

## POPULATION DECREASES

Florida's 10 most populous counties and population decline from April 1, 2008, to April 1, 2009:

County	2009 population	Decline
Miami-Dade	2,471,804	5,485
Broward	1,744,590	13,904
Palm Beach	1,286,621	8,033
Hillsborough	1,196,892	3,649
Orange	1,108,882	6,097
Pinellas	931,113	7,348
Duval	900,518	4,453
Lee	615,124	8,601
Polk	584,343	1,390
Brevard	555,657	556
(Overall state)	18,748,925	58,294

*Source: University of Florida's  
Bureau of Economic and Business  
Research*

# For Florida, 'end of an era' of population growth

By Haya El Nasser, USA TODAY

FORT LAUDERDALE — Cruise up coastal highway A1A. Take in the sea breeze, the sand and surf shimmering in the sun, the palm trees swaying beside luxury high-rise hotels, shops and cafes. The idyllic image helps explain why millions have come to [Florida](#) to play, and millions have come back to stay.

**Drive a few blocks inland — past fading strip malls and fast-food joints — and a jolting new reality emerges. The parking lot of a career counseling center along [Oakland Park](#) Boulevard is jammed. There aren't enough counselors to advise hundreds of jobless people who come through the doors every day.**

**The recession has dealt a whopping blow to the fourth-most-populous state. Unemployment is soaring. Florida is second to [California](#) in foreclosures.**

**Last month came the most jaw-dropping announcement of all: The state that made population growth the linchpin of its economy for more than 60 years lost a net 58,000 people this year, according to newly released estimates for April 1.**

"It's the end of an era," says Robert Lang, director of the Metropolitan Institute at Virginia Tech. "Florida represents an entire postwar vision of the good life — palm trees, low cost and no taxes, just easy living. They could turn it around, but in the short haul, it's paradise lost."

**Florida isn't attracting retirees at nearly the rate it used to. Nor is it drawing young people the way it once did because jobs have dried up. The state's twin economic engines — tourism and construction — are sputtering. Now, Florida's leaders are pushing hard to develop industries that will create high-paying jobs in fields such as alternative energy and bioscience.**

"The time is long past when Florida's economy can be based on waiting at the Welcome Center with a glass of free orange juice and a real estate map," says state Sen. Don Gaetz, a Republican. "We have to do far better than that. ... We are learning a great deal from the difficulties we're undergoing."

## **A place in the sun**

The recession has had a measurable impact on the traditionally mobile USA by forcing more Americans to stay put because they can't sell their homes or find new jobs. Its outsized effect on this dynamic Sun Belt state of 18.3 million is reshaping migration and settlement patterns across the nation.

It also could help redraw the electoral map once congressional seats are reapportioned after the 2010 Census. Now that Florida's population is shrinking, the state is unlikely to win another seat in Congress and some other states may be less likely to lose one, according to standard reapportionment formulas.

Florida has been a magnet for so long that when it stops drawing people, demographic ripples are felt elsewhere. "It affects us because people aren't moving there from somewhere else," Lang says. "New Jersey stays bigger. Pennsylvania stays bigger. [New York](#) stays bigger."

For more than a half-century, Florida had been the dream destination for millions of Americans. Affordable housing in a fast-growing state, no state income tax, a sunny climate and the advent of air conditioning attracted a steady stream of retirees, sun-seekers and fortune hunters. Now, not so much:

•**Growth has stalled.** For the first time since the end of [World War II](#), when hundreds of thousands of military personnel stationed in Florida went home, the state lost population in the past year, according to the University of Florida's Bureau of Economic and Business Research. For the first time since Florida became a state in 1845, more people are moving out of the state than in, according to Census numbers and moving company reports.

The number of migrants from the Northeast — traditionally Florida's largest source of newcomers — has dropped almost in half since its peak five years ago as the state's allure faded. Florida, once the fifth cheapest state to live in, now is the 14th most expensive, according to Mark Wilson, president and CEO of the Florida [Chamber of Commerce](#).

•**Jobs are disappearing.** Unemployment jumped to 10.7% in July from 6.3% a year ago, well above the national rate of 9.4%.

If thousands of working-age adults hadn't abandoned the state, "our unemployment rate would've been higher," says [John Hall](#), executive director of the Florida Center for Fiscal and Economic Policy, an independent research group. "We're a state in trouble," Hall says.

•**The housing market has collapsed.** Twelve percent of mortgages were in foreclosure during the second quarter of this year, the highest rate in the nation. "Florida continues to establish itself as the worst state in the union for mortgage performance," says Jay Brinkmann, chief economist at the Mortgage Bankers Association.

From Pensacola to Key West 850 miles away, the recession has rudely awakened a state that has flourished on a relentless influx of tourists, sun-seekers and retirees and the lower-paid service economy that supports them.

"Florida has been turned on its head," says [Brookings Institution](#) demographer William Frey.

## **A statewide strategy**

Vastly different in geography, climate, culture and economic interests, Florida's distinctive regions — north Florida, central Florida and South Florida — historically have found it difficult to share one vision.

Population growth, however, was one constant they all enjoyed. Now that it's gone, the mini-states have joined forces to try to create new economies and reduce their dependence on growth alone. It's something other booming states that are now hurting — notably Arizona and Nevada — are learning.

"Multiple regions around the country worked off the business of growth, and they're all suffering," Lang says. "Don't put all your eggs in one basket."

Florida has set up public and private partnerships to lead efforts on workforce training, tourism and economic development. The Senate Select Committee on Florida's Economy, a bipartisan effort launched in February, has pushed to streamline regulations and cut the cost of doing business.

"We can't get out of this recession ... by fixing a problem in Miami or Orlando," says Gaetz, who heads the committee. "We have to have a state economic policy, develop a workforce."

One of the state's most controversial actions, signed into law by Republican Gov. [Charlie Crist](#) in June: Rewrite Florida's 25-year-old growth restrictions by lifting a state mandate that required developers in more urban areas to pay for new roads. It's a move opposed by environmental groups such as 1000 Friends of Florida. Local communities now will decide whether to charge such fees.

"The overarching economic policy of growth management was approved when Florida was bursting at the seams," Gaetz says. "Economic policy ought to be tied to economic reality."

The state also is pushing for:

- **Improved education.** The Quality Counts report by *Education Week*, a national journal published by a non-profit group, ranked Florida in six key areas of K-12 education. It was 31st in 2006, 14th in 2007 and 10th this year. Its overall grade jumped from C+ to B—.

The state two years ago began requiring school districts to create at least one career academy that focuses on one field such as health sciences.

"It's a career pathway," says Loretta Costin, vice chancellor for Career and Adult Education. "It helps high school students become actively engaged."

At the WorkForce One center here, one of 24 regional operations run by the state and private interests, some of the jobless who come for help are taught how to draft résumés and apply for work online. Others are enrolled in local schools to retrain for jobs of the future: technology, health care, engineering and all things "green."

Angelo de Santis, 25, has an associate degree in business administration from Miami Dade College. That worked well until he was laid off in February as an information technology analyst.

Through WorkForce One, he will take computer classes to earn an advanced certification. "It's going to take a while for the economy and the country to recover," de Santis says. "At the same time, the mentality of people in this state is going to have to shift. Technology is one of those areas that we will always need."

- **Alternative energy.** Eric Silagy, vice president of Florida Power & Light, the state's largest energy supplier, says, "We're building three solar plants right now. It will take Florida from not even being on the solar map to being the second-largest producer in the nation (after California)." By the end of next year, the plants will produce 110 megawatts of electricity, enough for 35,000 homes and businesses.

- **High tech, medical and bioscience.** A "high-tech corridor" stretching along Interstate 4 from Tampa to Orlando is anchored by the University of Central Florida in Orlando and the University of South Florida in Tampa and St. Petersburg.

The area also is home to cancer research centers, bio-medical engineering companies and oceanographic centers. Among them: California-based Burnham Institute for Medical Research, which chose Orlando for its East Coast expansion; [SRI International](#) set up a facility in St. Petersburg that will research environmental health and security.

On the Atlantic coast, the Scripps Research Institute and Torrey Pines Institute for Molecular Studies — both based in San Diego — set up shop in Jupiter and Port St. Lucie, respectively.

## **A housing rebound?**

Finding an upside to the real estate market is difficult when "For Sale" signs sprout in every third or fourth front yard on some streets of upscale neighborhoods here. Like many other states, however, Florida is seeing some heartening signs after the housing market collapsed.

From a peak in 2006 of \$248,300, the median price of existing, single-family homes — where half cost more and half less — has fallen 41% to \$147,600 in July. That has triggered a surge in home buying.

"We're experiencing a tremendous amount of transactions, up 35% year over year for the first six months, and it's being driven by first-time homebuyers," says Rei Mesa, president of Prudential Florida Real Estate.

Despite the precipitous price drop, many economists expect Florida housing values to remain higher than those in the rest of the Southeast. That may entice retirees and families to move from northern states to Georgia or North Carolina instead of Florida, says University of Florida economist David Denslow.

Already, some Floridians such as Linden and Nancy Anderson are leaving. The Andersons moved to South Florida from New York in 1985 seeking a safer place for their teenage son.

"When we used to come down here on vacation, I liked what I saw," says Linden, now 69, who worked as a ramp serviceman for now-defunct [Eastern Airlines](#) and later as a shuttle bus driver for Hertz. They bought a house in Kendall, 20 miles south of Miami, when prices were low but later bought a larger home when prices were rising rapidly.

He hasn't worked since heart surgery. Nancy, 68, has gone back to work part time as a dental assistant. She complains that Florida wages are low while the cost of living is high.

They're ready to move to Georgia to be close to their son and 4-year-old grandson, but they can't sell their house. Its value has already dropped \$100,000 to about \$260,000.

Says Nancy: "I'm stuck."

**Courtesy of JB Goodwin**