

**THE STATE OF THE ST. PETERSBURG ECONOMY IS ABOUT
TRANSFORMATION**

What once used to be a St. Petersburg economy built on lower paying tourism and hospitality jobs is transforming into an economy built on higher paying Grow Smarter industry jobs such as Marine and Life Sciences, Specialized Manufacturing, Financial Services, Creative Arts and Design and Data Analytics. Over the last five years, the Mayor and City Council have been investing in an economic development strategy that grows and strengthens these industries. The idea is simple: build on our assets and focus on business clusters that are most likely to grow the most sustainable and rewarding jobs for the residents of St. Petersburg.

At this year's St. Petersburg State of the Economy address, the impact of this strategic focus by Mayor Kriseman and the City Council has become apparent. The third-party, independent measures and data that the city has measured for the last four shows that the workforce has gotten younger, is better educated and earns more with more transportation and employment opportunities. In other words, the St. Petersburg economy is in TRANSFORMATION. But don't just take my word for it. Let's look at the data.

Since 2014, higher paying Grow Smarter industry jobs have increased 8.4%, from 32,961 to 35,738, or an increase from 28% of our job base to 30% of our job base. This means that we are approaching 1/3 of the city's jobs in these Grow Smarter industries. St. Petersburg currently has a total employment base of 119,305. During this same four year stretch, St. Petersburg's median household income has increased by almost 20%. Last year alone, median household income increased by \$3,660.

THE JOBS ARE NOT WHAT THEY USED TO BE.

THEY ARE BETTER, MUCH BETTER.

-ALAN DELISLE, CITY DEVELOPMENT ADMINISTRATOR

This aligns with the fact that we are creating more jobs in our Growth Industries. Last year alone, the City's Economic and Workforce Development Department helped secure 1,992 new jobs for the economy, a huge number by any standards and most of these were Grow Smarter jobs. This all adds up to us diversifying our economy and giving it a stronger foundation with livable wages, good benefits and more consumer spending power.

For me, the canary in the coal mine is that two industries fell off the charts that have been on our list of projected occupational growth for a very long time – Sales and Retail occupation are no longer on the list. They were replaced with Healthcare Support and Business and Financial operations, more proof that lower paying jobs are being replaced by higher paying, more sustainable wages.

These changes come about because of a collective focus on growing and supporting these Grow Smarter industries. The Mayor has directed the City's Economic and Workforce Development Department to stay focused on retaining and growing anchors in these industries like Jabil,



Raymond James, Power Design, Museums, Johns Hopkins and UPC. Jabil, due to a public-private partnership with the City, has decided to keep its world headquarters in St. Petersburg and will create 300 new jobs in the process. Raymond James, because of a public-private partnership with the City, has created about 800 new jobs in our City and still counting. These anchors secure a cluster of workforce talent that other companies want to be around.

The City has been using all our economic development tools, including transportation, real estate and incentives to help these anchors grow. And while we have secured and grown these anchors, we understand that this will help grow and secure our local, small business community since they benefit from the spending power and talent from these firms. We have been working with all our partners to organize, coordinate and intensify our efforts, especially the Chamber of Commerce, the Economic Development Corporation, the Innovation District, the Downtown Partnership and our Main St. organizations.

Finally, as higher income jobs increase, we understand how important it is to make sure that all benefit from a stronger, more diverse economy. That is why the Mayor proposed and the Council approved an unprecedented workforce development initiative to connect South St. Petersburg residents with these and other job opportunities moving forward. This includes training initiatives as well. This program, called St. Pete Works, has helped 120 people obtain full time jobs in about a year's time.

While total construction in the City set a record of almost \$700 million in value with approximately 34,000 permits issued, the Mayor and City Council continue to pursue quality development with zoning and transportation upgrades to protect affordability, authenticity, mobility, sustainability, and inclusive prosperity. The City, for example, has taken a path with its development agreements to include Community Benefit Agreement provisions that directly benefit our residents and our neighborhoods. It is also no accident that additional transportation options such as the Ferry, Bike Share, Complete Streets, the new Looper route and Bus Rapid Transit have been approved and implemented.

Our St. Petersburg economy is stronger – low unemployment and low poverty rates. But it can be better. Major investments like the Pier, the South St. Petersburg Community Revitalization Area (TIF) and the future Tropicana Field offer smart investments that build on our assets and work to create even more job opportunities for city residents in the future. As the St. Petersburg economy transforms and matures, the City needs to keep moving with it. This will require a lot of work to keep aligning economic and workforce development with K-12 education, higher education, inclusive prosperity, businesses and real estate development. The good news is that we are seeing the numbers going in the right direction.

Alan DeLisle, Administrator
City Development, Administration

