



Project Purple 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 “Purple”

Amount of Triumph Funds Requested: \$4,635,000

Total Estimated Project Cost: \$11.4M

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

Title: President

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Email Address: Becca@BayEDA.com

Website: www.BayEDA.com

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

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- 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 Purple**, Industry: **Aerospace Manufacturing**, Location: **Panama City, Bay County**

Planned estimated investment: **Leased Capital; \$5.0M Non recurring; \$1.8M, Building Lease; \$5M**

Triumph Fund Request: \$4.635M 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 = \$72,100*

CareerSource Florida Training Grant = \$250,000

CareerSource Gulf Coast Recruitment/Hiring/Training support = \$360,500

Bay County Ad Valorem Tax Savings = \$124,214

Temporary office space = \$35,000

Total = \$841,814

PROJECT PURPLE Investment: \$11.4M

Job Creation: 103 by end of 2023, with average salary calculations being finalized but will be significantly above the Bay County average of \$37,035.

Company overview paragraph

The Company leading Project Purple is a global, tier one supplier to the aerospace industry, employing approximately 17,000 employees in 51 locations with sales of over \$4.7B in 2017. The company's history dates back to 1759 and has helped move the world since the start of the industrial revolution, continually evolving to stay ahead of the competition. The company's focus is to support the defense, commercial and business jet markets in the aerostructures, engine system and specialist, harnessing technology to meet the needs of our customers for the future. 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 be supporting 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 technicians have been hired upon successful completion of the program as of 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 has 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 has integrated into the community supporting STEM subjects through the local school district and other mentoring opportunities in the community. The company will also be establishing paid internship program in 2019.



Summary of New Potential Project – Project Purple

The company is considering, building on its strong collaborative relationships with local partners, to expand its footprint in the local area with a new project, called Project Purple. Project Purple supports the establishment of a new state of the art, high technology PROJECT PURPLE facility (repurposing an existing building to support customer timelines) at in Bay County, Florida to expand manufacturing capacity for new work scope, supporting a Department of Defense contract with long term program expectations. This long term program will provide careers for not only today’s workforce but also their children. 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 PROJECT PURPLE and other advanced manufacturers. The company expects the economic impact of this project 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, which has already yielded results with the recent announcement by ACMT of their new facility located in Bay County.

Project Purple creates 103 new high quality jobs by 2023 and requires a total of \$5M in capital investment, \$5M in building lease, and \$1.8M in non-recurring investment within a disproportionately affected county. This proposal requests funding of \$45,000 per project job and projects the company to fund \$65,679 per project job ((\$11.4M – \$4.635M)/103) of the total investment thru the same period. This opportunity is in a targeted industry sector, Aerospace Manufacturing, (NAICS code 336411) and has the potential to raise the sustainable family income for its employees and their families. This project offers the ability for individuals to diversify their current skill set beyond industries current 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 and PROJECT PURPLE, but also to outside companies. The company plans to continue its strong relationship with educational entities 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. This project will be planned to develop a pre-employment training program, similar to that developed on the current company aerospace project.

The requested Triumph Funds would be paid to the public entity leasing the capital equipment to the company for PROJECT PURPLE 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

