

# A Key Strategy to Winning is a Constant State of Readiness



Ocala/Marion County  
Economic Development Corporation  
2008/2009 Report to Investors

**A**s we are well aware, Marion County is suffering through one of the worst economic downturns since the Great Depression. With unemployment climbing over 13%, approximately 18,000 of our residents are out of work. However, there is some good news! Most economists agree that the nation and Florida are finally heading out of the recession, and we will begin the long process of rebuilding our local economy.

Now more than ever, our community must act quickly and decisively to spark business investment and quality job growth in our area. Having the right leadership and harnessing the power of our business community and the public sectors are essential factors to renewed economic vitality in Ocala/Marion County. Those essential factors are now in place, and the necessary leadership is active and engaged.

In early August, championed by Representative Kurt Kelly, the Ocala/Marion County Economic Action Team was formed. This active partnership of our business and governmental partners at the state and local levels is focusing their efforts on expanding, intensifying and accelerating action steps to advance a local economic recovery plan and effectively assist Marion County's many dislocated workers by attracting and retaining companies that create jobs.

The most important thing to remember is that our economic situation is "survivable" and "sustainable", but economic recovery will take active involvement and responsibility on all levels. These efforts and partnerships **WILL** bring jobs to our community.

The EDC continues to implement an aggressive local business recruitment, retention and expansion strategy and is currently working 18 active projects. To move those projects forward, it is imperative to provide excellent customer service to those new and expanding businesses. As business decision makers, large and small, invest potentially millions of dollars in our community, those executives will have the confidence that their facilities are permitted and constructed expeditiously. Our goal would be to substantiate the relative ease there is in doing business in Ocala/Marion County and how our local governments can quickly react and provide "no surprises" guidance through the permitting and regulatory process.

We deeply appreciate our partners' dedicated efforts in assisting our dislocated workers and helping jump-start local economic growth. We also thank our investors for their steadfast support which enabled us to expand our programs and continue on the path to economic recovery.

Sincerely,

Peter J. Tesch  
President/CEO



**M**any people may look back at this year and think it was pretty dismal to be involved with economic development, but I would beg to differ. As challenging as our times are now, I truly believe we will come out of this stronger and more effective in the long run. During this past year, I have had the privilege to serve as the Chair of the EDC and am gratified by what has been accomplished during my term by our dedicated staff, Board of Directors and scores of volunteers.

I have seen over 50 EDC volunteers step up to the plate and contribute their time and expertise through the "Raising the Bar Task Forces" which culminated in a decisive plan of action to identify much needed business and commerce sites, enhance the customer service delivery system for business attraction and retention, and begin to diversify our economy through technology based initiatives.

The Economic Growth Summit and Stimulus Briefing convened over 125 business executives, community leaders and elected officials, all working together in the best interest of the community to disseminate information and reach consensus to activate a 12 point plan for economic recovery.

The Stimulus Briefing held in Ocala became a model for other communities in the State. We were the first to hold such a forum, and they took notice. It was also an honor to work with Enterprise Florida as they included us in the development of a strategic plan for our State.

This year marks the end of our five-year Lead The Way Campaign, and I thank all of you for investing in the EDC and our mission. Your commitments enabled us to expand our programs and remain strong in our quest to bring quality jobs to Ocala and Marion County.

The strength of the EDC lies in relationships and that strength comes from you. Together, let us continue to focus on the challenges and opportunities at hand, and diversify our economy for the future. We must ensure that Ocala/Marion County remains Great for Business and Great for Life!

Sincerely,

Brian O'Connor  
Chair



## 2008-2009 Year-End Results

Company	Projected Jobs	Capital Investment	Additional Payroll
JRS Custom Fabrication, Inc.	30*	\$4,194,000	\$1,233,440
Lockheed Martin	125*	\$6,165,875	\$11,000,000
Intellon	10*	\$1,000,000	\$1,000,000

*\*Projected jobs created in the targeted range of 115%-120% of 2004 AEPW*

## At the Five-Year Mark

Here's how your investment is paying off for our community.

2009	Goal 2,947* Projected Job Growth	Goal \$175,000,000 Capital Investment	Goal \$75,000,000 Additional Payroll
<b>Fifth Year Total</b>	<b>1,759*</b> (60% of Goal)	<b>\$165,900,000</b> (95% of Goal)	<b>\$75,400,000</b> (101% of Goal)
2009	165*	\$16,200,000	\$ 8,300,000
2008	202*	\$36,000,000	\$ 7,600,000
2007	282*	\$14,700,000	\$12,500,000
2006	415*	\$30,000,000	\$15,000,000
2005	705*	\$69,000,000	\$32,000,000

*\*Projected jobs created in the targeted range of 115%-120% of 2004 AEPW*

## Business Expansion



### JRS New Office

It was welcome news when Pete Tesch announced projects creating new jobs at the first quarterly luncheon. Among those was JRS Custom Fabrication, Inc. The local company is expanding to create 30 quality jobs with an additional annual payroll projected at \$1,233,440 and a capital investment of nearly \$4.2 million. JRS is a designer and manufacturer of fuel storage tanks, trailers and enclosures for the power generation industry. They also provide stairs and platforms, cylindrical fuel storage tanks, packaging services, component mounting, modification to factory packages, replacement parts and a variety of field services.

### Lockheed

Lockheed Martin Ocala Operations has expanded to create 125 quality jobs with an additional annual payroll projected at \$6,165,875 and a capital investment of \$11 million. The Lockheed expansion is helping keep some of Ocala's best and brightest young professionals in Ocala and Marion County. Melissa Dean, one of three engineers interviewed for a Faces of Economic Development feature, explained the benefits of working at Lockheed under the direction of Brian O'Connor. "He has embraced the role of our operation as a training ground for young professionals. The best part is there are so many opportunities if we choose to grow with the company here, or in other areas of the country. Either way, the door is open, and we are prepared to walk through and ready to move up."



### Intellon

The City of Ocala joined with the Marion County Board of County Commissioners and the State of Florida to approve the Intellon expansion project for Downtown Ocala. The EDC was proud to partner with Intellon to structure the proposals and bring Enterprise Florida (EFI) to the table. With the City and County's financial commitments in place, EFI agreed to contribute \$275,000 toward this economic project for our community! Intellon has experienced a lot of growth through the years. You may not recognize the company name, or have no idea what they do, but the research and development they conduct right here in Ocala/Marion County is intricately connecting the world. Intellon's slogan says it all – No New Wires! Their team of engineers, thinking beyond current technologies, develop integrated circuits (ICs) that enable communications over the existing electrical wires in homes and businesses across the globe.

# Economic Recovery

## Economic Action Team

Under the leadership of Representative Kurt Kelly, the EDC convened local and statewide leaders on August 13 for a briefing on our current unemployment status and the anticipated increase due to the closing of Taylor, Bean & Whitaker (TB&W) and its subsidiaries.

The purpose of the briefing was two-fold; assess the situation at hand, and brainstorm short-term and long-term strategies to bolster our economy, create quality jobs and offer hope to the individuals and families affected by these challenging dynamics. As a result, the Ocala/Marion County Economic Action Team was created with federal, state and local elected officials working in concert with our business partners to implement solutions to these daunting issues. The team meets on a monthly basis to report progress on current economic recovery efforts, and has developed a communications plan to effectively disseminate the information to our respective organizations, as well as the public at large.



County Administrator Dr. Lee Niblock, City Manager Ricky Horst, Commissioner Barbara Fitos, EDC President/CEO Pete Tesch and EDC Chair Brian O'Connor were among thirty federal, state and local leaders attending a briefing at CFCC to take decisive action to combat the current unemployment situation affecting the residents of Ocala and Marion County.



Representative Kurt Kelly greets Florida CFO Alex Sink, Brian O'Connor and Pete Tesch.

At the October 29, 2008, Economic Growth Summit, which convened nearly 100 business executives, community leaders and elected officials, a twelve-point plan was activated to help stimulate growth in our economy. The Ocala/Marion County Economic Action Team is aggressively implementing this plan to advance our economic recovery efforts.

1. Expand Dislocated Worker Funding, Workforce Board Funding and Training Grants
2. Provide Training and Educational Resources for Dislocated Workers
3. Infrastructure Improvement, Creation of New Business Parks including Ocala International Airport
4. Impact Fee & Permit Mitigation Relief for Economic Development Projects
5. Define Specific Areas in the Community for Redevelopment for Business Improvement Zones and Pass State Legislation for an Enterprise Zone
6. Expedited Permitting by State and Local Governments
7. Competitive Rates and Policies for Ocala Utility Services
8. Intensify the EDC's Business Recruitment and Marketing Efforts
9. Strengthen Business Retention Programs
10. Support the Chamber's "Buy Local" Initiative
11. Improve Small Business Assistance Delivery System and Entrepreneurial Development Capability
12. Explore "Green" Industry Attraction as a Possible Target Industry

## Stimulus Briefing

As the Federal Economic Stimulus Package was in debate, the EDC researched ways to channel those dollars to our community. On March 25, 2009 just after the bill's passage, the EDC convened 125 top executives and community leaders to provide a briefing on the various industry sectors eligible for possible funding. This briefing was the first of its kind to be held and became the model for many other communities in the State.



The briefing began with the Federal perspective drafted from Congressman Cliff Stearns' office. Workforce Connection's CEO Rusty Skinner presented the training services that have been enhanced through the funding and emphasized the importance of meeting local employment needs. Ocala and Marion County key staff members presented infrastructure projects. Healthcare representatives presented an overview of potential benefits, as well as activities already funded with Stimulus grant monies. Dr. Diana Greene, Marion County Public Schools, and Dr. Charles Dassance, CFCC, presented potential benefits that could offset severe budget cuts in our public schools and assist with student loans for CFCC students. Martha Barnwell, Progress Energy shared how the national stimulus plan could bring local dollars to the energy sector. The hands-on portion of the day was explored through a local company's experience in searching for stimulus projects. Participants left the Briefing with not only a better understanding of the stimulus program, but tools to help them pursue stimulus projects for their organizations.



*Economic Growth Summit – During turbulent economic times, the EDC took a pro-active approach and held the Economic Growth Summit, which yielded twelve action steps to help position our community for economic recovery.*



*Brian O'Connor, EDC Chair and Councilman Daniel Owen welcome new City Manager, Ricky Horst, as guest speaker for the EDC's December Quarterly Luncheon.*



*The EDC is embarking on an aggressive marketing campaign to promote Ocala/Marion County as an excellent place to bring or expand businesses and create quality jobs.*



*In conjunction with the Governor's Office, the EDC helped orchestrate Governor Crist's visit to Ocala to sign important economic development legislation. EDC Chair Brian O'Connor hosted the event at Lockheed Martin.*



*The EDC welcomed Speaker of the House Larry Cretul "Home" as he returned from the 2009 legislative session to address business executives, community leaders and elected officials at the June Quarterly Luncheon.*



*2009 EDC Board of Directors*



*2009 EDC Outgoing Directors L-R Barbara Trow, Kevin McDonald, Lori Hornby, Dave Fechtman and Bobby James*



*Marion and Alachua Counties partnered with Progress Energy for the Fifth Annual Site Consultants Weekend in September 2009. Site consultants from across the nation gathered with the Heart of Florida team for a "Welcome Breakfast" at the Hilton Ocala.*



*Allen Parsons, Brad Rogers and Pete Tesch welcomed Bruce Faulmann, Publisher of Florida Trend at the September Chairman's Circle Reception.*

# Workforce Initiatives – Five Years in the Making

In challenging times, it is especially important to celebrate good things happening in our community. One of these things is Marion Technical Institute – or MTI. It is hard to believe this year marks the 5th Anniversary of the opening of Marion County's first technical high school.

Check out these highlights beginning in the fall of 2005 through 2009:

- MTI started with 5 Career Academies; now there are 8 – including an exciting new law and government program with judges, a county commissioner, attorneys and business leaders on its advisory board – plus an attorney as the full time teacher!
- MTI started with 235 students; this year there are 418!
- Students earned 273 business certifications in year one; for 2008/09, students earned 568!
- Of 167 seniors graduating last year, over 70% are enrolled in a college or advanced training.

- During year one 147 students had either internships or part time jobs; in 2008/09 even in a bad economy 168 students were placed in either internships or part time jobs.



*Pete Tesch presents award to: Mark Vianello, MTI's Principal and Diane Clinton, Internship Coordinator and Business Liaison at Annual Luncheon with congratulations for consistently attaining MTI's mission to develop quality employees with meaningful careers through strong academic and real world experience programs.*

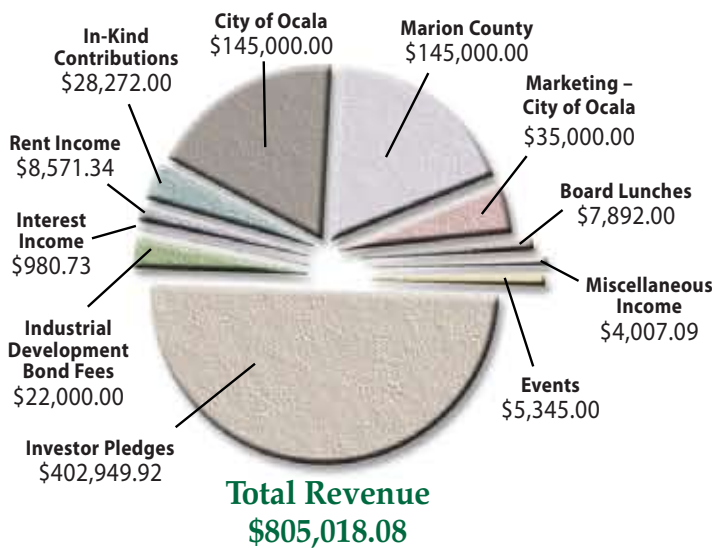
Numerous grants have been awarded to MTI as well. Over \$1.2 million was received through the talents of Kathleen Woodring, Betty Hackmyer, and others, and MTI received the largest donation of any school in Marion County this past year, totaling \$86,153.

In 2006, the US Department of Labor awarded Workforce Connection and MTI the E3 award recognizing the powerful Marion County business-school partnership, and MTI became the first Florida CHOICE replication site in the State. In 2008, the International Council for Leadership in Education selected MTI as one of 25 model schools in the United States - quite a feat, given they had been in operation for such a short time. A key factor in garnering this recognition is the commitment from our Marion County business community.

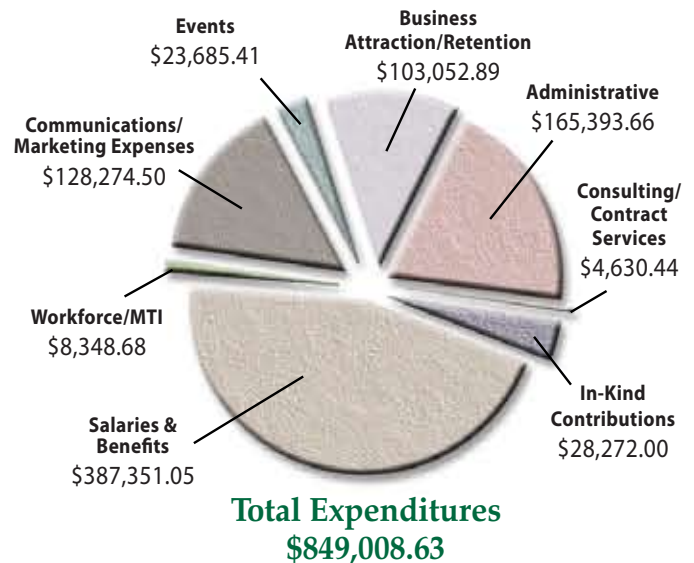
Recapping these accomplishments, it is clear that MTI's founding partners, including the Marion County School Board, the EDC, Workforce Connection, CFCC and countless business partners have seen their vision realized - and in just five years the school has exceeded our expectations!

## 2008-2009 BUDGET

### Source of Revenues



### Expenditures



For Fiscal Year 2008-2009, the Ocala/ Marion County Economic Development Corporation operated on an \$805,018.08 budget and continues to maintain a strong financial position due to sound fiscal practices and support from our investors through the Lead the Way Campaign. Given these challenging economic times, expenditures for this year included a more aggressive internal/external marketing plan, as well as business expansion/retention activities.

The EDC gratefully acknowledges the following investors for their continued support and assistance with our mission to ensure Ocala/Marion County continues to be “Great for Business. Great for Life.”

## Platinum Plus



### Platinum

Cardinal LG  
 Central Florida Community College  
 CenturyLink  
 Cheney Brothers, Inc.  
 Class 1  
 Community Bank & Trust of Florida  
 Cone Distributing, Inc.  
 Cox Media/Cox Communications  
 Custom Window Systems, Inc.  
 Danny Gaekwad – Holiday Inn & Suites  
 Duratek Precast Technologies  
  
 E-ONE, Inc.  
 Munroe Regional Medical Center  
 Ocala Regional Medical Center  
 Progress Energy  
 Regions Bank  
 SECO (Sumter Electric Co-Operative, Inc.)  
 Signature Brands, LLC  
 Wachovia Bank, NA

### Gold

Associated Grocers  
 Boyd Development Company  
 Chester J. Trow, P.A.  
 Classic Fire  
 Commercial Structures, Inc.  
 Florida Citizens Bank  
 Hilton Ocala  
 Marion Regional Manufacturers Association  
 National Parts Depot  
 Ocala Magazine  
 Ocala Recycling  
 Ocala Style

On Top of the World Communities, Inc.  
 Robert Boissoneault Oncology Institute  
 TECO/Peoples Gas

### Silver Plus

American Spaceframe Fabricators International (ASFI)  
 Bank of America  
 Edwards Construction Services, Inc.  
 Ford of Ocala.  
 Franck's Pharmacy  
 Hamlet Construction Company  
 Jenkins Auto Group  
 Ocala Electric Utility  
 Roberts Real Estate, Inc.

### Silver

Ausley Construction Company, Inc.  
 Benefit Advisors (BB&T) Branch Banking & Trust  
 Brown & Brown, Inc.  
 Bruno-Ehlers Enterprises, Inc.  
 Campus USA Credit Union  
 CenterState Bank  
 Compass Bank  
 Contemporary Interiors  
 Crippen, Trice & Hornby, LLP  
 Deltona Corporation  
 DeLuca Toyota, Inc.  
 Duggan, Joiner & Company  
 Ehlers Realty, Inc.  
 Ellison Property Management, Inc.  
 Fabian Dinkins Construction, Inc.  
 First Impressions Printing, Inc.  
 Florida Thoroughbred Breeders' & Owners' Association  
 Florida's Blood Centers  
 Florida Handling Systems

Gateway Bank  
 George Mangan Insurance  
 Heritage Management Corporation (for Ocala Industrial Properties)  
 for Ocala Industrial Properties  
 HITS, Inc.  
 Hospice of Marion County  
 IHMC  
 Independent Bank  
 Johnson, Smith Architects  
 Lassiter-Ware Insurance  
 M&S Bank  
 Medero Medical  
 Mercantile Bank  
 National Background Data  
 Ocala Breeders Sales Co., Inc.  
 Ocala Lumber Sales Company  
 Park Avenue Bank  
 Pratt Industries, Inc.  
 Pro Poly of America, Inc.  
 Rasmussen College  
 RBC Bank  
 Seminole Feed  
 Silver Springs Shores Investments, LLC  
 Sonitrol of North Central Florida  
 Stentiford Construction Services, Inc.  
 Stokes Electric  
 Strive! Physical Therapy  
 The Vines Hospital  
 Third Party International, Inc.  
 Townley Manufacturing Company, Inc.  
 USA Scientific, Inc.  
 Webster University – Ocala Metropolitan Campus  
 Winco, Inc.

### Bronze

Ajax Construction, Inc.  
 American Heritage  
 Brian Ehlers Construction, Inc.  
 Castro Realty  
 CFCC Foundation  
 Chazal Insurance  
 City of Belleview  
 Clardy Oil Company  
 Early Learning Coalition of Marion County  
 Edward Jones  
 Fakhoury Chiropractic  
 First Avenue National Bank  
 Florida Northern Railroad  
 Foxfire Realty – Van Akin  
 Ginger Broslat Communications  
 GPI Southeast, Inc.  
 Griffin Insurance Agency, Inc.  
 International Property Services Corporation  
 Kevin McDonald - Allstate Insurance  
 London Engineering & Associates, Inc.  
 Marion Cultural Alliance  
 MJ Altman Companies, Inc.  
 Netsource Technologies, Inc.  
 Ocala HR Management Association  
 Paddock Mall  
 Phillips Printing  
 Radcliffe Engineering  
 Root Theory, LLC  
 Scott Cameron – State Farm  
 Sperry Van Ness  
 WM Palmer Company