



Internal Audit Department

Special Report 2012 – 10

Economic Development Council

Review of Public Sector Expenditures

February 2013

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APPENDIX:

“Strategy for Strengthening Economic Development in Collier County”

The files and draft versions of audit reports remain confidential and protected from public records requests during an active audit under *Nicolai v. Baldwin (Aug. 28, 1998 DCA of FL, 5th District)* and Florida Statute 119.0713. Work-papers supporting the observations noted within this report will become public record and can be made available upon request once the final audit report has been issued.

The draft Audit Report 2012-10 was provided to the Department for management response on March 5, 2013. Amy Patterson, Impact Fee & Economic Development Manager, provided all management responses (noted in blue) on March 19, 2013.

BACKGROUND

Founded in 1976, the Economic Development Council of Collier County (EDC) was a private, not-for-profit corporation with a mission to diversify the economy and create high wage jobs. The EDC, through a Public/Private Partnership for Economic Diversification, was created in 1997 with the Collier County Board of Commissioners. The EDC developed strategic plans focused on innovation and entrepreneurship. The Collier County BCC awarded funds to the “public sector” of the EDC, to be used on an annual basis for payroll and marketing activities to support the business diversification efforts of the organization. The publicly funded unit of the EDC was created under the authority of Florida Statute section 125.045, County Economic Development Powers, which declares the expenditure of public funds for use in economic development activities to be a valid public purpose. For the fiscal years within the scope of the audit, 2009-2011, \$400,000 was awarded by the BCC each year (total reviewed \$1,200,000) for administrative and marketing expenses incurred by the public sector of the EDC in carrying out its activities. The audit focuses specifically on the legality of payments made to the EDC in regard to the public funds only; the privately funded sector of the EDC is not within the purview of Internal Audit.

Elements of the recent 5-year strategic plan, “An Economy by Design,” launched by the EDC in 2010 included:

- Business Expansion and Attraction
- Economic Gardening
- Project Innovation
- Marketing and Regional Branding
- Investor Relations and Administration

Activities coordinated and carried out by the EDC included workshops, seminars, and marketing campaigns focusing on job growth within Collier County.

Subsequent to the resignation of the EDC’s long-time director, in May 2011, KMK Consulting was engaged by the Economic Development Foundation (EDF), a private entity related to the EDC, to develop a new strategic plan for strengthening the economic development of Collier County. The report had several recommendations on how to overcome challenges cited from their study; one mentioned the need for more direct involvement by Collier County government in the “delivery of certain economic services.” *The report from KMK Consulting is included as an appendix to this audit report.* The fee for their consultation was originally loaned to the EDF by the EDC, but due to the inability to re-pay the loan, the EDC reclassified it as a contribution to the EDF (public funds were not used to directly pay for the report).

The EDC dissolved as of September 2011, the same month the KMK Consulting report was issued and just two years into the five-year Economy by Design Plan. As a result of the dissolution the BCC, at a regular meeting held September 27, 2011 (item #9C), unanimously approved and directed the County Attorney’s office to obtain all financial records from the EDC and the Clerk’s Office to conduct an audit of the records.

Certain assets were returned to the County in October 2011 and accepted by County staff as being final, while other items were left behind in the EDC offices as barter for rent with the landlord. The final tax return was filed during July 2012, after two extensions had been granted by the IRS.

SUMMARY

The following observations were generated during this review:

- Documentation is not available to determine if goods and services were obtained at the lowest practical costs as stipulated by the contract between the EDC and the BCC.
- A duplication of payroll was noted for one employee who was paid as a subcontractor for the same time period; the error was found subsequently during the preparation of the final tax return for the EDC and the funds were repaid to the County.
- The EDC made payments to Mona Lisa Graphic Design, LLC from an estimate, not an invoice.
- The owner of Mona Lisa Graphic Design, LLC was issued checks by the EDC in her name instead of being written to the LLC on 4 occasions.
- EDC tax returns only indicate that \$400,000 was received as a government contribution for FY2011; the public funds do not appear to be properly classified in prior year returns.

The following other observations were generated during this review:

- FY 2011 Annual Audit for private funds was not conducted.

SCOPE AND OBJECTIVE

The review consisted of, but was not limited to, the following tasks:

- Reviewing F.S. 125.045 County Economic Development Powers;
- Reviewing the following documentation for fiscal years 2009, 2010, and 2011 (year of dissolution):
 - Contracts between the BCC and the EDC
 - Invoices and other supporting documentation for expenditures of public funds (sample)
 - Bank statements and cancelled check images (to the extent made available)
 - Consolidated tax returns (form 990) for the public and private sectors of the EDC
- Reviewing audited consolidated financial statements for fiscal years 2009 and 2010, an unqualified opinion was issued for both years by the external auditor;
- Reviewing audited financial statements for the EDC's publicly funded award, an unqualified opinion was issued by the external auditor; an external audit of the private sector of the entity was not performed for FY2011 (as confirmed by documentation received, as well as by the Treasurer of the EDC);
- Reviewing EDC Annual Reports;
- Obtaining the list of assets returned to the County after dissolution of the EDC;
- Reviewing Budget Amendment Letters submitted by the EDC to the Economic Development Manager; and,
- Gathering newspaper articles and other media available to the public referencing the EDC and related activities.

The objectives of the review were to: determine if the funds awarded to the organization were expended according to the contract terms; validate whether back-up documentation is sufficient to support the expenditures; insure requirements specified within the contract were fulfilled; and to determine that all assets purchased with public funds were returned to the County.

SCOPE LIMITATIONS

No equipment or other assets were purchased with public funds during the period of review. Assets returned to the BCC were accepted and approved by County staff, but were not available for physical inspection by Internal Audit; therefore, could not be validated.

Cancelled check images were not always included within the documentation provided to Internal Audit. Bank Statements were available for the months without cancelled checks. Two months did not have bank statements or cancelled checks.

The inability to observe all cancelled checks or validate the return of physical assets are both considered audit scope limitations; therefore, the audit observations may not include all potential findings.

Since the EDC has dissolved, the ability to make inquiries of EDC staff and gather further information and documentation is constrained.

Note: Job creation goals related to Economic Stimulus grants awarded by the EDC to employers in Collier County have been audited separately from this particular review. Audit reports for those completed reviews, as well as other topics, can be found at: <http://www.collierclerk.com/ClerkToTheBoard/InternalAudit/PublishedReports>

OBSERVATIONS

1) Documentation is not available to determine if goods and services were obtained at the lowest practical costs as stipulated by the contract between the EDC and the BCC.

Article 2, section c states, the EDC shall “use its best efforts to obtain high quality supplies and services for use in the performance of these services at the lowest practical costs...” The EDC was reimbursed with County funds for \$280,402 during the period reviewed for goods and services. Current County staff performed a search of information available that would demonstrate goods and/or services were competitively procured or obtained for the lowest practical costs, but no documentation was found.

Some examples of expenditures that may not have maximized the use of the funds provided by Collier County tax dollars are:

- Payments totaling \$4,709 of overtime wages for subcontracted employees for fiscal year 2011.
- Payment of \$9,000 to an individual for program services rendered “per agreement” without an agreement attached to the invoice; no agreement was observed in the files.
- Paying a communications company \$80 per hour to interview and coordinate programs; time included meetings with County staff.

Recommendations:

- County staff should validate that recipients of public funds have obtained goods and services at competitive rates when agreements stipulate such requirements.
- All contract terms should be monitored during the contract period to ensure compliance.

Management Response:

The EDC may have had a policy in place to secure bids and establish best price for goods and services, however, the County did not request that specific form of back-up records. Actions for future improvement related to this type of agreement include: demonstration of specific documentation of purchasing policy, process and records, including sole source reasoning in order to facilitate best price.

2) Miscellaneous exceptions noted within the back-up documentation.

Upon review of the documentation provided by the EDC to BCC after dissolution of the organization, there were various oddities noted within the invoices, bank statements and tax returns; to include:

- Duplicate payment made to an employee while also being paid as a subcontracted employee for the same period of service in the amount of \$1,030.80. The duplicate payment was found during the final audit of the EDC, performed by their private accounting firm. Documentation was provided by County staff to show that a refund of the amount billed in error was made by the EDC in December 2011.
- Payments made to Mona Lisa Graphic Design, LLC from an estimate; no final invoice was found to be on file for the services to corroborate the accuracy of the estimate.
- Mona Lisa Graphic Design, LLC checks made payable to Mona Johns personally instead of to the LLC noted on 4 occasions.
 - Note: Reimbursement occurred based on invoices. Cancelled checks were not reviewed by the Department or Clerk’s Accounts Payable Department.
- Awards of \$400,000 from Collier County do not appear to be properly categorized in the consolidated tax returns of the organization for the two years preceding FY2011.

Recommendations:

- Documentation should be properly approved and carefully reviewed to ensure:
 - County funds are not expended for duplicate services.
 - Payments are substantiated with vendor invoices.

Management Response:

Actions for future improvement include: Apply additional scrutiny to payroll to ensure accuracy of entries and identify any invoice anomalies to ensure payments are made in accordance with the contract. Institute a specific requirement in future agreements for a quarterly review of financial documents and backup (cancelled checks, banking information, etc.) and identify process to remedy any potential issues.

OTHER OBSERVATION

3) FY 2011 Annual Audit for private funds was not conducted.

Article 6, section c states, The EDC shall provide the County with the independent annual audit of the immediately preceding fiscal year...for each year of the agreement.

An external audit of the private sector of the entity was not performed for FY 2011 (as confirmed by documentation received, as well as by the Treasurer of the EDC).

Without a proper audit trail, the entity may be in violation of the contract provisions and funds are susceptible to misappropriation. Proper documentation must be available to ensure misappropriation of funds does not occur.

Recommendation:

- County staff should obtain and maintain documentation to ensure an audit trail.

Management Response:

We concur that the organization should have had a full audit performed to be in compliance with the terms of the agreement, as they had done in the past. This was complicated by the fact that the entity dissolved on September 30, 2011, however, in the future, staff will work closely with applicable entities to comply with all contract terms.

CONCLUSION

Financial records and supporting documentation should be obtained at the time of the transaction and maintained to ensure a sufficient audit trail. Without adequate records, it is possible for misappropriation of County assets. County staff, vendors, and grantees should take care to ensure compliance with terms of the contract.

Audits do not relieve management of their responsibilities. It is the responsibility of County management to understand and implement the proper procedural controls in order to limit the risk of fraud, error, and misappropriation of county assets. Internal Audit may recommend improvements in audit reports, but ultimately it is the duty and decision of County management to formulate processes that ensure compliance with federal, state and county laws and policies.

The review of the EDC was performed by the Clerk's Office as a special request from the BCC. The EDC is no longer an active entity; therefore, any further action regarding the audit observations are at the discretion of the Board of County Commissioners.

Additional Management Comments:

We appreciate the comments and observations presented in this report. Procedural process and controls are integral to the management of contracts/agreements. The Internal Audit Department has been most helpful through this review and has provided sound recommendations for future improvement. As always, staff looks forward to the opportunity for continued enhancement of internal controls.

Internal Audit Comments:

Internal Audit acknowledges the cooperation and assistance from the Department. The Department responses to requests for information greatly assisted with the Audit.

**Strategy for
Strengthening
Economic
Development
in
Collier County**

Prepared for:



***Final Draft Report
September 9, 2011***

Presented by:

KMK | **Consulting Company LLC**

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Strategy for Strengthening Economic Development

INTRODUCTION

In response to a series of circumstances highlighted by Collier County's experience in attempting to attract Jackson Labs and the resignation of the Economic Development Council of Collier County's (EDC) long time staff executive, the EDC Board of Directors and the Board of Collier County Commissioners jointly agreed that it would be appropriate for the EDC to undertake a new strategic planning process. KMK Consulting Company was subsequently selected as the outside consulting firm to lead this effort commencing in mid-May 2011. While KMKC has extensive experience in working with economic development organizations in over 100 markets across the United States, including several in Florida, it has a particular familiarity with Collier County as several members of the firm have been frequent visitors for the past 30 years.

KMKC engaged in an extensive inclusion process involving input from many levels and groups of stakeholders across Collier County. Along with its extensive experience and knowledge of other economic development organizations, both as strategists and national site selectors, KMKC concluded that this strategic planning process represents an opportunity for an improved economic development delivery system in Collier County. These changes reflect a winning attitude toward economic development which, driven by a new structure and incorporating several critical best practices, will produce a

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much more effective pathway for improving and sustaining the quality of life in Collier County that has made this place so special.

This planning process encompassed review of the EDC's plans, studies, annual reports and production statistics over the past ten years. In addition, the process drove extensive outreach and input including a website specifically for public comments, voter telephone interviews, three public workshops, individual leadership sessions and the engagement of a leadership Steering Committee to guide the process and help test KMKC's findings and recommendations leading to the crafting of this final strategic plan draft. KMKC also reviewed other economic development organizations in Florida and across selected U.S. cities and regions evaluating best practices that could have useful applicability to Collier County's new plan.

KMKC greatly appreciates the tireless work and support of the EDC staff and leadership who are dedicated to an efficient and complete process. Similarly, the work of Mary Key and her colleagues in assuring the success of the public workshops added valuable stakeholder insights impacting KMKC's findings and recommendations in a very positive manner.

KMKC particularly appreciates the focus and seriousness of the Steering Committee. These individuals brought a clear passion and vested interest to the issues surrounding the questions of where Collier County wants to go and how it will get there. The

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Steering Committee challenged KMKC and they challenged each other, all of which made the process better. The members of the Steering Committee are listed in Appendix A. KMKC considers these individuals co-sponsor of this plan. KMKC anticipates many will continue with their leadership as this initiative moves from planning to implementation, carefully transitioning into the new structure outlined herein.

Founded in 1976, the EDC is a private, not for profit corporation with a mission to diversify the economy and create high-wage jobs. The EDC, through a public private partnership for economic diversification, created in 1997 with the Collier County Board of Commissioners recently developed a five year strategic plan focused on innovation and entrepreneurship. This 2010-2015 Economy by Design plan includes five key strategic elements: business expansion and attraction; economic gardening; project innovation; regional branding and marketing; and investor relations. The intent is that these would combine to create a business environment that focuses on a strong entrepreneurial support system to grow a world class vibrant economy. This bold objective is grounded in the EDC's historical strength of having directly supported more than 5,000 jobs across Collier County representing an overall economic impact of more than \$1 billion.

Nevertheless, in moving through the process and in crafting this new plan, it became a recurring and dominate message that Collier County has significant challenges and in some cases serious gaps in its economic delivery system. With this underlying,

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sobering theme in mind, this new plan envisions a number of material changes to the way in which this community addresses economic development.

EXECUTIVE SUMMARY

This strategic plan encompasses new structures, new roles, new responsibilities and new leadership. But it starts with a new shared vision for economic development:

Collier County represents the highest quality of life in the United States, consistently maintaining the overall best balance of first class amenities for residents and visitors with wages well above average and home to a consistently thriving base of innovative companies and support services, with a level of philanthropic caretaking unmatched in this country.

This new economic development delivery system combines a multi-county partnership with a grass roots focus on the education of Collier County citizens about the inseparable relationship between economic development and quality of life. The foundation upon which it is built is top tier leadership.

Our new economic development system is grounded in several guiding realities:

- Collier County has real challenges to sustaining its quality of life which require citizens and leadership to be as aligned as possible.

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- Regional leveraging of strengths and assets for economic gains is a time tested core best practice of economic development in Florida and across the United States.
- Top tier leadership involvement is the number one characteristic of successful economic development systems and communities in the United States.
- We must focus on the strengths that differentiate Collier County the most from other markets in Florida and the United States. This starts with the quantity and quality of our current and retired CEOs who live here.
- Collier County's recognition as a place unfriendly to business, and therefore unfriendly to jobs, is systemic and needs to change in a significant and sustained fashion.
- Structurally, this new strategic plan calls for the formal creation of the Southwest Florida Economic Development Partnership as a new 501(c)(6) entity to lead our business branding, marketing and business attraction efforts.
- A new Collier County economic development organization with a new name, location, staff, board and charter will focus our local economic development actions and deliverables in a more meaningful and measurable way giving us the best chance for success and the best chance to sustain a value proposition for those who must invest in this organization if our local efforts are to be successful.

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- Collier County government needs to play a more direct role in the delivery of certain economic development services. This strategy calls for a new economic development director position to be established within the County reporting to the County Manager.
- This plan also calls for expanded responsibilities by the Naples Chamber taking the business sector's lead in delivering a wake up call to this community at both the government and the citizen levels that we must be aligned and that we must have a consistently reliable approach toward being business friendly. Economic development must be embraced as everyone's business or we cannot sustain the quality of life which we have come to enjoy.
- Our focus on attracting and growing businesses and expanding high quality jobs and on developing the workforce needed to grow and sustain our businesses and provide careers for our young graduates is all grounded in leadership. While this leadership cuts across every facet of our community, it requires, most critically, senior, executive business leadership to drive the level of passion and commitment that must prevail across a new long term journey beginning right now.

PERSPECTIVE FOR CHANGE

Markets – places we live and work – are interesting concepts. We all have our opinion on what makes our place great and what aspects need to be fixed in order to preserve

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or improve our little piece of heaven. In some communities there is wide spread agreement among civic, business and political leaders pursuing a common vision and a basic agenda relative to defining and working toward a more successful place together. Sometimes these common, widely agreed visions and agendas last for years without needing to be adjusted. Instead, they consistently form the underpinning of a community's passion and their efforts to improve their quality of life as a segment of a long term journey of which they are a part – basically intent on leaving their community better than when they arrived.

Markets – communities – that have this type of attitude or shared vision – generally some combination of improving quality of life and being a top place to live and grow good businesses – are normally the ones that are most successful and the ones usually most admired by outside businesses, individuals and centers of influence (e.g. Forbes, Fortune, CNN, etc.). The perception of communities by such sources on the outside, of course, is an important dynamic and one that is critical to any place which cares about new residents, workforce (e.g. intellectual capital, young professionals) and businesses moving into the area.

Many communities expend significant efforts and money focused on improving and maintaining favorable perceptions so people and businesses are interested in visiting (e.g. the Tourism Development Council) and moving their families and companies there. These perceptions make marketing and sales efforts of the community more likely to succeed. For many, it's a process worth its weight in gold to a community's

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economy and job base for its citizens, without which quality of life sometimes suffers miserably.

These two important concepts are challenging for Collier County. Yet they are also great opportunities. Sadly, Collier County is not aligned – a weakness grounded more in lack of trust and education than anything else. Yet, it is exciting to envision an aligned Collier County citizenry from a retired Fortune 100 CEO in Port Royal to a social worker in Immokalee. There is incredible horsepower to advance a community when there is alignment – a shared vision, a common agenda. Perceptions of Collier County face the same current reality. No one KMKC found in the business community considers Collier County a welcoming place to start, grow or relocate a business. Yet lots of people see greatness in Collier County because of its immense beauty, cleanliness and first class amenities. On the surface, life looks pretty fantastic in Collier County. Leadership in government and private sector philanthropy built this incredible platform. The Phil, the FGCU Endowment, the Wine Festival hitting \$100 Million this coming year are all stunning examples of enduring assets. These are also manifestations of strategies to build a successful, sustainable community through vision, passion and commitment to a journey.

Quality of life, education of a workforce, social justice. This is the bedrock of our strategic plan for a better economic development delivery system. These successes, these commitments, are why Collier County can be aligned in a shared vision and can grow good jobs through valuable companies bringing revenues to this community.

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Collier County is blessed with an extraordinary abundance of winners, people who defied the odds, overcame adversity and experienced great success in business and in building great organizations and thriving places elsewhere around the world. Collier County is blessed with an extraordinary abundance of compassion and generosity, people who give to philanthropic organizations and social causes to improve the lives of their fellow citizens at levels unheard of in most communities across the United States. These are the major differentiators for Collier County. These are Collier County's secret weapons of economic development competition. This is what makes this new strategic plan for our economic development delivery system a winner for all stakeholders of Collier County.

STRENGTHENING OUR JOURNEY WITH FOCUSED CORE STRATEGIES

The EDC has existed for 35 years with one major adjustment, forming a public private partnership with the Board of County Commissioners in 1997. We have had our share of incredible growth as well as some major disappointments and disagreements during this time. Our beloved Collier County along with the State of Florida now faces an economic environment unlike anything we have experienced. The easy days of economic prosperity may never return. The market demands that we respond with greater resolve in order to retain what we have and to prosper wisely in the best interest of our collective Collier County family.

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In order to achieve this objective, this new plan calls for us to be committed to the following core strategies with focus, unbending commitment, unparalleled collaboration and meaningful financial investment over the next five years.

I. ALIGNMENT

In five years Collier County must be a better place than it is today. In ten years, better than that. The more we work together, the more successful we will be. Whether we inspire philanthropy in others, guide entrepreneurs toward becoming gazelle companies and owners, teach our youth new skills for our companies, or enhance effective governance, it all falls under a shared vision. A common agenda for this place called Collier County is to be the best place we can possibly be.

Vision: *Collier County represents the highest quality of life in the United States, consistently maintaining the overall best balance of first class amenities for residents and visitors with wages well above average and home to a consistently thriving base of innovative companies and support services, with a level of philanthropic caretaking unmatched in this country.*

This pathway is long, but we have the commitment.

This journey requires trust, but we have the leadership.

This effort demands inclusion, but we are blessed with respect for each other.

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With this vision in mind, we are in a perfect economic storm to recommit to our economic development **Mission:**

Facilitation of high quality job growth which produces better business diversity and a more resilient, prosperous and admired quality of life.

And it is these economic conditions encompassing Florida's challenges and our economic development experiences locally with growing companies like Arthrex and outside prospects like Jackson Labs that emboldens us to improve our economic development delivery system and adopt five year goals which are aspirational, accountable, measurable and achievable – goals that, when achieved, puts Collier County in a better place along the pathway of great communities. With this in mind, we will pursue these bold 5 year **Goals:**

1. Be a community of one voice toward our vision, strengthened by respect for differing opinions, always focused on improving our quality of life and the forces that underpin it.
2. Engage broader and deeper leadership in our economic development organizations to the envy of every other market in the United States.
3. Recruit ten new non-retail companies per year representing 1,000 new jobs with payroll 10% above current average wage.
4. Invest in ten new start-up innovation based companies per year representing 500 new jobs with payroll 25% above current average wage.

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5. Create a capital investment coalition of \$100M the first year which escalates at the rate of \$100M each year for a gross fund consortium level of \$500M for innovation based investments.
6. Facilitate the creation of 1,000 new jobs and the retention of 1,000 existing jobs by current Collier County businesses through direct "but for" support.
7. Establish our brand globally as the number one center for CEO living and CEO training in the United States.
8. Create the number one talent development, recruitment and retention program in Florida as measured by Workforce Florida, Inc.
9. Attain national brand recognition as one of the Top 3 markets for young professionals in the Southeast United States.
10. Attain the recognition of the business and economic development leadership as the best in class economic development delivery system in the Southeast United States.

II. LEADERSHIP

When it comes to business planning and economic development, one helpful reality is the ease at which communities can learn best practices from others. Without a doubt, the number one best practice of successful economic development strategies is the engagement of senior level leadership in the economic development delivery process. Although particularly from the private business sector, this critical success element also

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includes senior leadership from higher education, government, and in many cases the civic and religious sectors as well.

Also, the best practice of engaging leadership at senior levels does not lessen the important role for the broad base of leadership which includes non profits, neighborhood organizations, young professionals, trade groups, and others. This capacity, with its passion and dedication for a better community, must be cultivated at all levels. While these groups of leaders have been growing in their joint interest to improve the business environment of Collier County, the most senior level leaders from the business and retired business community have either moved away from economic development and the EDC or have never been asked to assume core economic development lead roles. The impact of such senior leadership, e.g. major corporate CEOs who live in Collier County and remain active on public and private company boards of directors, is significant with a multitude of examples from across Florida and around the United States. These examples encompass leveraging considerable CEO influence, from helping to drive a solution on a deadlocked issue, to winning a major bond issuance for city infrastructure, to closing a relocation project for a major company bringing hundreds of high paying jobs and capital investment to their county. These senior executives leverage business wisdom, risk taking experience, national networks, and often their financial investments to drive action and produce tangible results.

The importance of senior private sector leaders in the economic development delivery system cannot be overstated. These individual and collective talents

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cannot be overleveraged. One nearby example is instructive. The economic development group in Broward County is now called the Greater Fort Lauderdale Alliance. Attached to it is a group of 20 private sector CEOs along with the President of Nova Southeastern University. It is called the CEO Council. They each invest \$50,000 annually to assure their focus and commitment to their singular mission which is recruiting small company headquarters to Broward County. The foundation for this initiative was laid 3 years ago. Then the recession. But through their financial commitment they stuck together. They just announced the location of 4 headquarters in the past 3 months through July, 2011.

Similarly, Orlando's senior leadership group, representing the largest centers of payroll, capital investment and higher education in that community have been together for over 6 years. Again, bound together with passion to make their market a competitive business destination, along with a major financial investment by each executive, this group, called the Governors Council, has been instrumental in securing the UCF Medical School, passing a \$1 billion bond issue for 3 new sports and entertainment venues, and, in particular, was responsible for securing the Sanford Burnham Medical Research Institute to be the anchor for Orlando's new Medical City in Lake Nona. Said more directly, the Sanford Burnham Institute would not have happened but for Orlando's senior leadership group, the Governor's Council.

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The future economic development delivery system of Collier County will be underpinned by our top tier leadership group which will be our senior advisory team guiding what we do, how we select priorities, how we maintain focus and measure results. Then when needed for major initiatives, this group will also be a hands-on team to be sure we are taking our best shot at winning. Not a board, no fiduciary duties. Advisory, senior level centers of influence leveraged to make us more successful.

Beyond building the senior leadership team that perhaps surpasses Ft. Lauderdale and Orlando and others, Collier County has the ability because of the critical mass of our CEO population to take this leadership engagement issue to another level. This is where Collier County can truly eclipse most markets in the country with the horsepower that these individuals can provide. Because so many are already supporting this community in numerous ways, this plan calls for our retired CEOs to provide the platform to set a new benchmark for leadership engagement.

Specifically, our strategy calls for building teams of our retired CEOs. In so doing, they will be asked to sign a declaration to personally support the business strength and growth of Collier County.

- These teams will recruit businesses
- They will invest equity capital
- They will serve on Boards of Directors of recruited companies
- They will serve as company management and in some cases executives
- They will be asked to financially support our new EDO

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Once these teams are built, which will take two or more years to stabilize, and become an integral part of our economic development delivery system and once Collier County government and our broader community supports them with the alignment through our shared vision, the ability to reach all of our goals becomes unstoppable.

III. BUSINESS DEVELOPMENT

This is the blocking and tackling of economic development. It is marketing and sales to the outside world and business services to local companies and entrepreneurial startups. Our strategic plan significantly alters how this work is delivered in the future.

A. Business Attraction

We have not been branding, marketing or selling Collier County as any type of destination for businesses other than hospitality through the TDC. Our business base exists because company founders and owners live here and want to build their businesses where they live. This is a strategy – but a passive one. We are moving that into a proactive strategy. We will make this more successful as the core part of our business development effort.

The rest of our business base is service firms following the residential wealth, both of which have grown nicely. Again, this is a strategy, although in this case producing local, import jobs – meaning jobs that exchange local money rather than bringing in money from outside the county.

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Under this area of work, our strategy is to brand, market and sell Collier County to selected businesses, owners and talented workers, e.g. young IT professionals, in target markets around the United States and the globe. This work will be different than the marketing and sales work done in ED programs such as Miami, Tampa and Jacksonville. It will be much narrower in a couple of key ways. First, we will not have the financial resources for any broad marketing or advertising program. No shotguns. Rifles with high-powered scopes will be more our style. Second, our targeting will reflect our strengths and our constraints. Besides hospitality, agriculture, construction and professional services, our business clusters are relatively small. And to build truly competitive clusters often requires significant financial incentives, which Collier County is not going to pursue.

Thus, within this strategy our priorities for business recruitment will focus on:

- Mature businesses whose location in Collier County would be additive to the business models of our existing major employers.
- Mature businesses with a successful track record of moving their workforce with them as they expand, or recruiting their workforce from outside the region.
- Mature and young growth companies whose owner lives in Collier County who would realize financial and/or quality of life value in moving her headquarters or her entire company to Collier County to be close to home.
- Young companies who are looking for investment capital and/or management mentoring where we can deliver these two critical elements of entrepreneurship acceleration in a way that is bigger and better than their existing local market.

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- Mature or young companies where their current quality of life is so challenging to their success that Collier County is an attractive solution and the company fits with our business mix.
- Companies that are attracted to our emerging clusters in Collier County due to factors such as product synergies.
- Companies that are attracted to particular assets in Collier County that provide major solutions in accelerating their growth. e.g. Immokalee Airport, high-end conference facilities, the Phil, Ava Maria University, etc.
- Companies that compliment our competitive location quotients – hospitality, agriculture, construction (when it returns) and to a lesser degree financial and professional services.

These priorities will allow us to narrow our target industries, providing a filter to help us assure that the targeting efforts make good sense for the special characteristics of Collier County that are so important to us. An example is our intent to enrich the existing IT cluster by creating more career opportunities rather than increasing competition for skilled technical talent where there's already a shortage of workers for existing positions. While Collier County's target industries have evolved, whether by design or by happenstance over the past ten years, we will maintain the proactive target industries set forth by the EDC this past year:

- Computer and software services
- Health and life sciences
- Cleantech

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Joining these proactive targets will be secondary targeted industries of:

- Private company headquarters
- Advanced manufacturing
- Hospitality (executive conferences)

Our messaging strategies within the forgoing priorities and target industries will focus on the theme of Collier County as a place without constraints for companies and individuals that make the right fit for what we have to offer. Imagine Collier County's site selection guide which embraces:

- An unlimited CEO network
- Unlimited CEO advisory resources
- Unlimited leadership growth opportunities
- Perfect balance of business, arts, culture and nature
- Unlimited lifestyle environment

B. Business Retention and Expansion

The number one business development job in economic development is delivering on a valuable business retention and expansion program. Every single market in this country has one of these programs. About half do it well. We will do it exceptionally well.

The key to our formula is: Collier County will be customer focused, customer friendly.

We will be number one in Florida with this "good as gold" standard.

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The EDC's Economic Gardening initiative has progressed well with good impact and credibility. This success provides a solid platform to not only continue Economic Gardening focused on second-stage growth companies but, very importantly, to use this service approach to impact a much broader base of companies.

This expanded program will take work. It will not happen overnight. It is in part the responsibility of Collier County government. The private sector must help every step of the way getting there and sustaining this approach. It will combine an expanded focus of the Productivity Committee and the addition of a BRE Advisory Council which will always be exploring ways to streamline the business expansion process in Collier County.

The second part of this strategy involves knowledge – an economic development team that knows everything about its customers and their business plans and growth issues. This will be the job of the new EDC. The EDC's Gardening Initiative has given this area of responsibility a great start. With this strong foundation, we will do more and we will do it better. We will outreach and match up service providers, mentors and advisors at levels unprecedented in Florida. No business above 10 employees will go unattended. All of these employers will know where to go to connect.

The third element will be measured follow up. We will provide and track and report on real services. This is where the rubber meets the road. This is the delta we will measure. This type of detail will be a change. Knowing what the new EDC specifically

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does to save jobs and expand customer businesses is key ROI for investors and educates the public as to the EDC value proposition. So, if a company needs a curb cut approved by FDOT, we will see that it gets done and will add this transaction and its jobs impact to our reporting. We will master services that accelerate growth and eliminate obstacles to growth. Our focus is on relevant and measurable solutions to keep businesses at risk from leaving Collier County and to help them add jobs, whether a small business of 10 or a large company of 1,000 employees.

C. Entrepreneurship Acceleration

Every community wants to start and grow innovation based new businesses. Notwithstanding our constraints regarding lack of robust target clusters, we have two significant advantages over most markets – investment capital and management advisors. Attacking this strategy with the horsepower only Collier County and a few other markets possess, we can impact entrepreneurship startup and growth in a gazelle fashion.

Regarding investment capital, we will build a collaborative of funding sources that collectively provides \$500 Million of capital based in Collier County. We will do this because we can and most places can't. We will build a structure that gives us a business acceleration tool – a marketing tool – in a fashion that does not impinge the individual fund requirements of participants, whether they are individual venture capital funds or institutional funds with offices in Naples. Similarly, the structure will not minimize our Tamiami Angel Fund. Rather, it will markedly grow it.

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Providing sufficient investment capital to startups, mid-stage ventures, or as part of an exit strategy for venture capital funds at their planned investment cycle end is a position of competitive advantage for Collier County thanks to the scale of our investment sophistication and overall critical mass of resources. Done correctly, and pursued with patient perseverance, Collier County can assemble capital that will generate sustainable interest in this community as a place to grow innovative young companies. This strategy will focus on local as well as out of market entrepreneurs. As it succeeds, it will become part of our branding strategy and messaging.

The forgoing capital strategy will differentiate us because of our critical mass of CEOs and retired CEOs who call Collier County home. This asset similarly is the basis for the other major strategy of entrepreneurship acceleration – executive mentoring support for management.

Entrepreneurship development is grounded in three things: a sufficient flow of good ideas, solid management and capital. Our strategy to build solid management through senior mentoring support gives us competitive market differentiation in the second of the three pillars of entrepreneurship growth.

On a per capita basis it is fair to argue that Collier County has more CEOs and more successful business experience than any community in the United States. Matching our CEO mentor resources with entrepreneurs and their growing companies will position Collier County as the U.S. high watermark of developing great management teams.

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Whether as advisors or board members, or even as management members themselves, we will become known as THE place to be for this critical part of the entrepreneurship success formula. In fact, there is a company in Collier County today considering relocating it's headquarters to another corporate city because of the inability to get the growth support from the CEO network we have in this county. We won't, we can't, let this happen. We will be the hot spot of the United States for supporting entrepreneurship acceleration with our unparalleled CEO resource base.

IV. INTELLECTUAL CAPITAL

Talent quantity and quality is our biggest priority and our most challenging strategy from entry level to young professionals to senior management. From the affordable housing crisis of only a few years ago to today's issues of internships, curriculum design for our employers' needs, and young professional recruitment and retention, talent is at the top of our agenda in this new strategic plan.

The agenda is both broad and deep. It is fraught with obstacles. Many communities around the United States have, and continue to struggle with, this issue as their number one challenge.

As an example of the severity of this talent issue, it is worthy to make note of a competitive market in the southeast United States that has only one Fortune 500 headquarters. This company has announced to their local community leaders

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that they will move their headquarters to another southeast U.S. city as soon as the current CEO retires, all because of the difficulty in recruiting mid-level and senior talent. This company is only staying where it is because it is the CEO's hometown. The company will indeed move. It will in fact be a huge blow to that community which will lose it's only Fortune 500 headquarters.

For Collier County, we will attack this talent issue with a multi-faceted strategy at the educational levels as well as at the recruiting and lifestyle levels. We will restructure our talent pillar group from Project Innovation with a business plan supported by action and metrics. We will match FGCU, Hodges, Ave Maria and other educational leadership with our large employers. Human Resource management at those employers will become better salesmen for Collier County. Higher education institutions will be focused on Collier County careers first, national talent supply second (e.g. health care internships).

The Collier County community and our vast and amazingly generous philanthropic leadership have done a remarkable job taking care of our at risk youngsters. In many ways, we have set the best of class benchmark for this compassion and support. The end of this pathway for these youngsters is a relevant life, contributing to our society as an adult. This is where a good job is the reward for them and for our community. It is here, with a good job for these young citizens, that this journey of personal maturity and responsibility is completed and a new chapter begins.

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Our talent strategy with focus, action, accountability and leadership will bridge the tough issues from playground to paycheck. This effort will succeed over time if we stay the course with sufficient leadership and consistently adjust as we move forward.

The other thrust of our talent strategy is recruiting. Whether IT, young professionals or senior management, talent recruiting will become a proactive channel of our outreach work. Our branding and marketing program will encompass talent messaging, recognizing we have financial constraints in a space that will become very crowded as the national economy recovers and at some point companies across the United States return to chasing talent on a wholesale basis.

But beyond marketing we will add two other components, both growing out of Project Innovation. First, we will develop a model that works directly in support of our individual Collier County companies as they engage in recruiting workforce and management personnel. We will expand their teams, their systems, their strategies. We will bring to the table our best HR and recruiting staff from the ranks of our retired core of volunteers sharing their own commitment to the seriousness of this issue. Second, our strategy will encompass a new and major attention on our young professionals and their life in Collier County, whether professional fulfillment or entertainment. Both demand much more priority and attention as we must compete for this type of talent as the next generation of Collier County leadership. Building our business plan for this part of our implementation strategy encompasses a wide range of creative work from leadership courses held here by the nations top business schools to a focused effort with our

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restaurant and entertainment leadership (e.g. Fifth Avenue and Mercato) to raise the bar on our young professional's everyday and weekend lifestyle.

In summary, our new strategic plan function is about marketing, sales and direct services to impact quality business growth that builds on our strengths. As we implement, measure and adjust, we will manage business sector diversity being realistic about our constraints in cluster depth and being realistic about incentives to drive growth in clusters. We will be driven by leadership that is committed to metrics, accountability, impact, speed and flexibility.

GETTING THERE FROM HERE

To position our strategies for the best opportunity for success we are significantly shifting our economic development delivery system to a new structure considering our past strengths and weaknesses as well as both extensive input from current stakeholders and a review of best practices of economic development organizations elsewhere in Florida and nationally.

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V. OUR ECONOMIC DEVELOPMENT DELIVERY SYSTEM

A. Southwest Florida Economic Development Partnership

Much work preceded this strategic plan a few years ago. That effort explored, researched, met extensively, drafted collaborative MOUs, assembled a bit of money, conducted a branding strategy and launched a website. This regional groundwork led by the EDC and a few of our most tireless volunteers was a valiant start.

Input and research through this strategic planning process concludes that we are now ready for a formal launch of this multi-county partnership as a stand alone entity to better leverage the branding, marketing and business attraction programs of the southwest Florida counties.

In addition, this new organization will lead a talent growth business plan to win the workforce challenges of Collier County employers, our high school and college graduates, and our young professionals who want career options and fulfilling lifestyles to work for them right here in this community.

Initially, our partner will be Lee County. As Sarasota, Charlotte, Glades and Hendry Counties each want to become a member of this Partnership, we will be ready to embrace that growth. We understand the challenges with the details of designing and implementing this multi-county partnership. We've explored these issues by looking at

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many other multi-county economic development organizations elsewhere. We have no doubts about being successful.

We are committed to incorporating this regional Partnership as a 501(c)(6) and building it out with the proper Board, staff and budget. Our strategy calls for a \$1,200,000 annual budget balanced equitably across the counties and their the public sector and private sector participants. It also calls for a national search for a top marketing and business development executive.

We target officially opening the Partnership's doors for business in Q1, 2012. We will put Collier County on the radar screen as a desirable business destination and we will enhance the same message for Southwest Florida. The Southwest Florida Economic Development Partnership will be the vehicle to deliver on these objectives.

Sources and uses of funds

We will structure a fair and reasonable formula for county by county participation. We expect the bulk of the funds will come from Lee & Collier Counties. Collier County's responsibility should likely be in the \$350,000 yearly range. This should be satisfied by Collier County funds, e.g. \$200,000 of the funds previously dedicated to the EDC, along with a Board level private sector investment which we recommend be a minimum of \$25,000 annually per investor.

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We believe that through an active task force of private sector leaders confirming the funds to comprise a \$1.2M operating budget, crafting an initial operating agreement, forming the 501(c)(6), recruiting the initial Board of Directors and adoption of by-laws, and the recruitment of an outstanding marketing and business development lead staff executive, we can launch the Partnership in Q1, 2012.

The Partnership's use of funds in general should follow this pro forma:

Staff of five	\$550,000
Public Relations, Branding, Communications	\$300,000
Travel, Project Management Support	\$90,000
Prospect Research	\$50,000
Office Operating Expense	<u>\$210,000</u>
TOTAL BUDGET	\$1,200,000

B. Collier County Economic Development

There are four structural components to this delivery system at the Collier County level. The sum total of the SWOT Analysis of the EDC leads to this shared responsibility as follows:

- i. **A Reinvented EDO.** Our strategy encompasses a new name – The Naples Collier Business Alliance. It also encompasses a new location – a class A office representing our front door to the outside business world. It also includes amended “by-laws” reflecting a private sector investment structure with a revised program

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charter which is narrow and customer focused on measurements of results not volume of activities. It will be accountable to investors and to citizen stakeholders with an annual report card to the community.

This new EDO role will be limited to:

1. Business retention and expansion direct outreach and direct services.
2. Direct work with out of town business prospects to sell them on locating in Collier County.

This EDO will be funded by the private sector, both businesses and individuals, through annual tax deductible investments. Our pro forma budget is \$1,100,000 per year. We are targeting Q1, 2012 to launch this new EDO following a national search for a highly qualified staff executive and the recruitment of a new Advisory Board. The current EDC and its Board will remain in place as the transition team until these changes are in place. A number of these individuals are expected to move to the new Board.

Sources and uses of funds

The current EDC Board or a task force appointed by it, serving as a transition team, will be focused on an executive search for a new staff exec, the adoption of operation guidelines, building a new \$1.1 M budget of private sector investments, recruiting a new Board and relocating to new offices along with new staff to the extent the transition team so determines appropriate. All to be accomplished sometime in Q1, 2012.

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The sources of funds will come from Collier County tax deductible business and individual investments which should respond to the following target investment levels (minimum investment):

CEO Group support	over \$25,000
Executive Council	\$25,000
Advisory Board	\$15,000
Team and committee chair persons	\$10,000
Partners	\$5,000
Ambassadors	\$2,500

120 private sector investors allocated among these levels will form the private sector funding base of this reinvented organization. In addition to this annual investment structure, this newly reconstituted EDO will also launch an endowment program to secure permanent private sector funding capable of sustaining the operations of this economic development organization for the long term. Collier County is one of the few communities in the country capable of accomplishing the creation of a private sector endowment for economic development. A separate task force will be established for this purpose with a goal of having the endowment fully in place by the end of the five year period of this strategic plan.

The use of funds will follow this pro forma:

Staff of seven	\$510,000
Communications	\$40,000
Project Management & Support	\$70,000

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BRE Program Expense	\$80,000
Entrepreneurship Accelerator Program	\$110,000
Investor Relations Program	\$90,000
Office Operating Expense	<u>\$200,000</u>
TOTAL BUDGET	\$1,100,000

ii. Collier County Government

a. Staffing

This strategic plan calls for Collier County government to become a more direct partner in the delivery system by adding a qualified ED Director reporting to the County Manager.

This ED official would be housed at the Collier County government center and have two core responsibilities:

1. Directly assisting customers working with the Planning Commission and County staff to better facilitate their experience with the permitting process.
2. Directly assist those projects seeking incentives, including preparation of the presentation to the Board of County Commissioners justifying the incentive award. All work and research on the application and on the company would need to be completed by this economic development director and presented by her with her recommendations.

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The funding of this new position would come from the \$400,000 currently set aside by the Board of County Commissioners for the EDC. This will leave a substantial balance which we recommend be directed to the new Southwest Florida Economic Development Partnership. This is a very meaningful way to leverage the leadership and the resources of Collier County to put Collier County on the map for site selectors and companies making it clear that we are open for their business, that we mean business and that we have the right attitude about relevant job growth.

b. Incentives

Perhaps one of the most talked about issues for the economic development toolbox concerns proper County incentives to encourage business growth. With Lee County's \$25M incentive fund and communities across the country doing everything possible to strengthen their own incentives to make their place more enticing for job growth, it seems fundamental that we have to have a respectable incentives package in our arsenal for expansions and for new companies

Incentives are an interesting paradox. While most people don't like them, everybody wants them. This is akin to internet sales tax. A federal solution may well be the only way to sunset this location tool – always annually ranked in the top 4 of location decision factors for company executives and their site selection consultants.

As a number of states before and after, Ohio undertook a major study of incentives several years ago. The legislative proponents of the study were

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hoping to end incentives in Ohio. The report concluded that Ohio needed to make their incentives bigger and more aggressive in order to compete, which is exactly what they did.

Collier County needs a consistent, reliable incentive package, more than anything else, just to help demonstrate an 'open for business' attitude. Collier County does not have the fiscal ability to create and sustain significant funds for incentives that would be large enough to be a tie-breaker or as a deal maker by itself. Our Collier County administration, elected officials and business leadership can and needs to make up for this inherent weakness and reality by creating an environment where good businesses truly want to be. Incentives can be a valuable tool to help us win expansions and relocations. But it must be our other distinguishing characteristics that get companies to want to be here, stay here and flourish here.

Because of the excessive constraints' and angst over administering Collier County's current incentives, it would indeed be a significant improvement to create a designated funding source as the incentive processes is also amended to be efficient and helpful.

There is a strong consensus that supports a referendum to establish such a funding source and also to improve the terms of qualification and use of these incentives. An important strategy within the next five years of implementing this overall strategic plan is to craft an improved, meaningful incentive plan, take it to the Collier County voters, get them properly educated and secure a resounding passage of a referendum and vote of

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confidence from a broad base of our stakeholders. The timing must be carefully strategized. Bad timing alone could seal the fate of defeat . As we work toward the best timing, we just must remember that every month that passes without a solid and funded incentive plan in place represents lost opportunities as business decision makers will simply tend to go elsewhere.

The goals of the incentives should not only encourage above average wages and capital investment, but also should encourage industries that best advance our vision. Beyond targeting industries, our process will consider issue specific crafting that encompasses targeting geography (e.g. everybody is going after Chicago and Illinois businesses currently - how can we differentiate Collier County?), targeting sales (e.g. target workforce specialties such as IT), target investment (e.g. provide incentives to the equity investor), targeting the business assets of company owners (e.g. private aircraft), targeting the personal assets of business owners (e.g. yachts, stock options).

The referendum structure itself will be extremely critical. The strategic plan Steering Committee considered more than one such structure. For instance, a package of uses of a special sales tax fund which includes other important needs within the County would tie business growth to quality of life.

A task force will be created under the oversight of our new CEO Group and charged with designing this incentive plan, its rules of administration and a referendum plan with a target for completing referendum passage within the next 18 months.

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iii. The Naples Chamber

Our Chamber of Commerce has a critical role in the strategic plan:

1. Small business support such as through local programs, business improvement seminars and conferences, etc.
2. Public policy and effective governance.

The first is a relatively straight forward expansion of Chamber member services with a mix of current programs and a blending of activities previously handled by the old EDC which the new EDO will not be doing such as most of Project Innovation. The second prong is the real meat of the Chamber's responsibility as it encompasses all of the communication, advocacy and political work that directly impacts the quality of our Collier County product from infrastructure to influencing and educating our elected officials and our broader community on the importance of alignment, shared vision and a business friendly environment.

As the strategic plan started with a reference to the fundamental requirement for alignment and a business friendly environment, so it closes with this essential educational role in the hands of the Chamber where it is often housed as a best practice in other communities. We also believe this expanded role will add significant value to the Chamber in the eyes of its members.

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VI. Measuring Success

This is a five year strategic plan. It calls for five year goals reflecting where we want to be at the end of the five years, or more specifically September 30, 2016. Progress will be measured annually to be sure we are on track and to make adjustments in our priorities, metrics and goals as the marketplace and related circumstances renders most prudent. We will issue an Annual Report Card to the public. The regional Partnership will do so as well.

The CEO Group, our senior advisory council, will collaborate on the five year goals with both the Southwest Florida Economic Development Partnership Board and Naples Collier Business Alliance Board. They'll also recommend to the Partnership Board and the Naples Collier Business Alliance Board the annual priorities and measurement metrics to be set by each Board. Most importantly, the CEO Group will be the signators of the Annual Report Card.

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VII. Summary

Our future is grounded in the implementation of this plan. What really matters in our journey toward economic development success is the passion of our people not the prose of this paper.

Our community is blessed with incredible individuals. Engaging their commitment to the phases of the journey outlined in this plan will move Collier County, its businesses, its families and its quality of life decisively to the next level, helping to make this a better place for all of us.

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APPENDIX A

Collier County Steering Committee

John Barlow, Jr.

Edward Morton
Wasmer, Schroeder & Company, Inc

Richard Botthof
The Naples Trust Company

Bob Mulhere
Mulhere & Associates, LLC

Wilson Bradshaw
Florida Gulf Coast University

Dave Neil
Naples Daily News

Jim Burke

John Passidomo
Cheffy Passidomo

David Call
Fifth Third Bank (South Florida)

Fred Pezeshkan
Manhattan Kraft Construction, Inc.

Tim Cartwright
Fifth Avenue Advisors

Ursula Pfahl
Yamron Jewelers

Mei-Mei Chan
News Press

Russell Priddy
Sunniland Family, L. P.

Tom Conrecode
Southwest Florida Transportation Initiative

Patrick Renda
Renda Broadcasting

Myra J. Daniels
Philharmonic Center for the Arts

Al Reynolds
Wilson Miller Stantec

Will Dempsey

Garrett Richter
First National Bank of the Gulf Coast

Thomas Flood
Collier Enterprises, Ltd.

Mayela Rosales
Azteca America Southwest Florida (Media Vista)

Blake Gable
Barron Collier Companies

Reinhold Schmieding
Arthrex Inc.

Todd Gates
GATES Construction

Keith Short
IBERIABANK

Dudley Goodlette

Katie Sproul
Barron Collier Companies

Dick Grant
Grant, Fridkin, Pearson, Athan & Crown, P.A.

Andrew Sroka
Fischer International

Jim Hoppensteadt
Pelican Bay Foundation

Janet Vasey

Alan Horton

Dolph von Arx

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Bob Koenig
Manhattan Kraft Construction, Inc.

James Malone
Qorval

PJ Marinelli
Naples Capital Advisors Inc

Jim Moore
Economic Development Office of Lee County

Allen Weiss
NCH Healthcare System

Len E. Zaiser
Structure Medical, Inc

Len Zaiser, IV
Structure Medical, Inc

APPENDIX B

Collier County Economic Development SWOT Analysis Summary

Strengths

- Quality of life
- CEO critical mass
- Beauty
- Philanthropy
- Environmental priority
- The Phil
- Wine Festival
- RSW
- FGCU, Hodges, Ave Maria
- NCH, Arthrex, ASG, HMA
- Investment capital
- EDC's Economic Gardening
- EDC's Project Innovation

Weaknesses

- Lack of leadership or ED
- Top CEOs not engaged
- EDC politicized
- EDC whipping post
- Lack of regionalism
- Unreliable, noncompetitive incentives
- Jackson Lab experience
- Lack of alignment
- Workforce capacity
- Business diversity
- Young professionals environment

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Opportunities

- Community alignment
- Top CEO engagement
- Retired CEO engagement
- The Naples brand
- Regional partnership
- Investment capital
- EDC Economic Gardening
- Reliable and relevant incentives plan
- Jackson Lab experience
- Talent development
- YP leadership, YP environment
- Enterprise Florida and the Governor

Threats

- Lack of alignment
- Not enough pain
- Jackson Lab process
- Too smart for our own good
- County ad valorem tax imbalance
- Other Florida markets that are aligned
- State and other regions moving ahead without Collier County