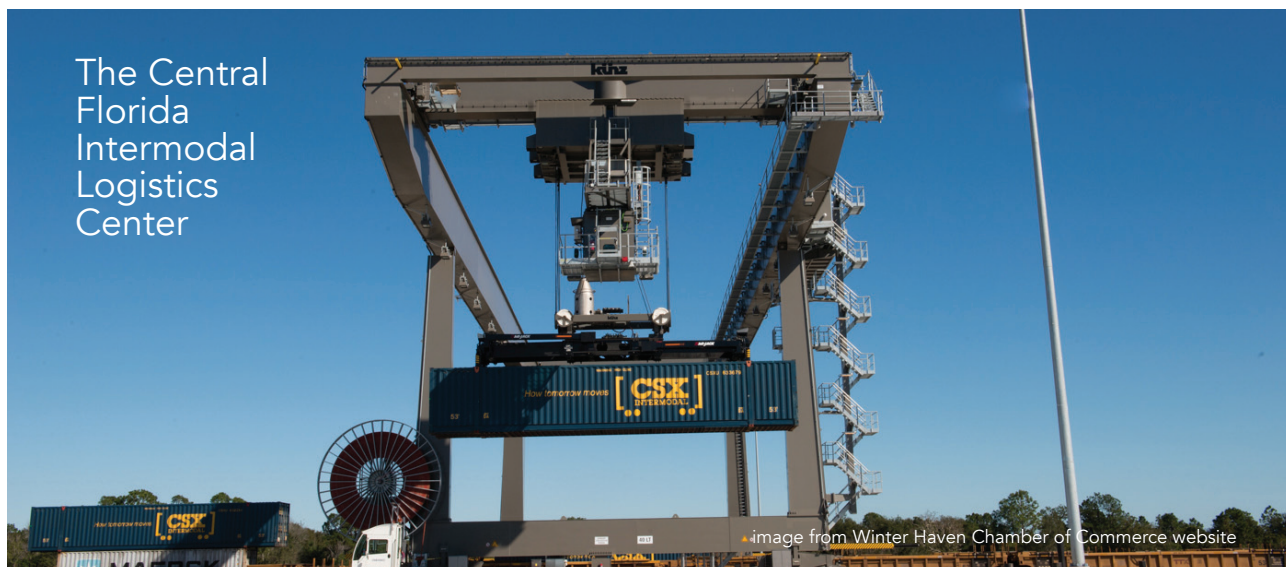


FLORIDA'S TRANSPORTATION SYSTEM IS ADDING MORE INTERMODAL COMPONENTS



Thanks to long-term planning efforts, the state of Florida and its private companies have strategically invested in preparing Florida to be one of the most efficient trade and logistics hubs in the world. Florida is now poised to capitalize on its central location as a global transportation hub with easy access to the rest of the U.S., to Central and South America, the Caribbean, Europe, and Africa.

To make the movement of cargo more efficient and less costly, improvements in freight handling and transfers have become critical components of the logistics system. One of the most significant additions to Florida's system has been an increase in Intermodal Centers. These Centers facilitate the movement of cargo between different types of transportation (most commonly ship to rail and then to truck) with increased efficiency and lower costs. Nationally, these efficiencies are leading to record highs for intermodal freight volume in the U.S.¹

FLORIDA HAS BEEN PLANNING FOR ITS TRANSPORTATION FUTURE

Investments to increase the efficiency of transporting Florida passengers, freight, and space payloads have been made possible due to a substantial amount of planning and cooperation between the Florida Legislature, private-sector partners including the Florida Chamber of Commerce, multiple public and private stakeholders, and the Florida Department of Transportation (FDOT).

Florida adopted its first Strategic Intermodal System (SIS) Plan in 2005. The SIS Plan changed the way FDOT and its partners prepare for the future, and it has become the blueprint for investments in the components of Florida's transportation system. The 2010 update focused on improving transportation of people and goods, using investments in significant transportation facilities. The Plan is required to be updated every 5 years, with the next update expected in December 2015.

¹ Journal of Commerce. *Another Record High for US Intermodal Volume*. Sept. 2014.

In 2011, Enterprise Florida added Logistics to its Qualified Target Industry list, allowing qualifying expansions of Florida businesses or relocations of qualified logistics businesses to Florida to be eligible for economic development incentives. That same year, the Office of Freight, Logistics and Passenger Operations was created within the FDOT.

In 2012, the Florida Legislature passed HB599, which directed the FDOT to develop the Freight Mobility and Trade Plan (Freight Plan). The goals of that plan include increasing the flow of trade in and through Florida, increasing intermodal centers, increasing manufacturing, and increasing the use of natural gas and propane to reduce transportation costs.

The Freight Plan, which included the input of more than 700 stakeholders, established the Strategic Port Investment Initiative and the Intermodal Logistics Center Infrastructure Support Program (Infrastructure Support Program) within the FDOT. The Infrastructure Support Program provides seed funding for businesses that meet established criteria for projects that support Florida's transportation network.² Funded at \$5 million per year, these funds have been used to help Florida's logistics companies increase their competitiveness. There were four projects funded during the first year across the state: in Panama City, Jacksonville, Palmetto and Miami. Combined, these projects used the \$5 million in state funds to support more than \$46 million in infrastructure development.

The investment element of the Freight Plan was recently completed, and was adopted by the FDOT on September 17, 2014. The importance of the investment element of the plan is that it identifies and prioritizes nearly \$32 billion of projects to address Florida's freight transportation needs.

These investments will be implemented with cooperation of the FDOT, Enterprise Florida, the Department of Economic Opportunity, the Florida Chamber of Commerce, the Department of Agriculture and Consumer Services, and CareerSource Florida, along with other private-sector partners.

CENTRAL FLORIDA INTERMODAL LOGISTICS CENTER

CSX-affiliate Evansville Western Railway has opened the newest Intermodal Logistics Center (ILC) in Florida, the Central Florida ILC in Winter Haven, a state-of-the-art centralized transportation and distribution hub for Tampa, Orlando, and South Florida. The 318-acre terminal will be able to process up to 300,000 shipping containers per year, and will include energy-efficient features such as electric cranes, solar panels, LED lighting, and Silver LEED certification for some of the buildings. Connected to the facility is 930 acres that will house warehouse distribution centers, light industrial facilities, and offices. Construction of some warehouses are expected to begin soon, with expectations of more than 8 million square feet of industrial development.³

PASSENGERS WILL BE INCLUDED IN FUTURE INTERMODAL PROJECTS

While many people think that intermodal is a term used exclusively for the transfer of freight, intermodal is also used in passenger transfer systems. One planned Florida project, the Orlando International Airport Intermodal Center, will help deliver passengers to Orlando International Airport, and will connect surface transportation, commuter rail, future high-speed rail, and air transportation together. Planned as part of the project is a parking garage for 2,400 vehicles, as well as facilities for passenger check-in and ground transportation.

² Florida TaxWatch. *Shaping the Future of Florida Transportation & Logistics*. Sept. 2013.

³ Tampa Bay Business Journal. *CSX Intermodal Facility in Winter Haven Getting Lots of Looks from Big Warehouse Users*. July 29, 2014.

FLORIDA INTERMODAL INCLUDES SPACE OPERATIONS

One of the selling points for relocating space-oriented businesses to Florida is that our state includes areas where multi-modal transport is possible for payloads to space. The Cape Canaveral Spaceport already provides access for four modes of transportation: roads, rail, sea, and space;⁴ and this combination of efficient transfers between modes has helped companies decide to relocate to Florida to pursue delivery of payloads of satellites and other space-oriented items.

CONCLUSION

Florida's transportation and logistics infrastructure is being developed with an eye towards leading the world in efficiency and capacity, and will place Florida as a true transportation hub for the U.S. in trade and transport with Latin America, the Caribbean, Europe, Africa, and even Asia. Floridians will benefit directly through the creation of jobs in logistics and trade, as well as the creation of indirect and induced jobs in related industries as a result.

These efficiencies will also result in savings for Florida's 19 million consumers, who will see pricing changes as a result of lower shipping costs. All of these benefits have been made possible by the effective collaboration of the Florida Legislature, the Florida Department of Transportation, the Florida Chamber of Commerce (which established its Trade and Logistics Study Committee, chaired by TaxWatch-CCF Advisory Board Member Doug Davidson), private companies, and other stakeholders who have come together to position the Florida transportation and logistics system to foster a more diverse Florida economy.

Florida's Intermodal Investments Could Help Commercial Spaceflight in Florida



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⁴ Florida Spaceport System Plan 2013. Space Florida.

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