

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 for 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: **Santa Rosa County Board of County Commissioners**

Brief Description of Background of Individual/Entity/Organization: Unit of government established by Florida Law.

Contact Information:

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Names of co-applicants, partners or other entities, organizations that will have a role in the proposed project or program: Although not a co-applicant, the U.S. Navy will have a role in this program since it entered into a Limited Access Use Agreement (LAUA) with Santa Rosa County to allow civilian tenants of the Whiting Aviation Park (excluding general aviation) access to the Whiting Field taxiways and runways. General aviation will continue to be served at Peter Prince Airfield which is owned and operated by the county. It is intended that the two airfields will operate independently and complement each other.

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 the 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.

EXECUTIVE SUMMARY

Description of Proposed Project: **Whiting Aviation Park: Design, Engineering Plans and Construction of Phase 1.** The total acreage of the proposed aviation park is 288. Phase 1 is development of 100 acres immediately connecting to the southern airfield and Phase 2 is development of the remaining 188 acres. The goal is to attract aviation industries that perform work on military and/or commercial aircraft, manufacture related parts or are in the supply chain, as well as some non-aviation industry. Civilian aircraft will be allowed use of NAS Whiting Field taxiways and runways.

(i) Funds requested from Triumph Gulf Coast: \$13,405,280.

(ii) Amount and sources of other funds in support of the project: \$3,351,320 (20% from Santa Rosa County), consisting of \$946,600 property acquisition, \$250,000 master plan, \$360,000 security fencing, \$1,794,720 in cash

match. The value of the use of the Navy's airfield cannot be determined but is extremely significant. Additionally, the County has expended \$4.23 million in Florida Defense Infrastructure Grant (DIG) funds to protect 2,233 acres around the base from encroachment that could negatively impact the military mission. The Navy matches the funds 3:1.

(iii) Location: Adjacent to the southern airfield of NAS Whiting Field, north of the City of Milton in Santa Rosa County. Street location is County Road 87A (Marty Martin Way, formerly East Gate Road).

(iv) Summary description including how the program will be transformational and promote economic recovery, diversification, and enhancement of disproportionately affected counties

Transformational

The Gulf Coast Counties on both sides of Santa Rosa County are transforming, and Santa Rosa County can be a part of that transformation with development of the Whiting Aviation Park (WAP). The selection of Mobile, Alabama as the assembly plant for Airbus opened the eyes of the world to the advantages of locating along the northern Gulf Coast. At least one well-established aerospace company in Mobile recently found expansion at Brookley Field, where Airbus is located, to be limited and looked for another location to grow its aerospace maintenance, repair and operations (MRO). VT Mobile Aerospace Engineering (VTMAE) chose Pensacola International Airport for its new 173,000 square foot MRO hangar currently under construction. It will serve commercial and cargo aircraft. The \$46M facility is scheduled to open May 2018. When completed, it will accommodate either two Boeing 777 aircraft, four Boeing 757s or six Airbus A-320s.



In a broadcast on October 27, 2017, WUWF Radio in Pensacola quoted VTMAE President Bill Hafner explaining the reason for the expansion into Florida: “We shopped all around the Tri-State area for expansion. We’re somewhat landlocked in Mobile; there’s a lot of other activity at that airport [Brookley Field]. We wanted to find something within a reasonable distance. Pensacola was very attractive.” VTMAE will employ 150 at start-up and ramp up to as high as 400. Average starting salary will be \$41,000.

Meanwhile, on the eastern side of Santa Rosa County at the Crestview Bob Sikes Airport, the aviation industry has been growing since the 1960s. In 1963, Fairchild Industries opened its Crestview facility with two hangars. It specialized in military aircraft modifications and maintenance but eventually grew to include civilian aircraft. Now owned by L3 Technologies with headquarters in New York, L3 Crestview Aerospace has 553,000 square feet of manufacturing, hangar and administrative facilities. It can accommodate a wide variety of military and civilian aircraft and employs approximately 1,000. So, no doubt the Gulf Coast is transforming with the growth of the aerospace industry, partly fueled by the proximity to military installations.

The Whiting Aviation Park will complement the ongoing development in the surrounding areas and bring access to additional runways through the unique licensing agreement with the U.S. Navy. The Limited Access Use Agreement between the Navy and Santa Rosa County was executed in 2009. The 30 year agreement allows tenants of the Whiting Aviation Park access to the runways and taxiways at NAS Whiting Field for takeoffs and landings. This agreement is the first such one of a kind contract entered between the Navy and a local government for limited access to Navy runways and taxiways. The development of the park will further build upon the unrivaled assets of highly trained former military personnel looking for well-paying jobs that we have in Santa Rosa County and the Northwest Florida region. A recent report to the 114th Congress as of December 2015, there was approximately 35,000 separated military personnel in Florida’s 1st U.S. Congressional District placing us first in the United States with the number separatees. The improvements into the Whiting Aviation Park will catapult our awareness and opportunities in attracting these high paying aviation/aerospace companies to increase the economic growth of our citizens and our former military population.

Economic Recovery

The Santa Rosa Board of County Commissioners has worked for years to bring higher paying jobs to the County. One of the most telling statistics of the county can be seen on the Northwest Florida FORWARD County Snapshots. The net inflow/outflow of commuters is extremely out of Santa Rosa County, which means workers are commuting outside the county to higher paying jobs. They are commuting to the metropolitan core areas of Pensacola, Fort Walton Beach and/or Crestview. The downturn of the economy in 2008 and the Deepwater Horizon Oil Spill in 2010 both hit the county’s economy very hard (unemployment rose from 2.8 in 2006 to 9.5 in 2010) because of the reliance on growth in the construction/housing industry and tourism for jobs and revenues. Years later, the choice among better paying jobs in the county is still limited. As of 2016 according to the County Snapshots, the top five industry sectors by employment are, in order, elementary and secondary schools, limited service restaurants, full service restaurants, the federal government including military, and local government. Missing from the list are manufacturing/industrial and tech employment. Motivated to bring in better paying jobs, over fifteen years ago the County began negotiations with the U. S. Navy for shared use of the NAS Whiting Field airfield with the purpose of creating an adjacent air industrial park. A limited access use agreement was signed with the Navy in 2009, the first of its kind in Naval history. The County purchased 288 acres adjacent to the airfield and developed a master plan. Phase I is design, engineering and construction of the first 100 acres. The timing is perfect for Santa Rosa to take advantage of the

growth in the aviation industry along the Gulf Coast. One prospect, recently lost due to lack of infrastructure would have brought 100+ jobs at an average annual wage of \$50,000, with a \$27 million capital investment and yearly economic impact of \$13.8 million. An analysis by the University of West Florida Haas Center for Business Research and Economic Development shows the economic impact of jobs in the aerospace industry. If 100 jobs were created at WAP with a \$50,000 average wage, the economic impact over 9 years, 2017 – 2025, would be \$143.53 million. Two aerospace companies are currently making inquiries.

Diversification

It is intended that the aviation park attract not only military business but also civilian commercial business. NAS Whiting Field has been one of the legs of the economy of Santa Rosa County for some time, but every Base Realignment and Closure (BRAC) round brings with it the possibility that NAS Whiting Field operations could be moved elsewhere. Although the County has been a leader in property and easement acquisition around the base to protect its mission from encroachment, it must be prepared for the possibility that operations at the base could cease. No date has been set yet for the next round of BRAC, but it is being discussed in Washington D.C. Santa Rosa County has also relied heavily upon tourism and agriculture, both of which are subject to unpredicted devastating events that can wipe out expected revenues, such as the Deepwater Horizon Oil Spill and weather conditions. Development of the aerospace industry will not only diversify the economy but would also provide stability as the need increases for air travel and air service such as cargo operations.

Enhancement of Disproportionately Affected Counties

Santa Rosa County and the region of disproportionately affected counties will be enhanced:

- Aerospace employment will bring jobs with higher pay.
- Aligns with the Northwest Florida FORWARD regional strategic initiative of the aerospace and defense cluster as a targeted industry with a strong outlook for growth.
- Will create net new jobs in a targeted industry.
- Provides a wider regional impact as evidenced by the U.S. Cluster Mapping Project, Institute for Strategy and Competitiveness, Harvard Business School, which shows Northwest Florida as a cluster for the aerospace and defense industry along with nearby counties in Alabama.
- Enhances a targeted industry cluster by making more aviation industrial space available with access to a runway.

(v) Summary timeline. Design, engineering and construction can be completed within 24 – 30 months.

1	Taxiway Yankee improvements
	Haul route for construction equipment and materials
	Rough grade of northern entrance road
2	Taxiway connector TO property line
	South entrance roads connecting with Highway 87A
	Public ramp grading
	Pave northern entrance road
3	Taxiway connector FROM property line
	Public ramp paving
	Connection to City of Milton water supply system and to supply Phase 1 parcels
	Sanitary sewer connection with City of Milton collection and treatment system
	Initial electrical connection to Gulf Power infrastructure
4	Rough grade of parcel sites