

GAINESVILLE & ALACHUA COUNTY AREA ANALYSIS

This area summary provides a review of the underlying population, housing and economic factors influencing growth and trends in the Gainesville and Alachua County areas. This information is provided as background for the enclosed appraisal and is a broad overview of the underlying economic and demographic factors that influence the area.

Alachua County is located in the approximate center of the State of Florida, midway between the Atlantic Ocean and the Gulf of Mexico, and midway between Miami and Pensacola. It is 72 miles Southwest of Jacksonville, 100 miles Northeast of Tampa-St. Petersburg, and 143 miles Southeast of Tallahassee, the State Capitol.

Gainesville is located in approximately the center of Alachua County and is the largest city and county seat. Gainesville has a commissioner form of government and was established as a community in 1854, and incorporated by 1869. The city has approximately 32± square miles of land area and an elevation of about 75 feet above sea level.

Population

The 1980, 1990 and 2000 ⁽¹⁾ census populations for the county and individual cities are as follows:

Historical Population Trends

<u>Area</u>	<u>1980 Census</u>	<u>1990 Census</u>	<u>2000 Census</u>	<u>2005 Estimates</u>	<u>Percent Change 1990-00 Per/Year</u>	<u>Percent Change 2000-05 Per/Year</u>
Alachua County	151,369	181,596	217,955	240,764	2.0%	2.1%
Alachua (City)	3,561	4,547	6,098	7,402	3.4%	4.3%
Archer	1,230	1,372	1,289	1,230	-0.6%	-0.9%
Gainesville	81,371	85,075	95,477	119,889	1.2%	5.1%
Hawthorne	1,303	1,305	1,415	1,396	0.8%	1.9%
High Springs	2,491	3,144	3,863	4,432	2.3%	2.9%
LaCrosse	170	122	143	186	1.7%	6.0%
Micanopy	737	626	653	629	0.4%	-0.7%
Newberry	1,826	1,644	3,316	4,261	10.2%	5.7%
Waldo	993	1,017	821	832	-1.9%	0.3%
Unincorporated	57,687	82,744	104,910	100,507	2.7%	-0.8%
State of Florida	9,747,000	12,938,071	15,982,378	17,918,277	2.4%	2.4%

Gainesville's 2000 census population was 95,477 persons within the city limits. The surrounding unincorporated area had a population of 104,910, and the entire county had a population of 217,955 (2000 census). The projected Alachua County population for 2010 is 260,800 persons, which indicates that the county is projected to grow in population at a straight line rate of about 1.7± percent per year from 2005 to 2010.

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Population (Cont'd)

Historical growth has been slightly below the state average during the 1980's with the 1990's about equal to the state projection of 2.1 percent per year to the year 2000. Forecast growth from 2005 to 2010 is 2.4 percent for the State of Florida and 2.1 percent for Alachua County. The distribution of the population base within Alachua County has a significant and direct effect upon the type of developments and industries established in the area. The following chart is a breakdown of Alachua County population based upon sex and age for both 1990 and 2000 along with the percentage change of each category over that time period and estimates for 2005.

Population Mix

<u>Description</u>	<u>2000 Census</u>	<u>Description</u>	<u>2005 Estimate</u>	<u>Percent Change Per Year 1990-2000</u>	<u>Percent of Total Population 2000 Only</u>
Sex					
Male	106,400			1.6%	48.8%
Female	111,600			1.7%	51.2%
Total	218,000			1.7%	100.0%
Age					
0-14	36,187	0-17	45,836	0.6%	16.6%
15-24	58,365	18-34	93,131	2.3%	26.8%
25-44	60,410	35-54	58,734	0.2%	27.7%
45-64	42,075	55-64	20,494	5.0%	19.3%
65-Over	20,918	65-79	15,938	2.0%	9.6%
Total	217,955	80+	6,631	1.7%	100.0%

As shown by the above table, the fastest growing population segment over 1990 to 2000, was the 45-64 year old category. Gainesville has historically been a younger community, due primarily to the location of the University of Florida and Santa Fe Community College, which typically have students in an age range of around 18 to 25 years. Enrollment at the University of Florida and Santa Fee Community College has increase over time, as shown in the 2005 estimates.

Transportation

The Gainesville Metropolitan area and Alachua County are served by four major Regional Highways including Interstate 75, U.S. 301, State Road 26 and U.S. 441. These roads together with numerous other secondary state and county roads provide good access for the area. The Gainesville area is serviced by two commercial airlines, ASA and Comair.

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Transportation (Cont'd)

The airport is located in Northeast Gainesville and is the primary Commercial Airport for a nine county area in North Central Florida. The Gainesville Airport provides daily round-trip service to Atlanta, Tampa, Miami and Orlando. The city is also serviced by one railroad line (daily freight only) and by one national bus line. Passenger rail service is available in the small community of Waldo in Northeast Alachua County by Amtrak's New York/Miami and Chicago/Miami Trains. In addition the City of Gainesville has a public Bus Transportation System (Regional Transit System), which services most of the urban area.

Agricultural and Climate

The climate in Alachua County is typical of North Central Florida. There is an average of 30 to 40 days of fog each year, which rarely interferes with aviation. Over the past 33 years, there has been an average of about 2,803 hours of sunshine per year. The growing season lasts 255 days, with the first killing frost on December 4th and the last killing frost on February 22nd. The mean annual temperature is 70.1 degrees, with a January average of 57.7 degrees and a July average of 80.8 degrees. The average annual rainfall for Alachua County is approximately 54.6± inches.

Alachua County, with a variety of good soil types and a moderate climate, supports a well diversified balanced agricultural program. The county has 1,493 farms, with an average size of about 149± acres. Almost 222,728 acres of the county are in farmlands, of this amount, 36.0 percent is cropland, 19.8 percent is woodland, and the remaining portion consists of pasture (38.7 percent) and other land types of 5.3 percent. The total value of all farm products sold was \$50,256,000 in 1997. Annual income from livestock, poultry and their products was \$61,468,000 in 2003 to 2004. Forestry products represent another valuable farm enterprise. Other important farm crops include tobacco, vegetables, watermelons, corn, soybeans, sunflowers, peanuts, pecans and citrus products.

Municipal Services

Police protection is provided by the Gainesville Police Department, which has a total force of about 267± officers. The county is served by the Alachua County Sheriff's Department, which has about 181± sworn deputies. Fire protection is provided by the Gainesville City Government, with 150 full time employees and 20 pieces of mobile equipment. Service in the metro area of the county is provided by the county government. The Gainesville area has a Class III fire insurance rating.

Electric power is provided to Gainesville and the urban area by the Gainesville/Alachua County Regional Electric, Water and Sewer Utilities Board. The University of Florida complex is served by the Florida Power Corporation and Clay Electric Co-Op serves several rural areas together with Florida Power.

Water and sewer utilities are provided to Alachua County and the Gainesville urban area by the Regional Utilities System and several smaller municipal systems. The system is owned and operated by the City of Gainesville. Most of the smaller cities in Alachua County have municipal water systems. Newberry and Alachua are the only smaller cities with municipal sewage treatment facilities.

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Municipal Services (Cont'd)

The 2006 county and city real estate assessments are based on approximately 100 percent of "just value" with a millage rate of about 23.2009 for the county and 24,5841 mills in the City of Gainesville. The City of Gainesville/Alachua County area has one of the highest millage tax rates in the State of Florida primarily due to the substantial number of public or government facilities which do not pay real estate taxes.

Education

The Alachua County School System has 37 schools; 21 elementary, 6 middle, 6 high schools and 3 special education centers. The total enrollment is about 29,108 children in 2005. In addition, there are 5 private schools in Alachua County all of which are state accredited.

Santa Fe Community College had an enrollment of approximately 15,855 (2 year program). In addition to the regular two year academic curriculum, the community college has extensive programs in adult education and the vocational and technical fields.

The University of Florida had an enrollment of about 50,512± students in the fall of 2005. The university encompasses all of the professional colleges on one campus. The Engineering and Industrial Experiment Station, Agricultural Experiment and Extension Service play important roles in the growth of the state and contribute greatly to the economic stability of the area. These two major educational institutions contribute to a substantial student population in the Gainesville area. This explains the unusually high concentration of apartment properties in Gainesville and supporting retail sales and service industry employment.

Medical Services

The J. Hillis Miller Health Center was dedicated in 1959, and now houses the College of Medicine, the College of Health Related Professionals, and the College of Dentistry. The center includes a 476-bed teaching hospital and other facilities necessary to conduct a complete medical program.

The Veteran's Administration Hospital has 480 beds and other area hospitals include the Alachua General Hospital (425 beds) which was bought by Shands Hospital in early 1996 and the privately owned North Florida Regional Hospital (400 beds). Alachua County is a regional medical center that has four large hospitals providing medical services for the North Central Florida geographical region and State of Florida. These hospitals serve as a medical center for a large portion of the state and provide supporting physicians and other medical services for the state. In 2006, Alachua County has 4,975 licensed nurses and 1,455± licensed doctors.

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Retail Trade and Banking

Gainesville is the natural trading district for the ten county North Central Florida area. In 2006, Alachua County had 876 retail outlets in some 35 neighborhood and regional shopping centers located in the Gainesville area. Gross sales for Alachua County in 2005 was \$6,561,037. This compares with \$5,700,560 for the county in 2004. Alachua County has 14 commercial banks with 60 branch bank facilities and total deposits of \$2,582,000 in June 2005.

Manufacturing and Employment

Manufacturing activities for Gainesville and the surrounding area include crates and boxes, lumber treating, cross-ties and metal poles, pine products, excelsior, printing and binding, metal signs, masonry plants, archery equipment, poultry processing, batteries and others. Major employers in the Gainesville and Alachua County area and employment are shown on the following table:

Major Employers⁽²⁾

University of Florida	12,212
Shands Hospital	7,508
Alachua County School Board	4,195
Veterans Affairs Medical Center	2,700
The Oaks Mall	2,500
City of Gainesville	2,357
Florida Department of Children & Families	2,119
Alachua County	1,938
Publix Supermarkets	1,865
North Florida Regional Medical Center	1,646
Tachachale	1,500
Nationwide Insurance Company	1,099

Alachua County and the City of Gainesville have a high percentage of government employment. In 2005, total employment for Alachua County was 115,784 employees and an unemployment rate of 3.0 percent. In 2005, the county had 43,475 government employees which is divided into 3,418 federal employees, 29,197 state employees and 10,860 local government employees. This government employment represents about 37.5± percent of the county's total employment. As shown (see table), the University of Florida, Shands Teaching Hospital, the School Board, Department of Children & Families, Santa Fe Community College and the City of Gainesville are major employers in the local work force and are predominately non-tax revenue generating public agencies (exempt from real estate taxes). This primarily explains the relatively high real estate tax rates for the county and the City of Gainesville.

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Housing

In 2000, Alachua County had 85,509 total households. The 2000 housing information in the Florida Statistical Abstract reports a home owner vacancy rate of about 3 percent and a rental vacancy rate of about 8 percent. Of the occupied housing units, approximately 48,042 are owner occupied and about 39,466 are renter occupied. About 45 percent of the housing market is in rental properties. This is partially explained by the relatively large number of students in the Gainesville and Alachua County area as a result of the University of Florida and Santa Fe Community College enrollment. Total enrollment in higher education is about 60,314 students in the area that are not directly reflected in population estimates. This is a relatively stable income source for the area and is the main driving force for apartment and other renter occupied dwelling units in the local marketplace. The county had 79,022 households in 1990, with an average household size of about 2.4 persons. Current household size is 2.46 persons and average growth has been about 1 percent per year.

Labor Force

The labor force for Alachua County in 2004 was 119,796 persons with an unemployment rate of about 3.0 percent. The unemployment rate for 2004 was 3.4 percent. Individual components of the 2005 industry employment are as follows: manufacturing, 5.1 percent; contract construction, 6.8 percent; wholesale trade, 2.9 percent; retail trade, 16 percent; and finance, insurance, and real estate, 2.4 percent. Not included in the above services figures is the University of Florida educational employment, Santa Fe Community College educational employment, the Alachua County educational employment and general government employment. This high percentage of state and local government employment contributes to the balanced and stable local base economy.

Summary

The continuous support of the University of Florida and numerous other state funded agencies has contributed greatly to the stability and growth of the economic base in the Gainesville/Alachua County area. This governmental influx of funds has enabled Alachua County to continue growing economically, even during mild downward trends and recessions in the national economy.

⁽¹⁾ The Florida Statistical Abstract (2000) published by the Bureau of Economic and Business Research, College of Business Administration, University of Florida.

⁽²⁾ Directory of Major Employees, Gainesville Area Chamber of Commerce.

⁽³⁾ Community overview (2001) prepared by The Gainesville Sun (Gainesville, Florida).