

TRIUMPH GULF COAST, INC. PRE-APPLICATION

APPLICANT INFORMATION

Name of Individual/Entity/Organization: **Port Authority of the Port of Port St. Joe**

Proposal Title: **Dredging of the Shipping Channel of the Port of Port St. Joe**

Amount of Triumph Funds Requested: **Phase I \$15 Million**

Total Estimated Project Cost: **Phase I \$30 Million**

The Port St. Joe Port Authority, which administers the Port of Port St. Joe, was originally created by special act of the Florida Legislature under Chapter 30787, Laws of Florida, in 1955, as amended. In June 2000, Chapter 30787 was essentially replaced with the passage of Chapter 2000-488, Laws of Florida, providing for the re-codification and re-creation of the Port Authority, from which all its current powers and legal authority extend. The Port Authority consists of five commissioners, appointed by the governor to four-year staggered terms. The geographic boundary limits of the Port Authority's district are contiguous with the geographic boundary limits of Gulf County.

Contact Information

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Names of co-applicants, partners or other entities, organizations that will have a role in the proposed project or program: **Gulf County Board of County Commissioners, The City of Port St. Joe, The St. Joe Company**

EXECUTIVE SUMMARY

The Port St. Joe Port Authority is looking to dredge the shipping channel associated with the Port of Port St. Joe. It is imperative that public investment choices reflect the large contributions of the Port of Port St. Joe to the economic well-being of Gulf County, surrounding counties and the State of Florida. Port expansion and modernization must keep up with increasing domestic and international trade activity in the Panhandle to insure recovery from the Deep Water Horizon Oil Spill and Hurricane Michael as it is essential to maintaining the economic dynamism of the Region and State while increasing employment opportunities and generating critical public revenues.

The overall expansion plans contemplated by the Port Authority are the potential economic impacts of the dredging of the channel to a depth of 35 feet plus 2 feet, Modern Port operations, rail expansion and the development of bio mass, forestry, LNG and other industry production facilities. The dredging of the shipping channel will occur in two stages: 1.) first dredging to a depth of 32 feet plus 1 foot (which would allow 80% of cargo ships to enter the port), then in a couple of years, dredging to the permitted depth of 35 feet plus 2 feet. By doing the project in two stages the overall cost of the project is reduced. These expansion and modernization plans for the Port of Port St. Joe are estimated to generate the following based on the Washington Economic Group Inc. report dated January 24, 2014, assuming the dredging started 2015:

An average of 803 annual equivalent jobs across the period stretching from 2015 through 2025. This includes the temporary construction jobs in 2015 along with the jobs that accompany sustained operations at the modernized Port beginning in 2016. *

By 2025, the project is expected to yield a grand total of over \$941 million in Total Economic Impact and add \$490 million to Florida's Gross Domestic Product. *

From an ROI perspective, the modernization plans of the Port are estimated to generate nearly \$133 million in net State revenues (fiscal impacts) for taxpayers, representing a total ROI of nearly \$4.66 to the State taxpayers for each state dollar invested in the project (assuming \$20 million state funds). *

A new economic impact study will be done for a formal application to Triumph but it is assumed that comparable or better numbers will be achieved starting the program beginning in 2020.

The Port Authority of the Port of Port St. Joe has all the necessary permits to dredge the channel and dispose of the dredged material. Total cost for permitting was \$1 million which FDOT paid 75% and the St. Joe Company paid 25%. FDOT has also paid \$750 thousand for engineering of the dredge material disposal sites. The St. Joe Company has donated land and mitigation credits for the building of the disposal sites. The project

timeline for dredging should be about 24 months from start to finish with a total project cost of phase one approximately \$30 million. For Phase I of the project the Port Authority is requesting \$15 million in Triumph Gulf Coast funds. The Port Authority should be obtained other funds through grants from State and Federal Governments. More detail will be provided in the formal application as it relates to matching dollars and monies already spent.

The Port of Port St. Joe, a deep-water seaport located in Gulf County, Florida, is an integral component of the critical economic foundation of the Great Northwest and the Gulf to Gadsden Freight Logistics Zone, creating externality benefits that go beyond the quantification of *direct* and *indirect* economic impacts from Port operations alone. Among such externality benefits are the facilitation of business recruitment of international and national corporations that wish to locate in close proximity to and use a modernized port along Florida's Gulf Coast. This is supportive of the Economic Recovery of Florida's Great Northwest region.

*The Washington Economics Group Inc., The Economic Impacts of the Expansion Plans at the Port of Port St. Joe. January 24, 2014.

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.