

Economic Impact of Marine Commerce and Tourism Industries City of Tarpon Springs

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EXECUTIVE SUMMARY

ES.1 - PURPOSE

The goal of the study is to analyze and estimate the economic impact of the marine commerce and tourism industries on the local and regional economy. These industry impacts are an important consideration in community planning and economic development, as well as marketing and management decisions. The City needs to understand the importance of its waterfront-dependent industries and tourism to the region, including their contribution to economic activity in the area.

ES.2 – INPUT SOURCES

The calculation of the economic impact included the collection of data from a variety of sources, analyzing this data and providing conclusions regarding the economic throughput generated from the marine commerce and tourism industries.

The sources included:

- Collection of direct empirical data from businesses in the area and visitors to the community.
- Data from public agencies providing Sales Tax, Tourism and Fishing Data
- Data from private sources that added demographics, spending figures and total sales activity

ES.3 – IMPACTS

The total economic impact of the Marine Commerce and Tourism Industries is \$148.4 million annually. When including the multiplier, this figure rises to \$252.0 million

The Marine Commerce and Tourism Industries directly employ 1,406 people in Tarpon Springs. After applying the multiplier, this figure increases to 2,415. With a total employment of 11,431 in the City, these target industries directly and indirectly impact over 21% of the workforce in the City.

SECTION 1 INTRODUCTION

1.1 - PURPOSE

The City of Tarpon Springs has requested proposals from Consulting firms to conduct an Economic Impact Study to assess the overall economic impact of the Marine Commerce and Tourism Industries located along the working waterfront area of the Anclote River in Tarpon Springs. The City selected PMG Associates, Inc. to conduct this study and to present the results to the Marine Commerce Committee, the City Commission and citizens of Tarpon Springs.

The goal of the study is to analyze and estimate the economic impact of the marine commerce and tourism industries on the local and regional economy. These industry impacts are an important consideration in community planning and economic development, as well as marketing and management decisions. The City needs to understand the importance of its waterfront-dependent industries and tourism to the region, including their contribution to economic activity in the area.

The process included the following:

- Identify, define, and quantify direct and indirect economic activity of the marine and tourism businesses.
- Provide a quantitative analysis of total economic impact including direct and indirect impacts, and tangible and intangible effects.
- Include the number of jobs (indirect and direct) created as a result of the marine and tourism businesses.
- Provide a qualitative analysis of the marine and tourism businesses on the quality of life in the City.
- Provide a qualitative analysis of the marine and tourism industries in the local and regional areas.
- Identify obstacles facing the commercial sponge, fish, shrimp and tourism industries and attempt to find solutions so these industries remain a viable and vibrant part of the economy.
- Stakeholder interviews and surveys of businesses and tourist visiting the area.

This study has been generated through the prospects of dredging the Anclote River to improve navigation.

1.2 - HISTORICAL BACKGROUND

“The City of Tarpon Springs was established along the Anclote River, where the river meets the Gulf of Mexico. Tarpon Springs became the first incorporated city on the Pinellas peninsula on February 12, 1887. That same year, the Orange Belt Railway arrived. The construction of Anclote Key lighthouse advanced transportation by sea. With the advances in transportation, Tarpon Springs became a popular winter resort for wealthy Americans in the late 18th and early 19th century.

Turtle fishermen from Key West discovered the sponge beds off the west coast of central Florida in 1873 accidentally when sponges off the mouth of the Anclote River snagged their nets. Spongers came to the area to work the beds and some relocated to Tarpon Springs. In 1890, John Cheyney, a local businessman, opened the Anclote River and Rock Island Sponge Company across the river from Tarpon Springs. During the 1890s, sponge-packing houses were built in the City, sponge presses were installed and buyers moved to town. Gradually the sponge business shifted its center from Key West, Cuba and the Bahamas to Tarpon Springs. By 1900 the City was considered the largest sponge port in the United States.

Greek immigrants expanded and refined sponging in Tarpon Springs. John Corcoris arrived in Tarpon Springs in 1896 as a sponge buyer from a New York firm. John Cheyney hired Corcoris and financed his early efforts to make the industry more efficient. In 1905, Corcoris introduced the first mechanized sponge fishing boat to Tarpon Springs and brought in 500 Greek divers. More immigrants soon followed and businesses were established to serve the Greek community. Sponge merchants and brokers then came to Tarpon Springs and their presence helped to create a well-integrated industry. They built boats, loaned money to boat owners and supplied tools and equipment to the entire sponge fleet. In 1906 the Sponge Exchange Bank was established and in 1908 the Sponge Exchange was founded. Profits from sponging also financed other businesses such as the Sponge Exchange Cigar Company.



Sponge Diver in diving gear



Sponge Docks circa 1921

Sponge beds have survived to the present day and the industry has seen a modest decline in recent years. Professional sponge divers still search the waters off the coast of Tarpon Springs; however, it has been challenging to recruit new workers to the job. Most of the sponge boats are still owned and operated by people of Greek descent.

Sponges from Tarpon Springs continue to be sold all over the world. Commercial fishing and shrimping, marinas, boat building and repair, and dredge companies join the sponge industry along the working waterfront.



Historical Sponge Docks



Historical Marker

Tourism has replaced sponging as Tarpon Springs' major economic activity, and is interrelated with the marine commerce industry. Thousands of visitors each year come to the City to enjoy the working waterfront, visit the Sponge Docks, see professional divers in action and experience the Greek culture that still permeates the City. Stretching for several blocks along the Anclote River waterfront, the Docks are a blend of Greek restaurants, boutiques and specialty shops, bakeries, an aquarium and a museum devoted to the history of sponge diving and how Tarpon Springs became the "sponge capital of the world." The Docks offer sponge diving exhibitions, deep-sea fishing and cruise excursions, and an opportunity to view a working waterfront still active in the shrimping, fishing, and sponging industries. Many of the shops are owned and operated by the descendants of the City's first immigrants from Greece.

The waterfront area is home to several marinas and commercial fisheries, including Pelican Point, Cox Seafood, and Holiday Seafood. Boat builders and service/repair yards, including Stamas Yachts, Gause Boats, Anclote Marine Ways, Gulf Marine Ways, and Duckworth Steel Boats, which recently received a \$6 million contract to build a new research vessel for USF-St. Petersburg, continue to operate and maintain the area as a true working waterfront.

While the working waterfront businesses remain, over the years, the City has seen the redevelopment of commercial fishing-related parcels to other uses, including marinas and restaurants. In October 2003, The City approved a site plan for a 4,000 sq. ft. restaurant that replaced a marine hardware store and boat yard. In December 2003, the City approved a site plan for a dry boat storage marina facility with 123 dry slips. The former use of the property as a seafood distributor was removed for the construction of the marina facility. In 2007, the marina was expanded by adding 92 dry slips and parking facilities. The final phase of the marina, approved in 2013 and completed, includes 176 high and dry boat storage slips divided among three separate buildings, 56 wet slips, and a clubhouse. To make way for the final phase of the marina, all commercial boat dockage was removed from the site.

An area of concern has been the loss of a major anchor restaurant that had been internationally known as a destination within the project area (Louis Pappas Riverside Restaurant.) Located at a highly visible position at the entrance of the Sponge Docks, the property has changed ownership several times over the years and is currently vacant and for sale.

The City and the US Army Corps of Engineers completed a dredging project of the Channel from Marker 1 to Day Beacon 53 in 2000. The City in 2016 has requested another maintenance dredge in an effort to address silting concerns and maintain the navigability of the Channel.” (see Exhibit 1.1)

Source: City of Tarpon Springs, Request for Proposals: Economic Impact Study; Date: June 13, 2016 Proposal No.: 160119-P-CM

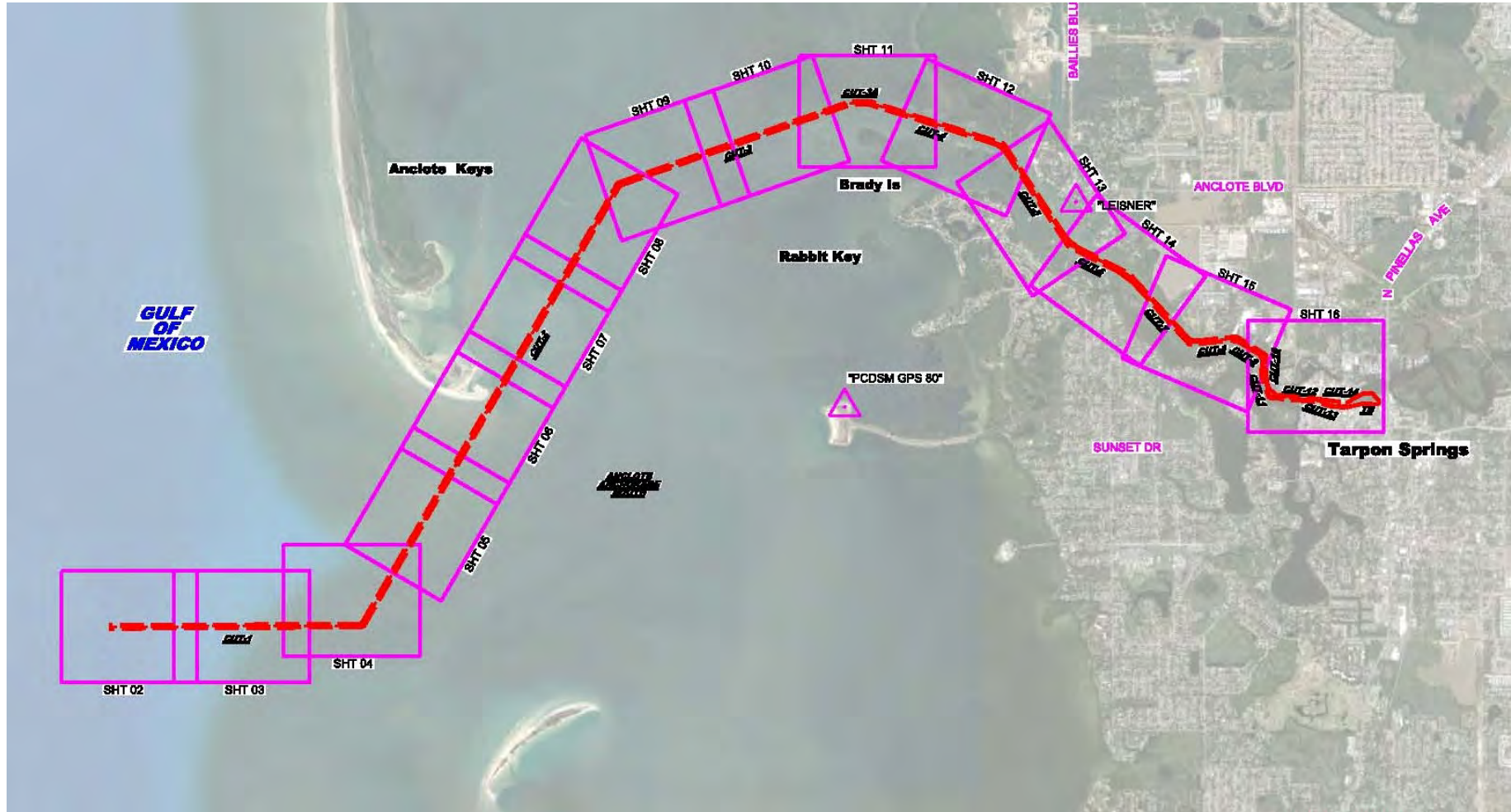
1.3 – METHODOLOGY

The calculation of the economic impact included the collection of data from a variety of sources, analyzing this data and providing conclusions regarding the economic throughput generated from the marine commerce and tourism industries.

The sources included:

- Collection of direct empirical data from businesses in the area and visitors to the community through direct intercept surveys and separate interviews
- Data from public agencies providing Sales Tax, Tourism and Fishing Data
- Data from private sources that added demographics, spending figures and total sales activity

EXHIBIT 1.1 - EXTENT OF ANCLOTE RIVER DREDGING PROJECT



Source: US Corps of Engineers

SECTION 2 APPROPRIATE INDUSTRIES

2.1 – BUSINESSES IDENTIFIED

The research into the Marine Commerce and Tourism Industries in Tarpon Springs began with the collection of data provided by the Tarpon Springs Economic Development Office. This information included listings from Info USA titled “*Tarpon Springs Companies South of Anclote River (Census Tract 275.01)*” and the *Tarpon Springs Marine Industry Companies (Census Tract 273.08)*. These listings provided names of companies, type of business, address and telephone number. These other firms were added based on contact lists of companies associated with Marine Commerce.

The Tarpon Springs Merchants Association provided listings of businesses in the downtown area of the City accompanied by contact information. Representatives of the Chamber of Commerce also e-mailed copies of the Business Survey (described later in this report) to its members.

The total amount of companies identified as Marine Commerce and Tourism related are provided in Table 2.1

**TABLE 2.1
TYPES OF COMPANIES IDENTIFIED AS MARINE COMMERCE AND TOURISM
USED IN THE ANALYSIS**

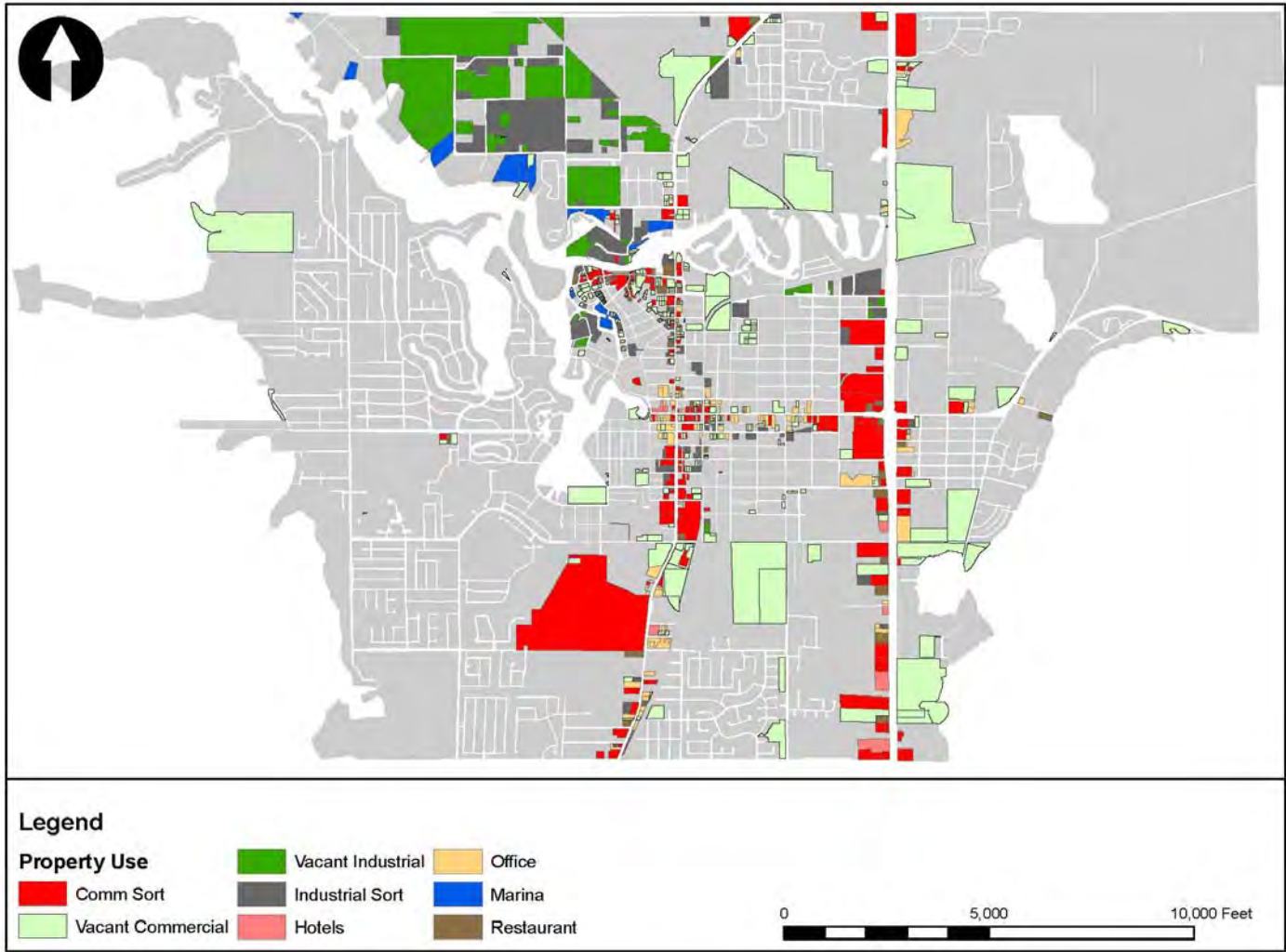
Category	Number	Description
Food Industries	9	Bakeries, confectionaries, specialty food stores, and liquor stores.
Eat & Drink	24	Full service restaurants, drinking places, and snack bars
General Merchandise	49	Gift, novelty, and souvenir stores, clothing, jewelry, sporting goods, pets, toys, and tobacco stores, art dealers, general rentals and professional service stores
Wholesalers	10	Non-durable good merchants, grocery merchants, petroleum merchants, and fish and seafood merchants
Marine	46	Boat Builders, Marinas, boat dealers, repair and service, sporting goods, navigational services and other support services.
Amusement	8	Tour operators, travel agencies, amusement and theme parks,
Commercial Real Estate	4	Lessors of non-residential buildings, offices of holding companies
Hotel	10	Hotels, motels, inns, and bed & breakfast

Sources: PMG Associates, Inc.; Info USA; Merchants Association

2.2 – MAP OF PROPERTIES

Using Property data from the Pinellas County Property Appraiser, the location of the associated businesses in the City were identified and included in the map found in Exhibit 2.1.

EXHIBIT 2.1
MAP OF PROPERTIES



Sources: Pinellas County Property Appraiser; PMG Associates, Inc.

SECTION 3 STUDY INPUT

3.1 - STAKEHOLDERS

One of the integral parts of research for this study was the interview of stakeholders in the business community. Numerous individuals were interviewed regarding their perceptions of the business community, marine industries and tourism sections of Tarpon Springs. Among these interviewees were business and restaurant owners, tourism experts, marine commerce officials, government executives, and knowledgeable fishing industry people.

These sessions resulted in an expression of the respect for the industries and the necessity to continue. Most all respondents were longtime residents of the area and had ties to the community. The complex issues of the local economy appeared to be well understood.

3.2 – BUSINESS SURVEY

PMG Associates, Inc. conducted a business survey of marine and tourism related firms. The listings of the companies were ascertained in three ways. The first was by a listing secured from the City of Tarpon Springs. These included companies located both north and south of the Anclote River and were narrowed to only include Tourism and Marine related businesses.

The second listing of businesses was secured from the Tarpon Springs Merchants Association. This is a business organization that has members mainly in the “downtown area” of Tarpon Springs, and also has members throughout the City. The third listing of companies was supplied by the Chamber of Commerce.

The companies were sent an Economic Impact Packet which consisted of three pieces; the City Manager’s introductory letter, the consultant’s letter of study explanation and the Economic Impact Assessment Survey Form. It was also stated that all results for the survey would only be used in an aggregate form and no individual businesses would be identified.

All names on the City supplied list were researched to make sure that they were either marine or tourist related. Any that did not appear to fit in either category were eliminated.

Once the business list was finalized, the introductory letter from the City Manager, the cover letter from the consultant and an Economic Impact Form (the Economic Impact Packet) were mailed, e-mailed, or faxed to the contact individuals of the specific companies. A telephone call had preceded the delivery of the original Economic Impact Packet to make sure that the business still existed, the phone/fax numbers were correct, to secure the direct contact person and their e-mail, if that was the preferable contact. Respondents were requested to call or mail the consultant if any questions arose so that the results could be received without delay.

A follow up/reminder Economic Impact Packet was also sent to those who did not respond approximately ten days later.

The Merchants Association and the Chamber of Commerce both generously were able to e-mail out the Economic Impact Packet and the Reminder to their members.

The Economic Impact Packet was prepared using techniques developed in other similar economic impact analyses. The information requested included the type of business, number of employees, business spending for operations and other data. All recipients were guaranteed that all data would be kept confidential.

3.3 – HOTEL SURVEY

Surveys were conducted at two of the large hotels in Tarpon Springs. The hotels were the Hampton Inn and Quality Inn. As both hotels were facilities that included breakfast with each reservation the survey team spoke with the hotel parties at the breakfast area to ascertain size of party, spending habits, length of stay and other information

The survey instrument was created in office by PMG Associates, Inc. and replicated survey instruments developed in other tourist analyses. The survey instrument included seven questions that extracted information regarding the stay in Tarpon Springs.

Surveys were collected on Friday, September 16, 2016 and Saturday, September 17, 2016. Surveys taken at the hotels were taken during from 7AM to 10AM in the breakfast area.

3.4 – TOURIST SURVEY

Surveys of Visitors were originally scheduled for September 2, 2016 and September 3, 2016 to capture the scheduled events. However, this schedule was postponed due to the arrival of a Tropical Storm which produced heavy rainfall and flooding. As the interviewing of the typical visitors would not have been achieved, these dates were rescheduled for September 16, 2016 and Saturday, September 17, 2016.

A separate survey instrument was created for a general tourist intercept survey and totaled 16 questions. The general tourist survey was administered by two surveyors in the Sponge Dock area along Dodecanese Boulevard. The intercept surveys were completed between 12PM and 7PM. Specific questions were designed for residents, day visitors and overnight visitors.

The procedure for this type of survey included the field personnel to approach the people on the street and to ask a series of questions pertaining to their visit that day. The “parties” of interviewees were identified into local (those individuals/parties from the local area or Day trippers) and parties from outside the local area. Once the type of visitor was established, they were asked a number of questions regarding spending on various types of items, purpose of the trip, the length of stay and size of the party.

Between the two survey initiatives, total of nearly 300 tourist intercept surveys were completed.

3.5 – OUTSIDE RESEARCH MATERIALS

- 2015 Recreational Marine Industry Economic Impact. Southwest Florida Marine Industries Association. September 2016.
- Can Spray Dredging Help Save Local Marshes? *The Crest*, Vol. 3, No. 2. Virginia Institute of Marine Science. Fall 2001.
- Commercial Landings Summary, Report Generator. Florida Fish and Wildlife Conservation Commission. Report generated September 2016.
- Economic Activity Associated With the 56th Annual Fort Lauderdale International Boat Show. Thomas J. Murray & Associates, Inc. March 2016.
- An Economic Analysis of the Miami River Marine Industry. Center for Urban & Environmental Solutions at Florida Atlantic University. William B. Stronge, Ph.D. April 2008.
- The Economic Benefits Associated with Florida's Artificial Reefs. University of Florida. Chuck Adams, Bill Lindberg, and John Stevely. July 2006.
- Economic Contribution of Marine Industries in Southwest Florida. Food and Resource Economics Department, University of Florida. Alan W. Hodges, PhD, Thomas J. Stevens, PhD, and Charles M. Adams, PhD. October 2015.
- The Economic Contribution of Registered Boater Spending to the Florida Economy. Florida Boating Access Facilities Inventory and Economic Study. 2009.
- Economic Impact of Dania Cutoff Canal Dredging. Thomas J. Murray & Associates, Inc. September 2015.
- Economic Impact of Florida's Commercial Fisheries and Aquaculture Industries. University of Florida, Institute of Food and Agricultural Sciences. Alan Hodges, David Mulkey, Effie Philippakos, and Chuck Adams. June 2001.
- Economic Impact of Recreational Boating in Southwest Florida Covering Charlotte, Lee and Collier Counties. Southwest Florida Marine Industries Association. September 2016.
- Economic Impact of Recreational Boating in Southwest Florida Covering Sarasota, Manatee, Hillsborough and Pinellas Counties. Southwest Florida Marine Industries Association. September 2016.
- Economic Impact of the Recreational Marine Industry, Broward, Dade, and Palm Beach Counties. Thomas J. Murray & Associates, Inc. October 2014.
- Economic Significance of Recreational Boating in Florida. National Marine Manufacturers Association. 2015.
- Environmental Change and Place-Based Identities: Sponge Fishing in Tarpon Springs, Florida. University of South Florida. Michael Suver. January 2012.
- Florida Marine Industry Webinar Slides, Labor Market Information. Florida Department of Economic Opportunity. July 2014.
- Fisheries Economics of the United States, Gulf of Mexico Regional Summary. National Oceanic and Atmospheric Administration Office of Science and Technology. 2012
- Greek Sponge Boats in Florida. *Anthropological Quarterly*, Vol. 30, No. 2. H. Russel Bernard, April 1965.
- Hoover's Business Directory 2016, Hoover's Corporation
- Investing in Tourism: Analyzing the Economic Impact of Expanding Florida Tourism. Florida Tax Watch. January 2013.
- It's a Brave New World for Nitrogen Research at VIMS. *The Crest*, Vol. 3, No. 2. Virginia Institute of Marine Science. David Malmquist. Fall 2001.

Marine Fisheries Trip Ticket Fishing Area Code Map. Fish and Wildlife Conservation Commission. June 2015.

Nielsen Demographics, Spending Patterns and Business Facts 2016, Nielsen Corporation

Oceans Impact the Economy. National Ocean Policy Coalition. 2010

Sales Tax Data 2015, Florida Department of Revenue

St Petersburg/Clearwater Visitor – Annual Tourism Economic Estimates 2015, Visit St. Petersburg/Clearwater

St Petersburg/Clearwater Visitor – Annual Visitors Profile 2015, Visit St. Petersburg/Clearwater

St Petersburg/Clearwater Visitor – Snapshot of Key Markets 2015, Visit St. Petersburg/Clearwater

The Origin of the Florida Sponge Fishery. Marine Fisheries Review Vol. 60, No. 1. W. N. Witzell. 1998

Transportation Improvement Program. Pinellas County Metropolitan Planning Organization. June 2016.

SECTION 4 IMPACT ANALYSIS

4.1 – MARINE COMMERCE ECONOMIC IMPACT

Each of the businesses identified as within the Marine Commerce and Tourism category were contacted through e-mail, fax, telephone or personal contact. The companies were asked to respond confidentially to PMG Associates providing fiscal data regarding their operations and Economic Throughput. (Throughput is the amount of a product or service a company produces and delivers to a client in a specific period of time). This data was supplemented through use of Sales Tax Data from the State of Florida, Business Facts from Nielsen and listing from Hoovers (a national source of business information including individual firm sales data).

Of the 160 companies on our contact list, data was obtained for 102, or 63.75% of all businesses in the Marine Commerce and Tourism Industries. The interview form requested information regarding the type of business, number of employees and operational costs figures. The goal was to achieve an estimate of the Economic Throughput of each firm and the aggregate for all companies.

The Marine Commerce companies generated a total of \$46 million of Throughput annually (based on 2015 figures). Related Wholesale and Food Producers contributed another \$12.8 million in annual Throughput. Specifics for individual firms are not provided here to respect the confidentiality of the information gathered and provided.

The total annual amount of Direct Impact from the Marine Related Industries is then \$58.8 million.

4.2 – TOURISM RELATED ECONOMIC IMPACT

The calculation of the Tourism Economic Impact requires the estimate of total visitors and the spending from each group. In addition, the amount of seasonal residents and their spending is also appropriate.

4.2.1 – Leisure Visitors

Leisure visitors fall into two categories; Overnight Visitors and Day Visitors. Overnight visitors are defined as those that stay at least one night in a local hotel or residence. Day visitors are defined as those that visit Tarpon Springs for one day or evening, but do not stay overnight.

The number of visitors staying at local hotels is further segregated into Leisure Visitors or Business Visitors. When defining the impact of tourism, the business visitors do not apply since their motivations for visiting the City are not for leisure purposes.

An example of a larger representation of business visitors is persons that attend functions at Innisbrook Golf Resort, south of the City. Some of the overflow from these seminars, training sessions and motivational sessions stay at local hotels. The total amount of overnight visitors that is excluded from the calculation of tourism impact is 20%.

The calculation of the number of overnight visitors used data from the survey of visitors taken by PMG Associates, along with the occupancy rates provided by the Pinellas County Tourist Development Council, Visit St. Petersburg/Clearwater. The overnight visitors generate 68,306 room nights at local accommodations and include 160,520 persons.

TABLE 4.1
CALCULATION OF OVERNIGHT LEISURE VISITORS

Category	Amount
Rooms	343
Nights per Year	365
Room Nights Available	125,195
Occupancy Rate	68.2%
Room Nights Occupied	85,383
Percent Leisure	80%
Room Nights per Year Leisure	68,306
Party Size	2.35
Total Leisure Visitors at Hotel/Motels	160,520

Sources: PMG Associates, Visit St. Petersburg/Clearwater

Once the amount of overnight visitors was determined, the calculation of day visitors is based on the direct visitor survey conducted by PMG Associates. The percentage of overnight visitors was determined to be 17.34% of the total amount of surveys. Through mathematical calculation, it is determined that a total of 393,922 visitor parties visit Tarpon Springs annually (68,306 divided by 17.34%). After subtracting the overnight visitors from the total, we arrive at 325,616 day visitor parties annually representing 944,286 persons.

TABLE 4.2
CALCULATION OF DAY VISITORS

Category	Amount
Hotel/Motel Annual Parties	68,306
Percentage of Total Visitor Parties for Overnight Visitors	17.34%
Total Visitor Parties	393,922
Day Visitor Parties (Total less Overnight)	325,616
Party Size	2.90
Total Day Visitors per Year	944,286

Source: PMG Associates, Inc.

The total number of visitors annually to Tarpon Springs is 1.1 million.

TABLE 4.3
ANNUAL VISITORS

Category	Amount
Overnight Visitors	160,520
Day Visitors	944,286
Total Visitors	1,104,806

Source: PMG Associates, Inc.

4.2.2 – Seasonal Residents

Seasonal Residents are defined as those who either own or rent a dwelling unit in Tarpon Springs for a portion of the year. The motivations for people occupying a seasonal residence vary. However, it is generally assumed that the attraction of the area including weather and culture are the driving forces. The relationship with the water oriented activities is also a primary factor.

The extent of seasonal dwelling units is not easily tabulated due to inability to contact every property owner. However, an estimate can be made by reviewing the Pinellas County Property Appraiser data. Anyone living full-time in Tarpon Springs would take advantage of the Homestead Exemption rule in Florida and reduce their tax bill. A review of the Property Appraiser data reveals that 64% of Condominium owners and 34% of Single Family home owners do not claim Homestead Exemption. Primarily the owners of these properties are corporations or persons with a home address outside of Tarpon Springs. It is reasonable to assume that those persons who do not claim Homestead Exemption are seasonal in nature.

Some of the seasonal residents remain in Tarpon Springs for the entire Autumn and Winter seasons. Others visit occasionally throughout the year. To estimate the impact of the seasonal residents, it is assumed that the typical seasonal resident is in residence in Tarpon Springs for one quarter of the year. Annualized seasonal units are estimated to be 853.

TABLE 4.4
SEASONAL RESIDENTS

Category	Amount	Calculation
Condominiums	1,327	
Percent without Homestead Exemption	64%	
Seasonal Residences		849
Single Family Residences	7,541	
Percent without Homestead Exemption	34%	
Seasonal Residences		2,564
Total Seasonal Residences		3,413
Percentage of Year in Tarpon Springs		25%
Annualized Seasonal Units		853

Sources: PMG Associates, Inc.; Pinellas County Property Appraiser

4.2.3 – Visitor Spending

The spending patterns of the visitors were obtained through the direct intercept survey conducted by PMG Associates. The spending per party per day was multiplied by the number of parties. Party size is defined as the number of persons traveling together in a single tourist group.

TABLE 4.5
OVERNIGHT VISITORS SPENDING

Category	Spending per Party	Total Spending
Annual Parties (68,306)		
Accommodations	\$88.56	\$6,049,179
Restaurant	\$87.50	\$5,976,775
Retail	\$75.36	\$5,147,540
Other	\$11.40	\$778,688
Total	\$262.82	\$17,952,183

Source: PMG Associates, Inc.

TABLE 4.6
DAY VISITORS SPENDING

Category	Spending per Party	Total Spending
Annual Parties (325,616)		
Restaurant	\$52.35	\$17,045,998
Retail	\$40.13	\$13,066,970
Other	\$14.90	\$4,851,678
Total	\$107.38	\$34,964,646

Source: PMG Associates, Inc.

Spending for the seasonal residents was derived through use of the data from Nielsen which provides spending for any geography identified. For this study, the geography was determined to be the City of Tarpon Springs. Only retail spending for related items was included. Durable goods and similar products were not included in the annual spending figures. Those items included are:

- Grocery
- Restaurants
- General Merchandise
- Clothing
- Health and Personal Care
- Gasoline
- Sports/Hobbies
- Miscellaneous Retail

TABLE 4.7
SEASONAL RESIDENT'S SPENDING

Category	Spending per Party per Year	Total Spending
Annualized Households (3,414)		
Restaurant	\$1,122.30	\$3,831,532
Retail	\$3,417.95	\$11,668,881
Other	\$1,694.62	\$5,785,433
Total	\$6,234.87	\$21,285,846

Sources: PMG Associates, Inc.; Nielsen

4.3 – TOTAL ECONOMIC IMPACT

The individual impacts from the Marine Commerce and Tourism Related Industries are added together and illustrated based on the type of spending.

TABLE 4.8
TOTAL ANNUAL ECONOMIC IMPACT

Category	Direct (millions)
Marine Commerce	
Marine	\$ 46.0
Wholesale	\$ 12.8
Subtotal	\$ 58.8
Tourism	
Restaurants	\$ 26.9
Retail	\$ 29.8
Hotel	\$ 6.0
Other	\$ 26.9
Subtotal	\$ 89.6
Total	\$148.4

Source: PMG Associates, Inc.

4.4 – EMPLOYMENT

Direct Employment figures were derived from the Business Survey and Nielsen data.

TABLE 4.9
DIRECT EMPLOYMENT

Category	Direct Employment
Marine Commerce	
Marine	274
Wholesale	86
Subtotal	360
Tourism	
Restaurants	480
Retail	290
Hotel	52
Other	224
Subtotal	1,046
Total	1,406

Sources: PMG Associates, Inc.; Nielsen

4.5 – FUTURE BUSINESS DEVELOPMENT

Impact analyses such as the one provided here typically define the activity that currently exists in the community. Any future prospects are speculative unless formal plans exist. However, there are several potential business ventures that are worth discussing.

The primary potential future enterprises include Large Boat Repair (including a lift and rail facilities) and a hotel.

At least two current business operations are considering the development of large boat repair facilities should the river be dredged and navigation is improved. Alternative locations for these services are available in Apalachicola or Tampa. The location in Tarpon Springs would be more convenient for much of the Gulf of Mexico commercial fleet and could generate significant economic impact.

Another option is the conversion of at least part of the site with the Riverside Grille/Veranda operation. (originally the site of Pappas Restaurant) which is generally vacant and for sale. The discussed plans are for a hotel/restaurant combination that would be able to attract larger vessels to dock at the facility.

Although these projects would have significant benefit to the local economy, they are not included in the Throughput calculations since they are speculative, at this time. However, it is important to note that, if the River is dredged, the large boat repair operations are likely to go forward. Examples in Dania, Florida show a significant increase in boat repair business with the dredging of the waterway.

SECTION 5 MULTIPLIERS

An Economic Multiplier measures the additional effects of an activity beyond those that are immediately measurable (indirect or induced impacts). The Throughput identified in Section 4 represents the direct impacts of the Marine Commerce and Tourism Industries. A business enterprise pays its suppliers and employees, which then purchase other goods and services. This process is repeated throughout the economy generating a multiplier.

5.1 – RIMS II

Several widely accepted Economic Multiplier Models are available for use in conducting the analysis of the Marine Commerce and Tourism Related Industries. For this study we have used the RIMS II Model prepared by the United States Department of Commerce. This model is used in this analysis since it is prepared by a standard, independent source and provides analytical tools for specific industries. The model is available on a county-wide basis, therefore, the model for this study included all of Pinellas County.

The multipliers for the RIMS II model are generally slightly lower than other models. However the wide range of acceptance of the model makes it useful for this purpose.

5.2 – TOTAL IMPACT

The RIMS II model provides a multiplier for individual industries which is multiplied by the Direct Impact to arrive at the Total Impact figure. The table below indicates that the original \$148.4 million in direct Throughput results in an overall impact of \$252 million.

TABLE 5.1
TOTAL ECONOMIC IMPACT

Category	Direct (millions)	Multiplier	Indirect	Total
Marine Commerce				
Marine	\$ 46.0	1.6809	\$ 31.3	\$ 77.3
Wholesale	\$ 12.8	1.6619	\$ 8.5	\$ 21.3
Subtotal	\$ 58.8		\$ 39.8	\$ 98.6
Tourism				
Restaurants	\$ 26.9	1.7988	\$ 21.5	\$ 48.4
Retail	\$ 29.8	1.6765	\$ 20.2	\$ 50.0
Hotel	\$ 6.0	1.6542	\$ 3.9	\$ 9.9
Other	\$ 26.9	1.6765	\$ 18.2	\$ 45.1
Subtotal	\$ 89.6		\$ 63.8	\$153.4
Total	\$148.4		\$103.6	\$252.0

Sources: PMG Associates, Inc.; RIMS II Model

5.3 – EMPLOYMENT

The estimate of employment is also adjusted to account for the multiplier effect. The 1,406 jobs generated by the Marine Commerce and Tourism Industries are extrapolated to 2,415 using the RIMS II multipliers.

TABLE 5.2
TOTAL EMPLOYMENT IMPACT

Category	Employment	Multiplier	Indirect	Total
Marine Commerce				
Marine	274	1.6809	187	461
Wholesale	86	1.6619	57	143
Subtotal	360		244	604
Tourism				
Restaurants	480	1.7988	383	863
Retail	290	1.6765	196	486
Hotel	52	1.6542	34	86
Other	224	1.6765	152	376
Subtotal	1,046		765	1,811
Total	1,406		1,009	2,415

Sources: PMG Associates, Inc.; RIMS II Model

SECTION 6 QUALITY OF LIFE

Quality of life incorporates a number of objective and subjective indicators that are taken into account when describing a community. According to the National Library of Medicine National Institutes of Health, “Coverage may be categorized within five dimensions: physical wellbeing, material wellbeing, social wellbeing, emotional wellbeing, and development and activity.” To make this analysis useful, there is a meshing of some imperial data with subjective data.

For years communities have been attempting to grasp the idea of how well their community serves its citizens, the public and those visiting the area. There are a number of Indices of “Quality of Life,” but most are broken down to a region, such as the “Tampa Bay Area.” This section will attempt to solidify what makes up the Tarpon Springs “Quality of Life.”

6.1 - CULTURE

The Greek Culture provides a specific identity to the community. Since the settlement by Greek Immigrants in 1890, fishing become the predominant industry, and has become an initial perception of Tarpon Springs.



Wall Mural at the Sponge Docks,

While it is over 125 years since that first influx of Greek immigrants, their descendants and families still maintain ancestral roots, homes and businesses in the area. In a way, Tarpon Springs is that great “Small Town America” ideal where the past is idealized in the present and taught to the future generation.

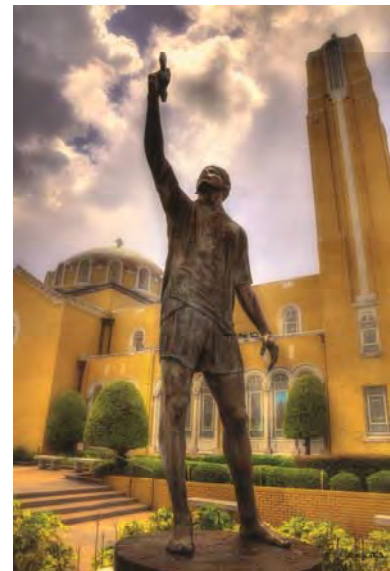
Economic Impact of Marine Commerce and Tourism Industries

To support this there are a number of illustrative events. One of the major draws to the community is the “Blessing of the Fleet” and the “Epiphany” events. In speaking with those who are involved with the three day events, from the Mayor to the Police, it was found to be a major event, not only to the locals but visitors from all over the world. The Blessing of the Fleet takes place the day before the Epiphany Celebrations and the day of the week usually impacts the attendance. If the blessing takes place mid-week then the attendance will be lower than on the weekends. The blessing is not only for the fleet but also includes stores and restaurants along with a Banquet. Attendance has been reported from 60,000 and up for weekend celebrations.



Dancers at Epiphany Celebration

On Epiphany Sunday events such as a Church service takes place, with an attendance of 500, and a Parade to the Bayou and a large community celebration. This location is the site of the *Blessing of the Bayou and Tossing of the Epiphany Cross* where the dove bearer releases the dove, which is then followed by the blessing of the Bayou waters. The Epiphany cross will be thrown into the water, and the dive to retrieve it will begin with over 50 young men involved in this event and thousands of watchers.



Statue of Diver retrieving the Cross

This celebration is followed by the *Glendi Festival* which includes live music and dancing at St. Nicholas Community Center Spanos-Pappas Hall on North Pinellas Avenue in Tarpon Springs. Admission is free with food, drinks, Greek pastries and other items for sale.

Economic Impact of Marine Commerce and Tourism Industries

The second event that has attendance from all over the nation is the celebration of Easter Sunday. This is a family holiday where relatives come “home” to be with relatives. Relatives from Gainesville to Miami arrive along with people from New York, Chicago, Boston, Ohio and the West Coast.

Greek Independence Day, draws visitors from all areas also. This event is held during the month of March on a Sunday.



American and Greek flags

The next area of culture to explore would be the festivals and shows are that concentrated in the Tarpon Springs area. The Tarpon Springs area has over 100 events yearly with many events occurring weekly and monthly. These events span interests from street festivals and dances to art shows. All are highly supported by the business community and general residents. The staging of the events takes place throughout the City and thus has community endorsement.

Sampling of Tarpon Springs Festivals:

First Friday Tarpon Springs – First Friday of each month, Downtown
Sunset Beach Concert Series – First Thursday February through November
Touch-a-Truck and Library Open House
Annual Beach Cleanup at Sunset Beach
Wine Walks, held quarterly Downtown and Sponge Docks
Eco-Fest Craig Park
Out of School Bash Sunset Beach
4th of July Craig Park and Evening Fireworks
Night in the Islands on the Sponge Docks
Hippie Fest on the Sponge Docks
Oktoberfest Downtown
Zombie Run 5K
Sponge Docks Arts & Crafts Show
Fine Arts Festival, Craig Park
Trunk or Treat Halloween Bash, Tarpon Springs Recreation Center
Annual Greek Food and Wine Festival

Economic Impact of Marine Commerce and Tourism Industries

Sponge Docks Seafood Festival

Downtown Arts & Crafts Festival

There's Snow Place Like Tarpon Springs Holiday Festival, Downtown

Christmas Light Up Boat Parade – Spring Bayou

Christmas Parade Downtown

Sources: City of Tarpon Springs, Tarpon Springs Chamber of Commerce, Tarpon Springs Merchant's Association, various internet sources.



Fine Arts Festival



Night in the Islands

6.2 – ARTS/MUSEUMS

The following museums are in Tarpon Springs: the 1883 Safford House, Heritage Museum, Cultural Center and the Historic Train Depot Museum.

Tarpon Arts is a program run out of the City of Tarpon Springs Cultural Services. “Events are sponsored in part by the City of Tarpon Springs; the State of Florida, Department of State, Division of Cultural Affairs; South Arts, The Florida Arts Council, the National Endowment for the Arts; and our members.” This sponsorship allows for the capture of funding from various

Economic Impact of Marine Commerce and Tourism Industries

sources and leverages those sources with local facilities. In the next six months, well over 50 events will be held by the organization at the various locations.

With over 30 different art galleries, museums, salons, showplaces and instruction studios of every kind, the city has wide access to all types of facilities. Not only are there physical stores, there are an abundance of art and craft festivals and shows that draw artists and patrons from around the nation.



Cultural Center



Performing Arts Center and City Hall



Stafford House Museum



Heritage Museum

Tarpon Springs Cultural Arts Events:

Concerts, from Big Band to Holiday musicals to Concerts on the Porch
Classes – Dance of all Kinds, Instructional Prehistoric Tarpon Springs
Performances – from Comedies to Dramas
Performance Dance Shows
Opera presentations
Historical Reenactments
Lectures and Discussions
Children’s Programs
Fundraising Events
Holiday Presentations
Tarpons Springs Film Festival
Artist Presentations
Exhibits
Workshops
Folk Singers

6.3 – PARKS

The City is responsible for 15 locally established parks and the recreation programs within those parks. The parks range from beaches and nature trails, to dog parks and sports complexes.

Pinellas County, Florida has Fred Howard Park located on Sunset Drive in Tarpon Springs. This park is named after a former mayor and advocate for Tarpon Springs. This 155 acre park draws over one million visitors per year and allows for water based activities.



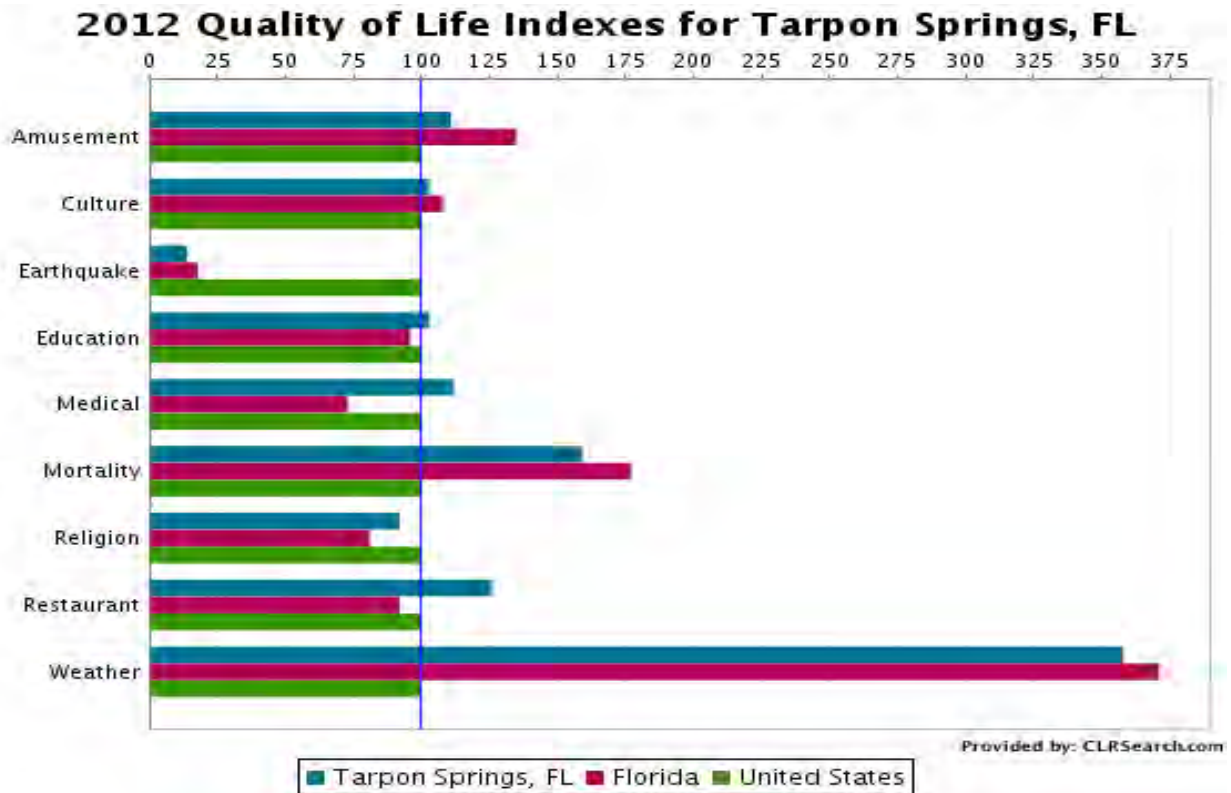
Fred Howard Park Beach



Sunset Beach

6.4 - QUALITY OF LIFE INDEX

CLR Search, is a nationwide consulting and real estate firm and one who specializes in compiling “Quality of Life” Indices across the Nation. Their indices measure all kinds of variables so that a determination can be made about the life quality in a local community. A local community can then be compared to others, if desired.



6.5 - BUSINESS CLIMATE

The City of Tarpon Springs has an active business community. There are two representative organizations for businesses in the City: the Chamber of Commerce and the Tarpon Springs Merchants Association. While both organizations exist to promote business interests, they each play distinct roles within the community. The Tarpon Springs Chamber of Commerce represents the entire business community and more than 90% of its partners are small businesses. It is comprised of more than 350 partners working together to assure that Tarpon Springs reaches a prosperous and united future. A Tarpon Springs Chamber of Commerce Partnership means investing in business and community growth. The Chamber provides many services to its members, including:

- Networking opportunities
- Ribbon cuttings
- Business workshops
- Newsletters
- Visitors and Community Guide
- Events



Commercial Areas Directional Sign

The Tarpon Springs Merchants Association focuses on driving consumer traffic to local merchants with a focus on Downtown and the Sponge Docks. The Merchants emphasize on branding and advertising to drive traffic to these main areas. They host many of the city events, such as the monthly First Fridays, Wine Walks, Oktoberfest, HippieFest, and more. These events bring thousands of people to the City, driving traffic to local businesses and generating revenue that is used to advertise and promote the City of Tarpon Springs.



Shoppers at Sponge Docks



Shops along Sponge Docks

In addition, the City created a Community Redevelopment Area (CRA) in 2001 that encompasses 227 acres in the central business district of the city. The CRA uses tax increment financing to fund redevelopment activities and encourage private investment in the area. The Tarpon Springs CRA offers numerous incentives for business retention and attraction, including grants for new and existing businesses for façade improvements and interior restaurant renovations; parking exemptions, and reduced development fees. The façade and restaurant grants have funded 55 projects since 2011, totaling \$224,763 in grant funds with private investment in those projects totaling \$2.7 million. The impact of the grants has attracted 11 new businesses, four new restaurants, two breweries, and three bakery/gourmet foodstuff stores to the central business district within the past two years. The CRA also has been active in downtown redevelopment, purchasing blighted properties and attracting new businesses into those properties, constructing public improvements including new safety crossings Downtown, Pinellas Trail beautification, new dog park, fitness park, Children's Splash Park, reconstruction of Lemon Street, landscape beautification of Tarpon Avenue, and more. The City's economic development manager works closely with businesses, serving as a liaison to the business community with retention and attraction efforts, incentive grant proposals, training opportunities, and outreach with Pinellas County. The St. Petersburg College Tarpon Springs campus also serves as a partner with the City in business and workforce training.

SECTION 7 OBSTACLES

7.1 – TRANSPORTATION

There is heavy traffic volume on the main north/south thoroughfares in Tarpon Springs. In review of the MPO's future roadway and traffic plans (Metropolitan Planning Organization), a number of projects were found that would impact the City. Both Highway 19 and Alternate 19 are in the plan book for various studies and improvements over the next number of years. These projects should assist local traffic flow.

Another study that was reviewed was the 2005 Tarpon Springs Walkability Report. Some of the obstacles that are mentioned in this report that still exist are sidewalks that vary in widths, the continued development of bikeways, the navigation of intersections, especially on Alternate 19 (Pinellas Avenue), wayfinding knowledge and signage to "main and side" street attractions. Walkable areas need to be reassessed due to unlevelled pavements and drainage during times of heavy rain.

7.2 – COMPETITION

The primary competition to the commercial fishing and supporting marine facilities is located in Apalachicola and Tampa/St. Petersburg. Both areas have issues related to the type of service available or the distance required to reach these destinations. There is a small commercial fishing facility at Crystal River which primarily focuses on bait shrimp.

The boat building enterprises located at Tarpon Springs are unique and offer specialized operations. One concern is for the largest boat builder which has difficulty launching the completed boats at the Anclote River. The boats must be trucked to Tampa to be finished and launched. Dredging the Anclote Navigation Channel and River would alleviate much of this concern.

Competition for tourist dollars abound in Florida with many recreational and leisure activities found throughout the State and the Gulf Coast. Tourism in Tarpon Springs is centered on the Greek culture and the relationship to the Sponge Industry and fishing. That culture cannot be replicated anywhere else in Florida.

7.3 – WORKFORCE

When considering potential obstacles to maintain or increase any business focus of a community, the workforce must be identified. The Marine Commerce Industry is composed of both skilled and unskilled labor. Historically, there has been no issue with attracting the correct type of employees for this industry. If the industry were to expand due to the attraction of large boat repair facilities, the demand for skilled labor would likely increase. However, these skills are not unlike those that already exist in the community. Attraction of new skilled employees should not be an issue.

Economic Impact of Marine Commerce and Tourism Industries

Pinellas County's unemployment rate as of 2016 is 4.4%, which is lower than that of the State of Florida (4.7%) and the entire Tampa/St Petersburg MSA (4.7%).

If the expanded enterprises in Tarpon Springs do need additional employees with certain training or skills, there are several vocational training facilities in the County that can assist in providing the workforce needed. The current vocational training facilities are found in the following listing.

1) Pinellas County Job Corps Center provides technical training for a number of vocational trades. These include:

- Carpentry
- Certified Nurse Assistant
- Clinical Medical Assistant
- Electrical
- Facilities Maintenance
- Insurance Claims Processor
- Medical Administrative Assistant
- Pharmacy Technician
- Plumbing

The 18 acre campus is located at 500 22nd St S, St. Petersburg, FL 33712. Classes are provided at no cost.

2) Pinellas Technical College provides Full-Time Certificate Programs, Apprenticeships and Short Courses at campuses in Clearwater and St. Petersburg and Online. The Clearwater Campus is located at 6100 154th Avenue N, Clearwater, FL 33760, while the St. Petersburg Campus is located at 901 34th Street S St. Petersburg, FL 33711.

3) St. Petersburg College provides technical certificate programs, and short term training programs in a variety of fields. St. Petersburg College has 11 different campuses in Pinellas County, including one in Tarpon Springs. The City works closely with SPC Tarpon Springs on mentoring programs, workforce training programs and partnerships to help expose students to the working world and careers.

4) Career Source Pinellas provides pre vocational training for;

- 3D Digital Fabrication
- Certified Production Technician
- Construction Training
- Industrial Machine Maintenance
- Irrigation Technician
- Soldering & Cabling

Training takes place at the main campus, The Science Center, located at 7701 22nd Avenue North, St. Petersburg, FL 33710, or one of its four additional campuses in Pinellas County.

SECTION 8 CONCLUSIONS

8.1 – TOTAL ECONOMIC IMPACT

The total direct economic impact of the Marine Commerce and Tourism Industries is \$148.4 million annually. When including the multiplier to account for indirect impacts of the Marine Commerce and Tourism Industries, the total economic impact rises to \$252.0 million.

Comparison with Pinellas County is limited to the Tourism and Commercial Fishing statistics.

Tourism

**TABLE 8.1
TOURIST ACTIVITY GENERATED**

Category	Pinellas County	Tarpon Springs	Tarpon Springs Percentage
Overnight Visitors Annual ⁽¹⁾	6,125,300	200,650	3.3%
Day Visitors Annual	8,549,700 ⁽²⁾	944,286 ⁽³⁾	11.0%

(1) Includes both Leisure and Business Visitors

(2) 2013 Figures

(3) Day Visitors to Tarpon Springs also includes residents of Pinellas County

Tarpon Springs Hotel/Motel facilities generate an estimated \$453,700 annually from the Bed Tax.

Commercial Fishing

The value of all commercial fish landed in Tarpon Springs represents 56% of the total value of commercial fish landed in Pinellas County

8.2 – TOTAL EMPLOYMENT IMPACT

The Marine Commerce and Tourism Industries directly employ 1,406 people in Tarpon Springs. After applying the multiplier, this figure increases to 2,415. With a total employment of 11,431 in the City, these target industries directly and indirectly impact over 21% of the workforce in the City.

Census data reveals that Pinellas County has a total employment figure of 363,063.