An Industrial Land Strategy for Hernando County

Presented by:

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Hernando County Board of County Commissioners – Workshop

Tampa Bay Regional Planning Council   Est. in 1962

Focus Areas:

1. Economic Development and Analysis
2. Environmental and Resiliency Planning
3. Emergency Preparedness Planning
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TBRPC
TAMPA BAY REGIONAL
PLANNING COUNCIL

Serving our citizens and member governments by providing a forum to foster communication, coordination, and collaboration in identifying and addressing needs regionally.

Six Counties

22 Municipalities

13 Gubernatorial Appointees

3 Ex-Officios

5,000 Square Miles

3.4 Million People

Guiding Questions

1. What are the current economic trends in Hernando County?

2. How many jobs are needed to sustain or grow Hernando County's economy?

3. How suitable are Hernando County's industrial lands for future growth?

4. How can Hernando County balance industrial land needs with other demands?

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Comparing population growth regionally.

TABLE 1. 2022 REGIONAL POPULATION GROWTH COMPARISON BY COUNTY

Area	Population	1-Year Growth	5-Year Growth
Citrus	156,342	0.9%	7.4%
Hernando	*205,820*	*1.5%*	*10.1%*
Hillsborough	1,529,249	1.7%	8.8%
Manatee	430,946	2.2%	11.8%
Pasco	599,501	2.3%	14.1%
Pinellas	989,971	0.8%	2.2%
Florida	22,451,577	1.5%	7.0%

Source: REMI PI+ V 3.1 Tampa Area 7 Region 70 Sector Model, 2022.

Comparing employment conditions regionally.

Summary: Hernando's growing population has higher unemployment, slower job growth, and a lower median household income when compared regionally.

LABOR FORCE AND INCOME SUMMARY FOR TAMPA BAY COUNTIES

Area	Estimated Labor Force (based on participation rate by age cohort)	Annual Change in Jobs (%)	Employed Individuals	Unemployed Individuals	Unemployment Rate (%)	Household Median Income in 2022 (Fixed, 2023 $)
Citrus	48,008	3.2%	52,132	2,229	4.1%	$54,707
Hernando	*75,448*	*3.6%*	*71,347*	*2,664*	*3.6%*	*$55,923*
Hillsborough	792,409	4.6%	1,064,954	30,678	2.8%	$67,624
Manatee	187,259	5.5%	206,042	6,154	2.9%	$73,483
Pasco	254,983	4.8%	210,681	6,516	3.0%	$61,695
Pinellas	496,318	5.6%	654,206	17,463	2.6%	$64,516
Florida	10,577,941	5.0%	13,382,922	399,696	2.9%	$67,917

Source: REMI PI+ v3.0 Model of Tampa Bay Counties, TBRPC Calculations. Adjusted 2022 median income data to 2023 dollars.

Six industries provide over half of all employment; most are low-to-middle wage.
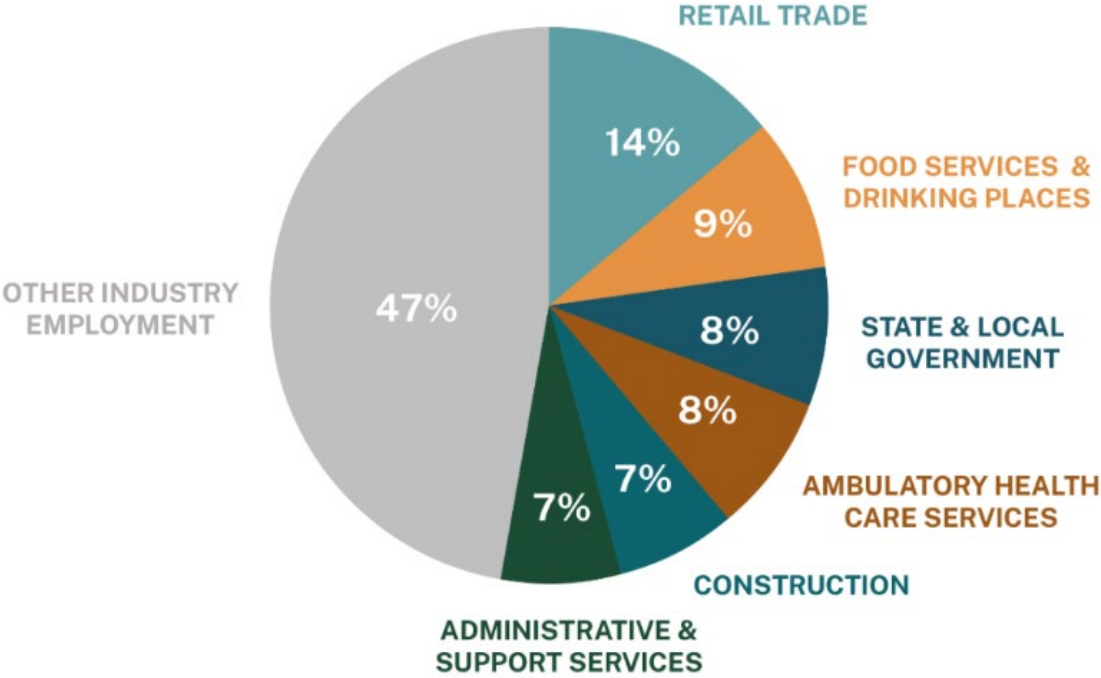
SIX INDUSTRIES BY EMPLOYMENT IN HERNANDO COUNTY (2022)

NAICS CODE	Industry Classification	Employment	Percent of Total Employment	Average Annual Wage Rate	Economic Output
44-45	Retail trade	9,799	14%	$33,093	$1,080,598,005
722	Food services and drinking places	6,330	9%	$22,827	$431,399,062
621	Ambulatory health care services	5,506	8%	$55,883	$684,303,654
NA	State and Local Government	5,643	8%	$58,866	$804,027,073
23	Construction	4,952	7%	$33,422	$727,309,588
561	Administrative and support services	4,963	7%	$39,396	$511,789,960
	Total of Top 6 Industries	*37,194*	*53%*	*$40,581*	*$4,239,427,343*

Source: REMI PI+ v3.0 Model of Tampa Bay Counties, TBRPC Calculations

Housing is becoming more expensive.

Housing **quantity** and **quality** is essential for maintaining a County workforce.

Average single-family home in Hernando valued at ~$313,500 (2023), more than **triple the average value in 2013**.

While still below the national and Florida averages, homes are **becoming more expensive**.

AVERAGE HOME VALUE COMPARISON FOR A SINGLE-FAMILY HOME
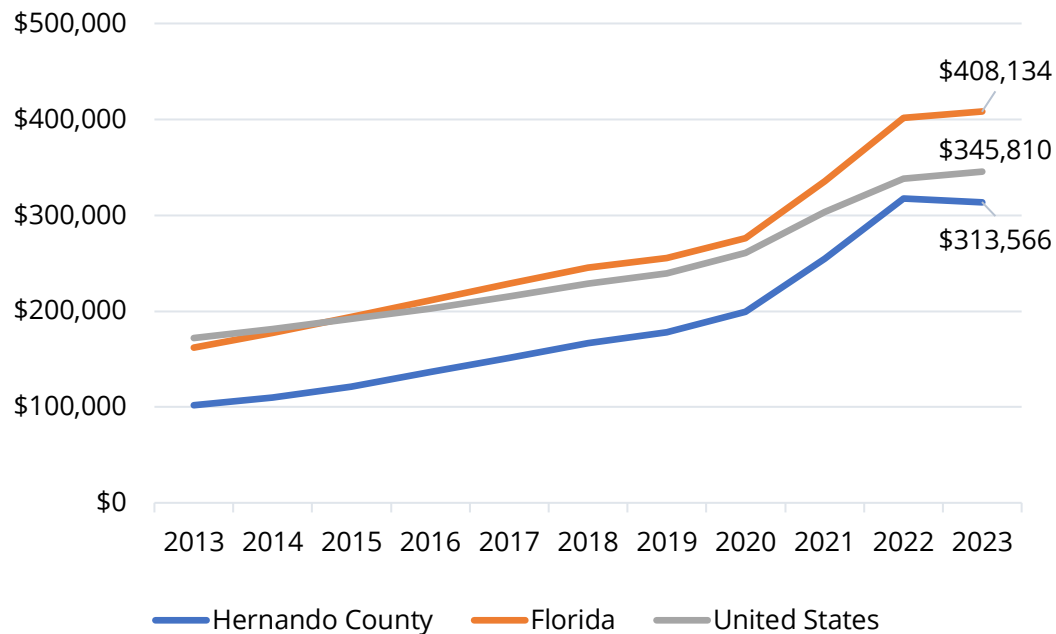
Source: Zillow Source: Zillow Home Value Index, zillow.com/research/data/

HERNANDO HOUSING BY TYPE SUMMARY (2022)

Housing Type	Owned	Rented	Total
Single Family Units	53,262	8,752	62,014
Multifamily 2-9 Units	345	2,941	3,286
Multifamily 10 or More Units	339	2,029	2,368
Mobile Homes	9,375	1,970	11,345
All Housing Types	*63,321*	*15,692*	*79,013*

Source: Florida Housing Data Clearing REACH for Hernando County, 2022.

Median owner income of ~$64,500, which is higher than the average income for all top 6 industries. **Housing and income in Hernando are becoming mismatched.**

Guiding Questions

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4. How can Hernando County balance industrial land needs with other demands?

Jobs-to-Employed Residents (JER) Ratio as a tool for development.

$$JER = \frac{\text{Jobs In County}}{\text{Employed Residents In County}}$$

Area	Florida	Non-Tampa Bay	Tampa Bay	Citrus	Hernando	Pasco	Hillsborough	Pinellas	Manatee
JER	1.01	1.01	1.01	0.90	0.79	0.71	1.17	1.01	0.87

Hernando is somewhat *"jobs-poor."*

JER < 1 or "Jobs-poor"	JER = 1 or "Jobs-balanced"	JER > 1 or "Jobs-rich"
Low cost of living is attractive to first-time homeowners, retirees, and home-based businesses	Retains existing workforce and business community	High economic power will draw established businesses and skilled labor
Small/shrinking tax base makes it hard to provide services	Hard to maintain for an extended period	Cost-of-living hinders small business success and labor force growth
"It's a bedroom community."	"I never leave."	"It's a place to work, not a place to live."

There is a relationship between out-commuting and congestion.

A conceptual job growth target, or criterion, that ties together the need to address congestion, the importance of the target industry jobs, and the relationship of those jobs is important in evaluating how much industrial land is needed.

County	JER	Average Commute Time (Minutes)
Pinellas	1.01	24.3
Citrus	0.90	25.5
Manatee	0.87	25.7
Hillsborough	1.17	27.8
Hernando	*0.79*	*30.2*
Pasco	0.71	31.8

Source: REMI PI+; US Census American Community Survey 2014-2018, TBRPC calculation.

TAMPA BAY REGION JOBS-TO-EMPLOYED RESIDENTS AND AVERAGE COMMUTE TIMES
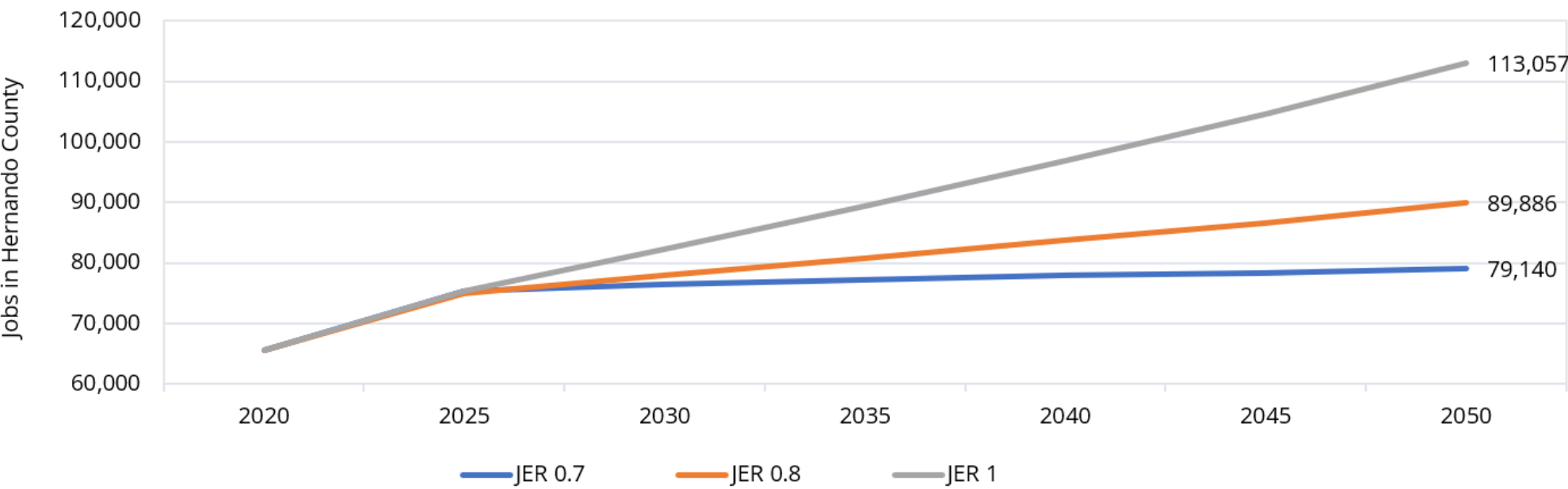

$R^2 = 0.5116$

Source: TBRPC analysis of U.S. Census Bureau, Mean Commuting Time for Workers (5-year estimate) in Hernando County, FL [B080ACS012053], retrieved from FRED, Federal Reserve Bank of St. Louis; fred.stlouisfed.org/series/B080ACS012101, other selected Counties;. REMI 3.0

~34,000 jobs needed to achieve a jobs balance by 2050.
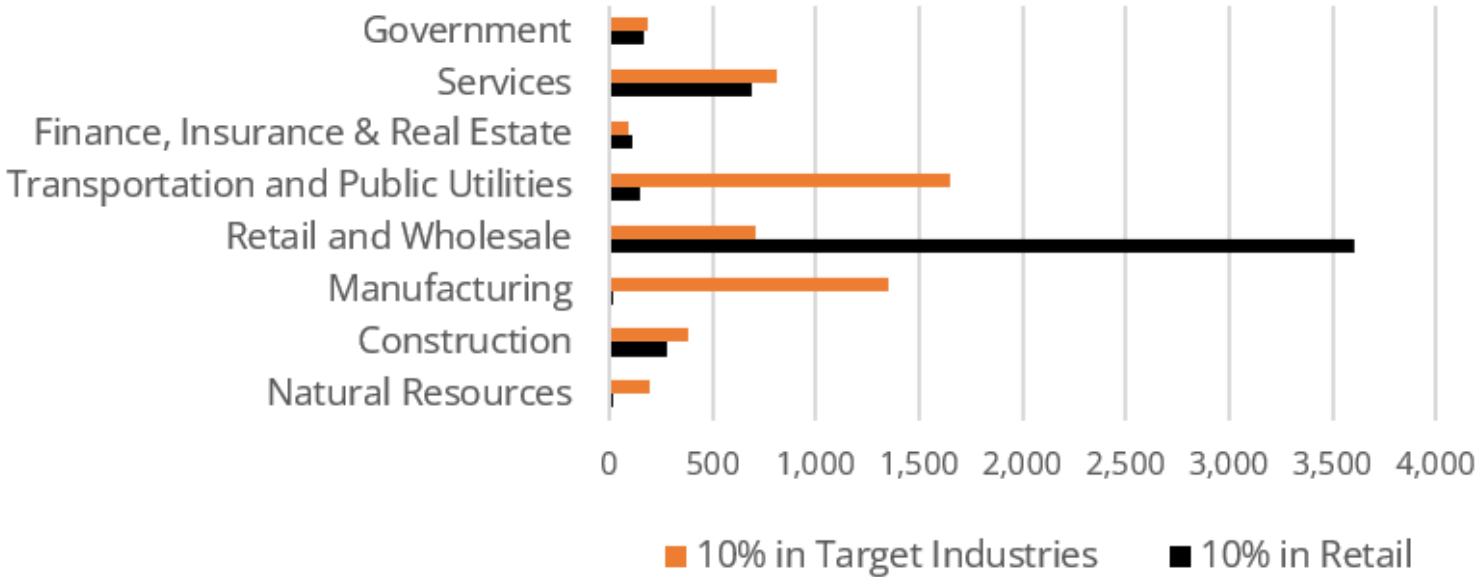
COMPARISON OF JER SCENARIOS FOR HERNANDO COUNTY

Scenario	Jobs		Personal Income (Millions of Fixed 2023$)		Economic Output (Millions of Fixed 2023$)	
Compared to Baseline	*Jobs*	*%*	*Units*	*%*	*Units*	*%*
JER decreases to 0.7	-12,744	-14.4%	-$590.9	-2.8%	-$2,730	-14.3%
JER maintains 0.8	2,265	2.6%	$104.4	0.5%	$486	2.6%
JER increases to 1.0	34,436	39.0%	$1,572.2	7.5%	$7,387	38.8%

Source: REMI PI+ v3.0 Model of Tampa Bay Counties Projections of Residence-Adjusted Employment, TBRPC Calculations

The jobs-mix matters: 10% target industries vs. retail jobs.

Even if the highest growth option (JER 1) is pursued and achieved, there are still key differences in outcome for the County economy.

The **jobs-mix** can have significant impacts on income, output, and even secondary/tertiary job growth.

COMPARISON OF TARGET INDUSTRY VS. RETAIL

Scenario	Job-Years		Personal Income (Millions of Fixed 2023$)		Economic Output (Millions of Fixed 2023$)	
Compared to Baseline	*Jobs*	*%*	*Units*	*%*	*Units*	*%*
#1: 10% in Retail	5,036	5.7%	$262	1.2%	$1,165	6.1%
#2: 10% in Target Industries	5,369	6.1%	$337	1.6%	$1,535	8.1%
Difference	333	0.4%	$75	0.4%	$370	1.9%

Source: REMI PI+ v3.0 Model of Tampa Bay Counties.

The jobs-mix matters across all industries.

RANKED COMPARISON OF 3,444 JOBS IN 2050 DISTRIBUTED TO DIFFERENT INDUSTRY SECTORS

Industry	Employment	Output (Millions)	Personal Income (Millions)	Score	Rank
Manufacturing	7,584	$1,886	$535	19	1
Finance, Insurance, and Real Estate	8,588	$2,597	$343	17	2
Retail and Wholesale Trade	7,127	$1,401	$484	16	3
Transportation	6,648	$1,043	$429	13	4
Services	5,892	$790	$366	10	5
Construction	5,206	$750	$282	6	6
Natural Resources	4,948	$362	$198	3	7

Note: The employment figures include 3,444 direct jobs.

Source: REMI PI+ Model of Tampa Bay Counties, TBRPC Calculations using the Study feature for 2050 across seven major industries in Hernando County.

Guiding Questions

1. What are the current economic trends in Hernando County?

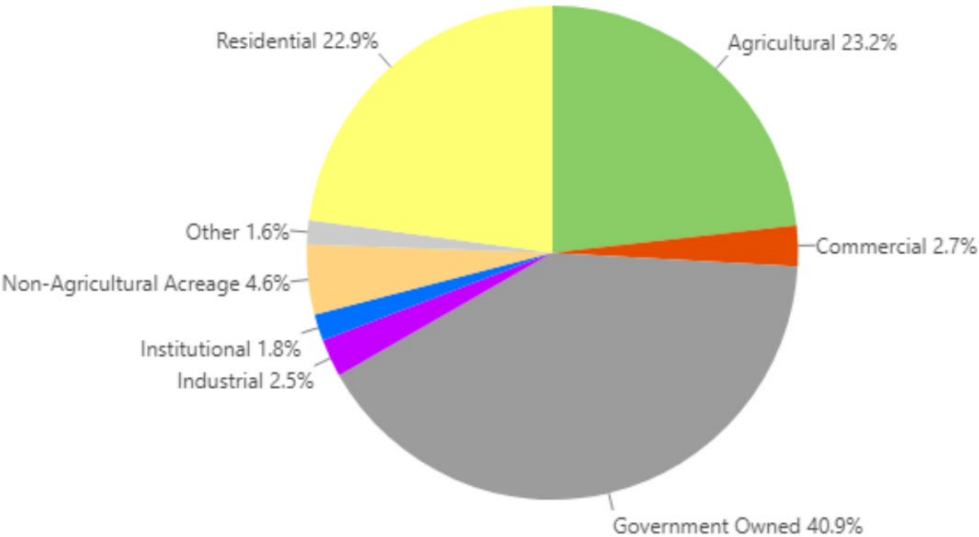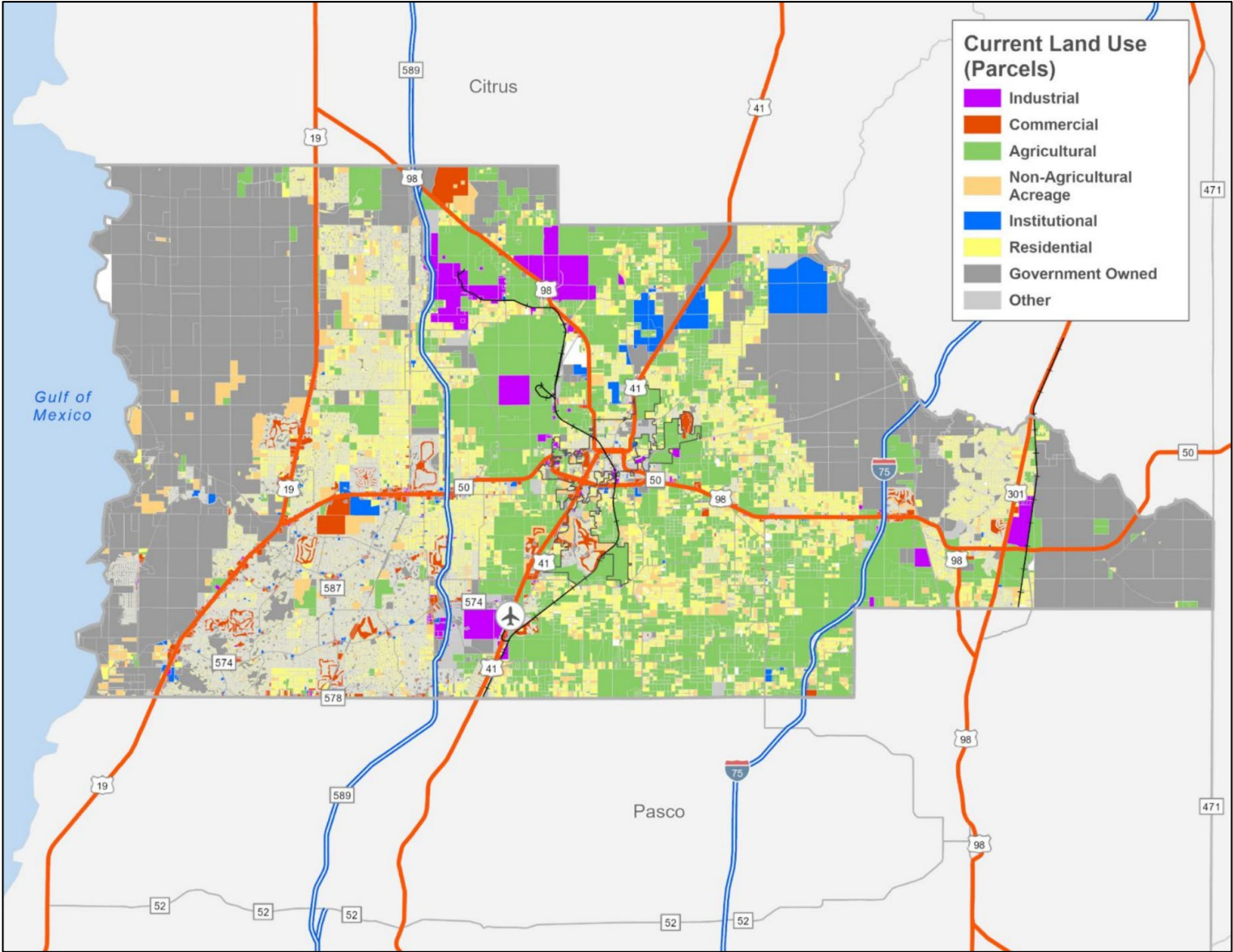2. How many jobs are needed to sustain or grow Hernando County's economy?

3. **How suitable are Hernando County's industrial lands for future growth?**

4. How can Hernando County balance industrial land needs with housing needs?

Lands by current property use assessment.

Current Land Use (Parcels)
- Industrial
- Commercial
- Agricultural
- Non-Agricultural Acreage
- Institutional
- Residential
- Government Owned
- Other

Residential 22.9%
Agricultural 23.2%
Other 1.6%
Commercial 2.7%
Non-Agricultural Acreage 4.6%
Institutional 1.8%
Industrial 2.5%
Government Owned 40.9%

Property Use Type	Parcel Acreage
Industrial	7,973
Commercial	8,614
Agricultural	74,832
Non-Agricultural	14,791
Institutional	5,648
Residential	73,783
Government owned	131,707
Other	5,030
Total	*322,378*

Source: Hernando County GIS, 2023. Map created by TBRPC

16

Current industrial lands by type.
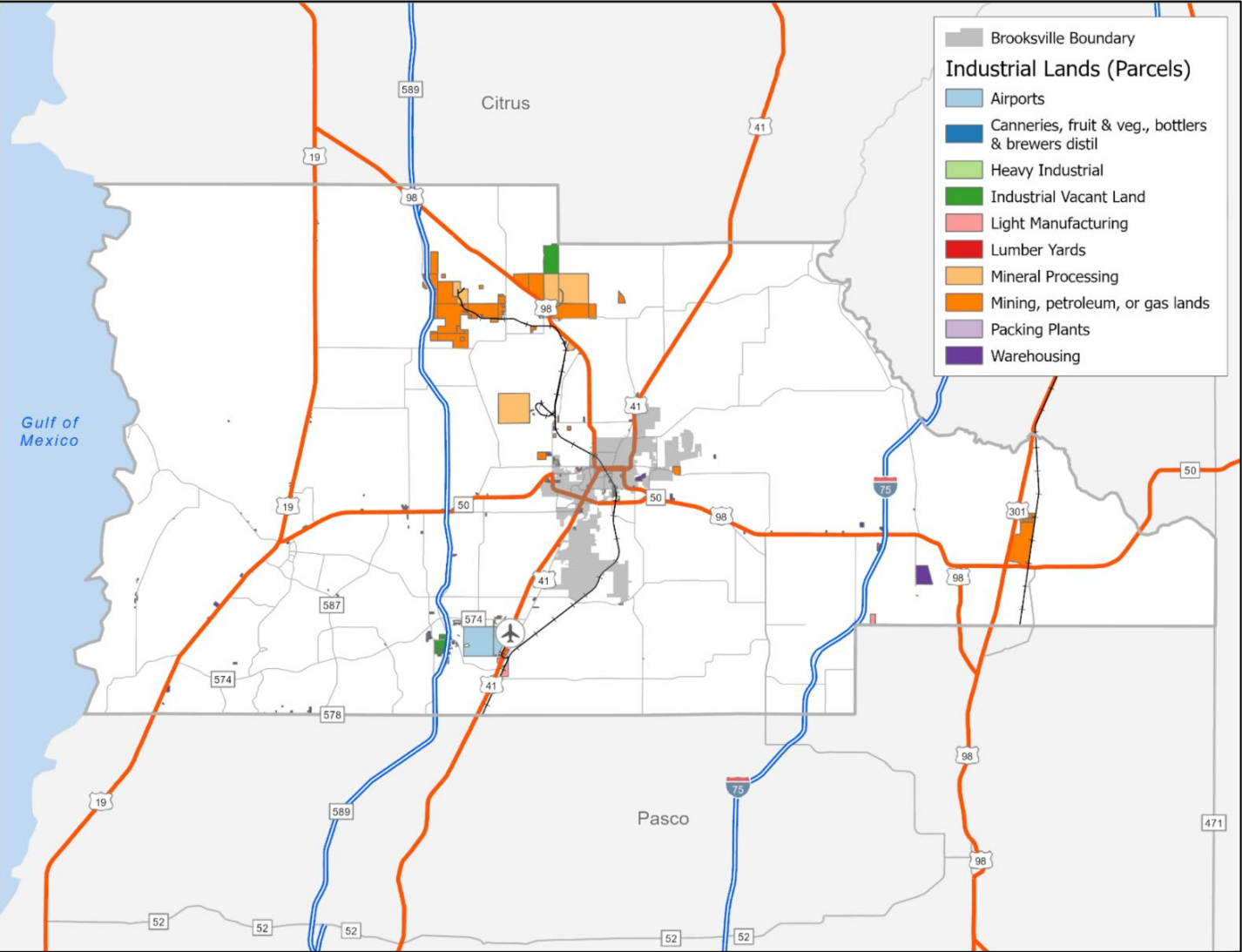
1. Majority of the parcels are warehousing.

2. Majority of the acreage is mining and mineral processing. Current mining uses can change as resources are extracted. An opportunity for reuse, but with many costs.

Description	Parcels	Acres
Airports	8	990
Industrial Vacant Land	46	516
Light Manufacturing	48	174
Heavy Industrial	5	38
Lumber Yards	2	12
Packing Plants	1	4
Canneries, Fruit & Vegetables, Bottlers & Brewers Distil.	1	1
Mineral Processing	8	1,895
Warehousing	225	703
Mining, Petroleum, or Gas Lands	60	3,639
Total	*404*	*7,973*

Source: Hernando County GIS, 2023. Map created by TBRPC.

Industrial suitability areas of interest.

Source: Hernando County GIS, 2023. Map created by TBRPC
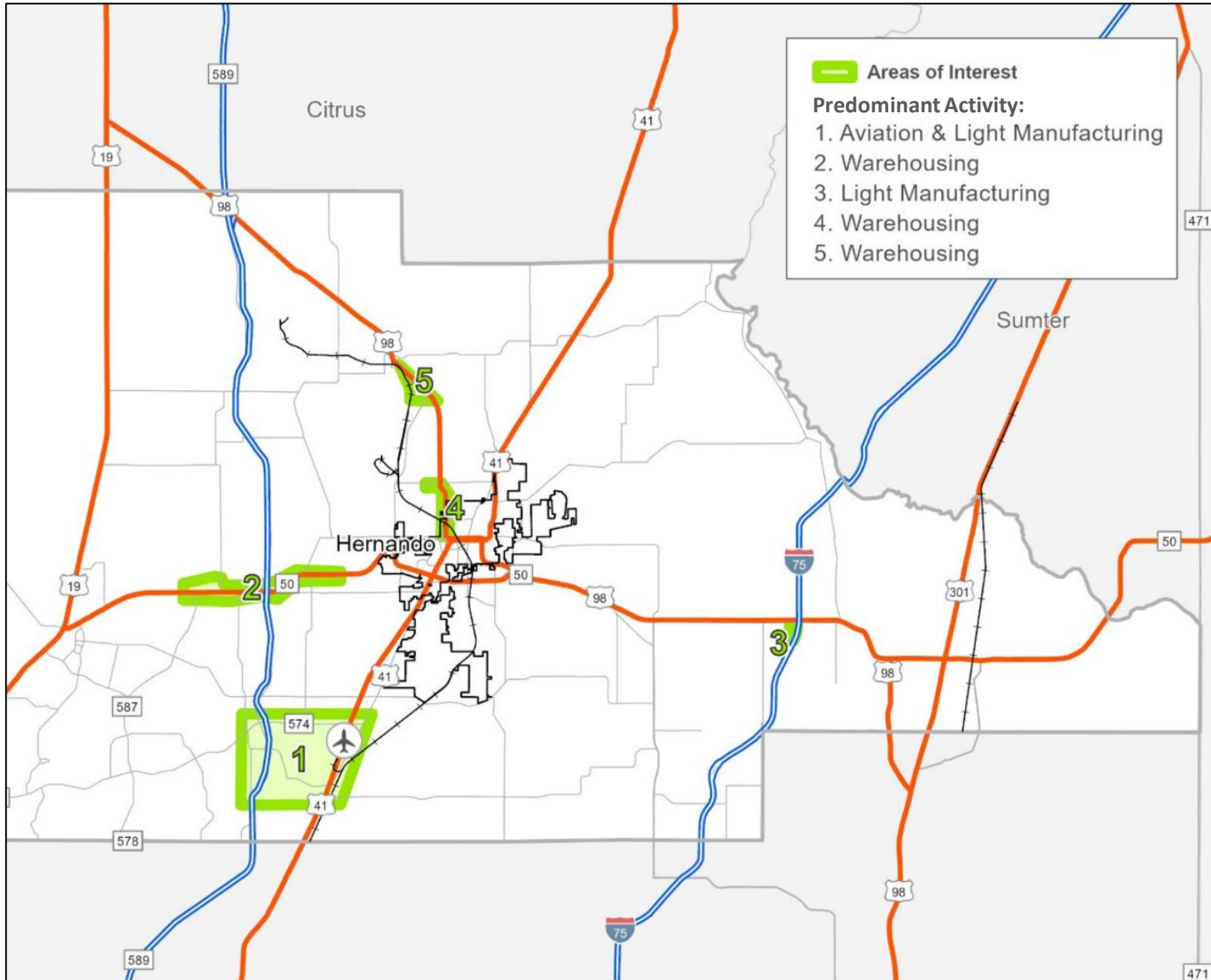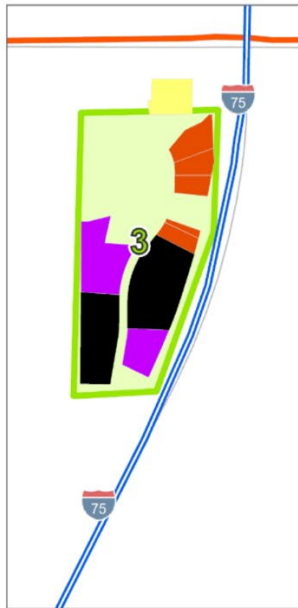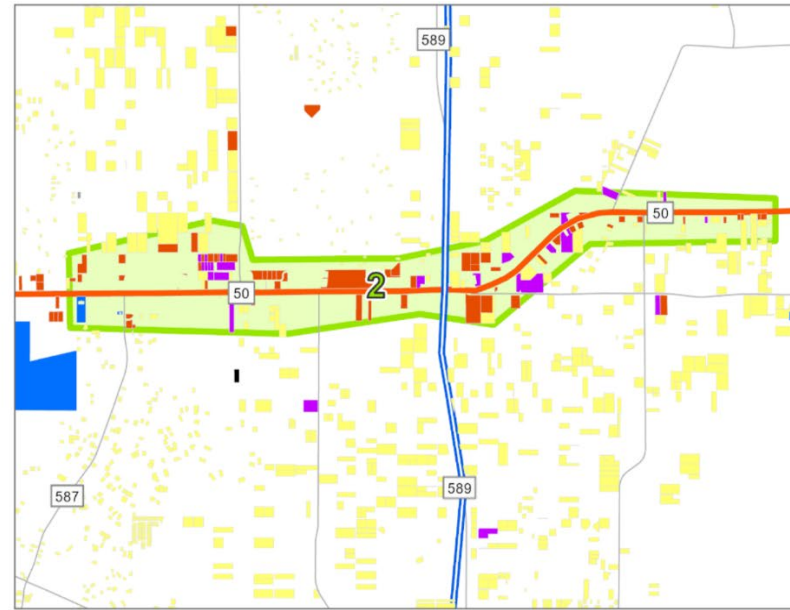
Suitability Considerations:

1. Access to transportation (rail and truck routes, 1,000' buffer).

2. Proximity to similar uses (1,000' buffer).

3. Conservation lands (Future Land Use Map – County & Brooksville).

4. Environmental hazards (Coastal High Hazard Areas).

5. Vacant/undeveloped land.

Industrial suitability areas of interest.
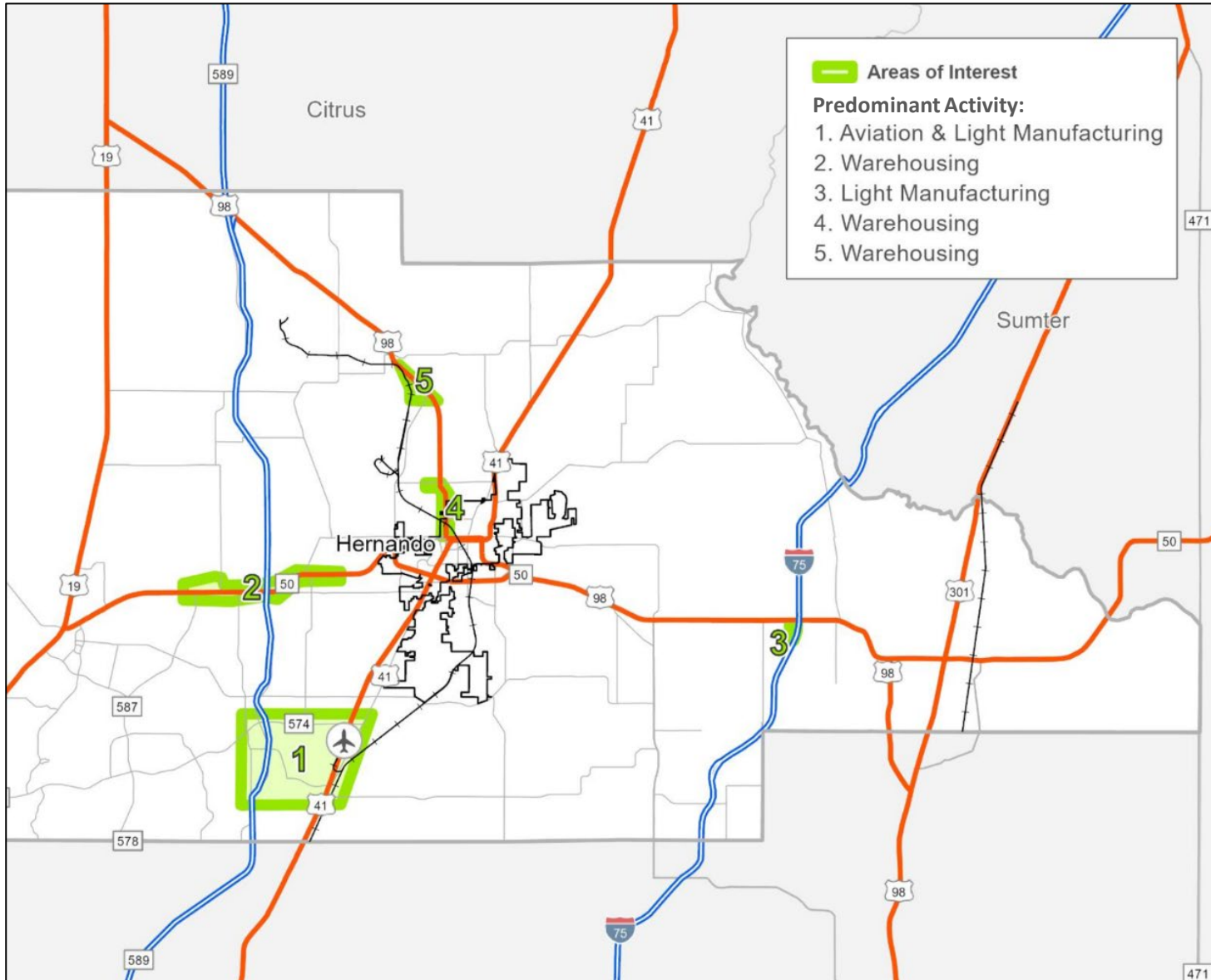
Key Findings:

1. Of 6,845 acres in *areas of interest,* only 1,433 are zoned industrial, and only 516 are suitable in current configuration. **Many fragmented, small parcels.** *County could assemble sporadic parcels to sell back into market as contiguous lands.*

2. Little industrial land in Hernando (2.5%), but what is here is varied and attractive to target industries.

3. Locational advantages and strong industrial corridor potential. If the County invests in the infrastructure, then it can own and reap a return on the investment.

Source: Hernando County GIS, 2023. Map created by TBRPC

Key Findings (cont.):

4. Existing industrial uses can support new uses.
   Ex. Existing warehousing can support the logistics of new manufacturing.

5. Each of these areas/corridors could have a mix of uses, including workforce housing, commercial, and industrial.

Legend:
- Areas of Interest
- Vacant Industrial
- Current Industrial Lands In Use
- Vacant Residential
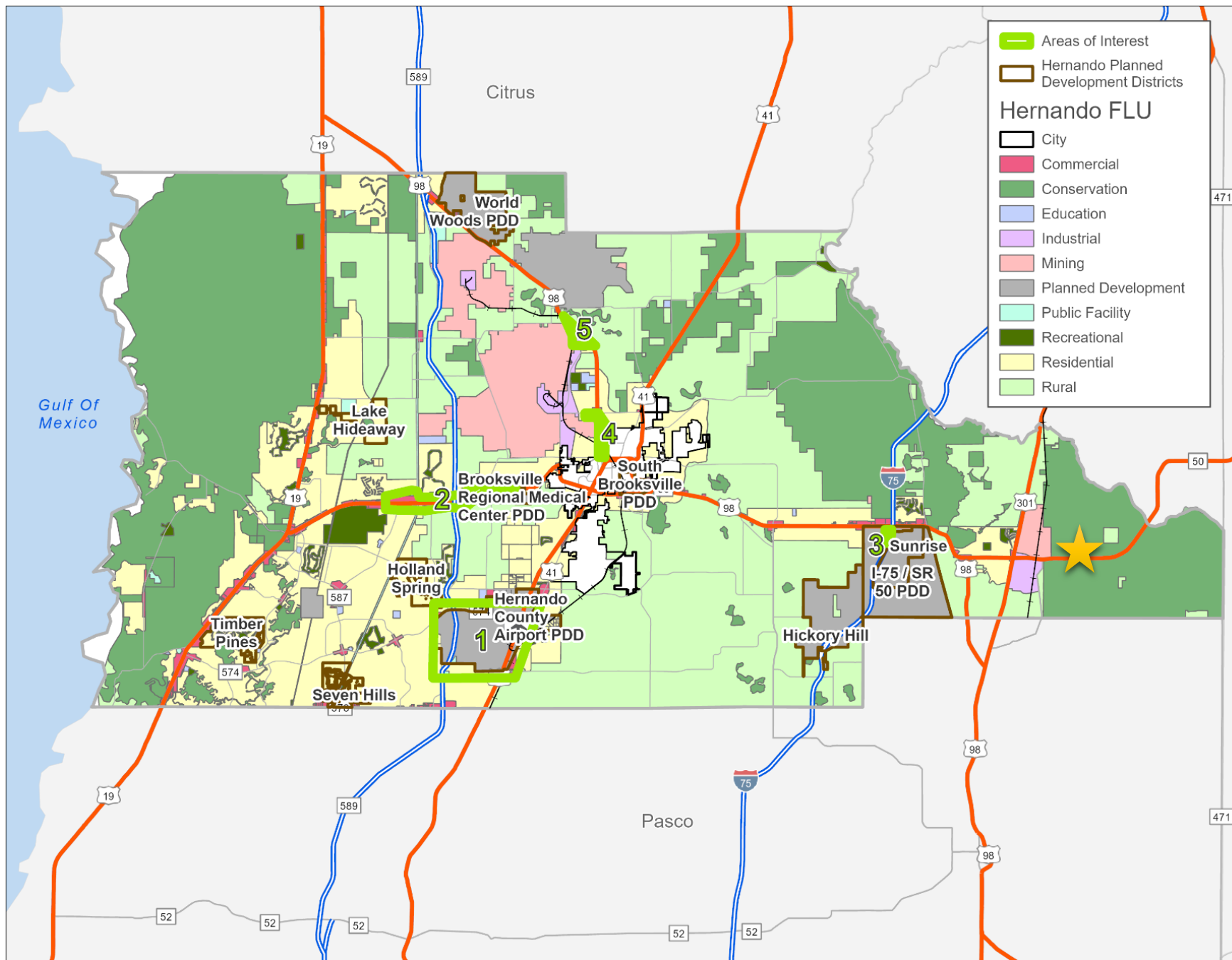- Vacant Commercial
- Vacant Institutional
- Vacant Governmental

Predominant Activity:
1. Aviation & Light Manufacturing
2. Warehousing
3. Light Manufacturing
4. Warehousing
5. Warehousing

Note: Maps Not Scaled Consistently

Source: Hernando County GIS, 2023. Map created by TBRPC

The "Horn property" at 301 & 50 is an additional area of interest that should be considered alongside these five areas.

Source: Hernando County GIS, 2023. Map created by TBRPC

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Strategy Recommendations:

1. **Increase Job Opportunities Relative to Residents Seeking Employment**

   a. Use the "jobs to employed residents' ratio" to measure change.

      i. Identify a job growth goal through 2050 to balance land use decisions.

         i. *Aim to add at least 34,436 new jobs by 2050, with 10% in target industries.*

      ii. Regularly track the impact of industrial land conservation on local economic opportunities.

COMPARISON OF JER SCENARIOS FOR HERNANDO COUNTY

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Decision-Making Factors for Industrial Land Conservation in Hernando County

Different areas have varying suitability for industrial uses.

- Consider a variety of factors in decision-making

- Apply one or a combination of strategies where most applicable.

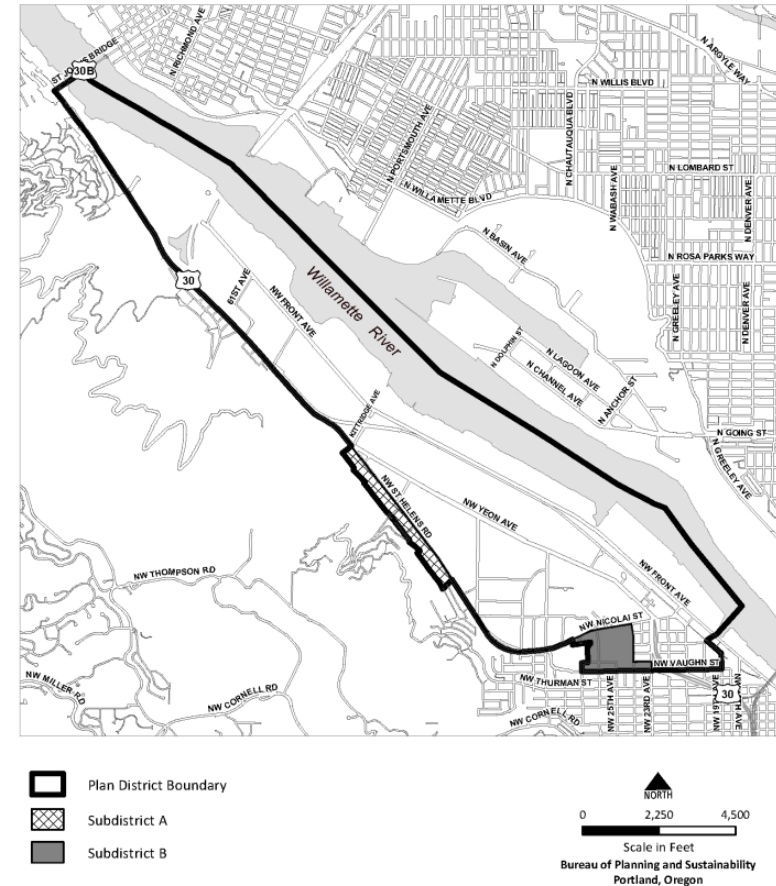| Factor	Retain as industrial. ◄──────────────────────────► Convert to mixed use or residential.	
Economy	Clusters of existing developed industrial land	Non-viable parcels due to size, shape, or isolation
Transportation	Proximity to distribution centers, existing truck routes, proximity to multimodal commuter options	Proximity to transit, but not major truck route
Compatibility	Brownfield site, remediation infeasible	Environmental nuisances
Adequacy of supply	Low vacancy rates for industrial buildings	High vacancy rates for industrial in obsolete buildings

Strategy Recommendations:

2. **Adopt Land Use and Economic Development Policies to Accommodate Job Growth Goals**

   a. **Protect** industrial and employment-related lands.

      i.   Delineate potential *Industrial Sanctuary Overlay*. Limit conversions of industrial to other uses within these areas.

      ii. Non-industrial uses may continue as conforming uses under existing zoning.

      iii. Prioritize mixed uses and only permit total redesignations in areas less suitable for industrial uses.

      iv. Consolidate fragmented parcels through land assembly.

PORTLAND INDUSTRIAL SANCTUARY

Plan District Boundary
Subdistrict A
Subdistrict B

NORTH

0   2,250   4,500

Scale in Feet
Bureau of Planning and Sustainability
Portland, Oregon

Strategy Recommendations:

2. **Adopt Land Use and Economic Development Policies to Accommodate Job Growth Goals (cont.)**

    b. **Incentivize** industrial operations in designated areas.

        i.   Continue to identify and prioritize **"ready sites"** with necessary infrastructure. Examples: Duke Energy's Site Readiness Program, Pasco County's Ready Sites.
        ii. Encourage development of **"non-ready sites"** needing infrastructure improvements via tax abatements, grants, low-interest loans, or tax credits.
        iii. Developing infrastructure using County dollars could offer a significant return on investment – if you build it, then you own it indefinitely.

    c. **Disincentivize** total conversions of industrial land.

        i.   Higher property tax rates for total conversions to non-industrial uses.
        ii. Apply rollback taxes for prior industrial designation benefits received.
        iii. Increase development impact fees for non-industrial projects on former industrial lands.

Key Findings:

1. Hernando County is well poised with its transportation routes and growing population; but it must keep its workforce growing and housing available.

2. To achieve a jobs-balanced economy, Hernando needs about **34,436 net new jobs by 2050** with <u>10% of those being target industry jobs.</u>

3. There are **6,845 acres of priority lands in areas of interest**, 1,433 designated industrial, 177 formally vacant and 1,119 acres of other vacant zones. Start here for discussions of preserving and expanding industrial land.

4. A strategy for the conservation of industrial lands is needed to enhance the County's ability **to maintain a balance** between providing sufficient land for quality employment opportunities and housing to accommodate its expanding population.

Hernando County Industrial Land Strategy

Presented by:

TBRPC — TAMPA BAY REGIONAL PLANNING COUNCIL

Thank you!

Any questions?

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