



# TERRITORIAL DEVELOPMENT DIAGNOSIS

## PASCO COUNTY

October 2019



<b>1</b>	<b>Background</b>	<b>3</b>
<b>2</b>	<b>Aim and scope</b>	<b>6</b>
<b>3</b>	<b>Analysis</b>	<b>7</b>
<b>4</b>	<b>Interviews &amp; meetings</b>	<b>12</b>
<b>5</b>	<b>Final conclusions and proposals</b>	<b>29</b>

# 1. Background

**MONDRAGON Corporation** and the **EVOLUTION INSTITUTE** jointly organized a Summit in June 3-4, 2019, in the MONDRAGON Corporation Headquarters.

The Summit was developed as a “Search” which is a participatory strategic planning effort held over a two-day intensive period and facilitated by search managers. Searching is a core action research technique for engaging a diverse group of stakeholders in an action-oriented analysis of the problems they are facing. It includes the forces that restrain them from resolving the issues they face, the resources at their disposal to address these issues, things they are doing already that move in a positive direction, things they are doing that are counterproductive, and things they are not doing that need to be done to move ahead. The search begins with a "shared history" of the selected issue for the Summit with all participants writing up their experiences of these problems and issues on a long sheet of butcher paper on the wall. After having written these items on the wall over a period of an hour or more, each person explains to the others the meaning of what they placed on the wall. When this is completed, the group moves to projecting the likely future of the issue they are facing if no changes are made in what they are doing. Finally, the group portrays the ideal future toward which they would like to move.



From this point forward, the search moved by identifying sets of issues and actions that would be important to bring about a more ideal future. Working in small groups, the participants examined the field of forces promoting or holding back their initiatives and identifies the obstacles that need to be overcome. These analyses were shared in plenary and a list of the topics that required sustained attention and work was created. The participants then selected the issue they want to work on, and a group was formed. This group did further analysis and begun an action planning process guided by an action planning template. The preliminary results were shared and commented on and the groups did a second round of work including the resources they will need, the other participants they will need to incorporate, the steps to be taken. These were again shared in plenary.

The search closed with a review of the action plans, the setting of dates by which check-ins will be done, a date for a reunion to assess the progress on the issues identified, and an evaluation of the process.

One of the actions that was agreed was the one under the Action Planning Area "Community Development Project in Tampa Bay (Florida)". The following table shows the main features of this action:





<p align="center">Action Planning Area</p> <p align="center">Community Development Project in Tampa Bay (Florida)</p>		
<p><u>Obstacles to overcome</u></p> <ul style="list-style-type: none"> <li>- Politics of the PASCO Community</li> <li>- People of the community don't know what to do (ignorance)</li> </ul>		
<p><u>Sequence of actions</u></p> <ul style="list-style-type: none"> <li>- Conducting a diagnosis of the challenges and opportunities of the Tommy Town community</li> <li>- Creating a co-operative entrepreneurship eco-system</li> <li>- Building an educational project from early childhood to vocational training</li> <li>- Farmer organization (cooperative)</li> </ul>		
<p><u>Others to involve</u></p> <ul style="list-style-type: none"> <li>- NAACP (Civil rights org)</li> <li>- University of South Florida</li> <li>- Pasco County State College</li> <li>- Open Science Foundation</li> <li>- The Shift Foundation</li> <li>- Moore/Mickens Educational and vocational center (NGO)</li> </ul>	<p><u>Information Needed</u></p> <ul style="list-style-type: none"> <li>- Who is who</li> </ul>	<p><u>Resources Needed</u></p> <ul style="list-style-type: none"> <li>- Funding</li> <li>- Buildings</li> </ul>
<p><u>Immediate Actions</u></p> <ul style="list-style-type: none"> <li>- Go back and report to the community the outcomes of the summit</li> <li>- Identify the social and economic conditions that prevail</li> <li>- Develop an overall plan to transform the community</li> <li>- Develop a multi-year budget to implement the transformative plan</li> <li>- Identify and work with existing agencies and institutions that can enhance</li> <li>- Ensure that participation roles are well defined and agreed upon</li> </ul>		
<p><u>Meeting Coordinator(s)</u></p> <ul style="list-style-type: none"> <li>- Margarita, Bruce, Ibon and Jon</li> </ul>		<p><u>Next Meeting Date:</u> Fall 2019</p> <p><u>Location:</u> Pasco County</p>



## 2. Aim and scope

Following the mentioned Summit held in June in Mondragon, the **EVOLUTION INSTITUTE** requests **LKS**, Management Consultancy division of **MONDRAGON Corporation**, to submit a proposal to develop a **Territorial Development Diagnosis in the Pasco County**, with the **aim to undertake a diagnosis of the challenges and opportunities of the community within the Tampa region in order to create a co-operative entrepreneurship eco-system.**

Answering this request, LKS is ready to send a senior consultant to complete a **1 week study visit** in the Pasco County within the second semester of 2019 and as a result of it, write a report that includes the main highlights of the visit, the analysis of the potential development of different current activities and the recommendations to build a new cooperative entrepreneurship ecosystem in the region.

The senior consultant of LKS would complete the mentioned task building upon the **experience** in previous similar regional and country cases (Montreal-Quebec, New York City, Northern Ireland, Colombia, Puerto Rico...), being all inspired by the successful MONDRAGON Cooperative movement experience in the last decades.



## PASCO COUNTY

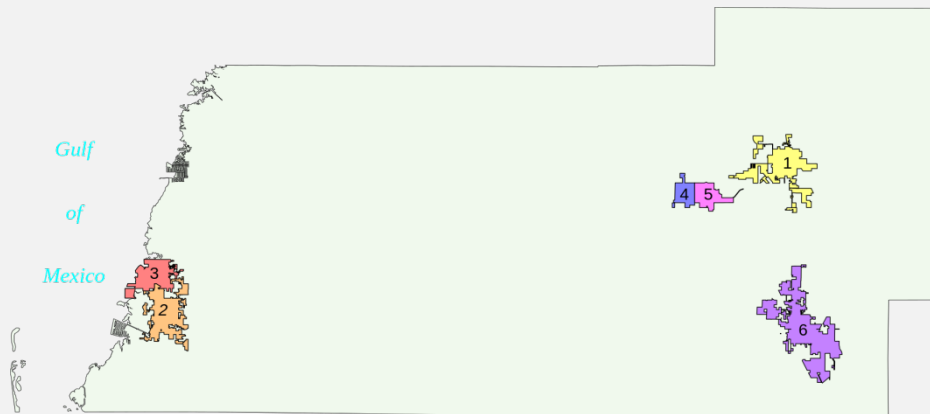
### General overview

Pasco County is a county located in the U.S. state of Florida. As of the 2017 census, the population was 525,643. Its county seat is Dade City and its largest city is New Port Richey. The county is named for Samuel Pasco. Pasco County is included in the Tampa-St. Petersburg-Clearwater Tampa Bay Area and is primarily a bedroom community for Tampa.

The median income for a household in the county was \$32,969, and the median income for a family was \$39,568. Males had a median income of \$30,974 versus \$23,802 for females. The per capita income for the county was \$18,439. About 7.60% of families and 10.70% of the population were below the poverty line, including 15.20% of those under age 18 and 7.70% of those age 65 or over.

Main municipalities:

- Dade City (1)
- New Port Richey (2)
- Port Richey (3)
- San Antonio (4)
- St. Leo (5)
- Zephyrhills (6)

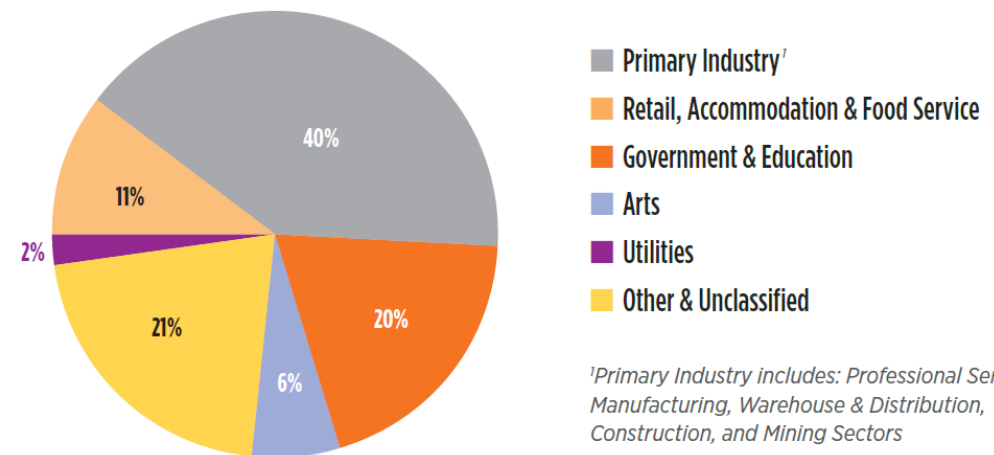


## Economic overview

PASCO COUNTY, located in north Tampa Bay, is one of the FASTEST growing counties in Florida. Currently there are over 19,000 acres being developed into Florida's newest live, work and play communities. If you're looking to start, locate or expand a business, we invite you to see why we are one of the most competitive and business-friendly climates in Florida.

	Company	Employees	Industry
NOTABLE TAMPA BAY PROFESSIONAL & FINANCIAL SERVICES FIRMS	USAA	4500	Insurance
	Metlife	1900	Financial & Insurance
	Depository Trust & Clearing Corp.	1000	Financial Services
	Johnson & Johnson	500	Corporate Services
	Southeast Personnel Leasing*	319	Staffing & Personnel Leasing
	Applicant Insight*	130	Background Screening
	* Pasco Companies		
NOTABLE PASCO COUNTY MANUFACTURING FIRMS	Mettler Toledo	536	Food Measuring, Controlling & Safety
	Pall Aeropower	500	Air & Fluid Filtration
	Nestle Waters	295	Bottling
	TouchPoint Medical, Inc. (HQ)	228	Medical Equipment & Supplies
	TRU Simulation + Training	188	Flight Simulators, Programming
	Welbilt (HQ)	183	Foodservice, Research & Development

TOTAL WORKERS FOR PASCO COUNTY, FLORIDA BY INDUSTRY



## **Economic overview**

Pasco EDC recognizes six primary industry clusters that help power the region. Each contributes to a leading business climate in Florida – ranked #8 by Business Facilities (2018) – that allows companies and people to do great work and make products that improve lives.

### Advanced Manufacturing

Pasco County is home to more than 350 growing and thriving manufacturing companies that employ more than 4,000 people. The industry has grown by 12.27% over the past five years and more than 1,300 positions will need to be filled over the next three years.

### Aerospace, Aviation, & Defense

As the gateway to southwest Florida, Pasco County benefits from close proximity to MacDill Air Force Base, Tampa International Airport, and Port Tampa Bay. This industry has grown by 25.48% over the past five years and 300 jobs will come available over the next three years.

### Business & Professional Services

Business and professional services in Pasco County is the fastest growing industry in the Tampa metro area, growing at nearly 4% annually. Over the past five years, it has grown by 17.75% and is projected to see 3,053 jobs come available over the next three years.



## Economic overview

### High Technology

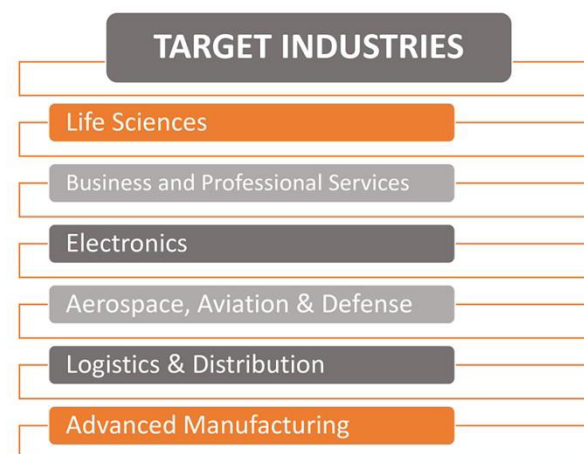
Florida boasts the nation's third largest tech industry, and that means workers in Pasco County benefit from a diverse set of jobs. IT looks strong in terms of projected growth: The industry is expected to see a 3% increase over the next three years and add 293 jobs over the same amount of time.

### Life Sciences & Medical Technology

Pasco County is integral to Southwest Florida's reputation as an epicenter of medical innovation. The Life Sciences & Medical Technology sector has grown by 22.27% over the past five years with 192 jobs needing to be filled over the next three years.

### Logistics & Distribution

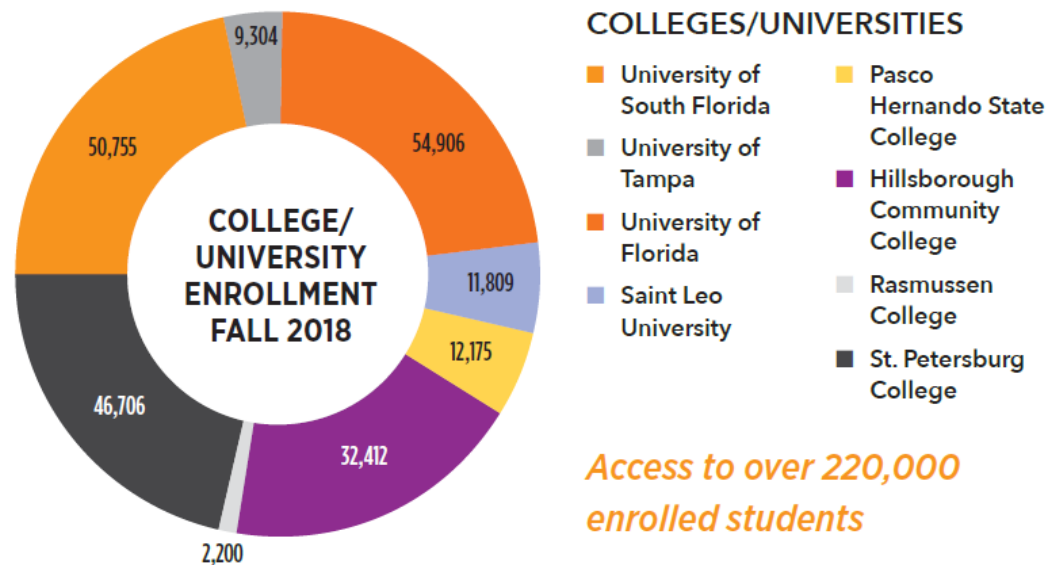
Florida has one of the most considerable multi-modal transportation systems in the world. Pasco County does too with its location along the coast in southwest Florida, plus its proximity to Orlando. Logistics & Distribution has grown by 27.5% over the past five years and is projected to see 2,030 jobs come available over the next three years.



## Education overview

### THE PASCO COUNTY SCHOOL SYSTEM

- 14 High Schools (grades 9-12)
- 16 Middle Schools (grades 6-8)
- 49 Elementary Schools (grades K-5)
- 32 Private Schools
- 11 Charter Schools
- 37 Career and Technical Pathways and Programs





## 4. Interviews & meetings

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### **Background**

As a first step, the Evolution Institute did complete the identification of key people and organizations for the development of different interviews and group meetings with the aim of analyzing the current situation in the Pasco County, more precisely, in the East part of the County.

Once the meetings were scheduled, LKS did proceed to carry out the interviews with the people and organizations previously identified with the EVOLUTION INSTITUTE and other stakeholders of the Pasco County relevant to the project.

As a result of the interviews done and the opportunities identified, this report has been written including the most relevant conclusions and the main recommendations and proposals that are developed in the following pages.

## 4. Interviews & meetings

### **Schedule of interviews and meetings**

The whole study visit's interviews and meetings took place in the first week of October 2019 (September 30-October 4) in different locations of Pasco County. On Monday morning we did visit the director of the social entrepreneur program based at Hillsborough Community College in Tampa. Monday afternoon we had a meeting with representatives at the Pasco County Economic Development Council in New Port Ritchie, including a person there that was engaged exclusively with international business and another with social entrepreneurship and business incubators.

Tuesday morning we did meet with the Honorary Council for Spain in his office at Century Bank, in the North of Tampa. The afternoon we did visit with the Director of Economic Growth for Pasco County.

Wednesday morning we did meet the Chief Financial Officer of Withlacoochee Electric River Cooperative. The afternoon we were getting together with leaders from Trilby and Lacoochee, two out of the four communities in the Pasco County.

Thursday we did spend the morning in the Moore Mickens Educational and Vocational Center and meet members of its board. Then we did travel to Tommytown and met with other leaders from the community.



## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Social entrepreneurship approach

- **Social entrepreneurship** is understood including the for profit business, but taking the profits for the common good.
- There is a need to **leverage the market approach**.
- Social enterprises are considered non profit enterprises that cover fields and needs that for profit businesses do not cover.
- The non profit sector needs to be transformed: keeping the operating overheads low, doing more marketing and advertising... as for profit businesses do.
- **Social innovation** is understood as an activity that does not need to be a business but does develop an innovation that has a big impact in society (for instance the new ecological solutions that avoid the use of plastic).



## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Social entrepreneurship approach

- The social entrepreneurship **development** in the Greater Tampa region (including Pasco County) is still quite immature, since it is often based on patronage approaches.
- In general, there is a **lack of understanding** about the concept of social entrepreneurship and how to implement it.
- Regarding the **scale** of the new projects, many people think that social start-ups cannot be scaled up, even if a large scale is not needed in many cases to get the right impact. The key aspect of the scalability of the project is to have the approach in the right way (for instance, in the case of the projects led by the Millennials...).



## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Social entrepreneurship approach

- **Social Venture Partners Tampa Bay** is another good example of social entrepreneurship, which is focusing on non profit initiatives. There are a few more non profit initiatives, such as the international social innovation platform ASHOKA, that is working together with Hillsborough Community College on a change maker designation at the HCC, NACCE (National Association of Community College Entrepreneurship) and large companies.
- There are a couple of social entrepreneurship **champions** around Tampa. HCC is trying to inspire in the schools about the impact of businesses, but the awareness is still very low. Entrepreneurship in the Tampa area is focused in technology businesses, since everyone wants to be a tech company, but there are other opportunities to promote social entrepreneurship (in silver economy...).
- Among different actions, the **INLAB HCC initiative** can be highlighted, with 4 different educational focus areas: Interdisciplinary (Effectuation), Workforce, Social Entrepreneurship and STEM. Planned actions do include: Academic Programs, Community Programs, Operation Startup Programs (veterans), Research Institute Programs (impact of social entrepreneurship). Supporting services are defined as follows: Advising/mentoring/EIR, Co-working & Maker Space, Funding Opportunities.





## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Economic Development approach

- Pasco Economic Development Council (PEDC) has defined 5 county economic development **target sectors**: Life Science, Aerospace-Aviation & Defense, High Technology, Logistics and Distribution, Advanced Manufacturing.
- The Pasco County has different **development zones**: cargo, business development, green areas... The Lacoochee area is more in agriculture, but the Pasco Office of Economic Growth is promoting a new business area for around 700 jobs to attract industrial activities, as the railway is closed. They are also planning a new business park (Overpass business park) with around 1500-2000 jobs, road improvements with State and Federal funding, a new sewage water treatment plant in Trilby and a project to enlarge a local airport in the east.



## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Economic Development approach

- The **health sector** is considered one of the activities with a higher potential. More and more elderly people go to Florida. Life Sciences & Medical Technology is one of the County target sectors. The intersection between health and technology is considered to be a great opportunity. There are several large companies in the healthcare sector that could open new opportunities, some of them are based in the Orlando area. There is a shortage in labor in healthcare and in many cases, the labor needs will be replaced with technology. Minorities also contribute to health service demand.
- **Housing** is also another development opportunity, although there is a great need of a better vocational training offer, mainly for improving skills and labor such as carpenter, electrician, plumbers... Many immigrant workers still need to improve their English skills. Affordable housing is another big challenge at County level, as housing is getting too expensive in the region.
- **Agriculture and cattle and farming** in general could be also a great opportunity for growth in the following years.
- **Education** is also a big opportunity, following the support from the State for charter schools. Regarding life long learning, PEDC works with the AMSkills Programme, a multi-discipline, advanced technical training for future manufacturing leaders. There are many needs in the career exploration in vocational training.





## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Economic Development approach

- **Transportation and transit, together with logistics** will bring new opportunities since new solutions are needed.
- Regarding **social entrepreneurship**, there is a need to get all the County level relevant stakeholders on social entrepreneurship together, following the example with the Pasco County coalition that meets every two weeks led by Pastor Williams. A workforce related to social entrepreneurship could be a good starting point for it. PEDC is trying to create a platform that includes all the available resources related to workforce development (training, talent attraction...). A social entrepreneurship incubator in Pasco could also make sense, with local stakeholders such as the Pasco Community College, Image Solutions (a company that helps entrepreneurs), Leadership Pasco (looking for a cause for 2020) or Pronto Care (provider of health care solutions for those that have no health care). When promoting social entrepreneurship initiatives, there is a clear need to define a strong business model and to clarify the role of the stakeholders in the process, together with a clear idea of the funding scheme of the new project.



## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Business approach

- The **Withlacoochee Electric River Cooperative (WERC)** is ready to contribute to the social transformation process. They are investing in roads, education and housing in the Pasco County. There is future growth potential in different business sectors and activities in the Pasco County, such as affordable housing, agriculture, manufacturing and health services.
- Some new **manufacturing** activities will open in the area in the short term. There are some other opportunities in the new **development areas** in East Pasco. Taking benefit from the railway and the links with the port of Tampa, there will be needs for **distribution facilities**, for instance for fruit distribution coming from South America and going to North America.



## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Business approach

- Regarding **affordable housing**, there is a clear need to provide better housing conditions in some concrete areas. In many affordable housing cases, they have many problems related to bad quality floors.
- **Cattle and agriculture** are also opportunity fields. In concrete terms, Hemp is being used to produce cloths, medications,... but it is not industrialized yet and it needs a process approach. As the Federal and State laws are changing, it will be easier to develop new economic activities related to hemp. The University of Florida has completed an assessment concluding that Florida has perfect weather conditions for hemp production.
- The WERC electric coop sees good opportunities for large scale **solar energy projects** in the Pasco County. Their energy producer company, Seminole Electric Cooperative, is starting a new solar energy project.
- Within **health services, day care** is also another good opportunity for new economic activity, since many people cannot afford regular day care services because they have low salaries.
- There is room in the County to promote new initiatives related to **education and entrepreneurship**, following the example of the initiative called "One million cups".



## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Business approach

- As for **industrial space**, the former orange juice factory in Dade City, owned now by a business entrepreneur, is being offered in different parts for retail, warehouse and industrial uses. A large part has been rented to a manufacturer of concrete walls for roads. There are similar plans with the sawmill and box factory industrial property in Lacoochee, owned by the same entrepreneur.
- **Industrial activities** with high growth potential that are related to these industrial areas include agriculture transformation products (hemp), bottling activities (Coca-Cola, Nestlé...), logistics and related freight transportation, recycling, construction, metal for construction...





## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Social Innovation approach

- Education is one of the main challenges of the **Lacoochee and Trilby Communities**. There is only a elementary school in Lacoochee and thus, students need to move to Date City for High School.
- The Lacoochee and Trilby Coalition did complete a business plan called **Future Academy** to train future leaders on **entrepreneurship**. The approach is on young kids thinking in them as future generations, focusing on pre and elementary school, but mainly on middle school and offering digital skills, computer skills, video... and agriculture topics. Future plans are to have a middle school in their current facilities (former church).



## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Social Innovation approach

- Within their **entrepreneurship** promotion strategy, the **Lacoochee and Trilby Coalition** is working in new fields in entrepreneurship such as call centers, drone services... There could also be good opportunities related to agriculture activities such as fish farms, aquaponics... Retail activities could also make sense since there is a clear need to provide such services at local level. There is a need to put together catering service small providers and scale them up, in order to be able to offer catering services to schools.
- In **education**, the Coalition will also open a High School in a different place in Lacoochee, for which they already have the venue and vision. The curriculum will be designed by a new training Director, who will first see what is been taught in the current elementary school to have a better transition to their future academy. Their approach is focused in helping their students define their purpose in life.
- The main **social innovation initiative** of the Coalition is the Trilby Community Center. Trilby and Lacoochee have not covered basic needs in transportation, medical services, labor, shops, training... They are the lowest income areas in the County. The different actions included in the Center initiative are the following:



## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Social Innovation approach

1. Pregnancy & Family Care Center
2. Benevolence Center
3. Fresh Start Job Program
4. Community Medical Care Center
5. Pharmacy
6. Senior feeding program





## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Social Innovation approach

- In the case of **Tommy Town**, there is a need to be together between the different communities, so that more ambitious aims and a joint plan can be designed. All Communities want better child care, housing... The Afro-American and Hispanic communities are working together now (they were not in the past).
- The Moore-Mickens Vocational Training Center could be used by all communities in Tommy Town to train the workers in marketing, technical **training**... within an apprentice program and entrepreneurship initiative. There is a clear opportunity to launch an **entrepreneurship** center, together with the Pasco Economic Development Council and its Smart program.



## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Social Innovation approach

- Activities related to **agriculture** could have a high potential in the Tommy Town area. Former farmer workers in the area are trying to work together and cooperate with marketing farming companies elsewhere in the US. There are opportunities for the production of different high quality vegetables and healthy food (due to climate change). There is a need to build the markets for the farm workers and improve the knowledge and participation of the people.
- There are many **services in different sectors** and activities like elderly care, catering and cleaning... that could create good growth opportunities.
- **Construction** could also bring opportunities for affordable housing cooperatives.





## 4. Interviews & meetings

### Conclusions from interviews & meetings

#### Vocational Training approach

- According to the **Moore-Mickens Vocational Training Center**, many activities on technology and knowledge were taken from East to West Pasco County and as a result, nowadays there is a need to bring some of those services to Dade City and around. Moore-Mickens is already working in Vocational technology activities, elderly & distance health care,...
- They are developing the General **Education** Diploma (GED), after School tutoring (kinder garden to 12 grade) and STEM program development. There is an increased need of **knowledge and technology in IT** and a need to improve the Internet connections.
- **Farming** activities such as fish farming, aquaponics, fruit processing could have a high growth potential in the area.

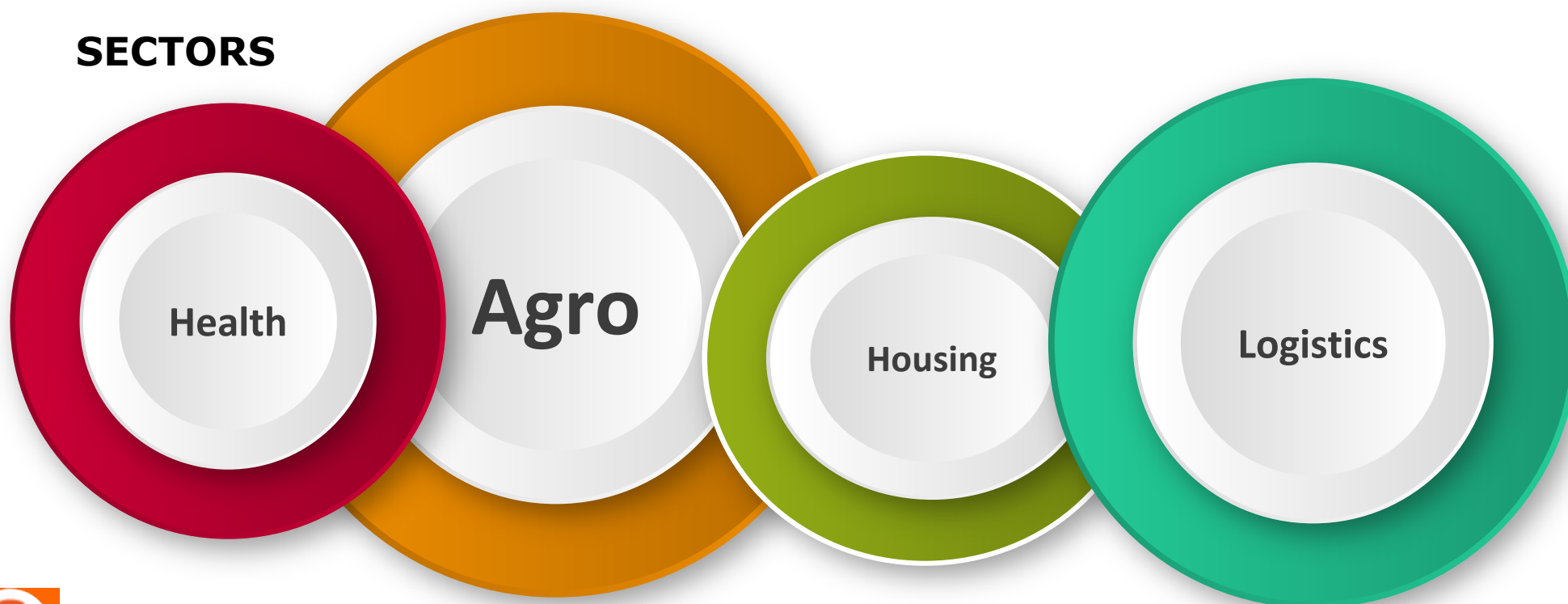


## 5. Final conclusions & proposals

### Final conclusions

The following **economic sectors and activities** have been highlighted as the ones with a higher growth potential in the next decade (2030) within the Pasco County area, mainly for the development of a social entrepreneurship ecosystem, based on local growth and aiming a more equitable economic system:

### SECTORS



## 5. Final conclusions & proposals

### SECTORS & ACTIVITIES



## 5. Final conclusions & proposals

### Proposals

The main strategy to promote the mentioned economic sectors and activities would be an **Advanced Social Entrepreneurship Center** based on the Mondragon experience (mainly the Bilbao Innovation Factory – BBF). In order to design and launch such a center, the following recommendations should be taken into account:

- **Have a clear goal for the initiative.** It is necessary to answer in a clear way the following questions:
  - ¿Why do we create a social entrepreneurship incubator?
  - ¿What kind of entrepreneurship do we want to promote?
- **Offer long-term support to entrepreneurs through tutors/mentors or coaches.**
- **Have financial partners to fund the initiative.**
- **Collaborate and generate synergies with the rest of the stakeholders at the Pasco County entrepreneurial ecosystem.** The network is a valued element to develop the project and to recruit new entrepreneurs.
- **Disseminate and make visible the entrepreneurial projects developed in the incubator** to recruit new entrepreneurs.
- **Define the use of the incubator space.**



## 5. Final conclusions & proposals

### Proposals

- **Link with academic partners (universities, colleges...).** This kind of cooperation enables the knowledge transfer from high educational institutions to companies and to the market. The social entrepreneurship center can become the site for high-educational courses or training.
- **Promote the development of entrepreneurial projects that enable a high degree of cooperation and collaboration between different stakeholders.** This kind of entrepreneurship can facilitate the generation of new companies with shared ownership. This initiative can make shared ownership models more visible to the stakeholders and help to develop a more democratic and fair economy in the Pasco County.





## 5. Final conclusions & proposals

### Proposals

Along with the definition of the target sectors, it is worth taking into account **other initiatives** that we understand are **strategic for the development of social enterprises with capacity for scalability and solid growth**, which involve working on 5 basic elements (see figure below). Some of the elements mentioned are being (or have been) developed to some extent in Pasco County. However, far from an **integral and integrating vision of the needs of the Social Enterprise**, its development has been partial so far. This integral approach should be, in our opinion, a fundamental element for the development of the Social Enterprise.





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