



Project Clear Proposal  
Submitted by Bay County EDA  
December 7, 2018



## 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 eligibility for potential ideas of 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: Bay Economic Development Alliance (An agent of the Bay County Commission)

Proposal Title: Project “Clear”

Amount of Triumph Funds Requested: \$7,350,000

Total Estimated Project Cost: \$32.9M

Brief Description of Individual/Entity/Organization: The Bay Economic Development Alliance (EDA) is an organization dedicated to creating new, quality jobs which increase the wealth in the community while sustaining and growing the existing economic base. We work with strategic partners in Bay County, northwest Florida and the State of Florida to create a vibrant, globally-competitive business climate for Bay County which encourages economic growth, enhances the community’s quality of life and fosters the creation of high-quality jobs.

We operate as a non-profit, public/private partnership made up of our county, our cities, private businesses and community partners who share our mission and are committed to working together to generate community wealth. The EDA’s mission is to assist in the attraction of new and diversified employers, to retain and encourage the expansion of existing diversified employers and to work to improve the business environment in Bay County.

#### Contact Information

Primary Contact: Becca Hardin

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

- Bay County Commission
- The St. Joe Company



- CareerSource Gulf Coast
- Gulf Coast State College
- Florida State University – Panama City

### **REQUIRED EXECUTIVE SUMMARY**

In a maximum of two (2) pages, please describe the proposed project or program and anticipated outcomes 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 reviewed and then considered for award at the discretion of Triumph Gulf Coast Board.



**Please Select the Proposal's Eligibility Category(s)**

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.



**Please Select the Priorities this Proposal's Outcomes will Achieve**

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.



Code Name: **Project Clear**, Industry: **Aerospace Manufacturing**, Location: **Panama City, Bay County**

**Planned investment - Leased Capital: \$17.4M, Purchased capital & NRC; \$8.1M, Building lease; \$7.4M**

**Triumph Fund Request: \$7.35M** to pay equipment lease payments to the public entity leasing the capital equipment, during the initial operating period

**Other matching funds:** *Bay County Qualified Industry Tax Credit in support of job creation = \$147,000*

*CareerSource Florida Training Grant = \$250,000*

*CareerSource Gulf Coast Recruitment/Hiring/Training support = \$514,500*

*Bay County Ad Valorem Tax Savings = \$905,000*

*Temporary office space = \$35,000*

**Total = \$1,851,500**

**PROJECT CLEAR Investment: \$25.5M**

Job Creation: 147 by end of 2023, with average salary of \$63,156, ~170% of the Bay County average

### **Company overview paragraph**

The company is the world's leading multi-technology tier 1 aerospace supplier. As a global company serving the world's leading aircraft manufacturers, the company develops, builds and supplies an extensive range of advanced aerospace systems, components and technologies— for use in aircraft ranging from helicopters and business jets to the most used single aisle aircraft and the largest passenger planes in the world. Lightweight composites, additive manufacturing, innovative engine systems and smart transparencies help to reduce emissions and weight on the aircraft and enhance passenger comfort. The company is market leading in aerostructures, engine systems, transparencies and wiring systems and operates in 14 countries at 51 manufacturing locations employing approximately 17,000 people. Every day over 100,000 flights take off around the world with the company's products helping to make them fly!

### **Existing Panama City facility**

The company is already committed to the Bay County region and has established a manufacturing facility in Panama City, Florida. This facility, which is leased from St. Joe Company (10 year lease, with 2 five year options), occupies approximately 138,000 square feet and is on track to employ 170 full time equivalent jobs at an average wage of \$63,156 by 2020 and with \$55M of capital investment. The facility will support a Department of Defense contract in advanced technology aerospace manufacturing.

A key aspect of the original facility's transformational impact includes collaboration with educational and workforce development entities such as Career Source and Gulf Coast State College through the development and execution of a pre-employment training curriculum and course. With the company bringing specific skill set knowledge and a "train the trainer" approach, 28 recently hired technicians successfully completed the program by November 2018. These courses offer the opportunity, to those who meet entry criteria for high quality employment in a STEM career field with improved skill diversification within the disproportionately affected counties with the company or other advanced manufacturing companies. Florida State University – Panama City campus also introduced a Mechanical Engineering program in Fall 2018 in part to help support the company's request to help develop the talent pipeline. Furthermore, the company integrated into the Northwest Florida community by supporting STEM subjects through the local school district and other mentoring opportunities in the community. The company will also establish a paid internship program in 2019.



## Summary of new potential project – Project Clear

The company is considering, building on its strong collaborative relationships with local partners in Bay County, to expand its footprint in the local area with a new project called Project Clear. The company through Project Clear supports the establishment of a new state-of-the-art, high-technology company facility (10 year lease plus extension options for a~120k sq. ft. building) at Venture Crossings in Bay County, Florida. The new facility will expand the manufacturing capacity for an existing company work scope and support a Department of Defense contract with long-term program expectations (30 years+) of providing original equipment, MRO services and spares. This long-term program will have the capacity to provide careers for not only today’s workforce but also for future generations. The company will bring its proprietary technology and manufacturing know-how to the area, including training programs to enhance the skillset of the community for the company and PROJECT CLEAR or other advanced manufacturers. The company expects the economic impact of Project Clear to carry with it the extension of the economic impact of the related supply chain, increased employee spending and help establish an ecosystem which attracts other advanced manufacturing companies. The company believes these impacts have already yielded results with the recent announcement by ACMT to open their new facility in Bay County.

This proposal requests funding of \$50,000 per project job (total of \$7.35M) and anticipates the company to fund \$25.5M of the total investment thru the same period. This opportunity is in the targeted industry sector of Aerospace Manufacturing (NAICS code 336411) and has the potential to raise the sustainable family income for its employees and their families at an expected average wage of \$63,156, as compared to the Bay County average wage of \$37,035. This project offers the ability for individuals to diversify their current skill set beyond industries currently represented within the local market. This project has the ability to provide a military off ramp for those service members leaving the military in a complementary industry. The jobs and associated training offer marketable skills and advancement within the company, but also to outside companies. The company plans to continue its strong relationship with educational partners like Gulf Coast State College, Haney Technical Center and Florida State University to develop and build internship and co-op programs, with a concentration on STEM disciplines. The company would develop a pre-employment training program through Gulf Coast State College.

The requested Triumph Funds would be paid to the public entity leasing the capital equipment to the company for PROJECT CLEAR to pay the lease payments during the initial period of operations, supporting the rapid establishment of the aerospace manufacturing capability in Bay County.

## Time Line Proposal

