

Jacksonville

Florida

JEDC
JACKSONVILLE
ECONOMIC DEVELOPMENT
COMMISSION

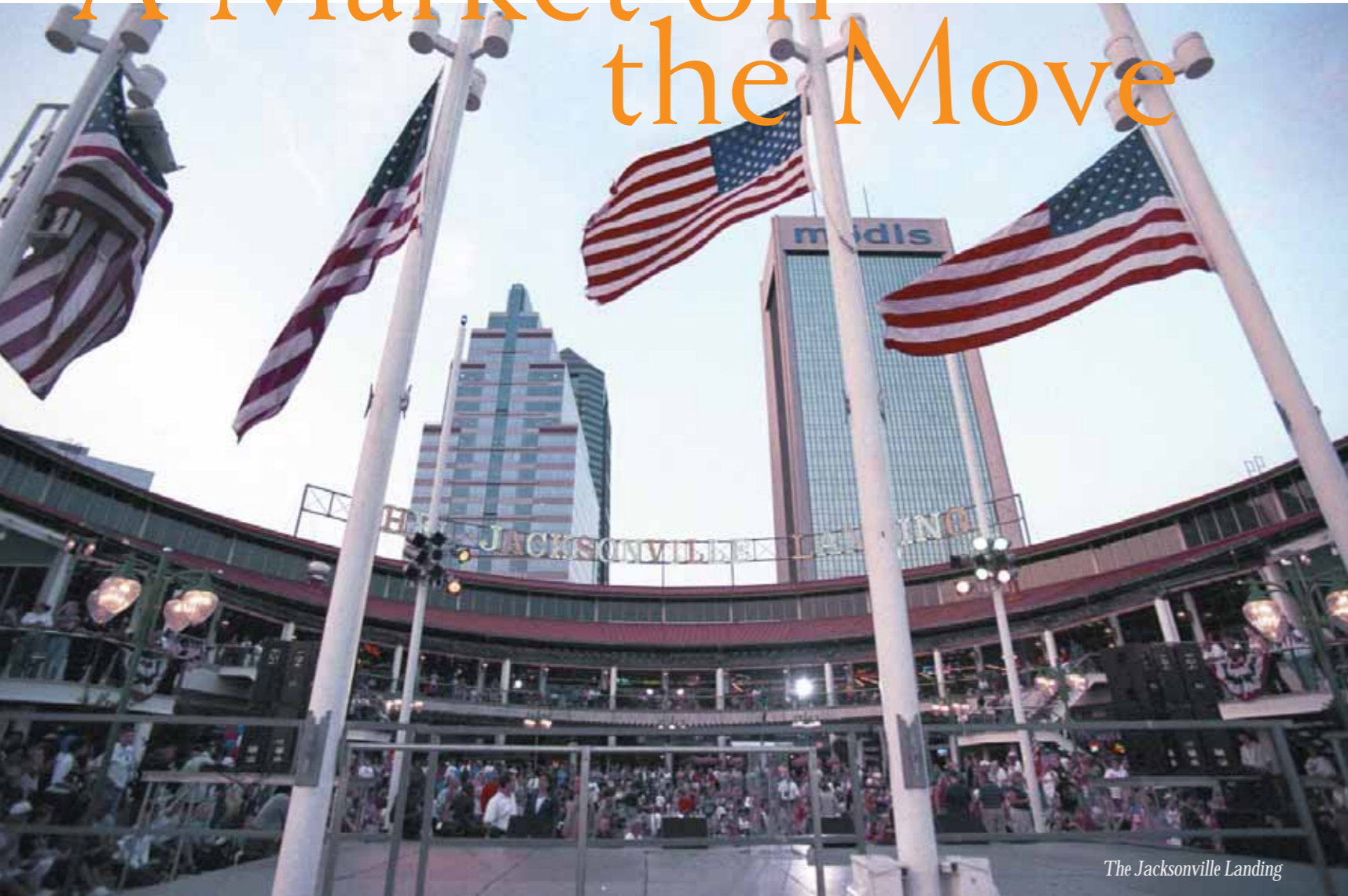




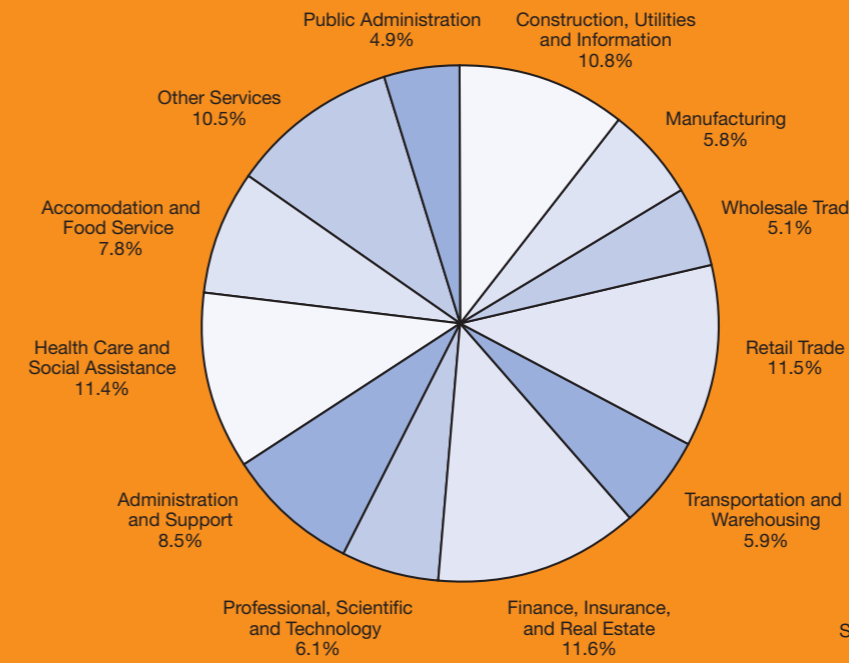
Dames Point Bridge

The City of Jacksonville is the economic driver and cultural center for the seven-county, Northeast Florida region. It is home to approximately 1.4 million people and a gateway to Florida, one of the fastest-growing and soon-to-be third largest state in the nation. The beautiful St. Johns River flows from the Atlantic Ocean through the city, earning it the nick-name, the "River City." It was the river and the area's strategic commercial location which led merchants to establish the city in 1822. Today, businesses enjoy Jacksonville's exceptional transportation infrastructure, strategic location, outstanding workforce and one of the lowest tax burdens in the nation - all in the warm glow of the Florida sun.

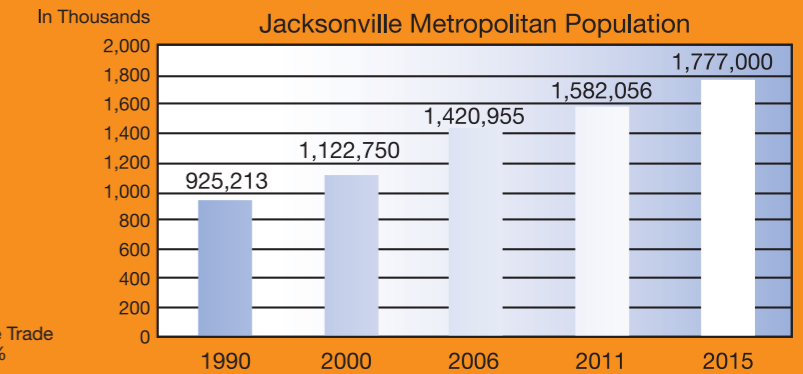
A Market on the Move



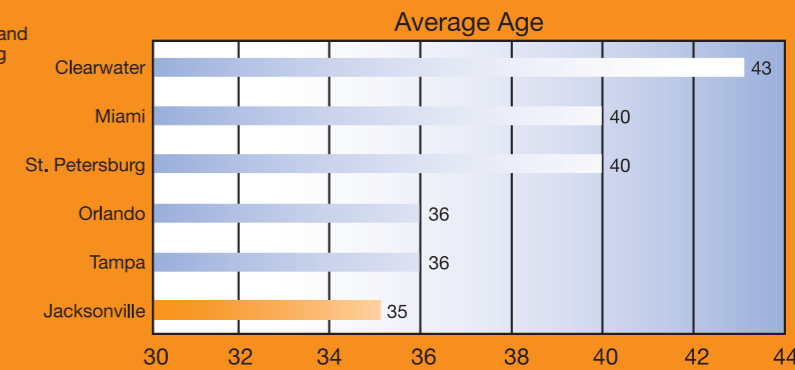
Employees by Major Industry Sector



• Jacksonville has a strong and diversified economy.



• The Jacksonville metropolitan area population is projecting a 25% increase by 2015.



• Jacksonville has one of the youngest workforces in Florida.

There are many reasons why Jacksonville is the smart choice for companies looking for a growing, business-friendly city with all the right ingredients for a successful business locale. A robust economy, extraordinary infrastructure and a highly-qualified workforce are just the beginning. Jacksonville is one of the easiest and most inexpensive places to conduct business. In fact, the City of Jacksonville has the third lowest tax burden of any major city in the nation, with a local and state government focused on making businesses in the area successful.

Jacksonville has over 720,000 in its dynamic regional workforce pool, with nearly 440,000 employees residing in Jacksonville. This labor force continues to grow with new college graduates, a steady influx of new residents and over 3,000 military separations per year. Jacksonville's average age of 35 also makes this workforce one of Florida's youngest.

It is easy to see why Jacksonville has been ranked as one of the Top Ten "Hottest Cities for Business Expansions and Relocations" in America for the past eight consecutive years by Expansion Management magazine. This is in addition to its rankings as the 2006 "Major Market of the Year" by Southern Business and Development Magazine and the No.3 "Large City for Doing Business" in the nation by Inc. magazine. With one of the most diversified industry bases in Florida, Jacksonville's economy is more resilient to market changes than other major metropolitan areas in the state.





Targeted Industries

While all types of businesses can find success in Jacksonville, the following five sectors are considered to be major targeted industries – Aviation and Aerospace, Supply Chain Logistics, Finance and Insurance, Information Technologies and Manufacturing.

Aviation and Aerospace

Jacksonville has a strong and long-running relationship with military aviation and aerospace activities that has led many related manufacturers, MRO (maintenance, repair and overhaul) operations and support operations to choose Jacksonville for their business. A network of four commercial and general aviation airports makes up Jacksonville's aviation infrastructure, which includes the third longest runway in Florida. Specialized aviation and aerospace programs at the Florida Community College at Jacksonville's Aviation Center of Excellence and Embry-Riddle Aeronautical University provide a continuous supply of well-trained aviation and aerospace workers.

Supply Chain Logistics

For companies that depend on logistics and intermodal capacity, few communities can compare to Jacksonville – a gateway to Florida and the south-eastern United States. Three interstates (I-95, I-75 and I-10), three railroads (CSX, Norfolk Southern and Florida East Coast), JAXPORT – a deep-water port with three separate marine terminals, an international airport and many developable sites converge to provide an exceptional environment for supply chain logistics companies. There are 45 million people within an eight hour drive of Jacksonville and 60 percent of the U.S. population (approximately 179 million people) is accessible within a 24-hour truck drive.

Finance and Insurance

The finance and insurance services industry is a well-established sector in Jacksonville. More than 11 percent of all workers in Jacksonville are employed in the financial

and insurance services cluster – more than Tampa, Orlando and Miami. Many of these workers enjoy Jacksonville's short commute times. In fact, a recent study by the Florida Financial Services Cluster Initiative confirmed that most financial service workers find exceptional housing options within the city limits. Every year, local educational institutions graduate approximately 2,600 students with business degrees, adding to the existing large pool of qualified workers. Jacksonville's infrastructure also contributes to this thriving cluster with direct airline service to other major financial services hubs throughout the country and a state-of-the-art telecommunications network.

Information Technology

Information technology companies are well-represented in Jacksonville. This cluster thrives due to the city's diverse economic base of companies that also serves as its clients – mainly the large financial services sector. Jacksonville is a natural environment for supporting the IT industry with its excellent telecommunications network and skilled workforce. Jacksonville has bandwidth greater than any other city in Florida as DSL and fiber optics criss-cross the city. Companies in this sector find many reliable technology workers who are exiting Jacksonville-based military operations.

Manufacturing
Manufacturing companies in Jacksonville are prospering due to the city's low cost of doing business, dedicated employees, readily available utilities and outstanding transportation infrastructure. Because of Jacksonville's consolidated utilities, highly reliable electricity, water and sewer are offered at very competitive rates. Manufacturers find advantages in Jacksonville's extremely low level of unionized workers and Florida's "Right-to-Work" laws.



International Baler



Fidelity National Financial Headquarters

Outstanding Connections



CSX Intermodal Operations

Jacksonville is served by CSX, the largest railroad east of the Mississippi. It reaches more than 70 river, ocean and lake ports, in addition to over 200 short line railroads. CSX has greater connectivity in Jacksonville than any other city in Florida, with two major CSX rail yards and several major terminals. Norfolk Southern provides Jacksonville with rail service to 21,200 route miles in the eastern United States and Canada. Florida East Coast Railway is a Class II regional freight railroad that extends along a 351-mile corridor between Jacksonville and Miami, and operates an intermodal facility in Jacksonville that connects with CSX and Norfolk Southern railroads.

There are more than a dozen major airlines and a network of regional carriers providing over 250 daily arrivals and departures at Jacksonville International Airport (JIA). Approximately six million passengers travel through JIA each year. JIA is currently in the final phase of its \$230-million expansion to add two new terminals and other improvements. The airport is also home to general aviation and cargo services.

Cecil Field provides an effective base of operations for corporate aircraft, general aviation, air cargo and aviation manufacturing and maintenance companies. The airport offers available sites, hangers and has

four, 200-foot wide runways, three of which measure 8,000 feet. The fourth runway is 12,500 feet in length, making it the third longest runway in Florida. Herlong and Craig general aviation airports complete Jacksonville's aviation network.

JEA is the consolidated provider of electricity, water and sewer for Jacksonville offering extremely competitive rates. JEA electric system has the capacity to generate about 3,200 megawatts through its power plants and power purchase agreements with other utilities. Unlike many other communities in Florida, Jacksonville has excess water capacity. JEA's water system consists of 150 artesian wells tapping the Floridian Aquifer, one of the world's most productive aquifers. People's Gas provides natural gas service for Jacksonville, which is presently or readily available at most industrial parks.



State Road 9A

Access to three interstates (I-95, I-75 and I-10), major highways (U.S. 301, U.S. 1, U.S. 17 and U.S. 90), three railways (CSX, Norfolk Southern and Florida East Coast), an international airport and deepwater port with three marine terminals make Jacksonville a transportation hub. Jacksonville is consistently recognized as one of the Top Ten "Logistics Metros" in the nation and a "Five-Star Logistics Metro" by Expansion Management Magazine.

Jacksonville is at the beginning of I-10, which spans all the way to the Pacific Ocean. Intersecting Jacksonville, I-95 provides access to the entire east coast of the United States. Via I-10, I-75 is a short drive to the west of Jacksonville and traverses through America's heartland up to Canada. U.S. 301, U.S. 1, U.S. 17 and U.S. 90 also provide excellent access to the nation's roadway infrastructure. Additionally, local and state authorities are investing more than \$2 billion in

current projects. The two largest of these projects are the new I-10 and I-95 interchange in downtown Jacksonville and the extension of the I-295 beltway around the city.

The 1,400-acre Port of Jacksonville (JAXPORT) is one of the largest ports in Florida and handles the second largest amount of vehicles in the country. A \$200-million investment by Mitsui O.S.K. Lines will add direct access to Asia and is expected to double the port's container throughput by 700,000 TEU. Every type of cargo can be handled at JAXPORT facilities which have 14 container cranes, on-dock rail, advanced intermodal yards and numerous warehouses (including refrigerated options). At JAXPORT and in several areas throughout Jacksonville, companies can take advantage of Foreign Trade Zone #64 to save money on tariffs and duties.



JAXPORT Blount Island Marine Terminal

Main Street Bridge



San Marco Square



Business-Friendly Framework

Jacksonville has one of the most fiscally advantageous business environments in the nation. All Jacksonville businesses benefit from a consolidated government, low tax burden, a progressive local public investment policy and state and federal incentives. The consolidated city-county government structure makes Jacksonville not only the largest city in Florida, but eliminates duplicate services and encourages communication between government entities which lowers taxes and increases efficiency. In fact, Jacksonville has the lowest tax burden of any major city in Florida and the third lowest nationwide. Table 1 provides just a few examples of the tax relief offered in Jacksonville.

In 2006, the Jacksonville City Council approved the Jacksonville Economic Development Commission's Public Investment Policy (PIP). The PIP provides an objective framework for project evaluation. It is a tool for the JEDC to approach economic development in a

consistent, judicious and accountable manner on which companies can rely. The many local, state and federal public investment programs listed in Table 2 are available in Jacksonville to qualified and approved projects. Jacksonville is one of only two cities in Florida with the combination of an Enterprise Zone, Empowerment Zone, a designated Brownfield area and several Community Redevelopment Areas.

The JEDC has a strong focus on small business and it shows. Jacksonville was recently ranked No.3 in the nation as the "Hottest Market for Small Business Vitality" by the American Business Journals and the No.6 "Best State for Small Business" in the Small Business Survival Index 2005 by the Small Business and Entrepreneurial Council. Projects qualifying as a small business are evaluated under the PIP using a set of criteria more appropriate for their size. Additionally, small businesses are supported by a network of

organizations including the Jacksonville Regional Chamber of Commerce's Small Business Center, the University of North Florida's Small Business Resource Center and the Beaver Street Enterprise Center.

Table 1: Selected Taxes

Personal Income Tax	None
Business Inventory Tax	None
Goods-in-Transit Tax	None
Gross Receipts Tax	None
Corporate Income Tax—Types S & LLC	None
Goods-in-Transit Tax	None
State Property Tax	None
Unitary Tax	None
Intangibles Tax	None
Sales and Use Tax on Goods Made in FL for Export Outside the State	None
Sales and Use Tax on Production Machinery & Equipment, Raw Materials, Building Materials Used in Commercial Construction, or Professional Services	None
Corporate Franchise Tax on Capital Stock	None
Corporate Income Tax – Type C	5.5% of federal adjustments
State Sales and Use Tax	6% (numerous exemptions available)
Local Sales and Use Tax	1% (capped at the first \$5,000)
Estate Tax	Limited to amount allowed as a credit against the federal tax

Table 2: Public Investment Program

Downtown Programs	
Downtown Historic Preservation and Revitalization Trust Fund	
Downtown Development Business Investment	
Residential Recapture Enhanced Value	
Countywide Programs	
Business Infrastructure Grant/Loan	
Large Scale Economic Development Fund	
Small Business Development Initiative	
Commercial Development Area	
Façade Renovation Grant	
Tax Increment District Infrastructure Development	
Recaptured Enhanced Value Grant	
Industrial Revenue Bonds	
State and Federal Programs	
Qualified Targeted Industries	
Qualified Defense Contractors	
Economic Development Transportation Fund	
Incumbent Worker Training	
Quick Response Training	
High Impact Performance Grant	
Capital Investment Tax Credit	
Brownfield Redevelopment Bonus	
Enterprise Zone	
Jobs Tax Credit on Sales and Use Tax	
Jobs Tax Credit on Corporate Income Tax	
Business Machinery and Equipment Sales Tax Refund	
Building Materials Sales Tax Refund	
Property Tax Credit on Corporate Income Tax	
Sales Tax Exemption for Electrical Energy	
Empowerment Zone	
Wage Credits on Federal taxes	
Increased Tax Deductions	
Bond Financing	
Capital Gains Liability Reduction	





Everywhere — Opportunity

Companies seeking locations in Jacksonville are rewarded with ample, available sites. There are sites for every business throughout the city in Downtown, Southside, Northside, Northwest, Westside and at Cecil Commerce Center.

Businesses can find exceptional commercial space and workforce in Northeast Florida's most prestigious business address – Downtown Jacksonville. Currently undergoing a redevelopment renaissance, Downtown Jacksonville is benefiting from billions of dollars in new public and private developments. The JEDC, serving in its role as the county's Economic Development Authority, Community Redevelopment Agency and Downtown Development Authority, strives to revitalize and strengthen the urban core by creating opportunities for growth and economic expansion.

Southside Jacksonville is home to many of the region's

finest suburban office complexes along with numerous industrial and flex-space options. Many financial and business services companies call this area of Jacksonville home. This is largely due to the availability of the newest "plug and play" real estate product in the city and proximity to professionals who reside in the nearby residential developments.

The Northside of Jacksonville, once the city's most rural area, is experiencing a residential and commercial development boom. This area of Jacksonville contains the Jacksonville International Airport, JAXPORT and several military installations. Surrounding the airport is a Community Redevelopment Area (CRA) known as the JIA/CRA, which can provide firms with unique incentives. Many industrial parks are located in the Northside, as well as large industrial establishments which utilize the area's superb water access.



Jacksonville's Northwest area business landscape is comprised of industrial and community-based establishments. Local, state and federal resources are used to achieve the city's community-driven redevelopment goals in this underutilized area. The JEDC focuses on the recruitment of employers to this area, who will create higher-wage jobs and will establish public/private development partnerships to encourage private investment and expand the tax base.

Historically serving as the manufacturing and distribution hub of Jacksonville, the Westside has many available industrial sites with easy access to I-295 and I-10. The surrounding Westside workforce has many complementary industrial and manufacturing skill sets, including a high percentage of recent military personnel separations.

The Westside of Jacksonville is also the location of Cecil Commerce Center, one of the most sought after locations in the southeastern United States for manufacturing, supply chain logistics and industrial end users. This 8,300-acre industrial and commercial-zoned site offers city-owned, mid to large-size parcels for fee-simple sale. More than \$180 million has been spent on infrastructure improvements and site readiness by local, state and federal entities. In addition, the site offers direct access to I-10 and Cecil Field, embedded development rights, industrial scale utilities, adjacency to a JEA regional water treatment facility and well field, and much more.



University of North Florida

Education and Amenities

Education

Jacksonville's higher education institutions are a great resource to residents and businesses alike. The University of North Florida, which the Princeton Review ranked as the No. 5 "Best Value Public Colleges" in the nation, Jacksonville University, Edward Waters College, Flagler College, Florida Community College at Jacksonville (FCCJ) and Florida Coastal School of Law generate thousands of eager graduates. FCCJ, the 10th largest community college in the nation, works closely with employers to create customized training programs. Altogether, Jacksonville's educational institutions confer approximately 2,100 technical certificates, 4,000 associate's degrees, 5,000 bachelor's degrees and 1,200 graduate degrees every year.

As the 19th largest school district in the nation, Duval County Schools provide their over 133,000 students with a variety of high-quality educational choices.

In addition to traditional schools, there are academies of technology, student centers and magnet programs that specialize in visual and performing arts, fundamentals, medical professions, engineering, information technology, aviation, business and international studies. Jacksonville is proud to be home to one of the top five high schools in the nation (Stanton High) as ranked by Newsweek magazine and a prestigious International Baccalaureate program. There are over 100 outstanding private institutions offering pre-kindergarten through high school instruction to approximately 23,000 students.

Amenities

As one of the nation's most exciting sports cities, Jacksonville offers the perfect climate, facilities, hospitality and community support for any sporting activity. Home to the Jacksonville Jaguars NFL team and the Jacksonville Suns minor league baseball team,

the area is also known for the PGA Tour, the Association of Tennis Professionals (ATP) and the World Golf Hall of Fame. The city recently invested approximately \$335 million in renovating and developing sports and recreation facilities and venues, including the new Semanik Equestrian Center of Jacksonville at Cecil Commerce Center.

The St. Johns River, the city's greatest natural asset, flows through the middle of Jacksonville on its journey to the Atlantic Ocean. Boaters can access the 310-mile river at the city's 21 public boat ramps and downtown public marina. The City of Jacksonville operates the largest urban park system in the United States, providing services at 337 locations on more than 80,000 acres including golfing, skate parks, nature trails, a 10-acre Kids Kampus and a 14.5 mile linear trail. Pristine beaches along Jacksonville's oceanfront are popular spots for swimming, collecting shells and just relaxing.

Jacksonville has a well-developed cultural arts community anchored by several distinguished institutions and venues. The recently expanded Museum of Contemporary Art Jacksonville, one of

the largest of its kind in the Southeast, showcases ever-changing exhibits from local, national and international artists. The Cummer Museum of Art and Gardens has a permanent collection of more than 4,000 objects and is noted for its Old Master and American paintings, as well as Meissen porcelain. The Museum of Science and History strives to increase the knowledge and understanding of the natural environment and history of Northeast Florida.

After taking in the outstanding museums of Jacksonville, patrons can enjoy a variety of performing arts venues and events. The Jacksonville Times-Union Center for the Performing Arts, with its beautiful location along the St. Johns River, is a wonderful site to watch performances by the Jacksonville Symphony Orchestra, the Florida Ballet or one of the many traveling Broadway productions. The 1,900-seat Florida Theatre and the 400-seat Ritz Theatre provide historic settings for many national performers from rock icons to stand-up comedians. The downtown riverfront provides the backdrop for many outdoor events including the Jacksonville Jazz Festival, the World of Nations, Sail Jacksonville, Jacksonville Film Festival, Jacksonville Light Parade and more.



Jacksonville Jaguars



MOCA - Jacksonville



Jacksonville's beaches



The Baseball Grounds of Jacksonville



Mandarin home



Parks at Cathedral Townhomes



Avondale residence



Berkman Plaza – Downtown

Coming Home

Jacksonville's housing market is one of the most diverse and affordable in Florida, with one of the lowest millage rates in the state. There is a wide variety of homes and neighborhoods to please every taste and budget from historic Victorians to post-modern lofts, seaside bungalows to rural homesteads. Many of Jacksonville's historic neighborhoods surrounding downtown are experiencing an influx of new residents and investment. The urban core residential boom is evidenced by numerous cranes and construction sites preparing for an estimated 10,000 new downtown residents by 2010. New and established suburban neighborhoods offer a wide range of patio homes, condominiums, townhouses and single-family homes.

Exceptional business environment, unmatched infrastructure, outstanding locations and superb quality of life are just the beginning of Jacksonville's list of assets. A fun Florida city with real southern charm, Jacksonville is a welcoming hometown for every business.



The Shops at St. Johns Avenue

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