

Economic Assessment – Walton County
Meeting Dates: 8-26-10 through 8-27-10

Communication and Perception Problems

- BP needs to stop or change its marketing campaign
 - The company should provide additional advertising money to the affected areas
- EPA's position on dispersants continues to have an impact on the seafood industry
 - The community wants EPA to speed up the testing process and announce, as quickly as possible, that dispersants do not affect the safety or quality of Gulf seafood
 - DOC is meeting with local fishermen to discuss this and other fishery issues next week

Economic Base and Diversification

- The economic base of Walton County is primarily tourism, defense and fisheries
- Economic recovery needs to focus on diversification of industry
 - Attract new STEM industries and support existing high tech industry
 - EADS winning the tanker contract (Mobile, AL) would have a positive impact on regional economy
- Permits and other regulatory requirements hamper economic development
 - DCA regulations were called out by one participant

Federal Grants: Steps to Improve Success Rate

- Applying for grants has become very specialized
 - The community needs short-term assistance from a professional grant writer
 - Ideally, this person would be paid by the feds to provide technical assistance
 - Grant writing assistance was deployed by the feds after Katrina
- EDA **strongly emphasized** the need for regional cooperation and suggested that the community concentrate on obtaining funding for a "gold project".
- EDA thought a state delegation to Washington, DC would be helpful
- A number of federal grants are too narrowly defined; locals need more flexibility

Infrastructure

- Infrastructure needs (road expansion, water and sewage upgrades, broadband access) is a major negative in recruiting new business or allowing for the expansion of business in the area
- Expansion of 331 would be the "gold project" for the area
 - Rural development grants are available to fund this project
 - A regional approach may be more successful in leveraging such funds.
- EDA could fund minor upgrades to the Freeport industrial park (less than \$1 million)

Workforce Development

- Extension of DOL's WIRED grant is essential for future workforce development
 - EDA has indicated that DOL could grant an extension without an act of Congress
- Need the Federal government to extend "Back to Work" TANF emergency dollars
 - Took a long time to implement, so the funding is there, but the program expires September 30th
- The defense supplemental contained a \$5 million appropriation for technical assistance and work force training in the 21 counties affected by the oil spill
 - Walton county would receive a share of this funding

- Businesses need more hands-on case management and technical assistance
 - Possibly through SBA programs

Housing

- The local real estate market was recovering
- The event stopped the recovery and caused a decline in property values and a general decline in demand
- Walton county is out of SHIP funds
 - Two years since the state appropriated SHIP funds.
- However, Walton and Okaloosa counties are not participants in the region's HOME Investment Partnerships program.
 - Escambia and Santa Rosa are participants
 - The HOME program is funded by HUD through a federal grant

Capital and Financing

- Capital is needed to help get business through slow season, but there isn't an entity that is set up to provide low-interest short-term (3-5 year) loans to small businesses that have been struggling due to the economy
- Larger banks that may have capital available cannot make the loans due to the regulatory environment since the economic and banking crisis