the 2006 Metro Orlando Economic Development Commission Estimates, only 40% of the working-age adults in Tavares participated in the labor market. Of these, 91.2% are estimated to be employed, while the remaining 8.8% are unemployed—a figure twice as high as the county unemployment rate of 4.3%. Both demographic areas' figures are expected to remain consistent into the near future. In terms of the employment in blue collar and white collar positions, Tavares and Lake County were virtually identical at approximately 45% blue collar and 55% white collar in the 2000 census.

Radii Demographics (226 Main Street, Tavares, Florida)			
	1 Mile	3 Miles	5 Miles
2006 Demographics			
Total Population	5,902	23,246	55,219
Total Households	2,622	10,949	24,825
Female Population	2,875	12,300	29,249
% Female	48.7%	52.9%	53.0%
Male Population	3,026	10,946	25,970
% Male	51.3%	47.1%	47.0%
Population Density (per Sq. Mi.)	1,878.6	822.2	703.1
Age:			
Age 0 - 4	3.3%	3.9%	4.6%
Age 5 - 14	7.6%	8.4%	9.4%
Age 15 - 19	4.6%	4.7%	5.3%
Age 20 - 24	7.6%	5.6%	5.7%
Age 25 - 34	11.8%	9.3%	9.7%
Age 35 - 44	10.4%	10.0%	10.2%
Age 45 - 54	11.1%	11.2%	11.8%
Age 55 - 64	10.2%	11.2%	10.6%
Age 65 - 74	13.4%	14.9%	13.4%
Age 75 - 84	13.8%	14.7%	13.6%
Age 85 +	6.2%	6.3%	5.8%
Median Age	48.9	52.2	49.2
Housing Units			
Total Housing Units	2,997	12,587	27,575
Owner Occupied Housing Units	67.5%	67.8%	70.1%
Renter Occupied Housing Units	20.0%	19.2%	19.9%
Vacant Housing Units	12.5%	13.0%	10.0%
Race and Ethnicity			
American Indian, Eskimo, Aleut	0.3%	0.2%	0.2%
Asian	0.6%	1.1%	1.2%
Black	11.1%	7.4%	8.4%
Hawaiian/Pacific Islander	0.0%	0.0%	0.0%
White	86.0%	89.2%	88.1%
Other	1.0%	1.1%	1.1%
Multi-Race	1.0%	0.9%	1.0%

Source: Metro Orlando Economic Development Commission

Radii Demographics (226 Main Street, Tavares, Florida) Contd.			
	1 Mile	3 Miles	5 Miles
2006 Demographics			
Marital Status:			
Age 15 + Population	5,258	20,381	47,499
Divorced	12.7%	12.0%	10.8%
Never Married	19.5%	15.3%	15.7%
Now Married	46.0%	53.7%	56.3%
Separated	7.9%	5.3%	4.1%
Widowed	13.9%	13.7%	13.2%
Educational Attainment:			
Total Population Age 25+	4,540	17,987	41,435
Grade K - 8	3.8%	3.5%	3.6%
Grade 9 - 12	14.3%	12.6%	10.5%
High School Graduate	42.5%	38.6%	36.4%
Associates Degree	5.3%	6.8%	7.2%
Bachelor's Degree	13.3%	16.3%	18.4%
Graduate Degree	3.9%	5.1%	5.4%
Some College, No Degree	16.9%	17.3%	18.6%
Household Income:			
Income \$ 0 - \$9,999	8.6%	9.8%	9.2%
Income \$ 10,000 - \$14,999	7.6%	8.0%	7.3%
Income \$ 15,000 - \$24,999	18.3%	17.0%	15.8%
Income \$ 25,000 - \$34,999	16.1%	13.9%	14.2%
Income \$ 35,000 - \$49,999	21.3%	18.6%	18.3%
Income \$ 50,000 - \$74,999	14.7%	17.1%	17.9%
Income \$ 75,000 - \$99,999	6.5%	7.2%	7.9%
Income \$100,000 - \$124,999	2.8%	3.8%	4.4%
Income \$125,000 - \$149,999	1.4%	1.6%	2.0%
Income \$150,000 +	2.7%	3.0%	3.2%
Average Household Income	\$46,414	\$49,706	\$51,254
Median Household Income	\$34,645	\$35,958	\$37,657
Per Capita Income	\$24,103	\$24,635	\$23,996
Business and Employment:			
Number of Employees	5,785	10,650	22,194
Number of Establishments	586	1,338	2,891

Source: Metro Orlando Economic Development Commission

Economic Development Strategies

Workforce Development

Maintaining a stable core of employment generating businesses and availability of a skilled workforce will be pivotal in creating a sustainable community that ensures economic opportunity for all residents. This Plan seeks to maximize opportunities by devising strategies and incentives to retain and attract businesses to the area, expanding training and mentorship opportunities, and attracting the existing commuter workforce to live Downtown. The recommended strategies related to workforce development build upon strengthening partnerships with the area's existing institutional and economic development resources including Lake County, Florida Hospital, Metro Orlando Economic Development Commission, East Central Florida Regional Planning Council, Lake- Sumter Community College, regional universities and other county and regional agencies.

Investment Incentives and Business Development Assistance

Working with the City of Tavares Economic Development and the Lake County Department of Economic Growth and Redevelopment, the CRA should take steps to retain and expand existing businesses, and building on these strengths to attract new investment and jobs to Downtown Tavares. Small enterprises are an integral part of the area's economic base and developing strategies to increase local entrepreneurship will be pivotal in ensuring the provision of neighborhood amenities and instilling a sense of community pride. The City should concentrate initial efforts to attract commercial establishments related to its key strengths including the marina, seaplane basin, and eco-tourism. As the redevelopment program evolves and key strategies such as promotion of the arts and sustainable transportation modes are implemented, other sectors related to these industries should be promoted. Attracting real estate developers that are interested in constructing "green" housing products is one such strategy that could be promoted to further the City's goal to create a sustainable community. The growth in manufacturing industries related to green building and clean energy products could also help in diversification of the City's overall industrial base.

By offering incentives such as parking exemption, obtaining a master storm water permit, specific home ownership strategies, diversifying the housing stock and continuing to implement proposed public realm improvements, new private sector investment will be attracted to Downtown Tavares. While incremental progress through public realm improvements will strengthen the overall investment environment, ultimately the private sector is anticipated to assume the lead in future economic growth with continued support from the City and the CRA. The Plan recommends developing an incentives matrix which would streamline the redevelopment process for interested developers and reduce their risk with uncertainties associated with plan approvals. Appendix E contains an example of a smart growth matrix prepared by the City of Austin in order to attract investment.

Arts, Culture and Entertainment

The demand for Downtown arts and culture is an integral component of creating a vibrant and dynamic community image. Embracing arts, culture, entertainment and related recreational activities has proven to attract interests of professionals and baby boomers in several successful Downtowns such as Sarasota, Florida, St. Petersburg, Florida, Savannah, Georgia and Austin, Texas. The City of Tavares has already initiated several efforts to promote arts and cultural events in the Downtown. The City should continue to support the expansion of the arts, culture and related entertainment activities through plans, programs, policy and financing of projects. Some of the projects identified in this plan directly related to this objective include development of a heritage and cultural museum, promoting public art display and performance venues in the Waterfront Entertainment District. The Plan also calls for permitting artist live/work lofts in the Downtown Core and Downtown Transition District as an incentive to encourage mixed-use development in the redevelopment area. Some of the thriving examples of arts districts in successful Downtown typically include museums, performing arts venues, art galleries, and supporting retail to attract potential customers such as restaurants, cafes, and artist studios.

The Plan recommends capitalizing on the new developments planned in the redevelopment area and the area's natural assets, such as Wootton Park, to create a positive community image. The City of Tavares has done a good job promoting the Downtown through organized special events and activities. Some of these events include:

- Classic Antique Boat Festival
- Thomas the Tank Engine
- Bass Pro Shop Crappie Fishing Tournament
- African- American Cultural Heritage Festival
- Central Florida Dragon Boat Festival
- National Crappie Tournament
- Winter Wonderland Express
- Classic Raceboat Association
- Planes, Trains and Barbeque
- Art in the Square
- March of Dimes Event



Physical Infrastructure and Aesthetics

Ensuring the allocation of an adequate supply of land that is appropriately zoned with the essential infrastructure services in place to accommodate the needs of businesses and industry will be an integral component of any economic development program initiated in the Downtown redevelopment area. The Plan recommends that the City consider concentrating the existing industrial areas along SR 19 in the planned commerce park and freight village areas located south of the Downtown area. However, it is important to ensure that design standards for new commercial uses are in place to avoid future land use conflicts between incompatible uses.

Partnerships and Collaboration

The success of the redevelopment program ultimately relies on the coordinated efforts of the City staff with the residents, the private sector, governmental entities, and other institutions. Some of the potential partnership projects include pursuing joint-use agreements with the Lake County School Board and area churches to co-locate recreation amenities, transportation improvements such as the Alfred Street reconfiguration and commuter rail transit service with Lake-Sumter MPO, working with Lake County Historical Society and Historical Society of Tavares to solicit support for programming and funding for the proposed heritage and cultural museum on Ruby Street.

Action Strategies:

- Conduct economic studies to determine the residential, retail and tourism potential for the Downtown.
- Promote development that furthers the Central Florida Region's smart growth objectives.
- Work with Lake County to support its objective to establish an entertainment district in one of Lake County's Downtown areas, as discussed in the 2008 Lake County Economic Development Strategic Plan.
- Explore opportunities to revert institutionally owned properties back on tax rolls to increase the tax base for the Downtown CRA improvements.
- Evaluate and compare the City's current impact fee structure with other municipalities in the Central Florida region.
- Continue to leverage revenues with matching grant programs.
- Evaluate policies for enterprise opportunities- marina and water-taxi operations, and other potential vendors.
- Develop measurable tools to analyze economic impact of festivals and special events in order to strengthen and retain potential income.
- Seek opportunities to generate revenues through private and corporate advertising and donations during special events.
- Create a checklist of incentives for potential developers which would encourage infill development and redevelopment in the Downtown redevelopment area.
- Evaluate the feasibility and fiscal impacts of implementing incentives such as reduction in impact fees, Multimodal Transportation Districts, and master stormwater permit to attract developers and finance future public infrastructure improvements.
- Continue with the façade improvement program to assist private property owners in improving the aesthetic character of their buildings.
- Develop strategies to gauge the interest in promoting green buildings in infill development and new development projects to complement the City's sustainable transportation initiatives.
- Continue to assist small businesses in relocating and expanding in the Downtown redevelopment area.
- Support local businesses and develop policies to help ensure their ongoing existence Downtown.
- Identify niche markets and develop a list of potential businesses in the region that could be recruited with these niche markets such as waterfront related ancillary uses, experiential businesses related to the arts district (art galleries, artist studios, workshops).
- Develop an online inventory of available properties working in cooperation with local realtors and use data for marketing Downtown development.
- Continue to capitalize on the success of planned events in Downtown.
- Promote the Tuesday Farmer's Market scheduled to start in the fall of 2008 at Wooton Park.
- Develop a Downtown Tavares Heritage Trail walking/ golf cart/ segway tour.
- Continue with plans to implement the street vendor provisions permitted in the Downtown redevelopment area.
- Promote Downtown as a tourist destination and provide information at the airport, publications and regional agencies.
- Adopt a marketing theme and develop promotional materials to market the Downtown revitalization efforts.
- Continue discussions with area institutions (Churches, YMCA, County, School Board) to encourage joint-use agreements for recreational and community use facilities.
- Continue to work with the City, Lake County Department of Economic Development, and other interested parties to promote the Downtown area through the support of festivals, exhibits, performances and other special events designed to attract residents and visitors to the Downtown.
- Continue to work with area institutions including Lake-Sumter Community College, University of Central Florida, and University of Florida to attract higher education satellite campuses in the Downtown.