

## **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: Coastline Environmental Materials, Inc.

Proposal Title: Artificial Reef Creation Project – Franklin County, Florida

Amount of Triumph Funds Requested: \$6,510,000

Total Estimated Project Cost: \$6,510,000

Brief Description of Individual/Entity/Organization:

Coastline Environmental Materials (CEM) is a mining company with a decade’s worth of experience with environmentally-based, resource restoration projects. CEM’s knowledge and network of contractors are ideal for the completion of the proposed project: creation of large scale, artificial reef in the state waters of Florida, off the coast of Franklin County.

#### Contact Information

Primary Contact: Chris Langston

Title: Vice President

Mailing Address: 2671 Crawfordville Highway

City: Crawfordville State: FL Zip Code: 32327

Telephone Number: 850/519-7989

Email Address: [chrislangston@live.com](mailto:chrislangston@live.com)

Website:

Names of co-applicants, partners or other entities, organizations that will have a role in the proposed project or program: The following have the role of support for this proposed project: City of Apalachicola, Franklin County; Franklin County; Gulf County; Jefferson County; Wakulla County.

### **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.

## PRE-APPLICATION EXECUTIVE SUMMARY: Artificial Reef Creation Project – Franklin County

Coastline Environmental Materials (CEM) is seeking \$6,510,000, for the creation of an expansive artificial reef system, in Florida waters, off Franklin County, Florida. Specifics of the project: 30,000 tons of limestone rip-rap will be mined and hauled from Jefferson County; to a shoreline staging area in Gulf County; the limestone rip-rap will be loaded onto flat-deck barges; then barged from the Gulf County staging area to a permitted offshore site in Franklin County and planted. The individual volume of limestone rip-rap will be between 500 lbs. (1/4 ton) and 6,000 lbs. (3 tons). The total volume of 30,000 tons, will be planted on 5-6 acres of submerged land, depending on orientation following deployment, within the permitted site. The entire project will be completed at a rate of \$217 per ton.



Figure 1: Example of type, size and shape of artificial reef substrate (limestone rip-rap)

The new artificial reef system will be constructed within a permitted site approximately 8 Nautical Miles (NM), south-southeast, from Government Cut, off Franklin County, Florida. The permitted site is 1 NM x 1 NM in area and encompasses approximately 847 acres of sand bottom in State of Florida waters, with an average depth of 43 feet. This regional asset (submerged state land) would be enhanced significantly and become a productive biome, almost immediately and would continue being a productive fishery habitat for the long term.

Due to fishery losses, both actual and perceived, following the Deep-Water Horizon event, there already existed serious short- and long-term economic consequences for the fishery dependent community of Franklin County (City of Apalachicola). Recently, Northwest Florida's productive coastal waters were directly impacted in 2018 by Hurricane Michael. This hurricane adversely affected Florida's productive Northwest Gulf Coast through extreme environmental, meteorological and hydrological conditions and resulted in net losses of existing offshore reefs in Franklin County. Losses included depletion and debilitation of fisheries resources which have both short- and long-term effects. Effects include loss of fisheries stocks, disruption of recruitment, loss of reefal integrities and loss of reefal ecology. Further, prior to Hurricane Michael, the total number of artificial reefs in Franklin County was already well below the state average in both density and tonnage compared to all Florida counties currently participating in artificial reef construction.

Artificial reefs provide additional critical habitat that increases the environmental carrying capacity and eventually, the abundance and biomass of reef fishes. Artificial reef systems provide additional food; increase feeding efficiency; provide shelter from predation; and provide recruitment habitat for settling individuals that would otherwise have been lost to the population. Additionally, and indirectly, fishes moving to artificial reefs create vacated space in the natural environment; allowing replacement from outside the system (Matthews, 1985). It is well documented that, following an artificial reefs creation, rapid colonization rates (within days to months); high fish densities and high catch rates occur. Moreover, fish densities, biomass and catch rates are higher on artificial reefs than natural reefs. Unproductive substrate, such as sand, is turned into a highly productive biome, with the creation of an artificial reef system.

In a presentation at the 2015 Artificial Reef Summit, Bill Huth, utilized Regional Economic Models, Inc (REMI) to enumerate the economic benefits of artificial reefs to the State of Florida. Results from the modeling indicated that fishing and diving activity on Florida artificial reefs provides 39,118 jobs for Floridians; generates \$3.1 billion of economic output; accrues \$1.3 billion in income to Floridians; produces \$250 million in state revenues for Florida and endows reef users with a use value or consumer surplus of over \$700 million. [flseagrant.ifas.ufl.edu/artificialreefs/Huth.pdf](http://flseagrant.ifas.ufl.edu/artificialreefs/Huth.pdf).

The economic recovery, diversification and enhancement of the disproportionately affected County of Franklin, and the City of Apalachicola, specifically, through the creation of the proposed, large-scale, artificial reef can be demonstrated through the results of a study in 1998 by Bell, et. al. The purpose of the study was to assess the economic impact, user valuation and benefit-to-cost ratio associated with artificial reefs located in Bay, Escambia, Okaloosa, Santa Rosa and Walton Counties. During the study period, a total of \$414 million in expenditures were associated with artificial reef usage in these five counties. The expenditures supported 8,136 jobs and \$84 million in wages and salaries. Of the total expenditures, \$359 million and \$55 million were attributed to visitors and residents, respectively. Of the five counties in the study, Walton County is comparable with Franklin County, as both counties had a similar number of artificial reefs at the time of the study. The study concluded that of the total \$414 million in expenditures, five percent (5%) of the total \$414 million (or \$20,700,000) in expenditures, during the study period, were associated with Walton County. This value indicates a very high, positive return to the cost of artificial reef projects implemented in Walton County and can reasonably be expected as a similar value to be gained in Franklin County (City of Apalachicola) and may also add value for the adjacent counties of Gulf and Wakulla.

Fishing and diving are very popular recreational activities in Franklin County and the adjacent Counties of Gulf and Wakulla and are key to the economic productivity of the area. The following positive impacts to the local economy of the City of Apalachicola and Franklin County, after the construction of a large-scale artificial reef are primary and secondary, in nature. Primary benefits would be to guide and recreational fishermen, charter captains as well as recreational divers (SCUBA). Additional primary benefits would be increased revenue at local sporting good, bait, grocery and hardware stores; marinas and gas stations; and local hotels and vacation rental homes. Secondary benefits would include those employed by the entities mentioned and their families, through increases in household income as well as overall job growth in these sectors. This

restoration project would definitively enhance the economic recovery of the City of Apalachicola as well as Franklin County, in both the short and the long term and would be a sustainable asset over time and ensure future economic activity. Additionally, this project would provide some diversification to a community that has depended heavily on an oyster-harvesting-based economy; of which, has severely declined in recent years.

The proposed project is “shovel ready” and could be implemented following the first distribution of funds from Triumph Gulf Coast.

#### Literature Cited

Adams, C., Lindberg, B., and Stevely, J. (2006). The Economic Benefits Associated with Florida’s Artificial Reefs. UF IFAS/EDIS Report.

Bell, F.W. et al. 1998. Economic impact and importance of artificial reefs in northwest Florida. Office of Fisheries Management and Assistance Services, Florida Department of Environmental Administration, Tallahassee, Florida.

Florida Fish and Wildlife Conservation Commission [Jan. 2018]. Artificial Reef Deployment Data. Division of Marine Fisheries Management, Tallahassee, Florida. Data found on the following website: <http://myfwc.com/conservation/saltwater/artificial-reefs>

Hazen and Sawyer. Swett, R.A., Larkin, S., Adams, C., Hodges, A.W., and Stevens, J.D. (2010). A Socioeconomic Analysis of Artificial Reef Patronage for Six Southwest Florida Counties. Florida Fish and Wildlife Commission, Tallahassee, FL.

Johns, G., Leeworthy, V.R., Bell, F.W., and Bonn, M.A. (2001). Socioeconomic Study of Reefs in Southeast Florida.

Matthews, K. R. 1985. Species similarity and movement of fishes on natural and artificial reefs in Monterey Bay, California. Bull. Mar. Sci. 37:252-270.

# CITY OF APALACHICOLA

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**Mayor**  
Van W. Johnson, Sr.

January 14, 2019

**Commissioners**  
Brenda Ash  
John M. Bartley, Sr.  
James L. Elliott  
Anita Grove

Mr. Don Gaetz, Chair  
Florida Triumph Gulf Coast, Inc.  
P.O. Box 12007  
Tallahassee, FL 32317

**City Manager**  
Ron Nalley

RE: Artificial Reef Creation Project in Franklin County, Florida – Coastline  
Environmental Materials

**City Administrator**  
Lee H. Mathes, MMC

Dear Chairman Gaetz:

**City Clerk**  
Deborah Guillotte, CMC

The City of Apalachicola fully supports and recommends the application submitted by Coastline Environmental Materials for the Artificial Reef Creation Project in Franklin County to the Triumph Gulf Coast, Inc. The City believes that this project will strengthen and diversify our local economy through tourism as well as provide environmental benefits to our area.

**City Attorney**  
J. Patrick Floyd

Florida reportedly has the largest complement of permitted artificial reefs in the nation and these reefs have been shown to be beneficial to the local economies and increase economic activity in the communities. Benefits include increased economic activity (i.e., expenditures, incomes, jobs) as well as non-market benefits relating to their biological habitat.

Promotion of the artificial reef will be handled through the Franklin County Tourist Development Council and our local Chamber of Commerce. The site will attract commercial and recreational fishermen and divers.

The City of Apalachicola appreciates the Board's consideration of Coastline Environmental Materials application and supports their efforts in the artificial reef creation project.

Sincerely,



Van W. Johnson, Sr.  
Mayor  
City of Apalachicola