



gai consultants

COMMUNITY
SOLUTIONS
GROUP

EMPLOYMENT ANALYSIS

City of Winter Park,
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Introduction

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Analysis Overview

GAI's Community Solutions Group has provided the City of Winter Park with an employment analyses for the purpose of identifying which business types play a significant role in the local economy. This report provides an update of those analyses using the most current data provided by the U.S. Census County Business Patterns ("CBP") program.

Our assignment is generally described in the following tasks:

- Compare the concentration and number of jobs in certain professional key categories within the City relative to those in other area cities (location quotient analysis),
- Compare and contrast concentration results from a base year (shift-share analysis),
- Identify the categories employment sectors with the greatest concentration and current level of employment, and
- Comment on and quantify the information in terms of the City's potential for job growth and economic development.

We make every effort to reflect employment establishments that physically exist in the city limits of Winter Park as well as other area cities. However, the level of employment detail required for this analysis is provided for areas that are only approximate to jurisdictional boundaries. Therefore, the calculations within this report are accurate based on the source data, the representations of concentrations within areas are approximate.

What is Economic Development?

Economic Development is generally described as succeeding in three areas:

- Net gain of Economic flow into the community;
An economic impact base is derived from the production of goods and services in excess of local consumption needs.
- Focus of local government to improve our standard of living;
Creation of jobs, higher wealth, and an overall better quality of life.
- Progress in an economy;
The adoption of new technologies, transition from agriculture to industry-based economy, and general improvement in living standards.

The broader context of community impacts related to Economic Development include measures for employment opportunities, employment growth, the nature of jobs, educational opportunities, safety and welfare, and income and wealth, among others. There are many ways of measuring Economic Development efforts, but one common and consistent measure is simply related to the concentration and growth of jobs by type of industries or employment clusters, consistent with community goals.

Live-Work-Play

The concept of Live-Work-Play has grown in popularity in the field of planning, as numerous strands of planning literature increasingly highlight the potential benefits of creating places to live, work, and play, at minimum, in close

proximity. But it is important to understand that creating places that maximize these benefits don't necessarily require complete balance, particularly with the interrelationship of living and working.

	Work in Place	
	2009	2016
United States ¹	43%	42%
Winter Park	34%	32%
Maitland	21%	22%
Casselberry	13%	10%
Winter Garden	20%	26%

Sources: U.S. Census Bureau; GAI Consultants. Note: (1) Includes Census Designated Places.

Employment Overview

Employment Market

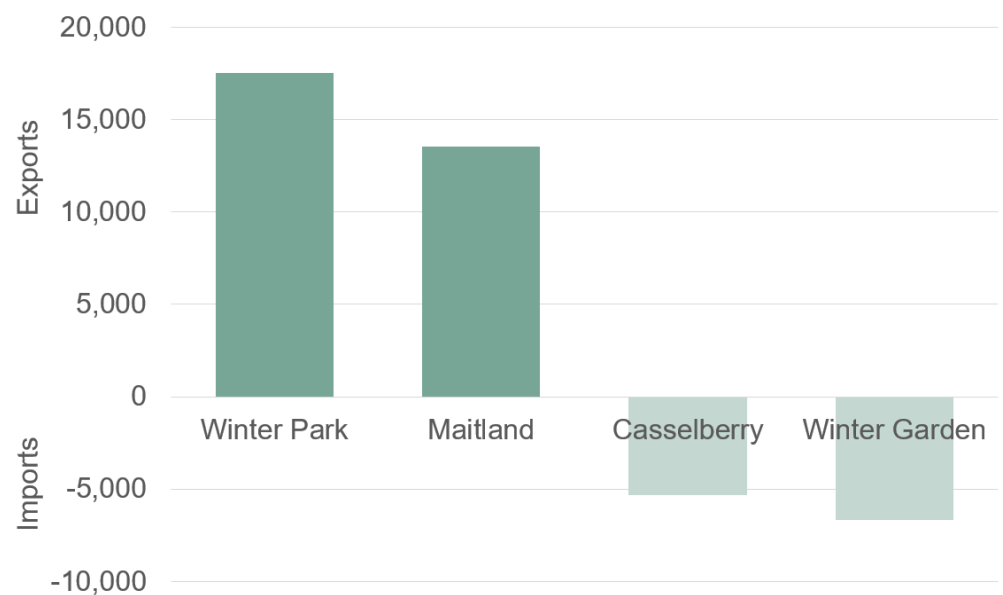
Creating more basic industry (jobs in excess of local demand), by definition, creates a positive flow of activity into a local economy. Whether that economic activity creates wealth that remains in the local area is a more complicated issue. However, the excess of

employment above local demand is a strong indicator of more opportunity for employment and higher levels of wealth tied to the resources residing in the local area.

	Population (000s)	Employment (000s)	Jobs per 100 capita
United States	323,071	140,129	43.4
Winter Park	30.1	30.6	101.6
Maitland	17.7	21.3	119.8
Casselberry	27.2	6.5	23.8
Winter Garden	42.6	11.8	27.7

Sources: U.S. Census Bureau; GAI Consultants.

Export and Import Employment



Employment Clusters

One form of economic development analysis suggests that economic activities in an area can be divided into two categories: basic and nonbasic. Basic industries are those exporting from the local region and bringing wealth from outside, while nonbasic industries support local needs. Because export-import flows are usually not tracked at sub-national levels, it is not practical to study industry output and trade flows to and from a local area. As an alternative, the concepts of basic and nonbasic are operationalized using employment data, and location quotients (“LQ”).

The location quotient formula shows whether a local area is employing enough workers in each sector as compared with a balanced national economy.

- When the Location quotient = 1.0, that means the employment is equal in the sector for the national and regional economy. Therefore the sector is non-basic and supply is just equal to local demand.
- If $LQ < 1$, The output is not sufficient to meet the local demand and imports are needed.
- If $LQ > 1$ the output is more than sufficient to meet the local demand and excess is exported.

Target Clusters

Industry clusters are local concentrations of related industries. Clusters reflect a network of economic relationships that can create a competitive advantage, if desired. This advantage then becomes an

enticement for similar industries and suppliers to those industries to develop or relocate locally. Based on our analysis, we defined 6 measurable clusters in the City of Winter Park.

	2009 LQ	2016 LQ	Employment CAGR
Education & Knowledge Creation	2.89	2.86	1.2%
Real Estate & Development	4.39	2.70	0.7%
Arts, Culture & Entertainment	1.82	1.94	5.3%
Health Care Services	1.39	1.93	4.0%
Financial and Professional Services	2.24	2.68	1.7%
Creative Services	9.27	11.09	-1.2%

Target Clusters

Education and Knowledge

(Employment > 25)

NAICS	Industry	2009 LQ	2016 LQ
61131	Colleges, Universities, and Professional Schools	3.30	2.94
61111	Elementary and Secondary Schools	0.93	1.22
61121	Junior Colleges	1.76	4.75
61162	Sports and Recreation Instruction	1.10	1.90
51912	Libraries and Archives	5.32	6.05

Real Estate Development

(Employment > 200)

NAICS	Industry	2009 LQ	2016 LQ
23622	Commercial and Institutional Building Construction	1.00	5.22
54133	Engineering Services	2.09	2.35
23611	Residential Building Construction	1.41	2.14
23821	Electrical Contractors and Other Wiring Installation Contractors	2.44	1.46
23822	Plumbing, Heating, and Air-Conditioning Contractors	0.45	1.16
53121	Offices of Real Estate Agents and Brokers	3.36	3.67

Arts, Culture, and Entertainment

(Employment > 10)

NAICS	Industry	2009 LQ	2016 LQ
71211	Museums	2.25	2.35
45114	Musical Instrument and Supplies Stores	5.02	5.15
71151	Independent Artists, Writers, and Performers	2.54	2.86
45392	Art Dealers	4.52	5.66
72251	Restaurants	1.70	1.51
72231	Food Service Contractors	0.70	4.18

Healthcare Services

(Employment > 175)

NAICS	Industry	2009 LQ	2016 LQ
62211	General Medical and Surgical Hospitals	1.03	1.04
62161	Home Health Care Services	1.27	3.64
62111	Offices of Physicians	1.63	1.73
62121	Offices of Dentists	1.44	1.10
62412	Services for the Elderly and Persons with Disabilities	-	0.99

Financial and Professional

(Employment > 200)

NAICS	Industry	2009 LQ	2016 LQ
54111	Offices of Lawyers	3.80	3.49
55111	Management of Companies and Enterprises	1.64	0.98
54121	Accounting, Tax Preparation, Bookkeeping, & Payroll Services	1.47	2.44
52211	Commercial Banking	1.34	1.40
54161	Management Consulting Services	1.79	1.73
52312	Securities Brokerage	3.01	3.79

Creative Services

(Employment > 75)

NAICS	Industry	2009 LQ	2016 LQ
51112	Periodical Publishers	11.73	19.88
54181	Advertising Agencies	1.55	3.72
51512	Television Broadcasting	6.35	6.51
54141	Interior Design Services	21.99	18.46
54131	Architectural Services	8.25	2.53

Benchmarking

In the context of economic analysis, making comparisons between and among groups or entities (“benchmarking”) allows for specific inferences or potential conclusions to be drawn from individual metrics. Benchmarking does not require that groups or entities are identical in every aspect or on every dimension, but only one or two specific attributes. In fact, the many potential differences among groups or entities that share something in common is a main contributor to the process of making inferences or drawing conclusions. The main challenge with selecting “comparable” locations for this type of economic analysis is a result of the many qualitative perceptions that make locations more or less alike. Based on past experience, we initially identify locations using quantitative metrics to include land area, population, density, and population growth.

There are more than 410 cities, towns, and villages in the State of Florida. The vast majority of these local jurisdictions, as expected, represent smaller areas. Only 2.2% or 9 cities in the state have a land area greater than 75 square miles. More than 71% or 292 cities, towns, and villages have land area of less than 10 square miles.

Municipality	2018 Population	Area (Sq. Mi.)	Gross Density	2018-10 Growth
Winter Park	31,059	10.17	3,054	12.1%
Maitland ¹	28,876	7.47	3,866	10.6%
Casselberry ²	17,947	6.42	2,795	13.1%
Winter Garden ¹	45,266	17.87	2,533	30.2%

Sources: U.S. Census Bureau; GAI Consultants Notes: (1) Selected by Geography, (2) Selected for Area or Density, Gross Density is measured as 2018 Total Population per square mile.

As we mentioned, it is not required that groups or entities are identical in every aspect or on every dimension. For example, higher population levels, larger land area, and faster population growth compared with Winter Park would potentially explain any observed differences as part of our analysis.

Winter Park Top Employment Sectors

NAICS	Industry	Share	2016 LQ
72251	Restaurants and Other Eating Places	12.5%	1.51
62211	General Medical and Surgical Hospitals	4.4%	1.04
61131	Colleges, Universities, and Professional Schools	4.4%	2.94
62161	Home Health Care Services	4.1%	3.64
62111	Offices of Physicians	3.5%	1.73
54111	Offices of Lawyers	2.9%	3.49
56161	Investigation, Guard, and Armored Car Services	2.8%	4.48
55111	Management of Companies and Enterprises	2.6%	0.98
54121	Accounting, Tax Preparation, Bookkeeping, and Payroll Services	2.4%	2.44
23622	Commercial and Institutional Building Construction	2.3%	5.22

Top Concentrations (Employment > 100)

NAICS	Industry	2016 LQ
61141	Business and Secretarial Schools	21.30
51112	Periodical Publishers	19.88
54141	Interior Design Services	18.46
54132	Landscape Architectural Services	13.47
42412	Stationery and Office Supplies Merchant Wholesalers	11.86
54193	Translation and Interpretation Services	11.33
44121	Recreational Vehicle Dealers	8.16
33461	Manufacturing and Reproducing Magnetic and Optical Media	8.09
51512	Television Broadcasting	6.51
51912	Libraries and Archives	6.05

Maitland Top Employment Sectors

NAICS	Industry	Share	2016 LQ
55111	Management of Companies and Enterprises	6.9%	2.59
52412	Direct Insurance (except Life, Health, and Medical) Carriers	6.8%	13.79
62111	Offices of Physicians	4.2%	2.08
23611	Residential Building Construction	4.1%	7.77
54121	Accounting, Tax Preparation, Bookkeeping, and Payroll Services	3.7%	3.78
54111	Offices of Lawyers	3.2%	3.84
56132	Temporary Help Services	3.0%	1.11
51711	Wired Telecommunications Carriers	3.0%	5.04
62161	Home Health Care Services	2.8%	2.50
56111	Office Administrative Services	2.8%	7.75

Top Concentrations (Employment > 100)

NAICS	Industry	2016 LQ
52239	Other Activities Related to Credit Intermediation	33.43
53132	Offices of Real Estate Appraisers	26.30
52412	Direct Insurance (except Life, Health, and Medical) Carriers	13.79
42373	Warm Air Heating, Air-Conditioning Equipment, and Supplies Merchant Wholesalers	13.21
52232	Financial Transactions Processing, Reserve, and Clearinghouse Activities	13.05
54119	Other Legal Services	12.66
62133	Offices of Mental Health Practitioners (except Physicians)	10.42
51511	Radio Broadcasting	10.18
42342	Office Equipment Merchant Wholesalers	9.86
71151	Independent Artists, Writers, and Performers	8.63

Casselberry Top Employment Sectors

NAICS	Industry	Share	2016 LQ
72251	Restaurants and Other Eating Places	12.6%	1.52
56132	Temporary Help Services	5.2%	1.90
44511	Supermarkets and Other Grocery (except Convenience) Stores	4.9%	2.30
45291	Warehouse Clubs and Supercenters	4.3%	3.48
23822	Plumbing, Heating, and Air-Conditioning Contractors	2.8%	3.51
23899	All Other Specialty Trade Contractors	2.4%	12.32
42361	Electrical Apparatus and Equipment, and Wiring Supplies	2.0%	12.31
44411	Home Centers	2.0%	3.50
45211	Department Stores	2.0%	2.60
56173	Landscaping Services	2.0%	3.91

Top Concentrations (Employment > 100)

NAICS	Industry	2016 LQ
45439	Other Direct Selling Establishments	18.81
23899	All Other Specialty Trade Contractors	12.32
42361	Electrical Apparatus and Equipment, and Wiring Supplies	12.31
72241	Drinking Places (Alcoholic Beverages)	5.72
56173	Landscaping Services	3.91
23822	Plumbing, Heating, and Air-Conditioning Contractors	3.51
44411	Home Centers	3.50
45291	Warehouse Clubs and Supercenters	3.48
44814	Family Clothing Stores	3.10
45211	Department Stores	2.60

Winter Garden Top Employment Sectors

NAICS	Industry	Share	2016 LQ
72251	Restaurants and Other Eating Places	12.6%	1.53
44511	Supermarkets and Other Grocery (except Convenience) Stores	3.2%	1.49
42311	Automobile and Other Motor Vehicle Merchant Wholesalers	2.4%	25.01
62311	Nursing Care Facilities (Skilled Nursing Facilities)	2.4%	1.84
44814	Family Clothing Stores	2.4%	4.07
23822	Plumbing, Heating, and Air-Conditioning Contractors	2.2%	2.80
45291	Warehouse Clubs and Supercenters	2.1%	1.74
44711	Gasoline Stations with Convenience Stores	2.0%	3.15
23811	Poured Concrete Foundation and Structure Contractors	1.7%	9.65
23891	Site Preparation Contractors	1.4%	5.56

Top Concentrations (Employment > 100)

NAICS	Industry	2016 LQ
42444	Poultry and Poultry Product Merchant Wholesales	121.02
44121	Recreational Vehicle Dealers	33.14
32612	Plastics Pipe, Pipe Fitting, and Unlaminated Profile Shape Manufacturing	29.05
42311	Automobile and Other Motor Vehicle Merchant Wholesalers	25.01
42451	Grain and Field Bean Merchant Wholesalers	24.20
56179	Other Services to Buildings and Dwellings	20.46
31141	Frozen Food Manufacturing	14.51
23811	Poured Concrete Foundation and Structure Contractors	9.65
23711	Water and Sewer Line and Related Structures Construction	8.64
56199	All Other Support Services	8.26

Shift-Share Analysis

A shift-share analysis, used in regional science, political economy, and urban studies, determines what portions of regional economic growth or decline can be attributed to national, economic industry, and regional factors. The analysis helps identify industries where a regional economy has competitive advantages over the larger economy. A shift-share analysis takes the change over time of an economic variable, such as employment, within industries of a regional economy, and divides that change into various components. A traditional shift-share analysis splits regional changes into just three components, but other models have evolved that expand the decomposition into additional components.

The traditional form of the shift-share analysis was developed by Daniel Creamer in the early 1940s, and was later formalized by Edgar S. Dunn in 1960. Also known as the comparative static model, it examines changes in the economic variable between two years. Changes are calculated for each industry in the analysis, both regionally and nationally. Each regional change is decomposed into three components.

1

National growth (“NG”) effect is the portion of the change attributed to the total growth of the national economy. It equals the theoretical change in the regional variable had it increased by the same percentage as the national economy.

2

Industry mix (“IM”) effect is the portion of the change attributed to the performance of the specific economic industry. It equals the theoretical change in the regional variable had it increased by the same percentage as the industry nationwide, minus the national growth effect.

3

Local share (“LS”) effect is the portion of the change attributed to regional influences, and is the component of primary concern to regional analysts. It equals the actual change in the regional variable, minus the previous two effects.

Net Local Share Gain

NAICS	Industry	2016 LQ	NG	IM	LS
72251	Restaurants and Other Eating Places	1.51	238.7	242.4	438.8
62161	Home Health Care Services	3.64	28.4	49.2	641.2
56161	Investigation, Guard, and Armored Car Services	4.48	2.8	1.9	630.0
54121	Accounting, Tax Preparation, Bookkeeping & Payroll Services	2.44	38.3	(53.7)	251.2
23622	Commercial and Institutional Building Construction	5.22	11.7	(15.4)	444.4
72231	Food Service Contractors	4.18	7.2	7.9	401.0
51112	Periodical Publishers	19.88	34.1	(152.0)	165.1
56111	Office Administrative Services	3.71	19.1	(15.0)	144.7
23611	Residential Building Construction	2.14	18.3	(11.5)	102.6
44812	Women's Clothing Stores	3.65	14.1	(7.9)	105.3
23822	Plumbing, Heating, and Air-Conditioning Contractors	1.16	8.2	0.2	135.6
62412	Services for the Elderly and Persons with Disabilities	0.99	0.6	2.5	189.2
42412	Stationary and Office Supplies Merchant Wholesalers	11.86	-	-	150.1

Net Local Share Loss

NAICS	Industry	2016 LQ	NG	IM	LS
81311	Religious Organizations	1.18	158.0	(163.6)	(948.5)
55111	Management of Companies and Enterprises	0.98	94.4	68.7	(339.6)
23731	Highway, Street, and Bridge Construction	2.49	52.8	(61.9)	(305.3)
54151	Computer Systems Design and Related Services	0.69	43.6	95.0	(273.4)
54131	Architectural Services	2.53	30.1	(45.7)	(156.3)
52421	Insurance Agencies and Brokerages	1.18	34.1	(10.5)	(154.1)
44312	Computer and Software Stores	-	18.4	(18.4)	(153.8)
52412	Direct Insurance Carriers	0.63	26.1	(26.6)	(144.1)
54137	Surveying and Mapping Services	0.24	16.6	(28.8)	(124.8)
23821	Electrical Contractors and Other Wiring Installation Contractors	1.46	36.9	(13.4)	(116.8)
56132	Temporary Help Services	0.76	42.0	196.0	(106.1)

Prepared By:



618 E. South St.
Suite 700
Orlando, FL 32801
T 407-423-8398
F 407-843-1070

gaiconsultants.com/communitysolutions