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What Will the Economic Impact Be on Polk

USF Poly's New Campus Is Already Influencing Polk, but Be Patient for Full Effect By RACHEL PLEASANT CHAMBLISS

By [Rachel Pleasant](#)
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You can't deny that USF Polytechnic's campus alongside Interstate 4 will forever change Polk County. You can't build something that involves a world-famous architect and the potential to nearly quadruple enrollment without leaving a significant mark.

But what could the economic impact of the new campus be on the county?

USF Poly hasn't done an economic impact study and specifics of its economic impact are impossible to know this far out from completion of the campus. But most say the scope is easy to classify - it will be large.

"The bottom line is it will create higher paying jobs and a more highly educated workforce," said Tom Patton, executive director of the Central Florida Development Council.

Speaking only of possibilities in the future as USF Poly takes shape, Patton said there is potential for Polk County to attract companies, for instance, that deal in biofuels, specifically jatropha, a plant that when its berries are boiled down, produces oil. With a research university in the county, Patton said, Polk stands a better chance of attracting a jatropha refinery.

"A research university will come in handy in recruiting large companies," Patton said.

"If you have a polytech interested in doing research and providing students trained in oil extraction, that opens their eyes. If you go somewhere without that, you

have to find (the workforce), recruit it."

Patton also envisions the possibility of a company specializing in radio frequency identification - the technology behind the tags attached to clothes that can set off a store's alarm and equipment that allows an entire store's inventory to be performed in a matter of minutes.

Also, Polk could become an even bigger player than it already is in the flavors and essences industry as such companies tap into the resources of the university.

Steve Scruggs, executive director of the Lakeland Economic Development Council, points to communities such as Austin, Texas, when explaining the role a research university plays in the local economy.

"We took community leaders to Austin to look at the University of Texas, and meet with high-skill, high-wage employers. Every one of the large companies say the most important thing that they've done with regard to high-skill, high-wage jobs ... is the research university," he said.

Scruggs also expressed excitement over companies that will be created through two business incubators, set to open later this year, that will tap into USF Poly resources.

"We'll be creating new companies we don't already have here," Scruggs said, who added that USF Poly's economic impact is already playing out. For instance, WellDyne RX, a Colorado-based company that provides mail-order pharmacy services, expanded here in part because of the university. WellDyne plans to employ 700 by the end of next year.

As companies set up shop here and USF Poly graduates are able to find high-skill, high-wage jobs in Polk, the economic spillover will begin, Patton said. The ultimate plan for the area around USF Poly includes a technology park and retail.

"Those young people will stay here and build houses and help the economy grow. We don't like to see them running off to Texas or Colorado. We want them to find a job here.

"Our wages will go from being below state average to being above state average."

But Patton is insistently cautious, making it clear that the economic impact of USF Poly will take years to be realized.

Caution in anticipating the economic impact of college campuses was also stressed by Roger Blair, an economics professor at the University of Florida.

"Any time there's a project like this, there are costs and benefits," he said. "On balance, I think the benefits will outweigh the costs.

"I would say you should be a little guarded in how expansive things will be."

The University of California Merced is a fine example of the importance of caution in predicting economic impact of a university.

To be clear, UC Merced and USF Poly are different in some important aspects. For one, UC Merced was an entirely new addition to the state's public university system, whereas USF Poly falls under the long-established USF system. Another is that USF Poly already has about 4,000 students at its existing Lakeland campus, according to its Web site, whereas UC Merced started essentially from scratch.

There are some similarities, however. For instance, UC Merced also heavily emphasizes science and technology, much like USF Poly.

While the schools may not be a strict apples-to-apples comparison, when seeking information about the economic impact a college campus can have on a community, UC Merced is pointed to as a recent example; the campus opened in 2005.

"It's been a mixed bag," said Mike Conway, public information officer for the City of Merced.

The nationwide foreclosure crisis has been exacerbated in Merced by the spec building of houses that were thought would one day be homes for students and faculty.

"The spec housing was done by people that didn't look at start-up universities who assumed it would be a huge university over night," Conway said.

But when that boom didn't happen immediately, many of those spec homes went into foreclosure.

Newspapers in the Merced area have reported that, according to RealtyTrac, both the city and county of Merced have had among the highest foreclosure rates in the country.

Aside from spec housing that has gone south, Merced has started to reap some positive benefits from its college campus. For one, Conway said, a food testing company has set up shop in the area "because it was going to have a big number of people with the kind of training they're looking for," and employs about 20 so far, he said.

The building of the university went a long way in driving down the area's unemployment rate, said Bill Cahill, assistant city manager and longtime resident of Merced.

"It's rising now because of the national situation. Our unemployment through the

1990s was 13 to 14 percent. During the period of construction, it was below 10 percent for the first time in 15 or 20 years," he said, adding that while the initial thrust of building has passed, building will be ongoing at the university.

"It furnishes a generator of economic growth ... it's a very steady source of job creation," Cahill said.

Also, Cahill said, the community now has university staff involved in community leadership, such as the airport authority and economic development committee.

"We're starting to see it in the fabric of the community," he said, adding the city's movie theater has become a destination for members of the student body and small businesses, such as a yogurt shop that opened in a historic building downtown, get much of their business from the university.

Conway said in researching the potential of new retail as a result of university campuses, the number 5,000 is considered a milestone.

"Critical mass starts happening at about 5,000 students. That's when they start bringing in the buying power and shopping dynamic that will attract new kinds of stores," he said.

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