

MARGO D. ANDERSON
MAYOR

MICHAEL E. WHITE
CITY MANAGER

KELLY TRAM
CITY ATTORNEY



COMMISSIONERS
ANTONIUS G. BARNES
RODNEY FRIEND
DAN RUSSELL
JUDY TINDER

Dr. Rick Harper
Triumph Gulf Coast
P.O. Box 12007
Tallahassee, FL 32317

RE: Triumph Gulf Coast Preapplication - City of Lynn Haven Industrial Park Expansion

Dear Dr. Harper:

The City of Lynn Haven is submitting this Pre-Application for you to review. Lynn Haven is a growing and robust city that is working hard for our residents and businesses alike. The City of Lynn Haven Industrial Park Expansion is a project that we would like to submit for funding assistance.

Triumph funding will be a tremendous contribution to the project in helping the City, the County, Trane and Jensen in creating an economic impact through a strong public/private partnership. We hope you would agree this project is a prime candidate to move forward to the application process. The quality jobs Trane and Jensen can add to the economy would boost economic development in Lynn Haven tremendously.

Therefore, we respectfully request that the Gulf Coast Triumph review the City's preapplication for Triumph funding. As always, we appreciate your support and consideration and if you have any questions, please give me a call at 850.265.2121.

Regards,

A handwritten signature in blue ink, appearing to be "M. White", is placed above the typed name.

Michael E. White
City Manager

TRIUMPH GULF COAST, INC. PRE-APPLICATION FORM

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

APPLICANT INFORMATION:

Name of Individual/Entity/Organization: City of Lynn Haven

Brief Description of Background of Individual/Entity/Organization: City that resides within Bay County, Florida and has been incorporated since 1911

Contact Information:

Primary Contact Information: Michael E. White

Title: City Manager

Mailing Address: 825 Ohio Ave., Lynn Haven, FL 32444

Telephone Number: 850.265.2121

Email Address: citymanager@cityoflynnhaven.com

Website: www.cityoflynnhaven.com

Names of co-applicants, partners or other entities, organizations that will have a role in the proposed project or program: Bay County, Trane, and Jensen

REQUIRED EXECUTIVE SUMMARY:

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

IMPORTANT NOTICE

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

EXECUTIVE SUMMARY

The City of Lynn Haven is seeking \$15,764,360 in funding through Triumph Gulf Coast (Triumph) to assist in constructing and developing a logistics center within the City of Lynn Haven Industrial Park. The logistics center will include: an area for truck staging lot, outside storage, and parking lot facilities to assist existing companies within the park. This new investment is necessary to assist Trane and Jensen, existing tenants within the park, with their expansion plans and hiring of new 130 new employees combined in the City of Lynn Haven. These investments will be at the City's Industrial Park on Aberdeen Parkway.

This Public-Private Partnership meets the criteria set forth by Triumph by assisting municipalities in their efforts to attract new quality jobs into Northwest Florida. With the investment made into the Lynn Haven Industrial Park, Trane is committing to invest more than \$3.6 million in wages/benefits per year by hiring 80 new full-time employees in their facility. Trane will also donate land with a value of \$170,000 to assist in constructing the logistics center. In addition to this investment, Trane will invest \$15 million over the next five years in facility modernization and equipment purchases. Jensen will donate land with the value of \$150,000 to the project. In their expansion plans, Jensen intends to invest \$4.5 million in building and equipment and will hire 50 new full-time jobs with the average salary of \$38,000 plus benefits over the next 5 years. In efforts to keep up with the growth these two companies are experiencing, Bay County and FDOT will be investing \$2,991,352 in road improvements. These improvements will accommodate the additional automobile and truck activity to properly serve the industrial park. The FDOT and Bay County efforts increase public safety and address the needs to support additional traffic trips and the substantial increase of delivery truck traffic to both facilities.

TRANE OVERVIEW

Trane of Lynn Haven has been in operation in Bay County since 1996. Trane, a brand of Ingersoll Rand, is one of the largest employers in Bay County with a current employment of 650 full-time employees within three (3) operating shifts while producing as many as 670 HVAC units per day. In 2017 and 2018 Trane completed a variety of insourcing and rooftop consolidation projects that led to more than 100 additional jobs in Bay County. Currently, Trane occupies 365,000 sq. ft. of manufacturing space with 561 parking spaces. The company also has annual material purchase of \$29 million from businesses located within a 50-mile radius. As a result, incremental production volumes at Trane's facility have significant effects on the region's economy.

JENSEN USA OVERVIEW

Jensen USA assists heavy duty laundries worldwide by providing quality textile services economically. They have become a preferred supplier in the laundry industry by leveraging their expertise to design a line of sustainable single machines, systems and integrated solutions. They currently have operations in 21 countries and have distribution to more than 40 countries. The Jensen USA facility in Lynn Haven is the only manufacturing, sales, and service center for the Jensen Group in the United States. Utilizing a 100,000 sq. ft. facility in the Lynn Haven Industrial Park more than 200 people are employed at the operation. Annually, Jensen USA purchases \$10 million in goods and services in Florida, which includes \$3 million in freight costs and \$200,000 in building leases. The first facility was erected in 1999 and doubled their footprint in 2006. Since 1999, Jensen USA has experienced tremendous growth and have been awarded two (2) Qualified Target Industry Tax Refunds. Jensen USA has added more than 150 jobs at the Lynn Haven facility in the last ten years.

ISSUES

The City of Lynn Haven is seeking Triumph funds to assist with necessary industrial park upgrades to accommodate the Trane and Jensen USA job growth and business expansion. The companies have experienced substantial constraints due to their growth. The lack of adequate roadway infrastructure for supporting the industrial park hinders current and future business investment. The City has worked hard with these companies to properly park and stage the trucks that deliver freight daily. The insufficient truck parking and staging for freight poses a hazard because of the requirement to park on the shoulders of the road. The City also has difficulty in combating the storm water issues caused by the increased pressure on the industrial park. Their operation of multiple shifts causes severe logistical problems not only for the lack of employee parking, but also because of the amount of traffic on the City and County roadway systems creating safety and operational concerns due to the mix of traffic and pedestrians. The addition of a logistics center is crucial to meet their needs as they continue to grow in Bay County. Additionally, the requirement for the product storage area allows Trane to store/stage more products on-site and increase productivity.

EXPANSION PROJECT COSTS

1. Intersection Improvements to 389 and Aberdeen with signalization and adjustment to Aberdeen Parkway.	= \$950,000
2. Asphalt Parking Lot w/ Stormwater 211 spaces (at \$5,000/space) (Includes wheel stops, striping, signage and landscaping).	= \$1,055,000
3. Extended Product Storage Area (concrete) 18,000ft ²	= \$275,000
4. Parking Lot Lighting/Security Cameras (includes electrical)	= \$325,000
5. Truck Staging Lot (Includes striping, signage and landscaping)	= \$750,000
6. Truck Staging Lighting w/Security Cameras	= \$200,000
7. Stormwater Box Culvert and Import Fill for Both Lots	= \$1,050,000
8. Perimeter Fencing for parking lot with Automatic Gates	= \$225,000
9. Land Purchase for Truck Staging Lot (6 Acres) (Includes closing costs)	= \$250,000
10. Pedestrian Crossing with sidewalks and push button Activator	= \$100,000
11. CR 389 Widening Improvements (SR 390 to SR 77)	= \$500,000
12. CR 389 Resurfacing and Dundee Turn Lane	= \$1,075,000
13. CR 2321 and SR 390 (Titus Rd) Connector	= \$3,100,000
14. Aberdeen Parkway and Aberdeen Loop Resurfacing	= \$1,500,000
Subtotal \$11,355,000	
10% Contingency \$1,135,500	
Total Construction \$12,490,500	
1. Soft Costs - (Engineering, Permitting, Environmental, Geotechnical, Surveying, Services During Construction)- 12%	= \$1,498,860
2. Wetland Mitigation Costs	= \$950,000
3. Legal Costs	= \$75,000
4. Long Term Maintenance of Parking Lot & truck staging area (20-year resurfacing) to remain in City Reserves – dedicated to project	= \$750,000
Total Project Cost \$15,764,360	

SUMMARY

It is our position that the City of Lynn Haven and Bay County must continue to be a partner with local manufacturing companies to further diversify industry in Bay County. The tax revenue and jobs local manufacturing companies contribute are substantial in ensuring Bay County and the surrounding area maintain positive growth. The City of Lynn Haven has continued to provide an economical and well-maintained Industrial Park for our industrial tenants. However, due to size constraints, these businesses cannot continue to grow without the development of the logistics center and storage area. This project will not only enable these companies to alleviate constraints with logistics, it will enable them to increase their local manufacturing and product storage space. This will further diversify our economies by continuing to insource advanced manufacturing careers such as custom configured assembly, CNC controlled metal fabrication, and other operations within their supply chains. Trane and Jensen USA are tremendous assets to the City and Bay County. The loss of these jobs would be devastating to our economy and supporting the enhanced efficiency of these operations will be crucial to their future growth.

The City of Lynn Haven feels that Triumph Funds are necessary to build the logistics center and product storage area. This will allow these companies to remain competitive to their other operations in North America and around the world. It is the City's intent to utilize partial matches from the local companies, local funds for nearby transportation improvements, as well as Triumph Funds to custom build the logistics facility to meet all parties' requirements. The City would like to begin this project during the 2018-2019 fiscal year. The property will become a City-owned asset leased to the local companies. It will provide private companies the ability to increase their footprint in our community.

In addition, the transportation infrastructure around our Industrial Park, including the road systems, is not adequate to handle the future needs of the local community. The City believes to maximize job growth, the economy, and enhance public safety, these improvements must be made. There must be a paradigm shift to fund and create more public-private partnerships to strengthen projects and sustain the economy. Support from Triumph Gulf Coast at this stage of development will be invaluable, as it allows this public-private partnership to complete the first step in growing operations of two industries that have a tremendous impact on the Bay County's economy. By beginning this project next fiscal year, the City will give Trane and Jensen the needed area to meet the needs of their growing businesses. The funding Triumph provides will enable our local companies to choose Bay County as the choice location for these internally competitive projects. A Summary of proposed investments and creation is as follows:

Trane: **\$15,000,000** investment over 5 years and 80 jobs @ \$46k/ yr (wages and benefits)

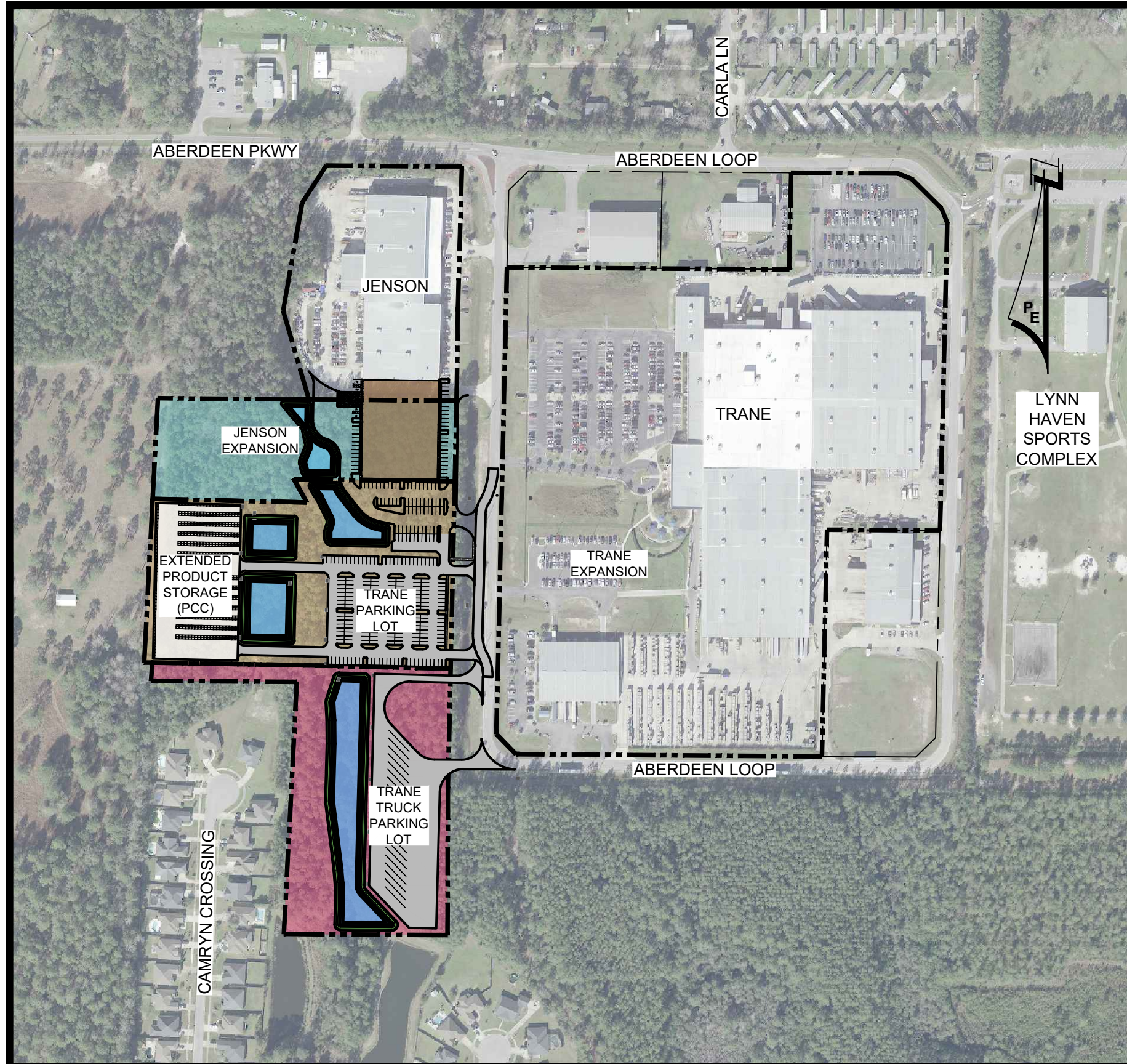
Jensen **\$4,500,000** investment over 5 years and 50 jobs @ \$38k/ yr plus benefits

Bay County/FDOT contribution **\$2,991,352**

Total Capital Investment by partners other than Triumph **\$22,491,352**

Annual incremental employee compensation by partners other than Triumph: **\$5,580,000**

Total Amount Requested from Gulf Coast Triumph **\$15,764,360**



VICINITY MAP
SCALE 1" = 300'

PREPARED WITHOUT BENEFIT OF TOPO OR BOUNDARY SURVEY AND SOIL PERCOLATION TEST, THEREFORE SITE LAYOUT & STORMWATER BASIN SIZING IS PRELIMINARY.

JENSEN EXPANSION
SITE AREA = 419,027± SF ~ 9.62± AC
PRE - ISR = 193,682± SF ~ 46%±
POST - ISR = 266,611± SF ~ 64%±

PARKING & PRODUCT STORAGE
SITE AREA = 342,890± SF ~ 7.87± AC
ISR = 210,518± SF ~ 61%±

TRANE TRUCK PARKING LOT
SITE AREA = 288,225± SF ~ 6.62± AC
ISR = 85,000± SF ~ 30%±



REV	DATE	BY	REVISIONS

SCALE: AS NOTED
DESIGNED BY: CBF
DRAWN BY: REF
REVIEWED BY: CBF
ISSUE DATE: AUG 2018
ACAD FILE NAME: 14443-Sht 1 of 3.dwg

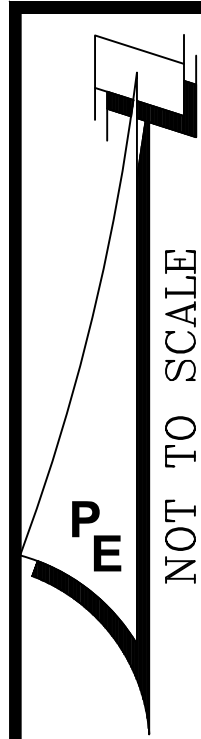
PANHANDLE ENGINEERING, INC.
 ENVIRONMENTAL ENGINEERS • CIVIL ENGINEERS • LAND PLANNERS
 3005 South Highway 77 Lynn Haven, Florida 32444
 (850)763-5200 Fax (850)769-0730 pe@panhandleengineering.com

**CONCEPTUAL MASTER PLAN
 TRANE/JENSEN EXPANSION
 GULF COAST TRIUMPH
 LYNN HAVEN, FLORIDA**

James H. Stonina, P.E. 39197
 James M. Southall, P.E. 39637
 Christopher B. Forehand, P.E. 58028
 Stephen E. Price, P.E. 71646
 Jeffrey C. Petermann, P.E. 77540

DPR CERTIFICATION #EB-7806

SHEET NUMBER	1 of 3
PROJECT NUMBER	14443



Date: Aug 20, 2018, 9:48am User: ID: REF File: P:\14443\Trane Expansion - Triumph\1 CIVIL\Folder\Drawings\Trane & Jensen Expansion\14443-Sht 3 of 3.dwg

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 3005 South Highway 77 Lynn Haven, Florida 32444
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**BAY COUNTY AND FDOT IMPROVEMENTS
 TRANE/JENSEN EXPANSION
 GULF COAST TRIUMPH
 LYNN HAVEN, FLORIDA**

James H. Slonina, P.E. 39157
 James M. Southall, P.E. 39637
 Christopher B. Forehand, P.E. 59028
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SHEET NUMBER	3 of 3
PROJECT NUMBER	14443

14443 BAY COUNTY AND FDOT IMPROVEMENTS GULF COAST TRIUMPH BAY COUNTY AND FDOT IMPROVEMENTS Sheet 3 of 3