

ECONOMIC DIVERSIFICATION IN CAMDEN COUNTY, GEORGIA

Summary of Interviews With Statewide and Regional Economic Development Partners

Prepared for

The Camden Partnership
Camden County Public Service Authority

Prepared by

Georgia Tech's Office of Economic Development & Technology Ventures

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OVERVIEW¹

From June through August 2005, Georgia Tech conducted interviews on a one-on-one confidential basis with 20 statewide and regional economic development partners of Camden County who have a vested interest in the community's future economic development. These partners shared diverse perspectives on Camden County's strengths, weaknesses, opportunities, and threats, and, competitive advantage.

The interview team would like to thank each and every partner for taking the time to share their thoughts, insights, and ideas relating to the economic diversification and quality growth potential of Camden County. Following is a summary of that input.

Participating Partners

Camden County's partners who participated in the interviews were identified by The Camden Partnership and Camden County Joint Development Authority.

- Partners represented several key organizations and interests in Camden County, such as:
 - City of Jacksonville, Florida
 - Coastal Georgia Medical Access Project
 - Coastal Georgia Regional Development Center
 - Georgia Department of Economic Development
 - Georgia Electric Membership Corporation
 - Georgia Military Affairs Coordinating Council
 - Georgia Power Company
 - Georgia State Legislature
 - Private Consultant
 - U.S. Congress
 - University of Georgia
- Every partner had working familiarity with Camden County, and each shared experiences with community leadership from the past year.

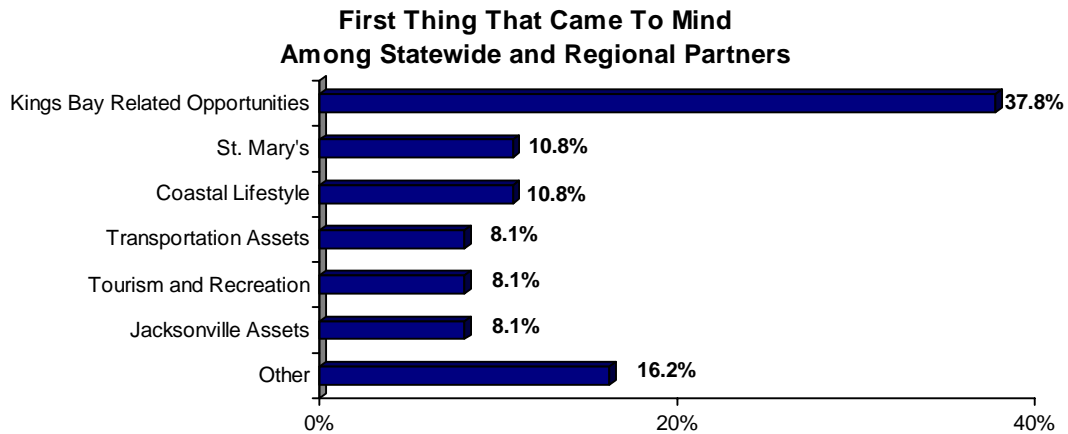
¹ This report is part of the "Economic Diversification of Camden County, Georgia" series of reports that were completed by Georgia Tech in October 2005. For information on other reports in the series, please contact The Camden Partnership.

DETAILED FINDINGS

First Thing That Came to Mind

Partners were asked to share the first thing that came to mind when they thought of Camden County. A total of 37 responses were provided by the partners.

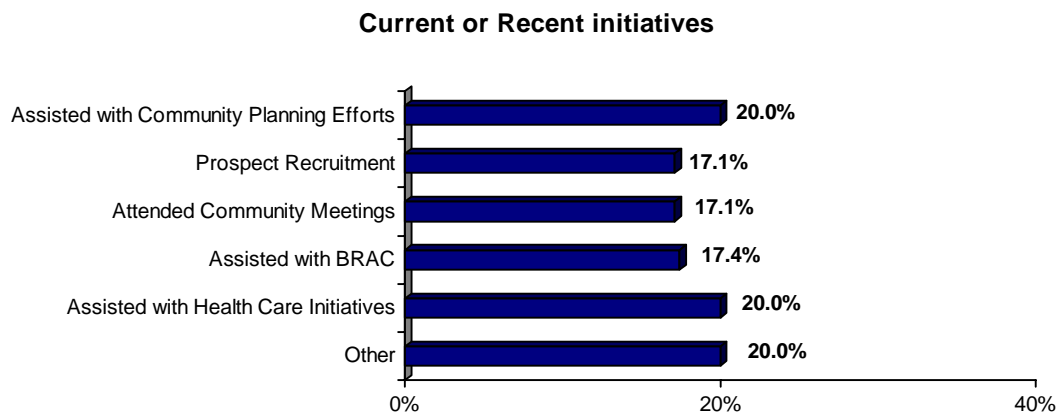
- Most frequently mentioned was Kings Bay related opportunities, which accounted for 37.8 percent of all responses. Kings Bay far outweighed any other response provided.
- Other factors that came to mind to a fair degree among the partners included St. Marys, the coastal lifestyle, transportation assets, tourism and recreation, and Jacksonville assets.



Current or Recent Initiatives

Camden County's partners were asked to share information on any current or recent initiatives they've participated in with the community.

- Topping the list was "assisting with community planning efforts." A number of partners conducted facilitations or provided direct technical assistance.
- Tying for the second highest share (17.1 percent) of responses was prospect recruitment and attending community meetings.



- Other efforts mentioned to some degree included assisting with the Base Realignment and Closure (BRAC) effort and assisting with initiatives to enhance health care.

Economic Development Efforts

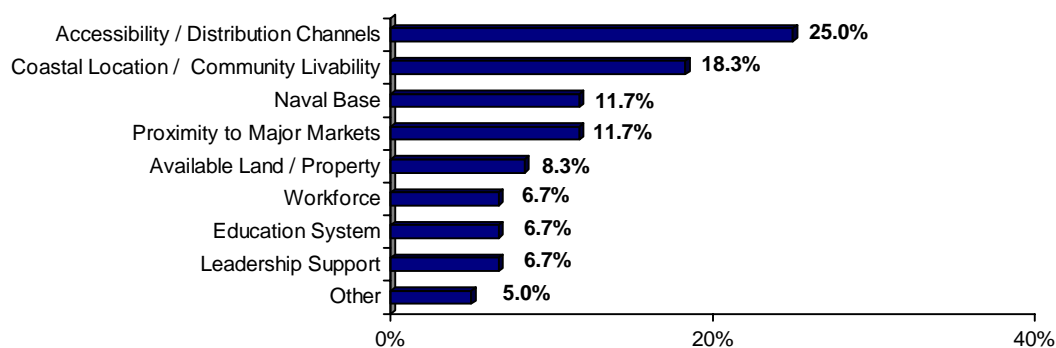
Camden County's partners were asked to share their views on the economic development efforts in Camden County and Coastal Georgia as a whole. They were asked to provide a rating of 1 to 5, where 1 means not at all well and 5 means very well.

- In general, partners rated Camden's, as well as Coastal Georgia's, economic development efforts highly. Notably, partners did not provide either Camden County or Coastal Georgia with a rating below 3, the median mark on the scale.
- Partners provided an average rating of 3.67 to the Camden's efforts, exceeding the median mark. This indicates that positive ratings outweighed negative ratings in each case.
- When asked about economic development efforts for Coastal Georgia as a whole, partners provided even higher ratings. The average rating provided was 3.91 indicating the general view that efforts in Coastal Georgia were being conducted well.
- Partners provided several comments complimenting Camden County's current efforts. Two suggestions were also offered. One was to increase marketing to statewide economic developers. Another was to develop a criteria-based incentives program.

Strengths for Economic Development in Camden County

When asked to identify strengths for economic development in Camden County, the partners named several. A total of 60 responses were provided by the partners.

Strengths for Economic Development in Camden County



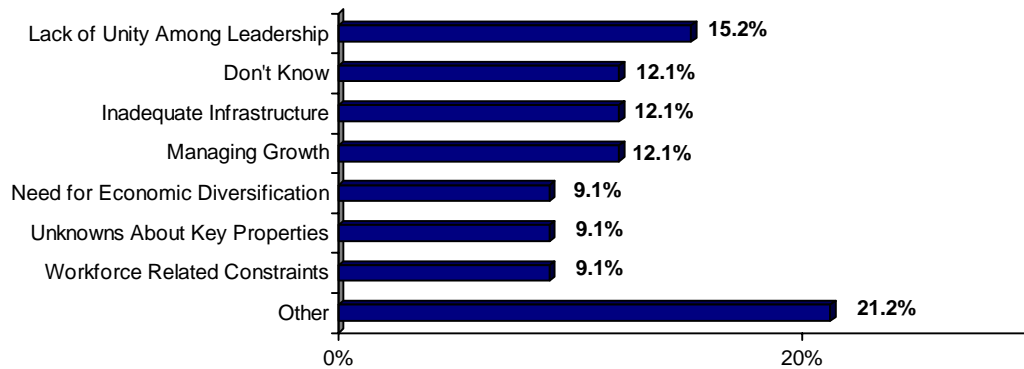
- Topping the list were strengths related to Camden County's accessibility and distribution channels, accounting for 25 percent of all responses. Several of Camden's other frequently cited strengths also related to its geography: coastal location, proximity to major markets, and available land and property. This parallels the views shared by community stakeholders.
- Naval Submarine Base Kings Bay also received frequent mention, accounting for 11.7 percent of the responses.
- Other strengths receiving some degree of mention included Camden's workforce and, related to that, its education system. Leadership support also received some mention.

Challenges for Economic Development in Camden County

When asked to identify challenges for economic development in Camden County, the partners named several. A total of 33 responses were provided by the partners. Notably, identified strengths by partners far outweighed the identified challenges. Community stakeholders shared a similar positive orientation.

- Lack of unity among community leadership was the most frequently mentioned challenge, accounting for 15.2 percent of the responses.
- One-fifth (20 percent) of the partners could not identify a challenge holding Camden County back. This accounted for 12.1 percent of the responses.

Challenges for Economic Development in Camden County



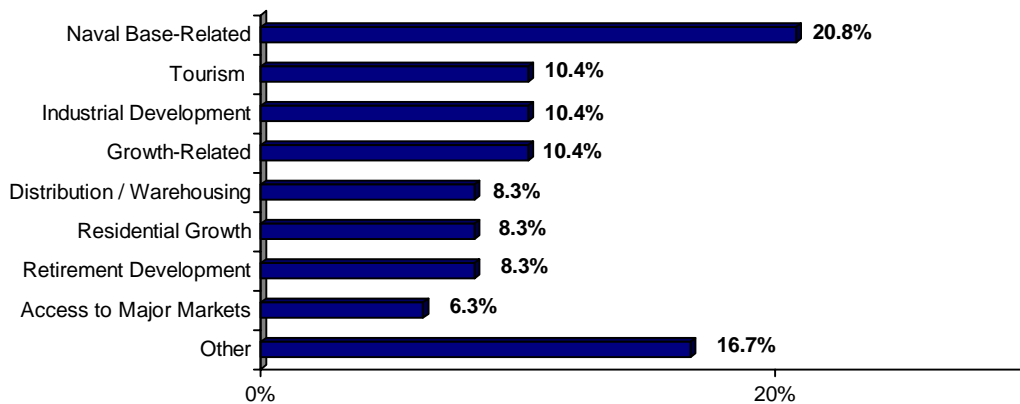
- Other challenges mentioned by partners to a fair degree related to inadequate infrastructure and managing growth
- Partners also cited the need for economic diversification, unknowns about redevelopment plans for current properties, and workforce related constraints as challenges.

Opportunities for Economic Development in Camden County

Camden County partners provided a total of 48 responses when asked to identify opportunities for economic development within the community.

- Opportunities relating to leveraging Naval Submarine Base Kings Bay topped the list, accounting for 20.8 percent of all responses.
- Tying for the second highest share (10.4 percent) was tourism, industrial development, and leveraging the growth already coming to Camden.
- Distribution and warehousing, residential growth, retirement development, and leveraging access to major markets were also mentioned to a fair degree.

Opportunities for Economic Development in Camden County

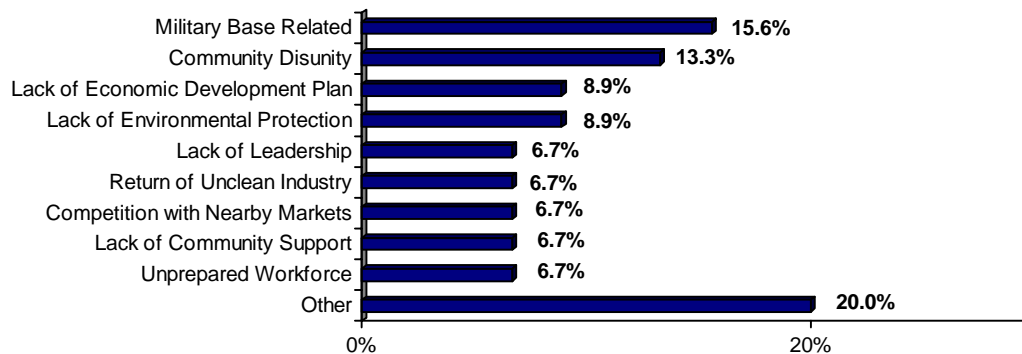


Threats to Economic Development of Camden County

Camden County partners provided a total of 45 responses when asked to identify threats to economic development of the community. Important to note is threats are not current impediments but potential impediments to Camden County's future potential.

- Military base related threats were most frequently mentioned, accounting for 15.6 percent of the responses. Partners shared concerns about Camden County's economy being so reliant on Kings Bay Naval Base.
- The second most frequently mentioned threat related to community disunity, or the community leadership not working together. This accounted for 13.3 percent of the responses.
- Other threats cited by partners related to the lack of an economic development plan, lack of environmental protection, lack of leadership, return of unclean industry, competition with nearby markets, lack of community support, and an unprepared workforce.

Threats for Economic Development in Camden County



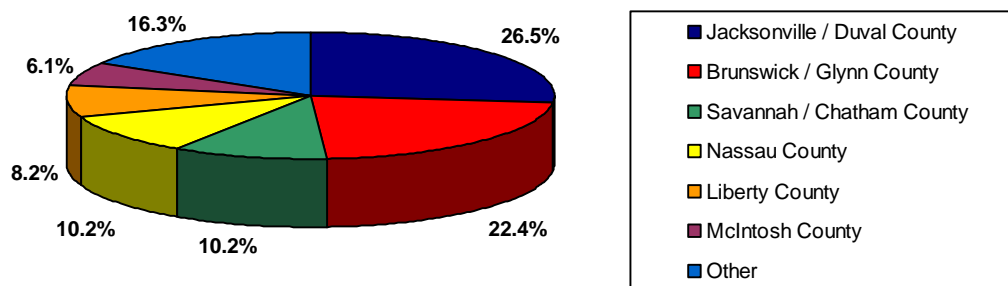
Direct Competitors for Economic Development

Partners were asked to identify communities they view as in direct competition with Camden County for prospects and investors.

- Jacksonville / Duval County (FL) topped the list, accounting for 26.5 percent of the responses.

- Accounting for the second highest share (22.4 percent) of responses was Brunswick / Glynn County (GA).
- Other communities receiving a fair degree of mention included Savannah / Chatham County (GA), Nassau County (FL), Liberty County (GA), and McIntosh County (GA).

Camden County's Direct Competitors



Marketability of Camden County

Partners were asked to share their views regarding how marketable Camden County is for five key economic development strategies related to the future prosperity of the community. For each, they were asked to use a scale of 1 to 5, where 1 means "not at all marketable" and 5 means "very marketable."

- In general, partners viewed Camden to be marketable for all five strategies, with each having an average rating that exceed 3, the median mark on the scale. This indicates that positive ratings outweighed negative ratings in each case.
- Partners provided the highest average rating (4.32) to Camden County's marketability for tourism. Such a rating denoted the general view that Camden is marketable or very marketable for attracting tourists.
- Business retention or expansion was also viewed as an activity Camden is quite marketable for. Partners provided this an average rating of 3.9 when asked about how important it was to Camden's future prosperity.
- Partners viewed Camden to be quite marketable for entrepreneur development as well, providing it an average rating of 3.88.
- Prospect recruitment also received fairly high ratings. Though its average was not as high as the other aforementioned economic development strategies, it was still fairly positive at 3.87.
- While receiving more favorable than unfavorable ratings, Camden County's ability to grow a quality workforce through workforce retention and attraction had the lowest average rating (3.56) by partners.
- When comparing the ratings provided by partners concerning marketability to the ratings provided by stakeholders concerning importance (from a future prosperity standpoint), there are some notable differences. Stakeholders viewed developing a quality workforce to be of utmost importance while partners viewed Camden's current marketability for this as high but not as high as the other strategies. Therefore, expanding workforce development efforts may be an important community action item for Camden to seize upon.
- While stakeholders viewed tourism as important but not as important as the other key strategies, partners considered Camden's marketability for this economic development vehicle to be highest among the key strategies.

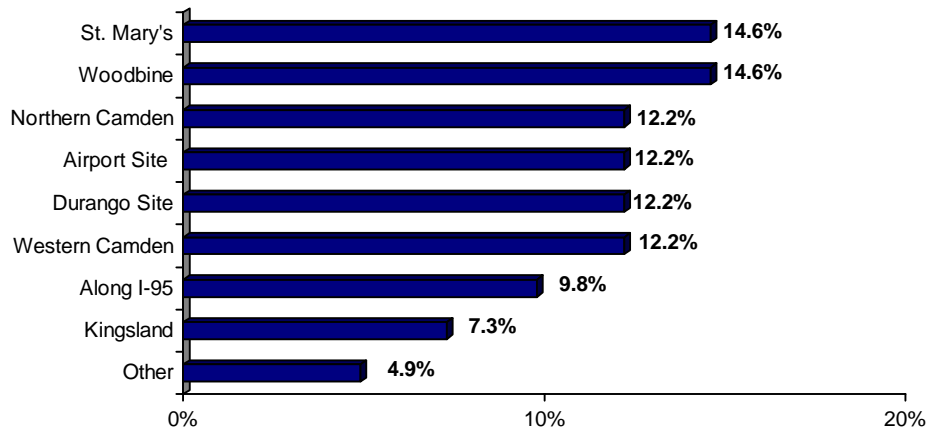
| | MARKETABILITY RATING BY PARTNERS | IMPORTANCE RATING BY STAKEHOLDERS |
|--|--|---|
| Developing a quality workforce | 3.56 | 4.76 |
| Recruiting new industry to move to your community | 3.87 | 4.53 |
| Helping local businesses sustain and expand their operations | 3.90 | 4.40 |
| Supporting entrepreneurs / fostering business start-ups activity | 3.88 | 4.27 |
| Attracting more tourists to visit your community | 4.32 | 4.10 |

Areas Prime for Development or Redevelopment

When asked to identify specific areas within Camden County that were prime for development or redevelopment, partners provided 41 responses. Some areas identified were area specific and some were site specific.

- St. Marys and Woodbine tied to account for the highest share (14.6 percent of responses each).
 - In St. Marys, partners saw the potential for bicycle path development, child care facilities, commercial, development of space for business service providers, extension of sidewalks, housing and condos, industrial, marina development, mixed business, mixed use, recreational, residential including multi-family housing, and restaurants.
 - In Woodbine, partners saw the potential for downtown development, industrial development, professional office space development, residential including high end residential development, tourism-related, and village development.
- Tying for the second highest share (12.2 percent) were Northern Camden, the existing airport site (in St. Marys), the Durango site (in St. Marys), and Western Camden.
 - In Northern Camden, partners saw the potential for residential including high-end residential development and mixed-use commercial development.
 - Regarding the existing airport site in St. Marys, partners saw the potential for light industrial / industrial park, and office space for business services, entrepreneurs, Kings Bay contractors and professionals.
 - Partners saw the Durango site as having potential for mixed use mainly combining residential and retail.
 - In Western Camden, partners viewed that area suitable for anything Camden County is willing to deal with environmentally. Manufacturing and other large industrial was mentioned as was residential, commercial, and light industrial.
- Areas along I-95 and Kingsland were also mentioned to a fair degree.
 - Along I-95, partners saw the potential for distribution and light industrial development.
 - Within Kingsland, partners saw the potential for bicycle path development, commercial (but no strip retail), industrial, sidewalk development, and up-scale high density village type development (e.g., St. Simons Shops at Sea Island).

Areas Prime for Development or Redevelopment



- Several of the areas viewed by the partners as prime for development or redevelopment were also viewed as prime by community stakeholders: these include: Northern Camden County, Durango Site, St. Marys, Kingsland, Woodbine, the existing airport site, Western Camden County, and along I-95.
- There were some differences in the frequency of mention among partners and community stakeholders regarding prime areas. For example, while Northern Camden appeared to be top of mind for more of the community stakeholders, St. Marys and Woodbine were more top of mind for the partners.

| | RANKING OF MENTION BY PARTNERS | RANKING OF MENTION BY STAKEHOLDERS |
|-----------------------|--------------------------------|------------------------------------|
| North Camden County | 2 (tie) | 1 |
| Durango Site | 2 (tie) | 2 (tie) |
| St. Marys | 1 (tie) | 2 (tie) |
| Kingsland | 4 | 3 (tie) |
| Woodbine | 1 (tie) | 3 (tie) |
| Existing Airport Site | 2 (tie) | 4 (tie) |
| Western Camden County | 2 (tie) | 4 (tie) |
| Along I-95 | 3 | 5 |

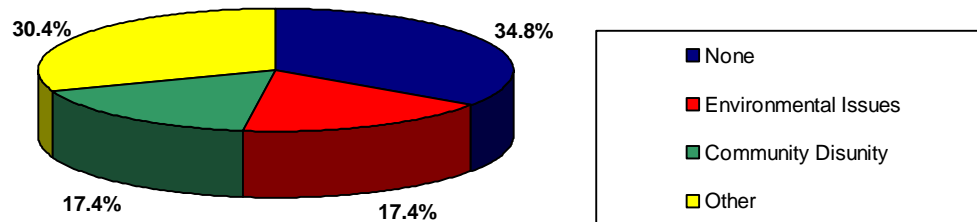
Major Obstacles

Partners were asked to identify any major obstacles they were aware of for further developing Camden County, and several were not able to identify any. Such response accounted for more than one-third (34.8 percent) of the total.

- Environmental issues and community disunity had equal mention among stakeholders in terms of obstacles, each accounting for 17.4 percent of the total
- Other obstacles identified by partners related to:
 - Auto-oriented suburban sprawl development.
 - Balancing the tax base. If 10,000-14,000 new homes are built, what's that going to do to the schools and the overall tax base?
 - Community aesthetics
 - Environmental issues in industrial areas.
 - Growing NIMBY group.

- Lack of rail in industrial park.
- NIMBY (Not In My Backyard) issues can usually arise from newly arrived persons who now have their piece of paradise with occasional resistance from a few long-term resident who oppose change.

Major Obstacles for Further Developing Camden County

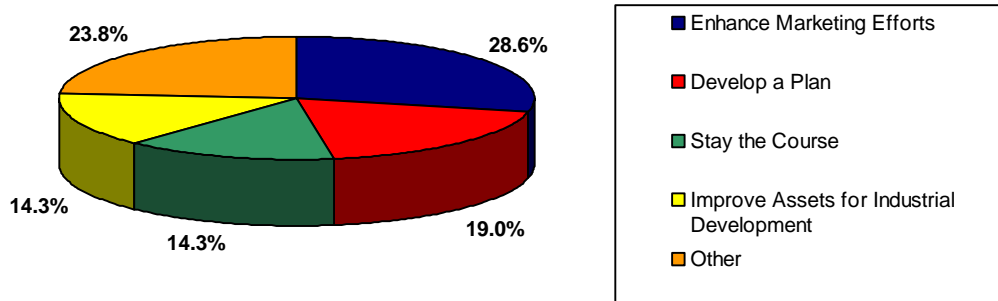


What Should Camden County Do To Increase Its Competitiveness?

Partners were asked to offer suggestions for what Camden County should do to increase its competitiveness.

- Enhancing or augmenting marketing efforts received the highest mention (28.6 percent).
 - Be very aggressive about advertising what it has.
 - Market directly to site selection consultants.
 - Continue to promote attributes and do everything possible to recruit more tourism and business development, while protecting environmental resources.
 - Do more marketing - do some nationwide marketing.
 - Enhance relations with statewide developers. Make regular calls or visits.
 - Market core competencies to desired targets, rather than using a shotgun approach.
- Developing a plan was the second highest mentioned suggestion, accounting for 19 percent of responses.
- Other suggestions mentioned to a fair degree related to continuing current efforts (e.g., "staying the course") and improving assets for industrial development (e.g., park).
- Partners mentioned some suggestions that did not fit within a category, such as:
 - Consider dropping the joint development authority name - Camden is the only Georgia county that has a JDA title for an organization representing interests within the county.
 - Increase higher education options and vocational training.
 - Modify zoning and land use ordinances to address pedestrian access.
 - Think regionally.
 - Work together. (One partner questioned why St. Marys hired its own economic developer.)

What Should Camden County Do To Increase Its Competitiveness?

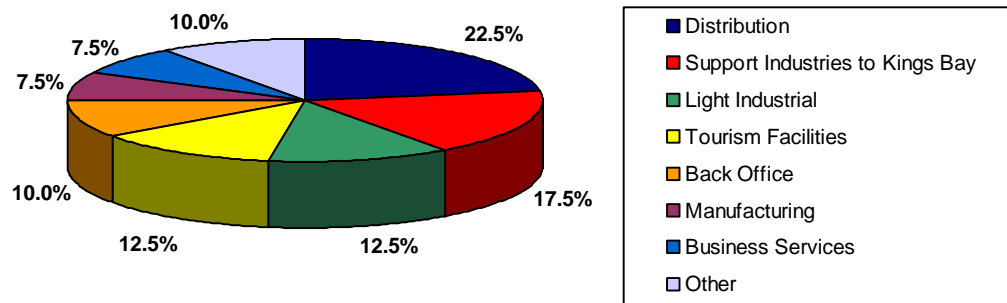


Businesses and Industries for Camden

When asked to identify what type of businesses that could be attracted to Camden County, and, therefore for which Camden is suitable, partners provided a total of 40 responses.

- Distribution topped the list, accounting for 22.5 percent of the responses. (Distribution was also highly mentioned by community stakeholders, accounting for the third highest share of responses.)

Businesses or Industries That Could Be Attracted to Camden



- The second highest share (17.5 percent) of responses related to support industries to the Naval Submarine Base Kings Bay.
- Light industrial and tourism facilities tied for the third highest share (12.5 percent) of responses.
- Other suggestions receiving a fair degree of mention by partners related to back office, manufacturing, and business services.
- Partners offered some suggestions that did not fit within a category relating to industries that utilize military spouses, high tech, and commercial / retail.

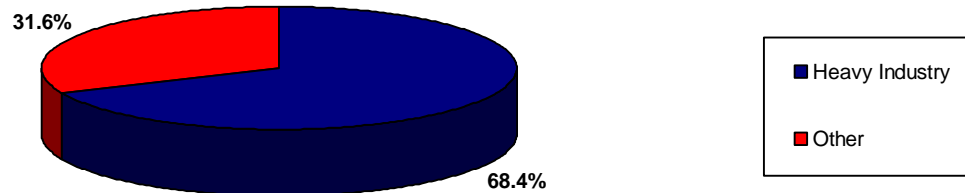
Businesses and Industries Not For Camden

When asked what type of businesses and industries would not be attracted to Camden, partners provided a total of 19 responses.

- Partners largely cited "heavy industry" as not being suitable for Camden; this accounted for more than two-thirds (68.4 percent) of the responses.

- Other businesses and industries mentioned by partners included: aerospace, bio-medical, businesses that are environmentally sensitive or create a situation detrimental to the viability of Kings Bay Naval Base, financial services, and tourism-related industries. Each of these received a single mention.

Businesses or Industries That Would Not Be Attracted to Camden

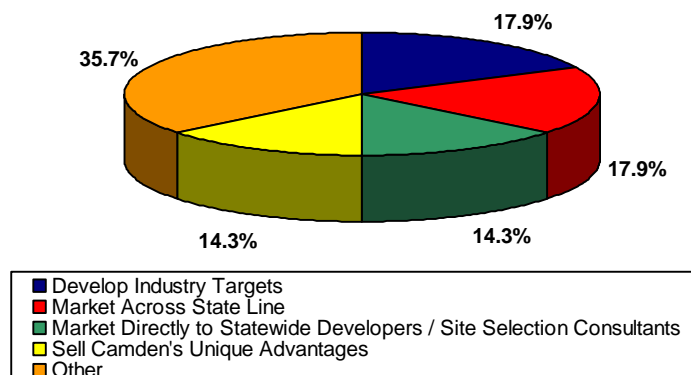


What Should Camden County Do With Regards to Marketing?

When asked for suggestions for Camden County with regards to marketing, partners provided a total of 28 responses.

- Developing industry targets and marketing across the state line (into Florida) tied to receive the highest mention (17.9 percent) by partners when asked for suggestions on what Camden should do with regards to marketing.
- Marketing directly to statewide developers and site selection consultants, and, developing a selling strategy based on Camden’s unique advantages also received a fair degree of mention, each accounting for 14.3 percent of the responses.

What Should Camden Do With Regards to Marketing?



- Partners several other suggestions, such as:
 - Be a regional player.
 - Check with local government about developing a tax incentives policy.
 - Foster entrepreneur development. Consider the state’s Entrepreneur and Small Business Initiative.
 - Contact companies directly and let them know what’s available.
 - Continue to work with regional partners - e.g., Southeast Georgia Joint Development Authority.

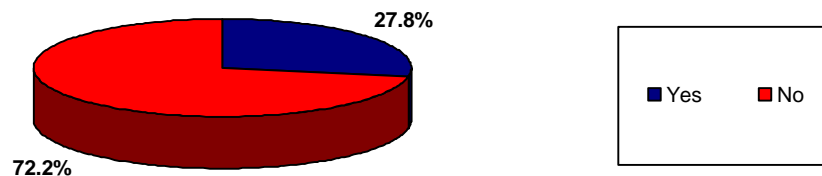
- Don't try any more than the fundamentals—make sure people know Camden County - e.g., property, buildings, and opportunities - and be consistent with it. Don't spend a bunch of money on marketing – use the welcome center and do the fundamentals.
- If money is available, put more into TV ads.
- Identify additional property for industrial development.
- Develop a tourism development strategy, and consider assigning one entity responsibility for tourism development for the entire county.
- Improve the comprehensive / strategic planning between the joint development authority and tourism. Camden has a strong market for tourism. Need to tap into the synergies of each, identify common goals, and work together.

Untapped Resources

Partners were asked to indicate whether there are any available resources Camden County is not already tapping into which could assist the community in its economic development efforts.

- Nearly three-quarters of the partners indicated “no,” reflecting the view that Camden is utilizing the resources available to them.
- Just over one-fourth (27.8 percent) indicated “yes.”

Resources that Camden County Is Not Already Tapping Into?

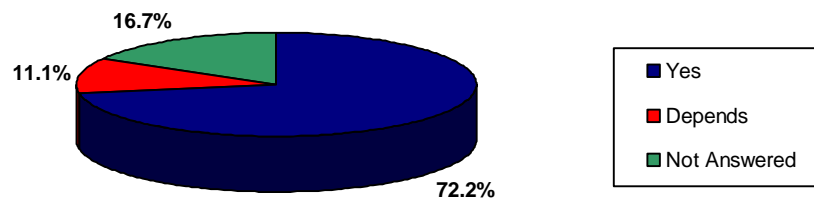


Bring a Prospect or Investor?

Partners were asked to indicate whether they would feel comfortable bringing a prospect or investor to Camden County as the community is today.

- Nearly three quarters (72.2 percent) of the partners indicated “yes,” that they would feel comfortable bringing a prospect or investor.
- A couple partners indicated that it would depend upon the prospect or investors needs.

Would You Bring A Prospect or Investor to Camden?



Economic Development Factors

Partners were asked to rate several factors relating to Camden County's economic development potential, and often economic development decisions, relative to the state of Georgia as a whole. They were asked to use a scale of 1 to 5 where 1 means not at all good and 5 means very good.

- Overall, Camden County's partners rated the county fairly positively. Only two factors had an average rating below 3, the median mark on the scale.
- Interstate access and navigable waters or access to deepwater ports received the highest average ratings, both denoting the potential for Camden County to emerge as a central distribution hub.
- Community livability factors such as air quality, natural amenities, green space, recreational opportunities, and the education system were all among the top 10 for rating so highly.
- Other infrastructure assets such as electric utilities, road and highway maintenance, and gas utilities also rounded out the top 10.
- Factors receiving poorer ratings included public transportation and available buildings.

| FACTOR | AVERAGE RATING |
|---|-----------------------|
| Interstate Access | 4.72 |
| Navigable Waters / Access to Deepwater Ports | 4.59 |
| Air Quality | 4.58 |
| Natural Amenities | 4.53 |
| Electric Utilities | 4.46 |
| Road and Highway Maintenance | 4.25 |
| Green Space / Open Space / Public Space | 4.21 |
| Recreational Opportunities | 4.19 |
| Gas Utilities | 4.13 |
| Education / School System | 4.07 |
| Proximity to Markets | 4.06 |
| Crime Prevention | 4.05 |
| Leadership Support for Economic Development | 3.97 |
| Available Sites | 3.97 |
| Cost of Living | 3.88 |
| Tourism Attractions | 3.88 |
| Citizen Support for Economic Development | 3.87 |
| Commercial Real Estate Services | 3.86 |
| Residential Real Estate Services | 3.85 |
| Water Quality | 3.83 |
| Cost of Doing Business | 3.79 |
| Support Services for Tourists / Visitors | 3.73 |
| Housing | 3.69 |
| Support Services for Existing Business and Industry | 3.64 |
| Telecommunications Utilities | 3.55 |
| Community Vision | 3.54 |
| Traffic | 3.53 |
| Financing for Economic Development | 3.50 |
| Health Care / Medical Services | 3.50 |
| Water Utilities | 3.50 |

| FACTOR | AVERAGE RATING |
|---|-----------------------|
| Retail Services | 3.46 |
| Business Regulations and Taxes | 3.44 |
| Child Care | 3.40 |
| Rail Service | 3.38 |
| Training Facilities for Employees | 3.36 |
| Hospitality Services | 3.36 |
| Existing Workforce | 3.34 |
| Arts and Cultural Opportunities | 3.33 |
| Support Services for Entrepreneurs and Small Business | 3.33 |
| Proximity to Raw Materials | 3.30 |
| Community Activities / Social Events | 3.27 |
| Air Service | 3.23 |
| Sewer / Wastewater Utilities | 3.18 |
| Land Use Plan | 3.10 |
| Marketing and Recruitment Program | 3.10 |
| Pedestrian Walkways | 3.05 |
| Available Buildings | 2.92 |
| Public Transportation (Passenger) | 1.44 |

When asked to rate the factors, partners were told that a “don’t know” was an acceptable answer if they were unfamiliar with the factor.

- Reviewing the “don’t knows” is relevant for identifying opportunities for community action, that is opportunities to actively keep statewide and regional economic development partners informed on key factors influencing economic development decisions.
- Child care topped the list, with 11 out of 20 partners providing ratings indicating they were not aware of the level of child care support.
- The second highest unknown factor was the available support services for entrepreneurs and small businesses.
- Some of the other top unknown factors are often leading site selection criteria, such as business regulations and taxes, gas utilities, water utilities, financing for economic development, sewer and wastewater utilities and telecommunications utilities.
- There were several factors for which every partner was familiar enough to provide a rating. These included cost of living, existing workforce, housing, interstate access, leadership support for economic development, natural amenities, navigable waters / access to deepwater ports, proximity to markets, recreational opportunities, and tourism attractions.

| FACTOR | DON'T KNOW |
|---|-------------------|
| Child Care | 11 |
| Support Services for Entrepreneurs and Small Business | 10 |
| Business Regulations and Taxes | 8 |
| Gas Utilities | 8 |
| Public Transportation (Passenger) | 7 |
| Water Quality | 7 |
| Water Utilities | 7 |
| Crime Prevention | 6 |
| Financing for Economic Development | 6 |
| Land Use Plan | 6 |

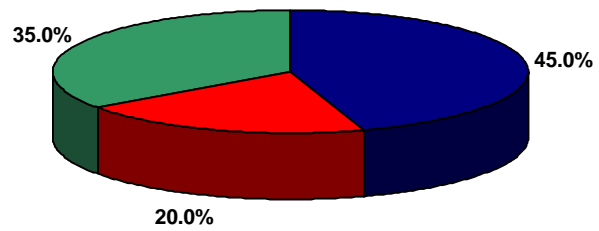
| FACTOR | DON'T KNOW |
|---|-------------------|
| Pedestrian Walkways | 6 |
| Proximity to Raw Materials | 6 |
| Sewer / Wastewater Utilities | 6 |
| Telecommunications Utilities | 6 |
| Commercial Real Estate Services | 5 |
| Health Care / Medical Services | 5 |
| Support Services for Existing Business and Industry | 5 |
| Training Facilities for Employees | 5 |
| Available Buildings | 4 |
| Community Vision | 4 |
| Cost of Doing Business | 4 |
| Road and Highway Maintenance | 4 |
| Air Quality | 3 |
| Air Service | 3 |
| Community Activities / Social Events | 3 |
| Electric Utilities | 3 |
| Rail Service | 3 |
| Residential Real Estate Services | 3 |
| Education / School System | 2 |
| Hospitality Services | 2 |
| Retail Services | 2 |
| Arts and Cultural Opportunities | 1 |
| Available Sites | 1 |
| Citizen Support for Economic Development | 1 |
| Green Space / Open Space / Public Space | 1 |
| Marketing and Recruitment Program | 1 |
| Support Services for Tourists / Visitors | 1 |
| Traffic | 1 |

What is the Single, Most Important Next Step for Camden?

Stakeholders provided a total of 21 suggestions when asked to recommend the most important next step for Camden.

- Developing a plan or strategy was identified by partners as the single most important next step, accounting for 45 percent of the responses.
- Continuing to develop a unified leadership was also mentioned to a fair degree, accounting for 20 percent of responses.
- Other suggestions offered by partners related to:
 - Bring in one employer of an environmentally friendly, non-military industry. That will get the ball rolling to bring in more.
 - Diversify.
 - Embrace the Sea Island Company.
 - Focus on higher education.
 - Look at where along I-95 are the most attractive sites for creating new industrial sites.
 - Nurture the situation with Naval Submarine Base Kings Bay.
 - Try not to “give away the farm” or bring up incentives so early in the process.

What Should Camden Do Next?



■ Develop a Plan / Strategy ■ Continue to Develop Unified Leadership ■ Other