



850.623.0174 ■ www.SantaRosaEDO.com ■ 6491 Caroline Street, Suite 4 ■ Milton, Florida 32570-4592

April 13, 2018

Senator Don Gaetz, Chairman
Speaker Allan Bense
Mr. Stan W. Connally, Jr.
Mr. Stephen Riggs, IV
Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, FL 32317

Mr. Ben Lee
Mr. Jason Shoaf
Dr. Pam Dana

Re: Northwest Florida Industrial Park @ I-10 Triumph Application

Dear Chairman Gaetz and Triumph Board Members:

On behalf of the Santa Rosa County BOCC, the Santa Rosa Economic Development Office is pleased to present the full Triumph Application for infrastructure improvements for the Northwest Florida Industrial Park @ I-10. The I-10 Park, owned by Santa Rosa County, is a 90-acre industrial-zoned parcel located ½ mile from Interstate 10 on SR 87 at the southeast corner of Exit 31. The I-10 Industrial Park is one of the few industrial parks in the state that is located within eyesight of I-10, and is also connected to a four-lane divided highway.

The Santa Rosa County BOCC is requesting \$5,301,164 for the development of the industrial park. Santa Rosa County has already heavily invested in this project, with property acquisition and Phase I costs in excess of \$4 million. Santa Rosa County is able to offer an additional cash match of \$920,000 for a total cost share of 40%. The funds will be used to construct additional infrastructure into the park which will provide shovel ready sites throughout the industrial complex for new companies considering relocating to Northwest Florida.

Based upon the Northwest Florida Forward plan from Florida's Great Northwest and the most recent Economic Development Strategic Plan for Santa Rosa County, our key assets for targeting distribution and logistics for the I-10 Park are having a site within four hours of major markets located on an Interstate, number of military veterans in the area with logistics and related skills, along with over 1,200 degrees/certificates granted in majors related to logistics and distribution operations. In addition, the site has undergone a rigorous screening process to be one of nine certified sites throughout Northwest Florida under the Florida First Sites Program, developed by a well-known and respected consulting firm that offered an objective, third party analysis.

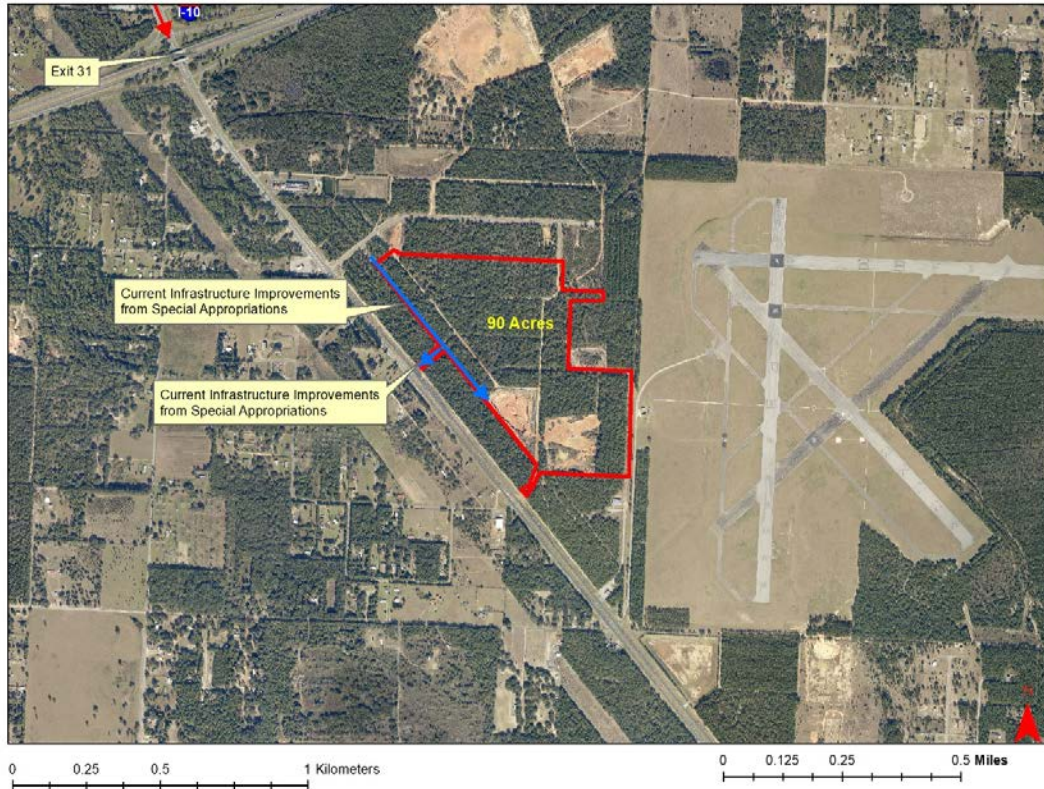
My office is currently working with multiple companies that have expressed interest in the I-10 Park, however additional infrastructure is needed for the site to be fully considered for their operations. See the attached documents for the full application request for the Triumph Funds. Please contact me anytime at 850.791.0195 or Shannon@santarosa.fl.gov if you have any questions or comments.

Sincerely,

, Director

An Office of the Santa Rosa Board of County Commissioners.

Northwest Florida Industrial Park at I-10 Phase 2



Application for Triumph Funding Submitted by the Santa Rosa County Board of County Commissioners



Sam Parker, District 1
Robert A. "Bob" Cole, District 2
W. D. "Don" Salter, District 3
Rob Williamson, District 4
R. Lane Lynchard, District 5

Triumph Gulf Coast, Inc. Trust Fund Application for Funds

Proposal Instructions: The Triumph Gulf Coast, Inc. Trust Fund Grant Application (this document) must be completed by the entity applying for the grant and signed, as applicable, by either the individual applying for funds, an individual authorized to bind the entity applying for funds, a chief elected official, the administrator for the governmental entity or their designee. Please read the Application carefully as some questions may require a separate narrative to be completed. In addition, please complete all Addendums that may be applicable to the proposed project or program.

Triumph Gulf Coast, Inc. will make awards from available funds to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties. Triumph Gulf Coast, Inc. may make awards for:

- Ad valorem tax rate reduction within disproportionately affected counties;
- Local match requirements of s. 288.0655 for projects in the disproportionately affected counties;
- Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties;
- Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
- Grants to support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education; encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties;
- Grants to support programs that provide participants in the disproportionately affected counties with transferable, sustainable workforce skills that are not confined to a single employer; and
- Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism and Fresh From Florida, and grants to promote workforce and infrastructure, on behalf of all of the disproportionately affected counties.

Pursuant to Florida Law, Triumph Gulf Coast, Inc. will provide priority consideration to Applications for projects or programs that:

- Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.
- Increase household income in the disproportionately affected counties above national average household income.
- Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.
- Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.
- Benefit the environment, in addition to the economy.
- Provide outcome measures.
- Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.
- Are recommended by the board of county commissioners of the county in which the project or program will be located.
- Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.

Additionally, the Board of Triumph Gulf Coast, Inc. may provide discretionary priority to consideration of Applications for projects and programs that:

- Are considered transformational for the future of the Northwest Florida region.
- May be consummated quickly and efficiently.
- Promote net-new jobs in the private sector with an income above regional average household income.
- Align with Northwest Florida FORWARD, the regional strategic initiative for Northwest Florida economic transformation.
- Create net-new jobs in targeted industries to include: aerospace and defense, financial services/shared services, water transportation, artificial intelligence, cybersecurity, information technology, manufacturing, and robotics.
- Promote industry cluster impact for unique targeted industries.
- Create net-new jobs with wages above national average wage (*e.g.*, similar to EFI QTI program, measured on graduated scale).
- Are located in Rural Area of Opportunity as defined by the State of Florida (DEO).
- Provide a wider regional impact versus solely local impact.
- Align with other similar programs across the regions for greater regional impact, and not be duplicative of other existing projects or programs.
- Enhance research and innovative technologies in the region.
- Enhance a targeted industry cluster or create a Center of Excellence unique to Northwest Florida.

- Create a unique asset in the region that can be leveraged for regional growth of targeted industries.
- Demonstrate long-term financial sustainability following Triumph Gulf Coast, Inc. funding.
- Leverage funding from other government and private entity sources.
- Provide local investment and spending.
- Are supported by more than one governmental entity and/or private sector companies, in particular proposed projects or programs supported by more than one county in the region.
- Provide clear performance metrics over duration of project or program.
- Include deliverables-based payment system dependent upon achievement of interim performance metrics.
- Provide capacity building support for regional economic growth.
- Are environmentally conscious and business focused.
- Include Applicant and selected partners/vendors located in Northwest Florida.

Applications will be evaluated and scored based on compliance with the statutory requirements of the Triumph Gulf Coast legislation, including but not limited to the priorities identified therein and the geographic region served by the proposed project or program.

Applicant Information

Name of Individual (if applying in individual capacity): _____

Name of Entity/Organization: Santa Rosa County Board of County Commissioners

Background of Applicant Individual/Entity/Organization: Santa Rosa County is a unit of government established by Florida Law.

Federal Employer Identification Number: 59-6000842

Contact Information:

Primary Contact Information: Shannon Ogletree

Title: Director, Santa Rosa Economic Development Office (EDO)

Mailing Address: 6491 Caroline Street, Suite 4
Milton, Florida 32570

Phone: 850-623-0174

Email: shannon@santarosa.fl.gov

Website: www.santarosaedo.com

Identify any co-applicants, partners, or other entities or organizations that will have a role in the proposed project or program and such partners proposed roles.

None.

Total amount of funding requested from Triumph Gulf Coast: \$5,301,164

Has the applicant in the past requested or applied for funds for all or part of the proposed project/program?

☒ Yes ☐ No

If yes, please provide detailed information concerning the prior request for funding, including:

- the date the request/application for funding was made;
- the source to which the request/application for funding was made,
- the results of the request/application for funding, and
- projected or realized results and/or outcomes from prior funding.

In 2016, the county was awarded \$1 million through an Economic Development Transportation Fund (EDTF) appropriation, in response to the county's requests to the legislature.

Describe the financial status of the applicant and any co-applicants or partners:

The most recent audit of the county's financial status showed the county as financially sound. The audit was performed on the Consolidated Annual Financial Report for Period Ending September 30, 2017 by Warren Averitt CPAs and Advisors, whose findings were in a letter signed March 9, 2018. Please see Attachment 1 Financial Status and Statement from the report.

In a separate attachment, please provide financial statements or information that details the financial status of the applicant and any co-applicants or partners.

Please see the county's financial statement on pages 2 - 5 of Attachment 1.

Has the applicant or any co-applicants, partners or any associated or affiliated entities or individuals filed for bankruptcy in the last ten (10) years?

☐ Yes ☒ No

If yes, please identify the entity or individual that filed for bankruptcy and the date of filing.

Eligibility

Pursuant to Section 288.8017, Triumph Gulf Coast, Inc. was created to make awards from available funds to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties. The disproportionately affected counties are: Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Walton County, or Wakulla County. *See*, Section 288.08012.

1. From the choices below, please check the box that describes the purpose of the proposed project or program (check all that apply):

- ☐ Ad valorem tax rate reduction within disproportionately affected counties;
- ☐ Local match requirements of s. 288.0655 for projects in the disproportionately affected counties;
- ☒ Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties;
- ☐ Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
- ☐ Grants to support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education, encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties;
- ☐ Grants to support programs that provide participants in the disproportionately affected counties with transferable, sustainable workforce skills that are not confined to a single employer; and
- ☐ Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism and Fresh From Florida, and grants to promote workforce and infrastructure, on behalf of all of the disproportionately affected counties.

2. Provide the title and a detailed description of the proposed project or program, including the location of the proposed project or program, a detailed description of, and quantitative evidence demonstrating how the proposed project or program will promote economic recovery, diversification, and enhancement of the disproportionately affected counties, a proposed timeline for the proposed project or program, and the disproportionately affected counties that will be impacted by the proposed project or program.

Please see Attachment 2, Project Description.

3. Explain how the proposed project or program is considered transformational and how it will affect the disproportionately affected counties in the next ten (10) years.

Please see Attachment 3.

4. Describe data or information available to demonstrate the viability of the proposed project or program.

Please see Attachment 4.

5. Describe how the impacts to the disproportionately affected counties will be measured long term.

The impacts would be measured long term by reviewing the following indicators over a ten-year period: (1) number of jobs, (2) average wage, and (3) amount of capital investment.

6. Describe how the proposed project or program is sustainable. (Note: Sustainable means how the proposed project or program will remain financially viable and continue to perform in the long-term after Triumph Gulf Coast, Inc. funding.)

The Triumph funding will be used to complete infrastructure construction of the NWFL Industrial Park at I-10 with a focus on attracting businesses in the transportation/logistics/warehouse sector as well as aerospace and defense businesses that do not require access to a runway. Prospective businesses have already expressed strong interest in the site. One would bring 350 jobs with \$68 million capital investment and average wage of \$59,190 annually. A second would bring 375 jobs, \$35 million in capital investment, and \$35,000 average wage. Once the infrastructure is in place, it will be maintained by the county. The outlook for the logistics and aerospace and defense sectors, as shown in NWFL Forward is very promising.

7. Describe how the deliverables for the proposed project or program will be measured.

County Grants, Engineering, and Santa Rosa EDO have an established track record of measuring deliverables for infrastructure projects. They will be measured according to the specifications detailed in the bid packages and contracts. An engineering firm will be hired to provide construction engineering and inspection (CEI) services.

1. Please check the box if the proposed project or program will meet any of the following priorities (check all that apply):

☒ Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.

☒ Increase household income in the disproportionately affected counties above national average household income.

☒ Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.

Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.

Benefit the environment, in addition to the economy.

☒ Provide outcome measures.

Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.

☒ Are recommended by the board of county commissioners of the county in which the project or program will be located.

Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.

2. Please explain how the proposed project meets the priorities identified above.

Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.

The University of West Florida Haas Center for Business Research and Economic Development analyzed the long-term economic growth potential in 2016. Please see Attachment 3 for an explanation of the estimated \$267 million impact over 9 years based on 350 jobs in the distribution/warehouse industry created at the I-10 Industrial Park at an average wage of \$40,000.

Increase household income in the disproportionately affected counties above national average household income.

Two potential tenants interested in the park currently would hire 350 employees at \$59,190 average wage and 375 employees at \$35,000 average wage. The mean (average) US household income is \$77,866 (according to the US Census 2016 American Community Survey). If two people were working in the household and one earned either \$59,190 or \$35,000 annually, it is conceivable their household income would exceed the mean.

Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.

The project is located near several large military installations: Eglin Air Force Base, Hurlburt Field, the Army 7th Special Forces Group, NAS Whiting Field and NAS Pensacola. Tyndall Air Force Base and the Naval Coastal Research Lab are a few hours away in Panama City.

Provide outcome measures.

The outcome measures will be a review of the following indicators: (1) number of jobs (2) average wage, (3) amount of capital investment.

Are recommended by the board of county commissioners of the county in which the project or program will be located.

The project application was approved by the Santa Rosa Board of County

Commissioners at their regular meeting on April 12, 2018.

3. Please explain how the proposed project or program meets the discretionary priorities identified by the Board.

Please see Attachment 5.

4. In which of the eight disproportionately affected county/counties is the proposed project or program located? (Circle all that apply)

Escambia **Santa Rosa** Okaloosa Walton Bay Gulf Franklin Wakulla

5. Was this proposed project or program on a list of proposed projects and programs submitted to Triumph Gulf Coast, Inc., by one (or more) of the eight disproportionately affected Counties as a project and program located within its county?

Yes, Santa Rosa County.

6. Does the Board of County Commissioners for each County listed in response to question 5, above, recommend this project or program to Triumph?

Yes

**Please attach proof of recommendation(s) from each County identified.

Please see Attachment 6 BOCC Regular Meeting Agenda 4/12/2018.

Approvals and Authority

1. If the Applicant is awarded grant funds based on this proposal, what approvals must be obtained before Applicant can execute an agreement with Triumph Gulf Coast, Inc.?

If awarded, the County Attorney will review the agreement and it will be on the agenda of a BOCC meeting for the Board to authorize the Chairman to sign the agreement. No other approvals are needed.

2. If approval of a board, commission, council or other group is needed prior to execution of an agreement between the entity and Triumph Gulf Coast:
 - A. Provide the schedule of upcoming meetings for the group for a period of at least six months.
 - B. State whether that group can hold special meetings, and if so, upon how many days' notice.

Please see Attachment 7 Schedule of BOCC meetings. In addition, the BOCC can hold special meetings with generally 7 days notice.

3. Describe the timeline for the proposed project or program if an award of funding is approved, including milestones that will be achieved following an award through completion of the proposed project or program.

Please see Attachment 8 Timeline.

4. Attach evidence that the undersigned has all necessary authority to execute this proposal on behalf of the entity applying for funding. This evidence may take a variety of forms, including but not limited to: a delegation of authority, citation to relevant laws or codes, policy documents, etc. In addition, please attach any support letters from partners. Please see Attachment 9 BOCC Authority.

Funding and Budget:

Pursuant to Section 288.8017, awards may not be used to finance 100 percent of any project or program. An awardee may not receive all of the funds available in any given year.

1. Identify the amount of funding sought from Triumph Gulf Coast, Inc. and the time period over which funding is requested.
\$5,301,164 is requested from Triumph over 25 months. For this project, the county will provide \$920,000 cash match.
2. What percentage of total program or project costs does the requested award from Triumph Gulf Coast, Inc. represent? (Please note that an award of funding will be for a defined monetary amount and will not be based on percentage of projected project costs.)
Please see Attachment 10 which shows the requested Triumph award as 50.1% of the total expenditures on the I-10 Industrial Park including Phases 1 and 2. The county total match for Phases 1 and 2 is 40.5% including the \$920,000 match for this project. The remaining 9.4% was funded by a legislative appropriation through the FL Department of Transportation Economic Development Transportation Fund (EDTF).
3. Please describe the types and number of jobs expected from the proposed project or program and the expected average wage.
Following are number and type of jobs expected based on current interested parties working with the Santa Rosa EDO: (1) NAICS Code 336412 Aircraft Engine and Engine Parts Manufacturing, 350 jobs, \$68 million capital investment, \$59,190 average wage and (2) NAICS Code 4244, Grocery and Related Product Merchant Wholesalers, 375 jobs, \$35 million capital investment, and \$35,000 average wage.
4. Does the potential award supplement but not supplant existing funding sources? If yes, describe how the potential award supplements existing funding sources.
Yes, the award does not supplant existing funding sources because no other funds have been identified at this point, other than the county match of \$920,000 for Phase 2. It does supplement the overall expenditures: \$3,089,200 property acquisition, \$1million EDTF appropriation, and \$277,200 county reserves for a total of \$4,366,400.
5. Please provide a Project/Program Budget. Include all applicable costs and other funding sources available to support the proposal.

A. Project/Program Costs:

Example Costs (Note: Not exhaustive list of possible Cost categories.)

Construction	\$ <u>5,671,164</u>
Reconstruction	\$ <u>0</u>
Design & Engineering	\$ <u>550,000</u>
Land Acquisition	\$ <u>0</u>
Land Improvement	\$ <u> </u>
Equipment	\$ <u>0</u>
Supplies	\$ <u>0</u>
Salaries	\$ <u>0</u>

Other (specify) \$ _____

Total Project Costs: \$ 6,221,164

B. Other Project Funding Sources:

Example Funding Sources (Note: Not an exhaustive list of possible Funding Sources.)

City/County \$ 920,000

Private Sources \$ _____

Other (e.g., grants, etc.) \$ _____

Total Other Funding \$ 920,000

Total Amount Requested: \$ 5,301,164

Note: The total amount requested must equal the difference between the costs in 3A. and the other project funding sources in 3.B.

C. Provide a detailed budget narrative, including the timing and steps necessary to obtain the funding and any other pertinent budget-related information.

After the Board of County Commissioners approves the agreement with Triumph, a budget amendment will be on the agenda at the next regular commission meeting, usually held twice monthly. The budget amendment will recognize the Triumph award and designate a county account(s) as source for the match.

Applicant understands that the Triumph Gulf Coast, Inc. statute requires that the award contract must include provisions requiring a performance report on the contracted activities, must account for the proper use of funds provided under the contract, and must include provisions for recovery of awards in the event the award was based upon fraudulent information or the awardee is not meeting the performance requirements of the award.

Yes

Applicant understands that awardees must regularly report to Triumph Gulf Coast, Inc. the expenditure of funds and the status of the project or program on a schedule determined by Triumph Gulf Coast, Inc.

Yes

Applicant acknowledges that Applicant and any co-Applicants will make books and records and other financial data available to Triumph Gulf Coast, Inc. as necessary to measure and confirm performance metrics and deliverables.

Yes

Applicant acknowledges that Triumph Gulf Coast, Inc. reserves the right to request additional information from Applicant concerning the proposed project or program.

Yes

ADDENDUM FOR INFRASTRUCTURE PROPOSALS:

1. Program Requirements

- A. Is the infrastructure owned by the public?
☒ Yes ☐ No
- B. Is the infrastructure for public use or does it predominately benefit the public?
☒ Yes ☐ No
- C. Will the public infrastructure improvements be for the exclusive benefit of any single company, corporation or business entity?
☐ Yes ☒ No
- D. Provide a detailed explanation of how the public infrastructure improvements will connect to a broader economic development vision for the community and benefit additional current and future businesses.
[Please see Attachment 11 Connection to Economic Development Vision.](#)
- E. Provide a detailed description of, and quantitative evidence demonstrating how the proposed public infrastructure project will promote:
- Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

[Please see Attachment 12 Economic Recovery, Diversification, Enhancement of Disproportionately Affected Counties, and Enhancement of a Targeted Industry.](#)

2. Additional Information

- A. Is this project an expansion of existing infrastructure project?
☒ Yes ☐ No
- B. Provide the proposed beginning commencement date and number of days required to complete construction of the infrastructure project.
[If the project was awarded on June 1, 2018, the project would be completed within 25 months.](#)

- C. What is the location of the public infrastructure? (Provide the road number, if applicable.)

On State Road 87, one half mile south of the I-10/State Road 87 interchange, Exit 31.

- D. Who is responsible for maintenance and upkeep? (Indicate if more than one are applicable.)

Santa Rosa County Board of County Commissioners

- E. What permits are necessary for the infrastructure project?

NWFWMD stormwater, wetlands, FDEP potable water and sewer, SRC land use and stormwater

Detail whether required permits have been secured, and if not, detail the timeline for securing these permits. Additionally, if any required permits are local permits, will they be prioritized?

Permits have been secured.

- F. What is the future land use and zoning designation on the proposed site of the Infrastructure improvement, and will the improvements conform to those uses?

Future land use is Industrial. Zoning designation is M1 Restricted Limited Industrial which allows distribution and warehousing and some manufacturing and assembly. Improvements will conform to the uses.

- G. Will an amendment to the local comprehensive plan or a development order be required on the site of the proposed project or on adjacent property to accommodate the infrastructure and potential current or future job creation opportunities? If yes, please detail the timeline

☒ Yes ☒ No

An amendment to the comprehensive plan is not required. A development order is required.

- H. Does this project have a local match amount? If yes, please describe the entity providing the match and the amount.

☒ Yes ☐ No

Santa Rosa County Board of County Commissioners is providing the local match of \$ 920,000.

- I. Provide any additional information or attachments to be considered for this proposal.

No other attachments are provided.

(If additional space is needed, please attach a Word document with your entire answer.)

I, the undersigned, do hereby certify that I have express authority to sign this proposal on my behalf or on behalf of the above-described entity, organization, or governmental entity:

Name of Applicant: Santa Rosa County Board of County Commissioners

Name and Title of Authorized Representative: Robert A. "Bob" Cole, Chairman

Representative Signature: 

Signature Date: April 12, 2018

10/13/2017 FINAL

Attachment 1
Financial Status and Statement

As management of Santa Rosa County (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-4 of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$186,791,951 (*net position*). Of this amount, \$14,477,768 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$7,898,290; governmental activities increased by \$3,677,188 and business-type activities increased by \$4,221,102. The increase in total net position was primarily due to the revenues from the Local Option Sales Tax collections which were approved by the Citizens of Santa Rosa County in November 2016 and increased revenues in the Landfill fund generated by a rate increase that was implemented midway through the prior year and increased traffic.
- At the close of the current fiscal year, the County governmental funds reported combined fund balances of \$77,058,504, an increase of \$9,316,874 in comparison with the prior year. Approximately 43% of this amount (\$32,765,298) is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the governmental funds were \$58,191,114, or approximately 76% of total general fund expenditures.
- The County's total outstanding long-term notes decreased by \$1,906,768 during the current fiscal year due to normal debt service principal reductions.

OVERVIEW OF THE FINANCIAL STATEMENTS

The County's basic financial statements consist of three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to the financial statements*. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide financial statements

The *Government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the County's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Santa Rosa County, Florida

STATEMENT OF NET POSITION

September 30, 2017

ASSETS	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 80,466,289	\$ 12,373,597	\$ 92,839,886
Investments	1,366,047	10,035,008	11,401,055
Receivables, net	9,285,819	1,183,930	10,469,749
Inventory	427,233	--	427,233
Prepaid expenses	183,121	10,850	193,971
Capital assets, net			
Nondepreciable	20,242,178	2,260,847	22,503,025
Depreciable	123,869,902	14,667,592	138,537,494
Total assets	<u>235,840,589</u>	<u>40,531,824</u>	<u>276,372,413</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows on pension	25,850,084	630,919	26,481,003
Deferred outflows on health insurance subsidy	2,423,751	85,207	2,508,958
Total deferred outflows of resources	<u>28,273,835</u>	<u>716,126</u>	<u>28,989,961</u>
LIABILITIES			
Accounts payable	4,823,209	689,083	5,512,292
Accrued wages payable	1,522,292	56,763	1,579,055
Interest payable	67,377	--	67,377
Due to other governments	933,079	1,730	934,809
Deposits	317,686	74,990	392,676
Unearned revenue	211,972	--	211,972
Noncurrent liabilities			
Due within one year	6,090,604	735,323	6,825,927
Due in more than one year	84,800,572	13,014,279	97,814,851
Total liabilities	<u>98,766,791</u>	<u>14,572,168</u>	<u>113,338,959</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows on pension	3,510,889	88,629	3,599,518
Deferred inflows on health insurance subsidy	1,572,029	59,917	1,631,946
Total deferred inflows of resources	<u>5,082,918</u>	<u>148,546</u>	<u>5,231,464</u>

Continued ...

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida

STATEMENT OF NET POSITION (Continued)

September 30, 2017

NET POSITION	Governmental Activities	Business-type Activities	Total
Net investment in capital assets	138,455,253	14,825,920	153,281,173
Restricted for:			
Landfill closure	--	775,974	775,974
Communications	1,403,428	--	1,403,428
Boating improvement	490,514	--	490,514
Domestic violence	178,902	--	178,902
Voter education	2,748	--	2,748
Pollworker recruitment	1,887	--	1,887
Federal elections	8,384	--	8,384
Partners for pets	68,479	--	68,479
Navarre Beach Bridge maintenance	313,705	--	313,705
Infrastructure development	5,438,384	--	5,438,384
Law Enforcement Trust Fund	101,466	--	101,466
Crime prevention	430,875	--	430,875
Mosquito control	41,294	--	41,294
Federal and state grants	1,588,741	--	1,588,741
Enhanced 911 system	750,985	--	750,985
Tourist development	2,602,497	--	2,602,497
State Housing Improvement Program	799,102	--	799,102
Flood Mitigation	1,044,519	--	1,044,519
Road and sewer construction	568,454	--	568,454
Canal maintance	97,789	--	97,789
Street lighting	116,577	--	116,577
Beach restoration	18,374	--	18,374
State court operations	46,606	--	46,606
Court equipment and technology	671,740	--	671,740
Records modernization trust fund	559,971	--	559,971
Law enforcement training	55,200	--	55,200
Inmate welfare purchases	856,415	--	856,415
Unrestricted	3,552,426	10,925,342	14,477,768
Total net position	<u>\$ 160,264,715</u>	<u>\$ 26,527,236</u>	<u>\$ 186,791,951</u>

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida

STATEMENT OF ACTIVITIES

Year ended September 30, 2017

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for	Operating	Capital	Governmental	Business-	Total
		Services	Grants and	Grants and	Activities	type	
			Contributions	Contributions		Activities	
Governmental activities:							
General government	\$ 37,736,557	\$ 21,197,919	\$ 629,711	\$ --	\$ (15,908,927)		\$ (15,908,927)
Public safety	52,450,324	6,896,820	889,022	400,346	(44,264,136)		(44,264,136)
Physical environment	2,998,450	4,905,470	218,104	130,655	2,255,779		2,255,779
Transportation	18,934,986	89,554	219,977	--	(18,625,455)		(18,625,455)
Economic environment	4,199,034	--	317,895	288,577	(3,592,562)		(3,592,562)
Human services	5,057,580	40,752	1,147,684	--	(3,869,144)		(3,869,144)
Culture and recreation	4,936,499	494,202	259,768	--	(4,182,529)		(4,182,529)
Interest on long-term debt	142,439	--	--	--	(142,439)		(142,439)
Total governmental activities	126,455,869	33,624,717	3,682,161	819,578	(88,329,413)		(88,329,413)
Business-type activities:							
Navarre Beach water and sewer	2,189,343	2,163,525	--	--		\$ (25,818)	(25,818)
Peter Prince Airport	1,693,305	297,426	--	1,080,363		(315,516)	(315,516)
Landfill	4,696,122	9,503,609	--	--		4,807,487	4,807,487
Total business-type activities	8,578,770	11,964,560	--	1,080,363		4,466,153	4,466,153
Total	135,034,639	45,589,277	3,682,161	1,899,941	(88,329,413)	4,466,153	(83,863,260)
General revenues:							
Taxes							
Property taxes					49,696,435	--	49,696,435
Sales, use and fuel taxes					15,431,701	--	15,431,701
Communication services taxes					1,179,568	--	1,179,568
Grants and contributions not restricted to specific programs					15,654,670	--	15,654,670
Unrestricted investment earnings					539,578	139,703	679,281
Miscellaneous					8,988,712	61,301	9,050,013
Gain on sale of assets					--	69,882	69,882
Transfers					515,937	(515,937)	--
Total general revenues and transfers					92,006,601	(245,051)	91,761,550
Change in net position					3,677,188	4,221,102	7,898,290
Net position - beginning					156,587,527	22,306,134	178,893,661
Net position - ending					\$ 160,264,715	\$ 26,527,236	\$ 186,791,951

The accompanying notes are an integral part of these financial statements.

Santa Rosa County, Florida

**BALANCE SHEET
GOVERNMENTAL FUNDS**

September 30, 2017

ASSETS	General	Road and Bridge	Local Option Sales Tax	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 40,260,419	\$ 8,140,589	\$ 3,522,367	\$ 21,646,518	\$ 73,569,893
Investments	721,972	--	--	--	721,972
Receivables, net of uncollectibles					
Accounts	119,296	26,787	--	682,433	828,516
Leases - current	273,188	--	--	--	273,188
Notes	436,375	--	--	--	436,375
Due from other governments	4,245,408	1,263,171	548,711	1,630,426	7,687,716
Due from other funds	630,308	--	--	36,047	666,355
Inventory	72,278	354,955	--	--	427,233
Prepaid expenditures	183,121	--	--	--	183,121
Total assets	<u>\$ 46,942,365</u>	<u>\$ 9,785,502</u>	<u>\$ 4,071,078</u>	<u>\$ 23,995,424</u>	<u>\$ 84,794,369</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,938,332	\$ 307,248	\$ 12,130	\$ 1,395,476	\$ 3,653,186
Accrued wages payable	1,272,519	131,983	--	112,710	1,517,212
Deposits	317,686	--	--	--	317,686
Unearned revenue	143,409	--	--	68,563	211,972
Due to other funds	724	--	--	665,631	666,355
Due to other governments	473,369	--	--	459,710	933,079
Total liabilities	<u>4,146,039</u>	<u>439,231</u>	<u>12,130</u>	<u>2,702,090</u>	<u>7,299,490</u>
Deferred inflows of resources:					
Deferred inflows of resources related to note receivable	<u>436,375</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>436,375</u>
Combined liabilities and deferred inflows of resources	<u>4,582,414</u>	<u>439,231</u>	<u>12,130</u>	<u>2,702,090</u>	<u>7,735,865</u>
Fund balances:					
Nonspendable	255,399	354,955	--	--	610,354
Restricted	2,154,342	313,705	4,058,948	11,730,041	18,257,036
Committed	3,600,551	--	--	9,236,431	12,836,982
Assigned	2,797,226	8,677,611	--	1,113,997	12,588,834
Unassigned	<u>33,552,433</u>	<u>--</u>	<u>--</u>	<u>(787,135)</u>	<u>32,765,298</u>
Total fund balances	<u>42,359,951</u>	<u>9,346,271</u>	<u>4,058,948</u>	<u>21,293,334</u>	<u>77,058,504</u>
Total liabilities and fund balances	<u>\$ 46,942,365</u>	<u>\$ 9,785,502</u>	<u>\$ 4,071,078</u>	<u>\$ 23,995,424</u>	<u>\$ 84,794,369</u>

The accompanying notes are an integral part of these financial statements.

Attachment 2

Project Description

1. **Title:** NWFL Industrial Park at I-10, Phase 2
2. **Description:** The project is to construct infrastructure on 90 acres of county-owned property to develop it as an industrial park. Phase 1 is underway. Please see the attached drawing.
3. **Location:** On State Road 87, one half mile south of the I-10/State Road (SR) 87 interchange, Exit #31 on I-10 in Santa Rosa County. This segment of SR 87 from US 98 to I-10 is on Florida's Strategic Intermodal System (SIS), a network of transportation facilities important to the state's economy.
4. **How the proposed project promotes economic recovery, diversification and enhancement of the disproportionately affected counties:**
 - a. Economic Recovery: Santa Rosa County took a very hard hit after the downturn of the economy in 2008 and the Deepwater Horizon Oil Spill in 2010. According to the Northwest Florida FORWARD website, unemployment rose from 2.8 in 2006 to 9.5 in 2010. The County relied 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. Unemployment has dropped to slightly over 4%, but as the industry sector jobs show, most better paying jobs are in government (school, military and local government). Investment in the infrastructure of the park will play a vital role in Santa Rosa County's future as the county continues to grow at a record pace. Santa Rosa County since 2010 is one of the fastest growing counties in the state with a current population of approximately 170,000 and an estimated annual growth rate of 1.9%, more good-paying jobs are needed. The infrastructure to be funded by this application will increase the marketability of prime property consistent with the needs of distribution centers, warehousing and logistics businesses. The County has developed a pricing reduction methodology to target companies who can build larger square footage, create higher number of jobs, and provide higher wages. The Santa Rosa Economic Development Office (EDO) worked with a company interested in locating at the industrial park expected to hire approximately 350 employees with an average wage of 115% of the local average wage rate. Based upon these assumptions, the project would have an estimated total economic impact of \$267 million over a nine-year period and a direct wage impact of over \$12.0 million per year, according to an economic impact analysis for the park by the University of West Florida Haas Center for Business Research and Economic Development.
 - b. Diversification: The County is seeking diversification by concentrating its efforts on attracting high-skill level jobs in the aviation/aerospace industry with development of the Whiting Aviation Park and mid-skill level jobs by attracting distribution/warehousing and logistics businesses at the NWFL Industrial Park @ I-10. The distribution/warehousing/logistics employment will also include managers and supervisors as well as entry level positions. As with any industry, pay increases as experience and responsibility increase. Room certainly exists for this type of employment in Santa Rosa County and the region. The park will help

add another leg to the economy, now heavily based on tourism, agriculture, service industry and government jobs.

- c. Enhancement of Disproportionately Affected Counties: The disproportionately affected counties will be enhanced by the location of distribution/warehousing and logistics facilities at the I-10/SR 87 interchange. Nearby, a truck driving school attracts students from neighboring counties. Because of the excellent transportation network, the new industrial park could be easily accessed by workers in neighboring counties. The industrial park will be an asset not only to the County but to the region as well.
- 5. **Proposed timeline:** Because of the readiness of the project, certified as a Florida First Site by Gulf Power, the project can be completed within 25 months.
 - 6. **Disproportionately affected counties impacted by the proposed project:** Escambia, Santa Rosa, and Okaloosa Counties since Santa Rosa County lies within two metropolitan statistical areas (MSAs): Fort Walton Beach to the east and Pensacola to the west.

Attachment 3 Transformational and Ten-Year Effect

Describe how the proposed project is considered transformational and how it will affect the disproportionately affected counties in the next 10 years.

Transformational

With development of Phase 2, the Northwest Florida (NWFL) Industrial Park @ I-10 is ready to help transform Santa Rosa County's economy by strengthening its position as a provider of prime industrial-zoned property at an excellent location on I-10, also with access to the coastal communities along US 98 via State Road (SR) 87 and a vision of improved access to I-65 in the future. State Road 87 between I-10 and US 98 is on the state's Strategic Intermodal System (SIS) meaning it is intended to carry a higher volume of traffic, at higher speeds to meet Florida's economic goals. The Florida Department of Transportation is currently completing the last segments of widening SR 87 from two to four lanes from I-10 to US 98. SR 87 fronting the industrial park is currently four lanes to I-10 and continues northward for another mile to US 90. The location could not be better to serve freight traffic. The vision is to widen SR 87 to four lanes northward to the Alabama State Line to improve access to I-65, a truly strategic and transformational connection for Northwest Florida.

In December 2014, Gulf Power certified the I-10 industrial park in its Florida First Sites Program. To earn the certification, the site had to meet the following criteria:

- A minimum of 50 developable, contiguous acres – has 90 acres
- Available for lease or sale – available
- Zoned for industrial use – zoned industrial
- Free from judgments, liens, easements or restrictive covenants that would negatively affect the site's developability – none
- Outside the 100-year flood zone – Zone X outside 100-year flood zone
- Free from environmental concerns or have a plan for mitigation – no environmental concerns
- Free of wetlands or have a plan for mitigation – no wetlands
- Free of threatened or endangered specials or have a plan for mitigation – only 3 gopher tortoise burrows found and they can be mitigated
- Free of areas of archaeological or historical significance for have a plan for mitigation – none found
- Soils compatible with industrial development - compatible
- Directly served by a road compatible with standards for tractor-trailer access (80,000 pounds/20,000 pounds per axle) – excellent road network
- If marketed as having rail access, must be served by rail currently or within 12 months - N/A
- Site must be served currently or within six months by industrial quality power, natural gas, water, wastewater, a minimum of DS-1 or T-1 telecommunications – can be done within 6 months
- Have a site concept plan – yes

The NWFL Industrial Park @ I-10 met all criteria and is currently certified through December 30, 2019 at which time the Santa Rosa Economic Development Office will submit for recertification. Funding of phase 2 of this application will further position the County to attract logistics and warehousing companies desiring to locate along the I-10 corridor from New Orleans to Tallahassee, Florida.

Effect on Disproportionately Affected Counties in Next Ten Years

In 2016, the Santa Rosa Economic Development Office (EDO) requested a brief economic analysis of the impact of five industry projects locating within Santa Rosa County from the University of West Florida Haas Center for Business Research and Economic Development. One analysis was for the I-10 industrial Park. Below are the results for two different projects:

NWFL Industrial Park at I-10: 350 Jobs, \$40,000 average wage in the distribution/warehouse industry

Category	Units	2017	2018	2019	2020	2021	2022	2023	2024	2025
Direct Employment		350	350	350	350	350	350	350	350	350
Additional Employment		154	186	207	215	216	214	211	209	206
Economic Impact	Millions of Current Dollars	25.07	27.21	28.81	29.77	30.37	30.90	31.31	31.72	32.10
Income Increase	Millions of Current Dollars	18.20	24.03	28.95	33.54	38.10	42.88	47.50	52.13	57.04

Job Creation Impact Over 9 Years: \$267.26 million

NWFL Industrial Park at I-10: 500 Jobs, \$32,000 average wage in the distribution/warehouse industry

Category	Units	2017	2018	2019	2020	2021	2022	2023	2024	2025
Direct Employment		500	500	500	500	500	500	500	500	500
Additional Employment		219	266	296	307	309	306	302	298	294
Economic Impact	Millions of Current Dollars	35.81	38.87	41.15	42.54	43.39	44.15	44.75	45.34	45.88
Income Increase	Millions of Current Dollars	26.00	29.86	35.98	41.68	47.35	53.30	59.05	64.80	70.90

Job Creation Impact Over 9 Years: \$381.88 million

The projections were generated using the Regional Economic Model, Inc. model REMI PI+ Version 2.1.1. and based on actual projects that considered Santa Rosa County in the past. Two current projects considering the I-10 Industrial Park would bring approximately 350 jobs with an average wage of \$59,190 and 375 jobs with an average wage of \$35,000.

It is safe to estimate the economic impact the of a proposed project similar to the first scenario over the next 10 years would be as a minimum \$267 million.

Attachment 4

Viability of the NWFL Industrial Park at I-10

Describe the data or information available to demonstrate the viability of the proposed project.

Several factors make the I-10 Industrial Park a viable project:

Location. In 2017, Florida's Great Northwest published Northwest Florida Forward: A Regional Strategy for Economic Transformation. In it, TIP Strategies and the Haas Center identified five industries as target industry clusters that "will transform the region if successfully developed through business recruitment, retention, expansion and entrepreneurial support." One of the target industry clusters was Aerospace and Defense, and listed among the key site location factors in the strategy report page 72 for the aerospace/defense industry were good truck access and easy access. The same factors can apply to nearly any other industry that depends on trucking. The I-10 Industrial Park provides very easy truck access directly off State Road 87 or one mile south of I-10. Access couldn't be much better. Additionally, the area is not yet intensely developed, so the highway design incorporates the FDOT standards that reduce congestion and the likelihood of accidents. Those road design standards are very difficult to retrofit into existing highly developed corridors.

Growth and Change in Shopping Behavior. Growth is not slowing down in Florida or along the Gulf Coast. Santa Rosa County continues to grow at record percentages. In addition to population growth, growth is occurring of distribution "fulfillment" centers and in the associated shipping industries as more people change their shopping habits to buy online. Business Insider, in the attached article from February 10, 2017 reported retail growth in the first half of 2016 at just 2% but it was 16% for e-commerce, and the number of online shoppers grew by nearly 20 million from 2015 to 2016. Further they say e-commerce is the future of retail as nearly all growth in retail now takes place in digital space. Please see the attached article. Another change in shopping behavior is the trend to shop at the smaller retail discount stores such as Dollar General, Dollar Tree, etc. instead of the big box stores. The smaller stores are in nearly every neighborhood now and have to be supplied. It's only a matter of time before another large distribution center, similar to Dollar General near Marianna, needs to locate along I-10.

Incentives. The Santa Rosa County Board of County Commissioners passed a set of guidelines on March 25, 2010 that serve as an incentive by reducing the cost per acre for property within the NWFL Industrial Park at I-10. It reduces the base price by a point system based on total square footage under roof, number of jobs associated with new or expanding business within the region, and wage rate for employees at the new facility. Please see the attached incentive guidelines.

Attractiveness to Aerospace and Defense Industry. For aerospace and defense industries that do not require access to a runway/airfield, the I-10 industrial Park is a good choice. Attached is the NWFL analysis of the attractiveness of Florida to the aerospace and defense industry. Florida ranks #1 among all states.

Reported from Business Insider, February 10, 2017:

National Retail Federation estimates 8-12% US e-commerce growth in 2017

The National Retail Federation (NRF) declared that it expects total retail sales to grow 3.7-4.2% in 2017, excluding cars, gas stations, and restaurant sales, according to [CNBC](#).

That's relatively consistent with the 3.8% gain posted in 2016, slightly above the firm's prediction, which means we could see an uptick later this year that will cause the NRF to revise upward. The group thinks spending will continue to rise because of higher consumer confidence due to rising wages, lower unemployment, and a strong housing market.

Online retail's growth rate will dwarf that of the industry at large.

- The NRF [expects](#) that online retail will grow 8-12%, up to three times higher than the growth rate of the wider industry. This suggests e-commerce sales are poised to fall between \$427 billion and \$443 billion, based on Census Bureau data. That's right on target with BI Intelligence's \$436 billion US e-commerce [estimate](#). For context, brick-and-mortar retail, which still comprises the vast majority of sales, is expected to grow at just 2.8%, slower than the average rate of growth for the overall industry.
- This further illustrates the importance of digital and omnichannel offerings. The NRF's predictions drive home the point that online is going to be the major driver of growth for retail moving forward. This means that while in-person sales are still important, finding ways to capitalize on rising e-commerce, like through the addition of new channels or hybrid omnichannel functionality, will be increasingly important.

Meanwhile, with the uncertain political climate in the US, concentrating on high-growth areas is even more critical. The Trump administration's

tax and trade policies are still "up in the air," and retailers are concerned about the potential impact of a 20% border tax on imports that could increase prices for consumers and limit spending, according to CNBC. Should that tax come to fruition, having a foothold in high-growth retail segments like e-commerce could help companies better weather the storm.

E-commerce has been on the rise in the last several years, thanks in large part to titans in the industry such as Amazon and Alibaba. E-commerce will truly become the future of retail, as nearly all of the growth in the retail sector now takes place in the digital space.

[BI Intelligence](#), Business Insider's premium research service, forecasts that U.S. consumers will spend \$385 billion online in 2016. Moreover, BI Intelligence predicts that number will grow to \$632 billion in 2020.

This is hardly surprising considering e-commerce's healthy growth. Though the U.S. retail average growth rate in the first half of 2016 was just 2% for total retail, it was 16% for e-commerce.

The number of online shoppers has grown by nearly 20 million from 2015 to 2016. And these 224 million shoppers are spending more, as the total amount spent online grew from \$61 billion in the first quarter of 2015 to \$68 billion in Q1 2016. Finally, these customers are transacting more frequently, as the number of online transactions has risen by 115 million from 2015 to 2016.

But all of this shopping online creates its own set of challenges, both for consumers and the companies that are trying to get their products onto shoppers' screens and into their shopping carts. In short, you need a plan.

Pricing Guidelines for NWFL Industrial Park @ I-10



Policies and Procedures Santa Rosa Economic Development Office

Criteria for Establishing a Price for County Owned Industrial Property Within the Northwest Florida Industrial Park @ I-10

The following set of guidelines was adopted by the Santa Rosa County Board of Commissioners on March 25, 2010 to provide the EDO with a rational, non-arbitrary, non-discriminating basis for determining a cost per acre for property within the Northwest Florida Industrial Park @ I-10. The point system below represents the discount from the base price of County owned industrial property as it relates to the economic impact the proposed business will have on the area.

Guideline

1. Total Square Footage (under roof) by Prospect

50K TO 250K	10
251K to 350k	20
351k and Up	30

2. Number of Jobs associated with new or expanding Business within Region

25 to 100	10
101 to 250	20
251 and up	30

3. Wage Rate for employees at proposed new Facility*

100% to 115%	20
115% to 125%	30
125% and up	40
	====
Maximum number of points	100

FIGURE 11. 2015 AEROSPACE MANUFACTURING ATTRACTIVENESS RANKINGS
50-STATE ANALYSIS PREPARED BY PWC

STATE	OVERALL RANK	INDEX COMPONENT RANKINGS			
		<i>Tax</i>	<i>Operating costs</i>	<i>Industry size</i>	<i>Education</i>
Florida	1	14	21	5	12
Michigan	2	10	25	3	18
Ohio	3	26	18	1	17
Utah	4	5	29	7	22
Virginia	5	6	34	19	5
Georgia	6	8	31	11	16
New York	7	20	28	17	1
Texas	8	39	16	4	9
Missouri	9	4	7	34	24
North Carolina	10	25	9	22	15

Source: PwC analyzed the relative ‘aerospace industry attractiveness’ of the US in a state-by state comparison. The study produced an overall ‘attractiveness ranking index’ using a weighted average of the following major elements: taxes, operating costs (industry and overall wage rates, business climate, energy costs), industry size (existing suppliers and supply/growth of workforce including available aerospace technicians, engineers, mechanics), and educational attainment.

The 13-county Northwest Florida region has a number of strategic assets that support the Aerospace and Defense cluster’s expansion. These include a dense, multimodal transportation network; proximity to several military installations; targeted tax incentives; major employers; and industry-specific training programs and R&D.

Attachment 5 Discretionary Priorities

Describe how the NWFL Industrial Park at I-10 project meets the discretionary priorities identified by the Board.

The discretionary priorities and responses are listed below:

1. Are considered transformational for the future of the Northwest Florida region. Northwest Florida Forward, a publication of Florida Northwest, describes the aerospace and defense cluster as a target industry cluster that “will transform the region if successfully developed through business recruitment, expansion and entrepreneurial support.” The I-10 Industrial Park is a good option for aerospace and defense businesses that do not require access to a runway.

2. May be consummated quickly and efficiently. Because the project is a Florida First certified project, it can be completed within 25 months.

3. Promote net-new jobs in the private sector with an income above regional average household income. According to the 2016 US Census American Community Survey the mean (average) Santa Rosa household income is \$76,378. Two interested clients would hire 350 employees with an average wage of \$59,190 and the second would hire 375 employees at \$35,000 average wage. The \$35,000 wage of one worker in the household could increase the household income above \$76,378 if another person in the household was employed at a similar or higher wage.

5. Align with Northwest Florida Forward, the regional strategic initiative for Northwest Florida economic transformation. The I-10 Industrial Park could appeal to the targeted industry clusters of aerospace and defense and advanced manufacturing.

6. Create net-new jobs in targeted industries to include: aerospace and defense, financial services/shared services, water transportation, artificial intelligence, cybersecurity, information technology, manufacturing and robotics. The development of infrastructure for the I-10 industrial Park project will create net-new jobs to the region in the targeted industry of aerospace and defense.

7. Promote industry cluster impact for unique targeted industries. The I-10 Industrial Park project could appeal to the Aerospace and Defense Target Industry Cluster.

8. Create net-new jobs with wages above the national average wage (e.g. similar to EFI QTI program, measured on a graduated scale). According to the US Census American Community Survey, US mean (average) individual earnings are \$60,920. In Santa Rosa County, while individual mean earnings are \$56,541, median earnings are only \$31,333, so jobs at \$35,000 or higher would have positive impact.

9. Are located in a Rural Area of Opportunity as defined by the State of Florida (DEO)? No.

10. Provide a wider regional impact versus solely local impact. Residents of Escambia, Santa Rosa and Okaloosa Counties commute between the three counties for work. Northwest Florida Forward: A Regional Strategy for Economic Transformation on page 4 of the strategy report says: “Escambia, Okaloosa, Walton and Bay Counties experience a net in-flow of workers. The remaining nine counties [including Santa Rosa] each have a net out-flow. Twenty one percent of the region’s workers commuted

more than 50 miles to work in 2014 compared to only 13% in 2006. Labor is largely drawn towards three areas within the 13-county region: Pensacola, Fort Walton Beach, and Panama City. Santa Rosa County lies within two metropolitan statistical areas (MSAs): Pensacola and Fort Walton Beach.” New jobs in Santa Rosa County impact the region similar to the impact of Navy Federal Credit Union jobs in Escambia County.

11. Align with other similar programs across the regions for greater regional impact, and not be duplicative of other existing projects or programs. The location of the I-10 Industrial Park at I-10 and SR 87 makes it a regional asset.

12. Enhance research and innovative technologies in the region. Not intended for research.

13. Enhance a targeted industry cluster or create a Center of Excellence unique to Northwest Florida. The I-10 Industrial Park could enhance the aerospace and defense industry cluster if access to a runway is not required.

14. Create a unique asset in the region that can be leveraged for regional growth of targeted industries. The I-10 Industrial Park is a unique asset because of its proximity to I-10- and SR 87. It can complement or support targeted industries.

15. Demonstrate long-term financial sustainability following Triumph Gulf Coast, Inc. funding. The I-10 industrial Park is expected to continue to attract new tenants as demonstrated in Attachment 4 Viability.

16. Leverage funding from other government and private entity sources. Santa Rosa County will provide \$920,000 in matching funds for the infrastructure.

17. Provide local investment and spending. The project will provide local investment and spending beginning with the contracting of engineering firms for construction and construction engineering services (CEI) for the infrastructure. Local investment will continue as tenants build their facilities and proceed with their operations. Attachment 3 shows the economic impact for 9 years, totaling \$267 million as estimated by the University of West Florida Haas Center for Business Research and Economic Development.

18. Are supported by more than one governmental entity and/or private sector companies, proposed projects or program supported by more than one county in the region. N/A

19. Provide clear performance metrics over duration of the project or program. The performance metrics for the I-10 Industrial Park tenants will be (1) number of jobs, (2) average wage, and (3) amount of capital investment. The performance metrics for the project to construct the infrastructure for the park will be how the engineering firms procured for construction meet the specifications of the bid package and contract. An engineering firm will be contracted to provide construction engineering and inspection (CEI) services and will report to the county engineer.

20. Include deliverables-based payment system dependent upon achievement of interim performance metrics. Invoices from the engineering firms and contractor will be processed in accordance with Santa Rosa County procedures.

20. Provide capacity-building support for regional economic growth. The project will add to the capacity of the logistics and warehouse sector as well as the aerospace and defense industry cluster, which is one of the five targeted industries transforming Northwest Florida.

21. Are environmentally conscious and business focused. The project will be permitted by the appropriate government agencies and comply with all environmental regulations. The business focus is on logistics and warehouse businesses and on aerospace and defense businesses.

Attachment 6



Commissioner Regular Thursday, April 12, 2018 - 9:00 AM

Santa Rosa County Administrative Center Board Room, 6495 Caroline Street, Milton

9:00 AM Call to Order - Chairman: Cole

Prayer - Pastor Emeritus Fred Rogers, Milton First Assembly of God

Pledge of Allegiance

Approval of Minutes

Approval of the Minutes of the February 22, 2018 Special Meeting and the March 15, 2018 Regular and Special Meetings

Approval of Agenda

Proclamations

- **Fair Housing Week**

9:30 AM Public Hearings

- **Proposed vacation of a portion of Autumn Trace as requested by Philip Foss and Henri Escuriex, DMV, P.A.**

Consent Agenda

Administrative Committee

1) Event Requests

Recommend approval of the following small event requests:

1. Pirates on the Panhandle's request to utilize the Sand Crab pavilion for the 2nd Annual Pirate Plunge scheduled for January 1, 2019 from 11:00 am to 4:00 pm.
2. Bible Way Baptist Church's request to utilize the Courthouse lawn for the National Day of Prayer scheduled for Thursday, May 3, 2018 at noon. In case of rain, the use of Courtroom 100 is requested.

Consent Agenda – Continued

2) Alcohol Variance Requests

Recommend approval of the following alcohol variance requests:

1. Michelle Nichols' request to serve alcohol at the Burchett/Nichols Wedding scheduled for July 7, 2018 from 2:00 pm to 8:00 pm at the Bagdad Community Center.
2. Kayla Allison's request to serve alcohol at the Allison/Baker Wedding scheduled for September 9, 2018 from 1:00 pm to 5:00 pm at the Tiger Point Community Center.

3) Surplus Property Items

Recommend approval of declaration as surplus property items from various departments in the county as recommended by the Clerk of Courts.

4) LETF Application - White Rose Luncheon

Recommend approval of request from the Sheriff's Office to use the LETF (Law Enforcement Trust Fund) in the amount of \$1,000 in support of the White Rose Luncheon for Survivors.

5) Jail Geothermal/HVAC Engineering & Design – Scope of Services and Fee Proposal

Recommend approval of the scope of services and fee proposal for Image Engineering Group (IEG) for the design of a Geothermal HVAC replacement system for the county jail facility.

6) Capital Equipment - PARA (Sportsplex)

Recommend approval of an addendum to the Management Agreement with Pace Athletic & Recreation Association to address transfer of capital equipment from the County to Pace Athletic & Recreation Association.

7) HMGP Grant Modifications - Time Extension

Recommend approval of modifications for three Hazard Mitigation Grant Program (HMGP) agreements extending the period of performance for project completion.

8) NRDA Artificial Reef Project - Recommendation of Nearshore Fish/Dive Reef Construction

Contract Recommend approval of recommendation to award a contract in the amount of \$1,224,200 to Walter Marine for deployment of the nearshore/fish dive reef site (SR-27) fully funded with NRDA grant funds.

9) Triumph Application Submittals

Recommend approval of submittal of Whiting Aviation Park Application and NW FL Industrial Park at I-10 Application to Triumph Gulf Coast, Inc.

10) Renewal of Agreement for Maintenance of Navarre Splash Pad

Recommend approval of renewal of contract for maintenance of Navarre Park Splash Pad.

11) Crystal Creek Subdivision Entrance Sign

Recommend approval for Public Works to dispose of the entrance sign into Crystal Creek subdivision within a two week time period.

Consent Agenda – Continued

12) Bear Issues

Recommend approval for staff to coordinate with FWC for additional information on black bear population issues as requested by the Chairman.

Budget and Financial Management

1) Bid Action

Recommend approval of the following regarding Chumuckla Park restrooms:

1. Award the Chumuckla Park Restrooms rehabilitation contract to the lowest responsive, responsible bidder meeting specifications: Patterson Quality Construction.
2. Budget Amendment 2018-160 in the amount of \$30,920.00 from District 3 Recreation funds.

2) Budget Amendment 2018-145

Recommend approval of Budget Amendment 2018-145 in the amount of \$39,000 to fund an agreement with NextSite to provide research, marketing and consulting services for the retail industry from Electric Franchise Fee Reserves as approved at the March 15, 2018 meeting.

3) Budget Amendment 2018-146

Recommend approval of Budget Amendment 2018-146 in the amount of \$17,500 to transfer funds from the General Fund to the Fire District MSBU Fund for Government Services Group, Inc. (GSG) as the consultant for the fire assessment study for the Navarre Beach District as approved at the March 15, 2018 meeting. MSBU funds to reimburse the General Fund.

4) Budget Amendment 2018-147

Recommend approval of Budget Amendment 2018-147 in the amount of \$156,991 to transfer funds from the General Fund to the Fire District MSBU Fund for to purchase a 2018 Quick Attack Vehicle mounted on a Dodge 5500 4x4, 4 door chassis based on Houston-Galveston Area Council (H-GAC) Contract FS 12-17 to Sunbelt Fire for the Berrydale VFD as approved at the March 15, 2018 meeting. MSBU funds to reimburse the General Fund.

5) Budget Amendment 2018-148

Recommend approval of Budget Amendment 2018-148 in the amount of \$525,250 recognizing FY18 funding from Florida Housing Finance Corporation (FHFC) 2nd allocation (total 17/18 projected FY funding \$739,445) and request allocation to housing cost center.

6) Budget Amendment 2018-149

Recommend approval of Budget Amendment 2018-149 in the amount of \$125,000 to fund professional planning services for the District IV Master Plan provided by Matrix Design Group as approved at the July 27, 2017 meeting. Funding is to be an amount not to exceed \$125,000 as follows: \$65,000 from District 4 Recreation Funds and \$60,000 from Reserve for Contingencies.

7) Budget Amendment 2018-150

Recommend approval of Budget Amendment 2018-150 in the amount of \$5,303 to carry forward funds received from the sale of horses and allocate for expenditure in the Animal Services Department.

Consent Agenda – Continued

8) Budget Amendment 2018-151

Recommend approval of Budget Amendment 2018-151 in the amount of \$2,500 to transfer funds from District 1 Recreation Funds to the Parks Department in the General Fund for 8 additional portable toilets for the Santa Rosa Sportsplex.

9) Budget Amendment 2018-152

Recommend approval of Budget Amendment 2018-152 in the amount of \$76,577 to transfer funds from LOST to reimburse the Road & Bridge Fund for the Sweet Bay Bridge project.

10) Budget Amendment 2018-153

Recommend approval of Budget Amendment 2018-153 in the amount of \$42,500 to transfer funds from the General Fund to the Fire District MSBU Fund for Government Services Group, Inc. (GSG) as the consultant for the fire assessment study for the nine (9) unincorporated fire districts as approved at the March 15, 2018 meeting. MSBU funds to reimburse the General Fund.

11) Budget Amendment 2018-154

Recommend approval of Budget Amendment 2018-154 in the amount of \$4,410 transferring funds from District 5 Recreation Funds to the Parks Department to add three (3) additional Gulf Power security lights and six (6) months energy fee for the Woodlawn Beach Boat Ramp.

12) Budget Amendment 2018-155

Recommend approval of Budget Amendment 2018-155 in the amount of \$127,950 to return a portion of the excess fees generated from the Clerk of the Court to fund court salary pay increases as approved at the July 13, 2017 meeting.

13) Budget Amendment 2018-156

Recommend approval of Budget Amendment 2018-156 in the amount of \$8,497 to purchase one (1) zero-turn mower for (PARA) Pace Athletic & Recreation Association. The mower purchased by the County is a donation to PARA from District 1 Rec Fund.

14) Budget Amendment 2018-157

Recommend approval to correct Budget Amendment 2018-141 transferring back funds previously transferred to the General Fund for the purchase of one (1) zero turn mower for the Futbol Club of Santa Rosa, Inc. The mower purchased by the County is a **donation** to the Futbol Club specified in the Agreement Addendum dated January 25, 2018. The donation is split equally between Districts 1 and 3 rec funds.

15) Holley Navarre Seniors Association

Recommend approval of the following regarding Holley Navarre Seniors Association:

1. Budget Amendment 2018-158 in the amount of \$5,000 to provide financial assistance to the Holley Navarre Seniors Association from the District 4 Recreation Fund for use in helping restore the facility to be safer and more energy efficient.
2. Public Assistance Agreement for Holley Navarre Seniors Association.

Consent Agenda – Continued

16) Budget Amendment 2018-159

Recommend approval of Budget Amendment 2018-159 in the amount of \$304,794 to establish the budget for the design and permitting of storm water drainage improvements in Metron Estates from Road & Bridge drainage reserves as approved at the March 15, 2018 meeting.

17) Budget Amendment 2018-161

Recommend approval of Budget Amendment 2018-161 in the amount of \$36,248 to replace the NVR for the courthouse.

18) Check Register

Recommend approval of check register.

Economic Development Committee

1) Purchase of 2 Aquatic Beach Wheelchairs

Recommend approval of purchase of two Aquatic Beach Wheelchairs funding in the amount of \$2,698.20.

2) Navarre Beach Sports & Recreation, LLC Volleyball Complex

Recommend approval of Navarre Beach Sports & Recreation, LLC Professional Volleyball Complex funding in the amount of \$15,000.

Engineer's Report

1) Geosyntec Task Order No. GEO17-001

Recommend approval of the Amendment to the Geosyntec Consultant's Task Order GEO17-001 for additional funding to providing information to the Florida Department of Environmental Protection (FDEP) on the design, permitting and operations engineering services related to the Central Landfill Phase V Expansion in the amount of \$34,700 for additional engineering services. Task Order original cost \$578,495, amendment \$34,700, for a total Phase V Expansion cost of \$613,195.

2) Waving of tipping fees for the Great American Clean-up

Recommend approval of the waiving tipping fees for "The Great American Clean-Up" organized by the Santa Rosa Clean Community System.

3) LEAD Academy Stormwater Hold Harmless Agreement

Recommend approval and execution of the Hold Harmless Agreement.

4) Sunset Pines Subdivision – Variance for Low Pressure Sewer

Recommend approval of variance for the installation of low pressure sewer within the proposed subdivision.

Consent Agenda – Continued

5) Sunset Pines Subdivision – Preliminary Plat

Recommend approval of Preliminary Plat for Sunset Pines, a 30-lot subdivision, a portion of Section 20, Township 2 South, Range 27 West, Santa Rosa County, Florida. (District 5) Location: 0.6 more or less, North on Bergren Road from Gulf Breeze Parkway, property on West side of Bergren Road.

6) Stephen's Landing – Variance for Low Pressure Sewer

Recommend approval of variance for the installation of low pressure sewer within the proposed subdivision

7) Stephen's Landing – Preliminary Plat

Recommend approval of Preliminary Plat for Stephens Landing, a 16-lot subdivision, a portion of Section 1, Township 2 South, Range 27 West, Santa Rosa County, Florida. (District 4) Location: 0.1 miles, more or less, Southwest on Nelson Street from Highway 87, property on North side of Nelson Street.

8) Stephens Landing – Construction Plans

Recommend approval of Construction Plans for Stephens Landing, a 16-lot subdivision, a portion of Section 1, Township 2 South, Range 27 West, Santa Rosa County, Florida. (District 4) Location: 0.1 miles, more or less, Southwest on Nelson Street from Highway 87, property on North side of Nelson Street.

9) Cambridge Park – Construction Plans

Recommend approval of Construction Plans for Cambridge Park, a 68-lot subdivision, a portion of Section 21, Township 2 South, Range 27 West, Santa Rosa County, Florida. (District 5) Location: 5 miles, more or less, West on Gulf Breeze Parkway from Highway 87 South, property on the North side of Gulf Breeze Parkway.

Public Services Committee

1) Subordination Request for 7252 Putter Ln, Milton

Recommend approval of the SHIP mortgage subordination request for property located at 7252 Putter Lane, Milton. Agreement is consistent with Board policy.

2) Resolution to Adopt Comprehensive Emergency Management Plan

Recommend approval to adopt Santa Rosa County Comprehensive Emergency Management Plan (CEMP) by resolution as approved by the state. Updated information includes most recent disasters and incidents, demographics and minor changes.

Public Works Committee

1) DOC Contract Renewal WS986

Recommend approval to renew Work Squad contract WS986, with the Department of Corrections for three (3) additional years. The contract is for three (3) corrections officers in the amount of \$172,491.00/year.

Consent Agenda – Continued

2) Avalon Beach Erosion Control

Recommend approval of the Avalon Beach Subdivision Roadway Stabilization, Erosion Control and Monitoring Plan and implementation of proposed erosion control protective measures as described in it the amount of \$68,000 with funding from the Road and Bridge Reserves.

3) Mower Purchase For PARA

Recommend approval of the purchase of one (1) 2018 John Deere model Z930M zero turn mower for Pace Athletic & Recreation Association from Smith Tractor Company, Inc. in the amount of \$8,497.00 based on comparison shopping. Funding to be split evenly between District 1 and District 3 Recreation Funds.

4) Chumuckla Community Center Roof Repairs

Recommend approval of roof repairs for the Chumuckla Community Center by Edwards Roofing Co., Inc. in the amount of \$11,916.00 based on comparison shopping. Funding will be from the Parks Department's Repair and Maintenance budget line.

5) Traffic Signal Maintenance Agreement

Recommend approval of Exhibit "A" of the Florida Department of Transportation Traffic Signal Maintenance and Compensation Agreement.

6) Primary Road Resurfacing Recommendations

Recommend approval to resurface the following primary roads in the amount of \$1,562,000 with budgeted funding from gas tax proceeds.

• Delmonte Street	\$194,000
• Morristown Road (Hwy.4 to Dykestown Road)	\$414,100
• Country Mill Road (Hwy. 4 to 9225 feet south)	\$305,300
• Woodlawn Beach Road	\$136,000
• Hwy. 182 (west of Chumuckla Hwy.)	\$360,000
• Andorra Street	\$152,600

Regular Agenda

Administrative Committee - Cole & Parker

1) Meeting List

Meetings below are held in the Board Room of the Santa Rosa County Administrative Center unless otherwise noted:

- | | | |
|--|----------|------------|
| • Local Option Sales Tax Committee | April 17 | 9:00 a.m. |
| • Public Safety Coordinating Council Meeting | April 18 | 11:30 a.m. |
| ◦ Sheriff's Dept. Training Room, 5755 E. Milton Road, Milton | | |
| • Aviation Advisory Committee | April 18 | 5:00 p.m. |
| • Commission Committee | April 23 | 9:00 a.m. |
| • Bagdad Architectural Advisory Board | April 25 | 8:30 a.m. |
| ◦ Public Services Conference Room, 6051 Old Bagdad Highway, Milton | | |
| • Parks and Recreation | April 25 | 5:30 p.m. |
| • Commission Regular | April 26 | 9:00 a.m. |
| • Local Mitigation Strategy Task Force | April 26 | 1:30 p.m. |
| ◦ Public Services Conference Room, 6051 Old Bagdad Highway, Milton | | |
| • Commission Special – Rezoning Meeting | April 26 | 6:00 p.m. |

Economic Development Committee - Cole & Salter

No Agenda Items.

Engineer's Report

No Agenda Items.

Public Service's Committee - Williamson & Lynchard

No Agenda Items.

Public Works Committee - Salter & Williamson

No Agenda Items.

Budget & Financial Management Committee - Lynchard & Parker

No Agenda Items.

County Administrator

County Attorney

Public Forum

Commission Meetings

All Board of County Commission Meetings are held at the County Administrative Center, Commissioner's Board Room, 6495 Caroline Street, Milton, Florida, unless otherwise indicated by asterisks.

Committee meetings – 9:00 a.m.

January 8, 2018
January 22, 2018
February 5, 2018
February 19, 2018
March 12, 2018
April 9, 2018
April 23, 2018
May 7, 2018
May 21, 2018
June 11, 2018
July 9, 2018
July 23, 2018
August 6, 2018
August 20, 2018
September 10, 2018
September 24, 2018
October 8, 2018
October 22, 2018
November 5, 2018
December 10, 2018

Regular meetings – 9:00 a.m.

January 11, 2018
January 25, 2018
February 8, 2018 ***
February 22, 2018
March 15, 2018
April 12, 2018
April 26, 2018
May 10, 2018 ***
May 24, 2018
June 14, 2018
July 12, 2018
July 26, 2018
August 9, 2018 ***
August 23, 2018
September 13, 2018
September 27, 2018
October 11, 2018
October 25, 2018
November 8, 2018 ***
December 13, 2018

Rezoning meetings – 6:00 p.m.

January 25, 2018
February 22, 2018
March 15, 2018
April 26, 2018
May 24, 2018
July 26, 2018
August 23, 2018
September 27, 2018
October 25, 2018
December 13, 2018

Budget meetings

June 5, 2018 @ 1:30 p.m.
July 17, 2018 @ 9:00 a.m.
July 17, 2018 @ 1:30 p.m.
August 21, 2018 @ 6:00 p.m.
September 4, 2018 @ 6:00 p.m.
September 18, 2018 @ 6:00 p.m.

Additional Scheduled Meetings

Joint Meeting with School Board – Thursday, February 15, 2018 at 1:30 p.m.
Board Planning Workshop – Tuesday, February 13, 2018 at 9:00 a.m.

*** located at Tiger Point Community Center, 1370 Tiger Park Lane, Gulf Breeze

Attachment 8 Timeline

The following timeline is to complete installation of infrastructure for the NWFL Industrial Park at I-10 (Phase 2). The project carries on work begun with a \$1 million appropriation through the Economic Development Transportation Fund (Phase 1). Design is complete.

	Action	Time
	<ul style="list-style-type: none"> • BOCC approval and full execution of agreement with Triumph • Development of RFQ for construction, engineering and inspection (CEI) services • Receive and review proposals • Develop recommendation to BOCC • Submit scope/request for fee proposal • Develop contract for CEI services • BOCC contract approval • Budget amendment approval 	4 months
	Construction procurement <ul style="list-style-type: none"> • Development of bid package for construction contractor(s) • Advertisement of construction bids • Pre-bid meeting • Bid opening • Development of recommendation to BOCC • BOCC approval • Contract development • Issuance of notice to proceed (NTP) • Issuance of press release 	3 months
	Construction <ul style="list-style-type: none"> • Construction commencement • Processing payments • Construction inspection • Construction completion • Final inspection 	18 months
	Grant close out <ul style="list-style-type: none"> • Final payment • Final reimbursement request and report 	2 months
	TOTAL TIME	25 months

RESOLUTION NO. 2014 - 42

A RESOLUTION AMENDING THE RESOLUTION ESTABLISHING THE ORGANIZATIONAL PROCEDURES TO BE FOLLOWED BY THE BOARD OF COUNTY COMMISSIONERS IN THE CONDUCT OF THE BUSINESS OF SAID BOARD; PROVIDING FOR THE CHAIRMAN OR VICE CHAIRMAN TO EXECUTE ALL DOCUMENTS APPROVED IN AN OFFICIAL MEETING OF THE BOARD; AMENDING RESOLUTION 97-44.

**BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF
SANTA ROSA COUNTY, FLORIDA:**

Santa Rosa County Resolution No. 97-44, paragraph 2 is hereby amended to read as follows:

2. The Board shall reorganize and elect a Chairman and a Vice-Chairman at an organizational meeting to be held on the third Tuesday of each November, provided, however, that in a non election year said reorganization shall take place at a meeting held in November; and the commissioners so elected shall take office immediately upon election and serve for a period of one year. The Chairman or in his absence the Vice-Chairman is authorized to execute all documents approved in an official meeting of the Board.

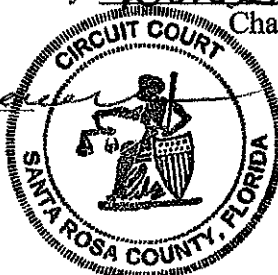
PASSED AND ADOPTED by the Board of County Commissioners of Santa Rosa County, Florida, this 11th day of December 2014, by a vote of 5 yeas and 0 nays and 0 absent.

**BOARD OF COUNTY COMMISSIONERS
SANTA ROSA COUNTY, FLORIDA**

By: Don Salter
Chairman

ATTEST:

David C. Spencer
Clerk of Court



Special Meeting
Board Reorganization
November 9, 2017
Gulf Breeze, Florida

The Board of County Commissioners of Santa Rosa County, Florida, met in Special Session on the above date with the following members present: Chairman Rob Williamson, Sam Parker, Robert "Bob" Cole, Don Salter and Lane Lynchard. Also present was the County Engineer (Roger Blaylock), Public Works Director (Stephen Furman), Clerk of Court, General Counsel (Jason English), Administrative Assistant (Emily Spencer), County Administrator (Tony Gomillion), Assistant County Administrator (Dan Schebler) and Budget Director (Jayne Bell). Williamson called the meeting to order immediately following the Regular Commission meeting at the Tiger Point Community Center, Gulf Breeze, Florida.

Nomination/Election of Chairman

Lynchard moved to nominate Cole as Chairman. Salter seconded and the motion passed unanimously.

Williamson passed the gavel to Chairman Cole.

Nomination/Election of Vice-Chairman

Salter moved to nominate Parker as Vice Chairman. Lynchard seconded and the motion passed unanimously.

Other Discussion

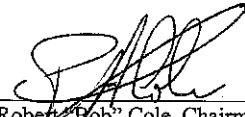
Cole thanked the Board for their confidence in him as chairperson for 2018, he thanked the voters of Santa Rosa County for the privilege of representing each of them and he thanked the staff for their hard work in providing the Board with accurate and documented information needed to conduct county business. He further discussed his goals for the upcoming year.


Parker said he appreciates the vote of confidence by his fellow Board members to allow him this opportunity.

Adjournment

There being no further business to come before the Board at this time, the meeting adjourned.

BOARD OF COUNTY COMMISSIONERS
SANTA ROSA COUNTY, FLORIDA


By: Robert "Bob" Cole, Chairman


Attest: Donald [Signature] Clerk of Court

**Attachment 10
Matching Funds**

For proposed project Phase 2 to complete the I-10 Industrial Park:

Triumph Request	5,301,164	85%
County Match	920,000	15%
Total Project	6,221,164	100%

Triumph match as a percentage of overall expenditures on I-10 industrial Park Phases 1 and 2:
Percentages shown are of the total Phase 1 and 2 expenditures of \$10,587,564.

Project	Fund Source		
	County	State	Triumph
Property Acquisition	3,089,200		
EDTF Appropriation		1,000,000	
County Economic Development Reserves	277,200		
Triumph Request			5,301,164
County Match to Triumph Request	920,000		
Totals	4,286,400	1,000,000	5,301,164
Percentages	40.5%	9.4%	50.1%

Attachment 11

Connection to Broader Economic Vision

Provide a detailed explanation of how the public infrastructure improvements will connect to a broader economic development vision for the community and benefit additional current and future businesses.

The NWFL Industrial Park at I-10 is located at the intersection of SR 87 and I-10 with great visibility from I-10. The 90-acre industrial-zoned park is owned by Santa Rosa County with aggressive pricing guidelines to lure logistic and warehousing industries desiring to be in a high growth area between Tallahassee, FL and New Orleans. The infrastructure into the park will play a vital role in Santa Rosa County's future as the county continues to grow at record paced. Santa Rosa County since 2010 is one of the 10 fastest growing counties in Florida and within the top 5% of the fastest growing counties in the US. With a current population of approximately 170,000 and an estimated annual population growth rate of 1.9%, more good paying jobs are needed in the area. The infrastructure into the park will increase the marketability of the property.

In the early 2000's, the County developed a Better Santa Rosa Plan, a strategic vision of where the county wanted to go and how to get there. Under Objective IV. 4 Foster the Creation and Continued Health of Local Business and Industrial Parks, Action Step IV.4 A was to develop business parks throughout the county and Step B was "Recruit Targeted Businesses Such as Aviation, Small Manufacturing, and Assembly into Business Parks: This action includes a marketing effort budget in FY 02-03 for Team Santa Rosa," [then the economic development office for Santa Rosa County].

Benefit to Current and Future Businesses

The outlook for future business related to aviation is very bright as shown in Attachment 5 Viability of the Proposed Project since Florida is ranked #1 among all states by the Pew Charitable Trust in attractiveness to the aviation industry. Also, the future of the transportation/logistics and warehouse sector is very bright as consumers shop more online, resulting in large distribution centers/"fulfillment" centers.

Attachment 12
**Economic Recovery, Economic Diversification, Enhancement of Disproportionately Affected Counties
and Enhancement of a Targeted Industry**

Provide a detailed description of, and quantitative evidence demonstrating how the proposed public infrastructure project will promote:

(Quantitative evidence underlined or attached)

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 or Fort Walton Beach or to 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. An analysis by the University of West Florida Haas Center for Business Research and Economic Development shows the economic impact of 350 new jobs in the distribution/warehouse industry. Over nine years, the impact would be \$267 million. A grocery and related products wholesaler is already interested, in addition to an aviation manufacturing company.

Diversification

Besides government work the Santa Rosa economy 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 distribution/warehouse and aerospace industries will not only diversify the economy but would also provide stability. According to the Santa Rosa County EDO website, Santa Rosa County's top five employees by establishment type are shown in the table below. It can readily be seen that government and school employment is top-heavy, with restaurants ranking second.

Top Five Total Employees by Establishment Type
North American Industry Classification System (NAICS)
Source: Santa Rosa County Economic Development Office Website

Employer	Employees
Government	3,513
Restaurants	3,176
Primary and Secondary Education	2,629
Health and Medical Services	2,482
Hospitals	2,028

When government, restaurants, and education are the top jobs held by residents in a county, the need exists for diversification of jobs in other sectors that can provide equal or better pay, training, benefits, and opportunities for upward mobility. Santa Rosa's strength and challenges arise from its location: it lies between the core cities of two MSA's: Pensacola to the west and Fort Walton Beach to the east. A strength is that Santa Rosa's excellent public school system, low crime, recreational opportunities for residents of all ages, and low cost of living attract workers from Escambia and Okaloosa Counties to make their homes in Santa Rosa County. A challenge is that the lack of jobs within the county results in pockets of poverty especially within the central sections of the county. Triumph funding will help with diversification into the commercial aviation industry, complemented by the attraction of a skilled and educated labor force of former military and military spouses, an asset of the U.S. Congressional District 1.

Enhancement of Disproportionately Affected Counties

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

- Distribution/warehouse and 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 for those businesses not requiring access to a runway.

Enhancement of a Targeted Industry

Perhaps the best quantitative evidence for enhancement of the aerospace defense industry cluster is Florida's attractiveness to the aviation industry. Florida ranks as number 1 among all states according to the Pew Charitable Trust, based on several criteria evaluated including tax advantages, operating costs, industry size and education. Please see the attached page 73 from NWFL Forward strategy report. The Industrial Park at I-10 will also be available to the aerospace and defense industry.

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 I-10 Industrial Park. 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 overhaul (MRO) capacity. VT Mobile Aerospace Engineering (VTMAE) chose Pensacola International Airport for its new 173,000 square feet 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. On the next page is a rendering of the new hangar.



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. But it was the amount of interest by the community, and

especially the educational systems.” 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. According to the Okaloosa County Economic Development website, former Governor Jeb Bush praised the Okaloosa Industrial Air Park (at Bob Sikes Airport) as “One of the best examples of a true aviation, aerospace and defense cluster development in the State of Florida.” In its brochure, L3 draws attention to its proximity to Eglin Air Force Base, Hurlburt Field, Duke Field, Naval Air Station Whiting Field, Fort Rucker, Pensacola Naval Air Station, and the Naval Support Activity in Panama City. So, no doubt the Gulf Coast is transforming with the growth of the aerospace industry, partly fueled by the proximity to military installations.

The I-10 Industrial Park, with its easy access to I-10, is in a prime location to take advantage of the growth of the aerospace industry along the Gulf Coast. A current potential client is an aviation engine and engine parts manufacturer.

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Economic Impact Analysis

The Santa Rosa County Economic Development Office (EDO) has requested a brief economic impact analysis of five industry projects locating within Santa Rosa County. Information on each project was provided by the EDO and each projects specifics was run through an econometric simulation model in order to determine the impact on the county should the projects locate there. Results, with the continuing effects of the newly created jobs, are provided below. A list of modeling assumptions, a description of the model used and definitions of terms can be found after the project results tables.

Results

Northwest Florida Industrial Park @ I10

Project A: 350 Jobs, \$40,000 Average Wage, Distribution/Warehouse industry

Category	Units	2017	2018	2019	2020	2021	2022	2023	2024	2025
Direct Employment		350	350	350	350	350	350	350	350	350
Additional Employment		154	186	207	215	216	214	211	209	206
Economic Impact	Millions of Current Dollars	25.07	27.21	28.81	29.77	30.37	30.90	31.31	31.72	32.10
Income Increase	Millions of Current Dollars	18.20	24.03	28.95	33.54	38.10	42.88	47.50	52.13	57.04

Job creation impact over 9 years: \$267.26 million

Northwest Florida Industrial Park @ I10

Project B: 500 jobs, \$32,000 Average Wage, Distribution/Warehouse industry

Category	Units	2017	2018	2019	2020	2021	2022	2023	2024	2025
Direct Employment		500	500	500	500	500	500	500	500	500
Additional Employment		219	266	296	307	309	306	302	298	294
Economic Impact	Millions of Current Dollars	35.81	38.87	41.15	42.54	43.39	44.15	44.75	45.34	45.88
Income Increase	Millions of Current Dollars	26.00	29.86	35.98	41.68	47.35	53.30	59.05	64.80	70.90

Job creation impact over 9 years: \$381.88 million

Modeling Assumptions:

All employment commenced in 2016 and is maintained for 8 additional years

Model impacts occurred from 2017 through 2025.

REMI model

FIGURE 11. 2015 AEROSPACE MANUFACTURING ATTRACTIVENESS RANKINGS
50-STATE ANALYSIS PREPARED BY PWC

STATE	OVERALL RANK	INDEX COMPONENT RANKINGS			
		<i>Tax</i>	<i>Operating costs</i>	<i>Industry size</i>	<i>Education</i>
Florida	1	14	21	5	12
Michigan	2	10	25	3	18
Ohio	3	26	18	1	17
Utah	4	5	29	7	22
Virginia	5	6	34	19	5
Georgia	6	8	31	11	16
New York	7	20	28	17	1
Texas	8	39	16	4	9
Missouri	9	4	7	34	24
North Carolina	10	25	9	22	15

Source: PwC analyzed the relative ‘aerospace industry attractiveness’ of the US in a state-by state comparison. The study produced an overall ‘attractiveness ranking index’ using a weighted average of the following major elements: taxes, operating costs (industry and overall wage rates, business climate, energy costs), industry size (existing suppliers and supply/growth of workforce including available aerospace technicians, engineers, mechanics), and educational attainment.

The 13-county Northwest Florida region has a number of strategic assets that support the Aerospace and Defense cluster’s expansion. These include a dense, multimodal transportation network; proximity to several military installations; targeted tax incentives; major employers; and industry-specific training programs and R&D.