



# The Distribution Industry in West Central Polk County and Plant City



**September 2009**  
**Updated: October 2013**

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This White Paper is one in a series developed as part of the Tampa Bay Regional Goods Movement Study. The purpose of this series of White Papers is to provide background and information for the freight community in the Tampa Bay Region.

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Polk County and Plant City are major freight distribution hubs in the Tampa Bay Region. Several large retail companies such as Coca-Cola Enterprises, Haverly's, Home Depot Supply, JC Penney, Lowe's, Publix Supermarkets, Rooms To Go, Sherwin Williams, Wal-Mart, Best Buy, W.S. Badcock Corporation, Aldi, Mattress Giant, Ferguson, and Advanced Discount Auto Parts, to name a few, have located major distribution centers in the area. This paper investigates the factors that have attracted many distribution centers to West Central Polk County and Plant City, the implications for the Tampa Bay Region, and what can be expected in the future.

### **DISTRIBUTION CENTER ATTRACTION FACTORS**

The discovery of phosphate deposits in the late 1800s led to the construction of the South Florida Railroad. Since this time, the Plant City and Lakeland areas have played a prominent role in the distribution of goods and raw materials in the Tampa Bay Region. The advent of the automobile, the development of the Interstate Highway System, and Florida's rapid population growth in the last half century have accentuated this role as a warehousing and transportation center in Florida. Since the mid 1980s, the distribution industry has rapidly expanded in Plant City and West Central Polk County. There are many factors that contribute to the attractiveness of the area to companies interested in growing their distribution network. A centralized location, relatively low land values, a large workforce, and proactive governmental coordination contribute to this area's viability as a distribution hub.

#### **Location**

A centralized location is a major point of attraction for distribution companies in determining where to locate new facilities in Plant City and West Central Polk County. Centralized location, in the middle of the state between the northernmost and southernmost borders, allows for the shortest transport distance to destinations within the state. For this reason, Polk County is Florida's recognized center for distribution. This is a significant advantage as Florida is one of the country's fastest growing states and is predicted to overtake New York as the third most populated state in the union, after California and Texas. Central Florida is one of the largest consumer markets in the Southeast. Polk County and Plant City have easy access to consumers in the Tampa Bay and metropolitan Orlando markets, with four million and two million residents respectively. There are 8.6 million people within 100 miles of Polk County<sup>1</sup>.

Plant City and Polk County are also located in close proximity to the Port of Tampa, a major international port. This gives distribution centers in the area access to a low-cost means of shipping products and materials from other domestic and foreign markets. This area is also served by three major high-speed limited access facilities, including I-4, I-75, and the Polk Parkway. The area also has access to several long haul rail lines maintained by CSX Transportation. Together, these transportation facilities provide access to the rest of the state, region, and world.

Plant City and Polk County have a distinct geographic advantage over other locations for the distribution industry. As one researcher explains, "While setting up their logistics platforms, logistics service providers favor locations that combine a central location (i.e. proximity to the consumers market) with an intermodal

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<sup>1</sup> Polk County Annual Report 2008.

gateway function. Seaports and sites along hinterland corridors typically meet these requirements”<sup>2</sup>. West Central Polk County and Plant City have a central location to a large and growing market that provides lower transportation costs and economies of scale advantages. Major transportation infrastructure including CSXT rail lines and limited access roadways allow a high degree of accessibility to and from the area. It’s proximity to the Port of Tampa also allows for efficient freight distribution to the rest of the world. These factors contribute to making Polk County and Plant City a prime geographic location for the distribution industry.

### Land Value

In recent years, Polk County has experienced high population growth. However, when compared to the Tampa Bay and Orlando Metropolitan areas development pressures are lower in Polk County and Plant City, and there is a larger supply of vacant developable land. Of the already developed land, there is a large amount of vacant industrial space available for rent. In the fourth quarter of 2008, Polk County had a vacancy rate of 9.7 percent with 3,867,702 square feet of vacant industrial space<sup>3</sup>. This compares to 9.8 percent with 16,597,122<sup>4</sup> square feet in Orlando and 8.0 percent with 20,031,107 square feet in Tampa<sup>5</sup>. Relatively low development pressures and a higher vacancy rate have caused property values to be much lower in Polk County than nearby Tampa and Orlando. The average price of a square foot of industrial space in Tampa and Orlando is \$7.05 and \$7.62, respectively. In Lakeland, this cost is much lower at only \$5.53<sup>6</sup>. The relatively lower property values in Polk County contribute to its attractiveness as a distribution center.

### Workforce

Another factor that attracts distribution companies to Polk County is the availability of a ready and able workforce. In the last several years, Polk County has grown rapidly from 405,382 people in 1990 to 580,594 people in 2008<sup>7</sup>. Polk County is now home to a workforce of 269,613 people<sup>8</sup>. In addition to a large workforce, there are several institutions in the area that offer the training and skills that are increasingly necessary to be successful in the technical environment of a modern distribution center. The Ridge Career Center provides truck driver, forklift and picking training<sup>9</sup>. The Supply Chain Management Institute and the Corporate College at Polk State College offer programs in management and special skills specific to the logistics and distribution field. In addition to these institutions, the new Florida Polytechnic University in Lakeland will offer technology-oriented several degrees. The size of the area’s workforce and the several training and educational programs focused on logistics ensures that a company considering locating a new distribution center in Polk or Eastern Hillsborough Counties can expect a stable supply of capable workers.

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<sup>2</sup> Notteboom and Rodrigue, “Port Regionalization: Towards a New Phase in Port Development” 2005.

<sup>3</sup> Lakeland Industrial Report Fourth Quarter 2008, Cushman and Wakefield.

<sup>4</sup> Central Florida Industrial Market Trends Fourth Quarter 2008, Grubb and Ellis.

<sup>5</sup> Tampa Bay Industrial Market Trends Fourth Quarter 2008, Grubb and Ellis.

<sup>6</sup> Margaret Cashill, “Polk County Enjoys Healthy industrial Market,” *Tampa Business Journal*, 2008.

<sup>7</sup> Enterprise Florida [www.efflorida.com](http://www.efflorida.com).

<sup>8</sup> Margaret Cashill, “Polk County Enjoys Healthy industrial Market,” *Tampa Business Journal*, 2008.

<sup>9</sup> Robert Pitts, “East Polk Distribution,” *Florida Real Estate Journal*, November, 2008.

### **Governmental Coordination**

Another factor that contributes to West Central Polk County and Plant City's attractiveness to the distribution industry is the business friendly approach taken by local governments in these areas. As mentioned above, the distribution industry has grown rapidly in West Central Polk County and Plant City over the last few years. Recognized as a source of new jobs and economic growth in recent years, the county and many municipal governments have developed strategies to encourage further growth and attract more companies and distribution centers to the area. One such strategy employed by Polk County was the formation of the Central Florida Development Council (CFDC) in 1985. This public/private partnership offers assistance to businesses considering locating to Polk County in several ways: expedited permitting, resolving regulatory issues, obtaining State incentives, and offering financing through industrial bonds<sup>10</sup>. Plant City has its own Economic Development Council (EDC) which serves a similar role.

In addition to local government cooperation, Polk County and Plant City have several utilities agencies with existing infrastructure and experience working with industrial businesses, due in large part to the phosphate industry's long presence. This has contributed to the areas competitive edge to attract distribution industry. For example, as part of the Aldi Company's proposal to build a 500,000 square foot distribution facility in Polk County they asked Progress Energy to move an existing transmission line to accommodate their plan<sup>11</sup>. Despite the high cost, Progress Energy agreed to this partnership in order to expand their customer base and ensure the investment that the distribution center and its associated 80-100 stores would bring.

West Central Polk County and Plant City's attractiveness as a distribution center is related to their locational efficiency to markets, lower rent and land costs, access to a trained labor force, and the willingness of government to partner with distribution companies to foster economic growth.

### **PAST TRENDS IN THE DISTRIBUTION INDUSTRY**

Over the last three decades, major factors have altered the configuration of supply chain networks in the distribution industry. These changes have led to a greater emphasis on decentralized supply networks that offer faster shipping times and lower inventory costs. The population of the Southeastern United States has experienced rapid growth equating to a larger consumer market. The global supply chain has favored manufacturing in countries with low labor costs. All of these changes have caused the distribution industry in Plant City and Polk County to become more robust.

### **Domestic Supply Chain Trends**

In the United States, new supply chain strategies are changing the distribution industry. Supply networks are becoming increasingly focused on quick response and demand-driven supply chain management in order to save money by reducing inventory costs.<sup>12</sup> One strategy used to accomplish this goal is just-in-time (JIT) delivery. This approach first developed in Japan and later adopted by Wal-Mart, has greatly reduced the need for and cost of warehouse space by making the trip from manufacturer to warehouse

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<sup>10</sup> Bonds offered through the Polk Industrial Development Authority (IDA).

<sup>11</sup> "Distribution Industry Replaces Jobs in Southeastern N.C." *Circuit*, Second Quarter 2008.

<sup>12</sup> Rupashri Bhat, "Latest Trends in Distribution Management", August 2004.

more direct and on an as-needed basis. This is accomplished through the use of computer automated systems that link inventory needs to manufacturing invoices. Further streamlining this strategy, new technologies such as Radio Frequency Identification (RFI) are improving the accuracy and timing of deliveries by ensuring reliability. The growing success and popularity of on-demand warehousing is reducing the need for warehouse space, but increasing the need for a broader more decentralized distribution network.

In recent years, there has been a trend among companies in the distribution industry to merge. Eight of history's largest mergers occurred in 2006<sup>13</sup>. By combining resources and reducing supply chain redundancies, these companies are able to take advantage of the efficiency advantages of a larger combined supply chain. This trend along with a push for more but smaller distribution centers is increasing the likelihood that new distribution centers will locate in West Central Polk County and Plant City to be closer to consumer markets.

### Global Supply Chain Trends

Major changes in the global supply chain have occurred in recent years. Many companies have outsourced manufacturing operations to countries with lower labor costs. The majority of goods consumed in the United States are now produced internationally. Two primary factors have led to this arrangement. Transportation costs have decreased, and international trade agreements have encouraged deregulation of trade policies within many nations. These conditions have led supply chain networks to become increasingly spread throughout the globe.

Two factors have drastically reduced transportation costs in the distribution industry. The first is the introduction of containerization in 1956<sup>14</sup>. Where loading and unloading once took a matter of days done by several crews, it can now be done within hours by a handful of longshoremen. This process has drastically reduced shipping times and associated labor costs. The other is low fuel costs. After the fuel price spikes of the late 1970's and early 1980's prices remained relatively low until the 2000s. This combined with containerization kept transportation costs low allowing manufactures wider flexibility in the location of components of their supply chain. Manufacturers have been able to move closer to lower cost labor markets and farther from consumer markets. This has made container cargo the fastest growing segment of the Port of Tampa's business and prompted them to build a container terminal with three gantry cranes<sup>15</sup>. West Central Polk County and Plant City's close proximity allows them to take advantage of this supply chain trend.

International trade agreements have encouraged deregulation of trade restriction within many nations. Agreements such as Bretton Woods, Free Trade Agreement of the Americas (FTAA), North American Free Trade Agreement (NAFTA), and the General Agreement on Tariffs and Trade (GATT) as well as international organizations such as the World Trade Organization (WTO), North Atlantic Trade Organization (NATO), European Free Trade Association (EFTA), and Association of Southeast Asian Nations (ASEAN), have stimulated a substantial amount of trade between nations. As a result, companies

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<sup>13</sup> Narendra Maloni, "Four trends Supply Chain Leaders Need to Understand" *Logistics Management*, 2008.

<sup>14</sup> Marc Levinson, "Container Shipping and the Decline of New York," *Business History Review* 2006.

<sup>15</sup> Tampa Port Authority, [www.tampaport.com](http://www.tampaport.com).

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are able to incorporate lower cost advantages into their supply chain wherever they may be located in the world. This arrangement has caused goods sold in United States markets to be manufactured in countries like Mexico and China where labor is less expensive.

As a result of these conditions, trade has increased between nations. More manufacturing occurs abroad. As a major gateway into the United States, Florida's international trade has grown rapidly. In the last decade, the total value of Florida's merchandise trade has almost doubled, reaching \$130.5 billion in value and making the state one of the world's leaders in international trade<sup>16</sup>.

### Population Growth in Florida

Along with the rest of the Southeastern United States, Florida has experienced rapid growth in the last 60 years. From 1950 to 1960, Florida's population increased by 79 percent the fastest growth of all states for that decade. From 1960 to 1970, it grew from 4,951,560 people to 6,789,447, a 37 percent increase. The population has continued to grow by approximately three million people each decade from 1970 to 2000. As of 2010, Florida's population is approximately 18,800,000. Attracted by a competitive job market, lower costs of living, and mild winters, many people have migrated to Florida. The Florida economy has also kept pace with this growth. The job market in Central Florida increased significantly between 1980 and 2000, by 99 percent in Tampa and 150 percent in Orlando<sup>17</sup>. Florida's rapid population and job market growth has meant the emergence of a large consumer market in the state attracting new companies. It's no coincidence that the distribution industry in Polk and Plant City has grown at a similar pace in the last three decades.

### Transportation Cost vs. Location Cost

As transportation costs increase, it becomes more efficient for organizations with a national distribution network to locate distribution centers closer to their markets. West Central Polk County and Plant City are prime locations to serve Florida. After Atlanta, Polk County is the next logical location for a distribution center in the Southeast to accommodate one day delivery times (**Figure 1**). As transportation costs become increasingly significant, the number of distribution centers is expected to increase<sup>18</sup>. A recent survey suggests the record high fuel prices experienced in 2008 have led many companies to locate distribution networks closer to their markets to reduce transportation costs<sup>19</sup>. If transportation costs continue to follow its historical trend it will rise whether due to an increase in fuel prices, dwindling funding for road improvements, or increased traffic congestion. It will cause more companies to locate distribution centers in Central Florida.

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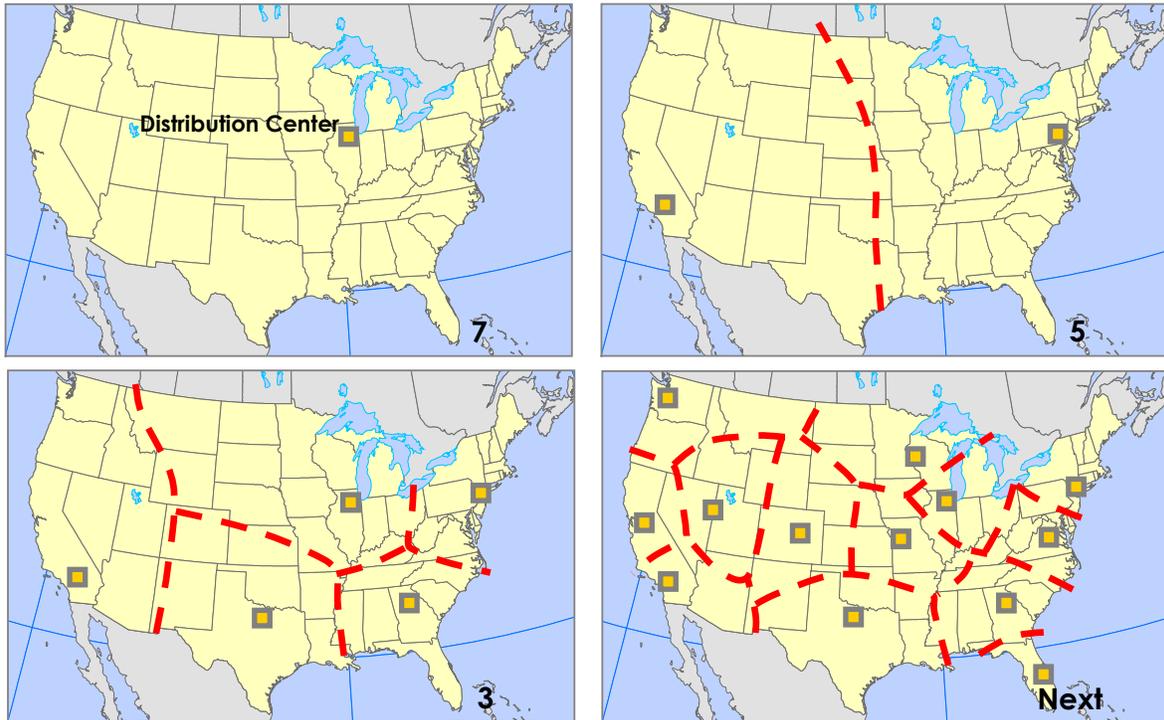
<sup>16</sup> International Trade, [www.efflora.com](http://www.efflora.com).

<sup>17</sup> The State of the South 2000, MDC Inc. Chapel Hill.

<sup>18</sup> Makoto Okumura and Makoto Tsukai, "Distribution Network Configuration Considering Inventory Costs," *Hiroshima University*, 2003.

<sup>19</sup> The Impact of High Fuel Prices on the Logistics Industry' Report," Eyefortransport , " 2008.

FIGURE 1: DISTRIBUTION NETWORK ACCORDING TO RESPONSE TIME TO MARKET AREA



Source: Jean-Paul Rodrigue, "Transportation and the Geographical and Functional Integration of Global Production Networks," 2006

Aside from Florida's fast growing population there are two supply chain phenomena that are driving distribution centers to Florida. One is the outsourcing of manufacturing to other countries, and the other is the location of supply chains closer to markets. Both trends are mutually exclusive when considering transportation costs, yet both contribute to growth within the distribution industry in Florida. This dynamic suggests that the distribution industry will continue to grow in West Central Polk County and Plant City.

### **POLK COUNTY AND PLANT CITY DISTRIBUTION INDUSTRY TODAY**

For the reasons outlined in this White Paper, many companies have chosen to locate distribution centers in West Central Polk County and Plant City. These distribution centers have contributed to a robust distribution industry that makes a substantial contribution to the area's economic vitality. Although Eastern Polk County is beyond the focus of this paper, it is important to note that this portion of the county has also experienced substantial growth in the distribution industry. Major companies such as Mattress Giant, Ferguson, and Lowes have built major distribution centers on the East side of Polk County to better serve the consumers in the Orlando area market. Today, Polk County's distribution industry boasts 475 businesses and a total payroll of 462 million dollars, employing 12,022 people<sup>20</sup>. The warehousing and distribution facilities throughout Polk County and Plant City with more than 300 employees or more are listed in **Table 1**. Six of the top eight centers are located in Polk County.

<sup>20</sup> Central Florida Economic Development Council third quarter of 2008.

<b>Company</b>	<b>Employees<sup>21</sup></b>	<b>Building Area (sq. ft.)<sup>23</sup></b>
Rooms To Go	825	1,700,000
Publix Supermarkets (Gen. Merchandise Facility)	538	672,222
JC Penney	500	360,000
Saddle Creek Corporation	400	2,100,000
Advanced Auto Parts	382	600,000
Save-A-Lot	300 <sup>22</sup>	325,052 <sup>24</sup>
Southern Wine and Spirits	300	653,000
Sweetbay Supermarkets	N/A	625,000
Star Distribution	N/A	605,000

### **Polk County**

The majority of distribution centers in Polk County are located in or near the Lakeland area. This is Polk County's largest city and one of only two industrial markets in Florida to see positive absorption in during the height of the recession in 2008<sup>25</sup>. This is an indication of the distribution industry's success in this area during difficult economic times. In addition to those shown above, other companies with distribution centers in Polk County include Coca-Cola Enterprises, Haverty's, Home Depot Supply, Lowe's, Sherwin Williams, Wal-Mart, Best Buy, and W.S. Badcock Corporation.

### **Rooms To Go**

The distribution center with the largest number of employees is owned by Rooms To Go with 825 employees. This company is one of the top selling furniture retailers in the United States. It serves the Southeast United States with 110 store locations in Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, and Puerto Rico. The 1.7-million-square-foot Polk County distribution center serves all of Florida and parts of Southern Georgia as the next closest center is in Suwannee, Georgia.

### **Publix**

This major supermarket chain operates 1,002 stores located in Florida, Georgia, Alabama, South Carolina, and Tennessee. The company's headquarters are in Lakeland Florida. There are several other Publix distribution facilities in Lakeland including a frozen foods warehouse, dairy facility, and bakery. Of these facilities, the general merchandise distribution center, with 538 employees, employs the largest number of people. Aside from the distribution facilities in Lakeland, Publix maintains six other distribution centers in Florida and one in Georgia. Some of the facilities in Lakeland serve stores throughout the entire state or even other states, where as others serve primarily Central Florida.

<sup>21</sup> Central Florida Economic Development Council.

<sup>22</sup> InfoUSA, 2006.

<sup>23</sup> Lakeland Economic Development Council.

<sup>24</sup> Clayco Inc., [www.claycorp.com](http://www.claycorp.com).

<sup>25</sup> Margaret Cashill "2009 Commercial Real Estate Market Forecast," *Tampa Bay Business Journal*, 2009.

### **JC Penney**

This department store retailer operates 1,093 stores in 49 states and Puerto Rico. The Polk County distribution center serves all of Florida and parts of Southern Georgia as the next closest center is in Atlanta, Georgia. JC Penney's distribution network includes 13 distribution centers, and they are located very close to the 13 locations identified in the one-day delivery model map in Section II.

### **Saddle Creek**

This company is a third party logistics service provider, offering warehousing and logistics services to companies that are not ready to invest in a distribution center of their own, but want the advantages of access to a distribution network close to their markets. Saddle Creek operates 18 logistics centers, mostly located in the Southern United States. Aside from the Polk County distribution center the next closest center is in Leesburg, Florida.

### **Advanced Auto Parts**

This company is a Fortune 500 retailer that sells aftermarket automotive parts. It has 3,400 stores, including 600 in Florida, located in 40 states, spanning from the East Coast to Texas and Nevada. The 600,000-square-foot Polk County distribution center serves all of Florida and parts of Southern Georgia.

### **Southern Wine and Spirits**

This major wine and spirits distributor originated in Miami Florida, but now operates in 29 states. The Polk County distribution center serves stores in parts of central and North Florida as well as parts of Southern Georgia, Alabama, and Mississippi, because the next closest centers are in Miami, FL and Columbia, SC.

### **Plant City**

Plant City is a much smaller area than Polk County, with a population of 33,910<sup>26</sup>. Despite the recent loss of the Smithfield distribution center and Albertson's distribution center<sup>27</sup>, Plant City has an active distribution industry. The center with the highest number of employees in Plant City is owned by Save-A-Lot. Other companies with distribution centers in Plant city include Sweetbay, International Paper, Star Distribution, and Superbrand.

### **Save-A-Lot**

This company is among several brands in the Supervalu Grocery network. Its center in Plant City is supported by many other distribution centers and warehouses in Florida.

### **Sweetbay Supermarket**

This company, soon to be rebranded as Winn—Dixie, operates 100 supermarkets within Florida. The 625,000-square-foot distribution center serves all the company's stores. In addition, company trucks are used to backhaul produce and merchandise from suppliers for redistribution.

### **Star Distribution**

This company is a Truckload/Less than Truckload (TL/LTL) freight distributor operating from a 605,000-square-foot distribution center located on Park Road. The center is also used to transload freight from a

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<sup>26</sup> 2006 estimate, Florida Bureau of Economic Statistics and Business Research.

<sup>27</sup> <http://www.theledger.com/article/20120411/news/120419889>

32-spot rail siding. The company's private truck fleet makes over 800 LTL and TL deliveries daily throughout Florida from its centrally located Plant City facility.<sup>28</sup>

### Transportation Network

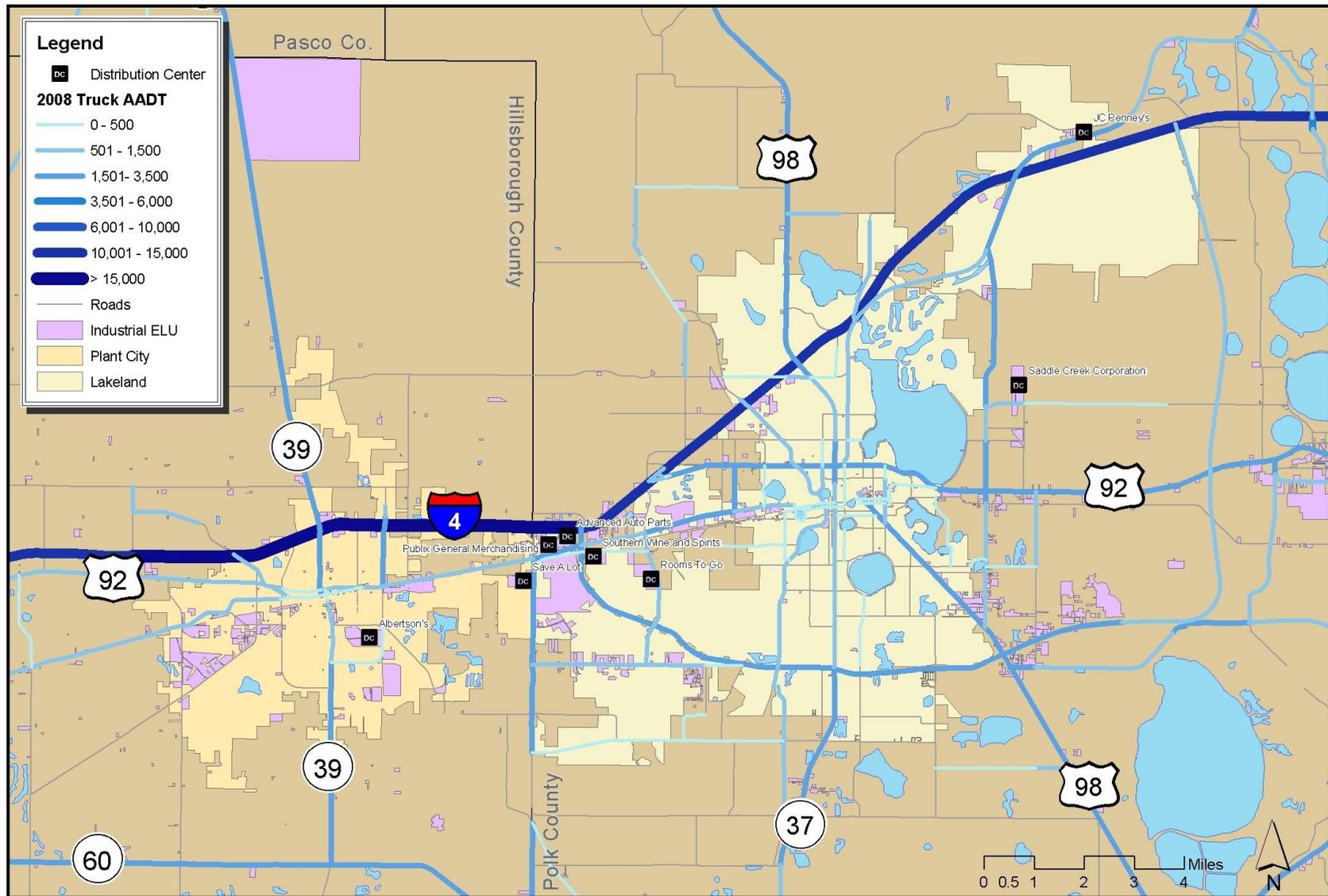
The majority of distribution centers in Polk County and Plant City are located along the I-4 corridor (**Figure 2**). Within Polk County, the largest distribution centers are located in or near the City of Lakeland. The majority are clustered at the county line between Polk and Hillsborough Counties. This stretch is the most trafficked along I-4, with approximately 15,000 trucks a day. The I-4 segment between Lakeland and Plant City has 4,000 more daily truck trips than adjacent section of I-4. This suggests some interaction between industrial businesses in Lakeland and Plant City. When comparing the locations of the eight largest distributions centers and truck volumes, it is clear that truck traffic is greatest on adjacent facilities heading in the direction towards I-4. This is especially apparent when observing truck volumes along Combee Road (SR 659) from the Saddle Creek and JC Penney's distribution centers. It is also clear that these major distribution centers are sources of substantial truck traffic. There is a distinct path from this center along collector roads to SR 39. The trend of these major distribution centers, to locate in close proximity to I-4, suggests that access to major roadway facilities is an important consideration for locating these facilities.

Aside from I-4, there are several other facilities with high truck volumes that connect distribution centers in Plant City and West Central Polk County to the rest of the Tampa Bay Region. Paralleling I-4 between Polk County and Tampa, SR 60 carries between 1,500 and 3,500 truck trips per day. This facility offers nearly direct access to the Port of Tampa. Another facility parallel to I-4 is US 92, which carries an average of between 500 and 1,500 truck trips per day. SR 39, with 1,500 to 3,500 daily truck trips, connects Plant City to Zephyrhills, Dade City, and I-75. US 98 serves a similar function for Lakeland. SR 37 connects Polk County to Port Manatee as well as Manatee and Sarasota Counties. This facility receives between 500 and 1,500 trucks daily.

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<sup>28</sup> Star Distribution website: [stardistribution.us](http://stardistribution.us), as of August 27, 2009.

FIGURE 2: 2008 TRUCK AADT TRAFFIC VOLUMES



Source: FDOT, Transportation Statistics Office

I-4 & COUNTY LINE ROAD

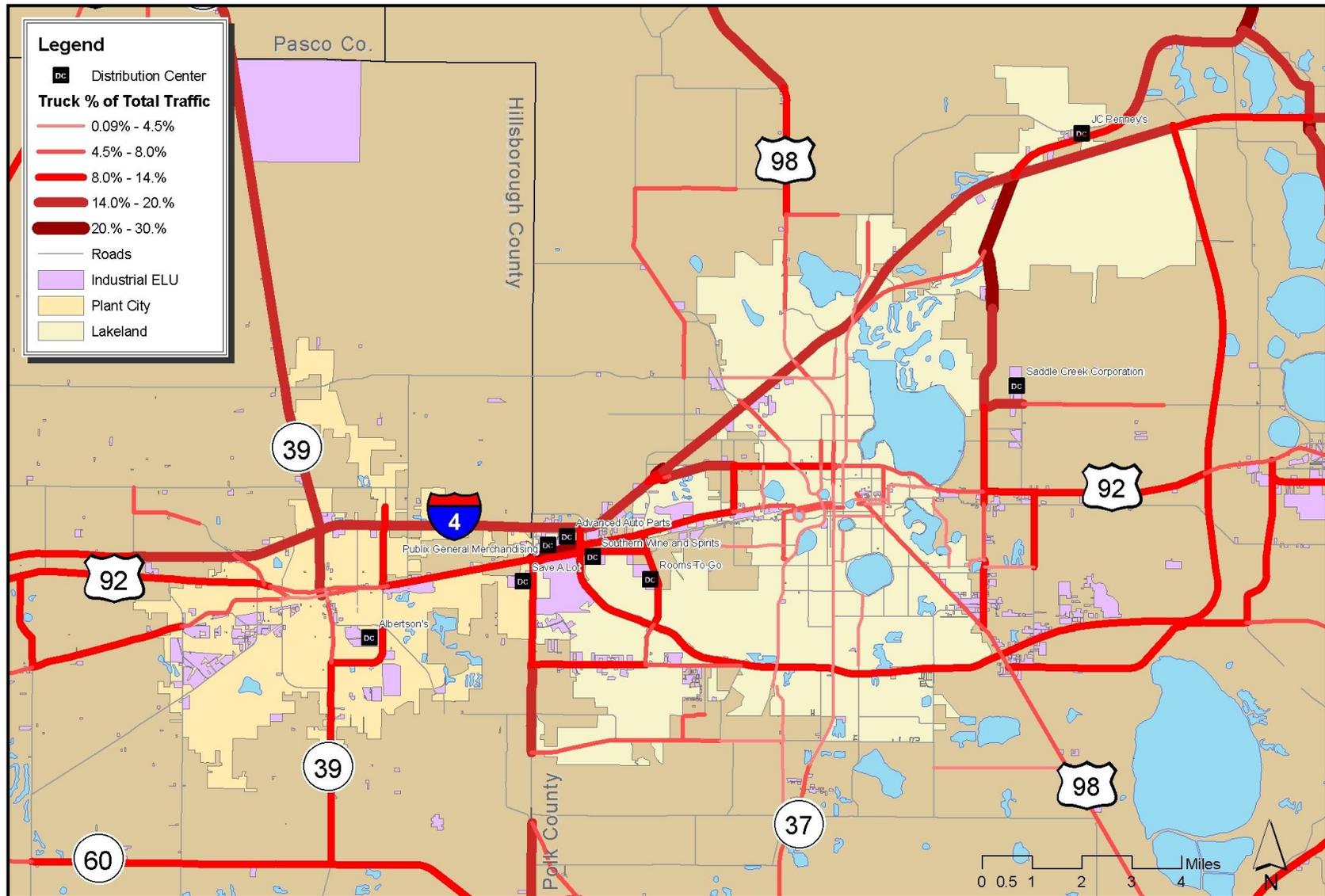


Source: URS 2009

Although I-4 by far receives the greatest number of truck trips as compared to any of the other facilities that connect this area to the rest of Tampa Bay, it also serves as a significant commuter corridor for passenger vehicle trips (**Figure 3**). So much so, that the proportion of truck traffic to passenger vehicles on I-4 is actually lower than the proportion of vehicles on nearby state and federal roads. Facilities such as SR 39 and US 92 receive a higher percentage of truck trips than passenger vehicles as compared to I-4. Another general characteristic of truck routes in the area is that the further one travels from populated areas, the higher the portion of truck traffic. This suggests that more truck trips are typically longer intercity trips and passenger vehicle trips are typically shorter intracity trips.

The major distribution centers within West Central Polk County and Plant City generate a substantial number of truck trips. These distribution centers are part of a larger network of centers. When considering the location of the next closest distribution center in these networks, it can be inferred that these truck trips go beyond the Tampa Bay Region to destinations throughout Florida and the Southeastern United States. The distribution industry in West Central Polk County and Plant City serve a wide market. This has helped this industry to remain fairly stable during a time of economic contraction nationally.

FIGURE 3: 2008 TRUCK TRAFFIC PERCENTAGE OF TOTAL TRAFFIC



Source: FDOT, Transportation Statistics Office

**FUTURE OF THE DISTRIBUTION INDUSTRY IN WEST CENTRAL POLK COUNTY AND PLANT CITY**

Despite the current economic recession, in the long term, the distribution industry in West Central Polk County and Plant City can be expected to grow due to the area’s location advantages, relatively low property values, and distribution industry trends. There are several planned developments, many with phases already constructed, that will contribute to growth in the distribution industry and industrial sector throughout Central Polk County and Plant City.

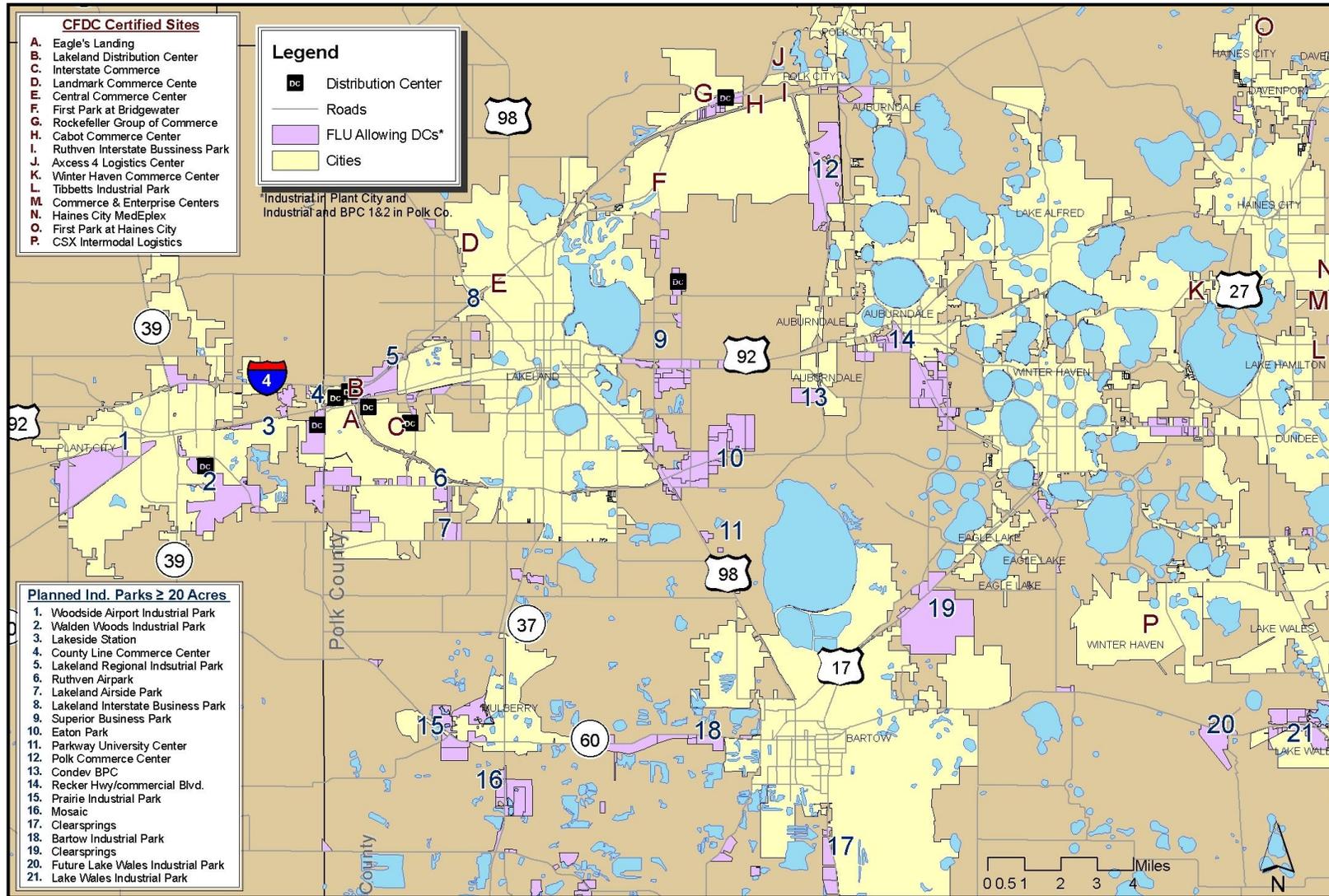
**Figure 4** depicts planned industrial and commercial developments that are 20 acres or larger in Plant City and Central Polk County (1-21) as well as Central Florida Development Council (CFDC) Certified Sites (A-P). Certified sites in Polk County are essentially build-ready sites. Among the vacant sites in Polk County, these are the most likely sites for new growth in the distribution industry to develop. These sites have: appropriate zoning and land use designations, utilities infrastructure, a completed Phase I Environmental Assessment, a completed certified engineering survey, and a geotechnical study assessing the feasibility of construction on the site<sup>29</sup>. **Table 2** lists certified sites in Polk County. These sites total approximately 3,500 acres and represent nearly 19.6 million square feet of future space. Within Polk County these sites are the most likely sites of new warehouse construction, as they are build-ready.

<b>TABLE 2: CENTRAL FLORIDA DEVELOPMENT COUNCIL CERTIFIED SITES*</b>			
<b>Fig. 4 ID</b>	<b>Business Park/Development</b>	<b>Acres</b>	<b>SF</b>
A.	Eagle's Landing	55	310,000
B.	Lakeland Distribution Center & Central Park	838	5,600,000
C.	Interstate Commerce	136	700,000
D.	Landmark Commerce Center	48	750,000
E.	Central Commerce Center	64	890,000
F.	First Park at Bridgewater	120	400,000
G.	Rockefeller Group of Commerce	113	1,200,000
H.	Cabot Commerce Center	60	518,000
I.	Ruthven Interstate Business Park	300	3,000,000
J.	Axcess 4 Logistics Center	104	1,500,000
K.	Winter Haven Commerce Center	32	35,000
L.	Tibbetts Industrial Park	55	700,000
M.	Commerce Center & Enterprise Center	25	400,000
N.	Haines City MedEplex	n/a	400,000
O.	First Park at Haines City	130	1,500,000
P.	CSX Integrated Logistics Center	1,250	3,500,000

\* Does not include all CFDC Certified sites, five sites were excluded due to far proximity from Tampa Bay, and higher probability of serving Orlando and South Florida

<sup>29</sup> Central Florida Development Council [www.cfdc.org](http://www.cfdc.org).

FIGURE 4: PLANNED INDUSTRIAL & COMMERCIAL DEVELOPMENTS



\* Does not include recent changes to Future Land Use for Lakeside Station and CSX Intermodal Logistics Center

Source: Central Florida Development Council, Plant City Chamber of Commerce, Hillsborough County Planning Commission, and Polk County Planning Department.

One project with major implications to the distribution industry in Polk County and Plant City is the CSX Integrated Logistics Center (ILC) planned in Winter Haven. The first phase of this project consists of a 318 acre terminal capable of unloading automobiles and containers directly from train to truck. It will be the first of its kind in the Southeastern United States. At build-out, the ILC is proposed to become a 1,250 acre industrial park<sup>30</sup>. It will improve access to rail facilities for nearby distribution centers and is expected to have a major impact on the industry in Plant City and Central Polk County. This project has received approval from the Central Florida Regional Planning Council and is under construction. When completed, the ILC will likely attract more distribution uses to the area.

Among planned developments 20 acres or greater, there are several large scale developments underway. Clearsprings (17) is a master planned development expected to open December 2013. This 17,500 acre project will have two miles of rail frontage. The Polk Commerce Center (14) is a planned 3,000 acre commercial park adjacent to the site of Florida Polytechnic. Lakeside Station (3) is a planned business park on a 14,000 acre property south of US 92 in Plant City. It is unlikely these projects will be developed before the CFDC Certified Sites. However, if built, these projects will substantially increase the amount of warehouse and office space within Central Polk County and Plant City. Major business parks with existing buildings, but planned growth include: County Line Commerce Center, Lakeland Regional Center, Lakeland Airside Park, Lakeland Interstate Business Park, Superior Business Park, Eaton Park, Parkway University Center, Prairie Industrial Park, Bartow Industrial Park, and Lake Wales Industrial Park. These properties have potential to add additional warehouse space that could serve as distribution facilities in the future.

The CFDC certified sites and planned developments 20 acres or more represent locations where future growth in the distribution industry in Polk County and Plant City can be expected to go (**Figure 4**). Business and industrial parks with existing buildings and planned growth can be expected to capture and accommodate smaller companies and short term growth. Also in the short term, larger companies will likely be attracted to build-ready sites such as the certified sites identified by the CFDC. In the medium and long term, new growth will occur at sites still going through the planning process. Given existing conditions, new growth will occur in areas with good access to I-4 first. Following the development of the CSX ILC, new growth will likely occur near this site and along SR 60.

## PLANNED TRANSPORTATION IMPROVEMENTS

With the expected long-term growth in the distribution industry in Polk County and Plant City, transportation network improvements will be needed to accommodate additional truck traffic. There are several transportation improvements planned that will improve accessibility and mobility for trucks serving the area. The Strategic Intermodal System (SIS) Draft 2035 Cost Feasible Plan identified the following improvements to transportation facilities in the area:

- US 98 from Manor Drive to SR 540 – widen from four to six lanes
- US 27 from Richie Road to Polk/Lake County Line – widen from four to six lanes

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<sup>30</sup> “Development of an Integrated Logistics Center in Winter Haven, Florida,” January 2006.

## **The Distribution Industry in West Central Polk County and Plant City**

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- I-4 from 50th Street to County Line Road – add four special use lanes

In addition to these improvements, the Hillsborough Metropolitan Planning Organization (MPO) 2025 Cost Feasible Long Range Transportation Plan (LRTP) identifies the following improvements:

- Alexander Street between I-4 and SR 39 – widen from two to four lanes
- Park Road between I-4 and Sam Allen Road – widen from two to four lanes
- Sam Allen Road between Park Road and SR 39 – widen from two to four lanes

The Polk County Transportation Planning Organization (TPO) has also identified the following key roadway improvements (among other local improvements) within their 2030 Cost Feasible LRTP:

- I-4 from Hillsborough County Line to Osceola County Line – add four tolled express lanes
- Polk County Parkway from US 92 to I-4 – widen from two to four lanes
- US 92 from Hillsborough County Line to Wabash Avenue – widen from two to four lanes
- US 17/92 from Hinson Avenue to the Osceola County Line – widen from two to four lanes
- The Central Polk Parkway from State Road 60 to State Road 570 (Polk Parkway) – a new 4-lane facility.

Additionally, a road project currently is being moved forward with funding from the American Recovery and Reinvestment Act.

- East-West Connector Road from SR 33 (Combee Rd) to SR 570 (Polk Parkway) - a new 2-lane facility.

With the planned transportation improvements and future commercial space to accommodate distribution centers, Polk County and Plant City are poised for new industrial growth.

Polk County and Plant City are in an excellent geographic location to serve as a distribution hub to Florida and the Southeastern United States. Combine this with the state's expected population growth, the area's accessibility to major transportation facilities and its proximity to the Port of Tampa, it is clear why so many distribution centers are attracted to the area. Volatility in fuel costs and a push for distribution centers to move closer to markets also contribute to the distribution industry growth in Polk County and Plant City. There is available land to accommodate growth in this industry, and current transportation improvement plans will provide improved accessibility. The distribution centers in Polk County and Plant City are expected to continue to serve the state and beyond for the foreseeable future.