



## ***Cellarus Partners***

November 10, 2017

Triumph Gulf Coast Inc  
P.O. Box 12007  
Tallahassee, FL 32317

RE: Triumph Pre Application Submission

Dear Triumph Board Members

On behalf of our entire team at Cellarus Partners I would like to thank the Triumph Board for this unique opportunity to participate in the economic transformation of the greater Gulf Coast of Florida. The project we are proposing that we intend to execute as a public / private partnership with State, County and Local governmental entities in order to ensure the greatest benefits and protection for the taxpayers of the gulf region and the entire State of Florida.

The opportunity we are presenting is certainly large in scope and also in its impact to the region. Every great business starts with a problem that needs to be solved. Given the number of highly trained people that are in our region from the US Air Force and Navy, focusing on other industries where these same skills have critical value is the key to business opportunities and regional economic transformation. Having spent most of my business life in the commercial airline, aviation and aerospace industry, we have always seen very strong synergies with other technical manufacturing industries such as automotive.

To attract such firms to the region more than highly trained and available human capital will be required. While there is available land for large-scale projects such as technical automotive or aerospace development and manufacturing, there is a need for infrastructure as most of these firms have many other options where "ready to build" opportunities are available. Our plans actually move beyond that vision into a large-scale automotive and aerospace technology complex that will create new ways for companies to collaborate and cooperate on common core technologies in developing new products and in some cases new industries.

Cellarus is also proposing that this project be developed as a regional project and be structured as a public and private venture with State, County and City municipalities to best leverage the unique opportunity from the Gulf Coast Recovery Act while also ensuring that the best interests of the region and the taxpayers are fully represented and protected.

We look forward to discussing our plans in greater detail.

Sincerely,

Jeff Erickson  
Chairman

**TRIUMPH GULF COAST, INC. PRE-APPLICATION FORM**

Triumph Gulf Coast, Inc. (“Triumph Gulf Coast”) has created a pre-application process to provide initial consideration of potential ideas for projects or programs that may seek an award of funding. Applicants are required to participate in the pre-application process. Notwithstanding the response from Triumph Gulf Coast on the pre-application form, an Applicant may still elect to submit an Application.

**APPLICANT INFORMATION:**

Name of Individual/Entity/Organization: Cellarus Partners, L.L.C.

Brief Description of Background of Individual/Entity/Organization: A State of Georgia L.L.C  
focused on automotive industry projections made up of a collection of highly experienced Fortune  
500 CXO from the Automotive, Travel & Leisure, Technology and Consulting Industries

Contact Information:

Primary Contact Information: Jeff Erickson

Title: Managing Partner & Chairman

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Website: www.cellaruspartners.com

Names of co-applicants, partners or other entities, organizations that will have a role in the proposed project or program: None at this time

**REQUIRED EXECUTIVE SUMMARY:**

In a maximum of three (3) pages, please describe the proposed project or program, including (i) the amount of funds being sought from Triumph Gulf Coast; (ii) the amount and identity of other sources of funds for the proposed project or program; (iii) the location of the project or program; (iv) summary description of the proposed program, including how the program will be transformational and promote economic recovery, diversification, and enhancement of the disproportionately affected counties, and (v) a summary timeline for the proposed project or program.

**IMPORTANT NOTICE**

This pre-application process will **not** result in an award of funding by Triumph Gulf Coast. Rather, this process is designed to facilitate submission of ideas for potential projects or programs before the Applicant expends time and/or resources to complete a full Application. All Applicants for funding are required to complete an Application, which will be scored, and then considered for award in the discretion of Triumph Gulf Coast Board.

# **Emerald Coast Motorsports Park**

## **Vision Statement**

Cellarus Partners, a Georgia based LLC, is proposing to develop an Automotive, Aerospace and Education industrial development that will leverage the highly valuable human capital resources of the region derived from our US Military and related industries, while also driving Vocational and Science, Technology, Engineering and Math (STEM) education and employment opportunities that will impact the entire Gulf Coast Region. The project vision is centered around the common employment skill set needs for both aerospace and automotive and to create new advanced and high paying positions by attracting commercial opportunities in the automotive and aerospace industries for development, testing and manufacturing in a common infrastructure development. Cellarus Partners plans are centered on creating a new automotive technology development that will include professional racing facilities that will attract a variety of companies to the development from automotive manufacturers and their suppliers to professional race teams and those firms that support them. Such facilities can also draw in manufactures that are looking to create permanent facilities for their dealers and customers to experience their products and can draw participants on a global scale. Facilities and infrastructure can also be designed to provide research and development opportunities for commercial aerospace. Lastly, Cellarus will also look to integrate this project with additional educational opportunities from the high school and college levels as well as youth support programs for K through 12 as may be beneficial to our regional community.

## **Project Summary**

The core of the proposed “Emerald Coast Motorsports Park” project will be a fully sanctioned raceway capable of holding professional racing events but largely focused on a more permanent and on going business model for testing, development and manufacturing of vehicles, technology and components for the automotive and aerospace industries. Cellarus believes strongly that in order to best leverage the unique opportunity presented by the Gulf Coast Recovery Act that a true public / private partnership with State, County and Local stakeholders will be the best model for the State’s taxpayers and local residents.

After a great deal of research Cellarus has found that at present, no existing racing facility has been developed with this industrial focus and that testing time on existing facilities is very limited and is high in cost. Projects that have focused on creating a development to hold races as their primary source of income with testing and industrial aspects as followers have learned that such a business model is financially very challenged and often requires ongoing state and local governmental financial support to remain as a viable business. While this capability will be part of the long-term plan, Cellarus has chosen to focus on creating long term and sustainable jobs as the focus and look to racing events that will drive tourism as a follow on capability. Further, no existing facility has integrated an aerospace focus that further leverages the common skills sets from our regional human capital each industry requires to grow.

Based upon research that Cellarus has performed the economic impact of such a project at maturity should be in excess of \$250 million annually to the region. As an example, the nearest facility that is close to the vision for Emerald Coast Motorsports Park is Barber Motorsports Park in Birmingham Alabama that is actually smaller at 830 acres than what Cellarus is proposing. The Greater Birmingham visitors and Convention Bureau has consistently reported the annual impact of BMSP at in excess of \$145 million annually and has delivered \$1.4 billion to the region over the last ten years. BMSP also

operates on a similar model and has both Porsche and Mercedes as tenants for their brand experience centers for high value customers and their dealers.

In creating such a project it is important to have a clear vision of the stakeholders and the value that this project will bring to their specific industry or business. In the fast paced automotive industry whether you are in the racing or production car side of the space, having access to advanced facilities drives new capabilities that can increase the speed of innovation while decreasing time to market which drives competitive advantage. Such capabilities will enable advanced product development and testing for automotive manufacturers that leverage the advanced workforce capabilities that are present in the gulf region. Such facilities also allow both manufacturers and race teams to grow their businesses by using the facilities for brand experiences for consumers, dealers and sponsors in a highly attractive resort community.

The Florida Gulf Coast has a long and distinguished history of aviation from our strong ties with the US Air Force and US Navy. The ability to both continue that support with additional off base and yet advanced facilities can further strengthen those ties. The ability to also expand further into commercial aviation for such new technologies as autonomous ground and air vehicles and advanced propulsion such as electric drive will be important areas of opportunity and focus. In both automotive and aerospace new and advanced propulsion technologies are in development or on the horizon. While electric propulsion has already come to ground transportation it has now moved into the unmanned vehicle space and a number of viable commercial startups are working on electric turbine drives for aircraft. We are presently seeing that electric propulsion, autonomous aircraft and automotive technologies are leading the way in the creation of entire new industries.

Cellarus Partners is fully committed to integrating with the State and Local Education systems to provide unique career development opportunities. For every business to be successful over the long term it must have a core value of putting more into the community than the community provides to the business. While this may seem to be counter to the current business culture, all great businesses have taken this as part of their mission. Given the mission of Emerald Coast Motorsports Park including training facilities and capabilities will be an opportunity to increase our first responders and military exposure to such training and likely at a lower cost with greater convenience for such personnel and their families. The Florida Gulf Coast already has a solid foundation in vocational education starting at the high school level and moving up through our community colleges and adult vocational education programs. By creating both direct job as well as apprentice programs we can fill in the some of the gaps that exist between education and employment. We also see how new programs that can extend down into the high school level and work to help students of all ages connect their passion for automobiles and aircraft to their schoolwork through special science and education programs.

Certain aspects will take on more of a technology business park where individual firms may purchase or lease facilities or raw land within the complex. The core elements of the proposed project are:

#### **Fully Sanctioned FIA Track Facilities**

The key to the entire project is creating a track that is designed and built as both a development and testing track for race teams, manufacturers and suppliers that is also a fully sanctioned facility by the many racing bodies of the motorsports industry that opens the door to race events in the future.

#### **Race Team Facilities**

With track testing time being both in high demand, by having a world-class track combined with individual and community based facilities a full racing development community to teams and suppliers will be

created that will also create job demand for the high value workforce of the region.

### **Brand Experience Centers**

Many of the world's leading automotive performance brands are looking to grow their abilities to connect with their dealers, suppliers, the media and the public, to promote new products and their overall brand. Having such facilities on track in a resort coastal community will add value to their overall experience.

### **Vehicle Testing and Manufacturing**

Whether the production family car or sedan to high performance vehicles and their supplier community, the opportunity to test and develop together is a key success factor for this project. This can also be extended to our military and first responders to ensure they have the finest equipment possible.

### **Private Track Club**

The private track experience industry is one of the fastest growing sectors in the automotive industry. These services range from a country club model to day events as well as those just offering lap and half day events. These retail extensions will drive global awareness of the track and our region of Florida.

### **Outdoor Karting Track & Club**

Many racers start into their careers in this form of racing so we also see this as a key element of our plans to support regional youth. It is also another area with specialty manufacturers and suppliers so including such firms in our range of view widen the opportunities to attract business to this project.

## **Proposed Budget**

After consultations with the Tilke Group, [www.tilke.de](http://www.tilke.de), the worlds leading architecture and engineering firm with an exclusive focus on industry leading racing facilities for major manufacturers such as Mercedes and Porsche as well as Formula One, the construction of the core raceway will likely have a cost of between \$40M to \$70M, exclusive of land acquisition and other infrastructure costs depending upon site selection. Additional development costs for the industrial capability and common facilities should be budgeted at an additional \$20M to \$30M, again depending upon the site selection and cost. Cellarus has identified parcels that are suitable but due to the size some additional infrastructure development will likely be required. Cellarus has also been pursuing land acquisition, long term lease and partnership structures and taking into account traffic patterns, environmental sensitivities and other variables that also require further study and discussions with local County, City and Community Stakeholders. In addition to outside private equity sources, Cellarus is also aware of other potential State and Federal financing sources that may be utilized.

## **Project Timeline**

Tilke has further advised Cellarus that once the site is cleared for construction and the support infrastructure is in place to service the site that construction is likely to take 18 to 36 months depending upon the size and scale of the overall project. Given the timelines for additional State and Local requirements for economic and environmental impact studies, public review and comment requirements as part of the local review and approval process, that an overall project timeline of 24 to 48 months is a realistic plan. Tilke has also recommended that a phased approach be taken to that development and investment by all parties to be timed with the needs and commitments of firms locating within the project.