

Title - Project Lionheart: Industrial Park Infrastructure

*This is a confidential project pursuant to F.S. 288.075

Description

The Santa Rosa Economic Development Office has been engaged with a pharmaceutical and medical device distribution company seeking to expand into the I-10 Industrial Park.

This project would have a transformational impact on Santa Rosa County in that it would provide a high number of well paying jobs, at 150% of the average county wage (EFI State of Florida Incentives Average Wage Requirements).

Approximate Project Parameters:

Number of Jobs: 90 individuals

Average Wage: \$52,995

Capital Investment: \$6 Million

The Triumph funding will be used to complete infrastructure construction to the I-10 Industrial Park specifically to allow a pharmaceutical and medical device distribution company to expand into the site with a new 100,000 sq foot warehouse. **Infrastructure improvements would include construction of a road adjacent to the property, stormwater improvements, and extension of water, sewer, and wastewater utilities to the site. All improvements will be on a county owned and maintained easement. All improvements will also benefit future tenants on the remaining acres of the Florida First Site.** Once the infrastructure is in place, it will be maintained by the county.

Location

The company is intending to locate at one of Santa Rosa County's premiere industrial parks, strategically located along Interstate 10. The company would utilize 8 acres of a Florida First Site at the I-10 Industrial Park.

Economic Recovery, Diversification, Enhancement

Economic Recovery: The Santa Rosa Board of County Commissioners has worked for years to bring higher paying jobs to the County. One of the most telling statistics of the county can be seen on the Northwest Florida FORWARD County Snapshots. The net inflow/outflow of commuters is largely outward from Santa Rosa County, which means workers are commuting outside the county to higher paying jobs. They are commuting to the metropolitan core areas of Pensacola or Fort Walton Beach or to Crestview. The downturn of the economy in 2008 and the Deepwater Horizon Oil Spill in 2010 both hit the county's economy very hard (unemployment rose from 2.8 in 2006 to 9.5 in 2010) because of the reliance on growth in the construction/housing industry and tourism for jobs and revenues.

Diversification: Santa Rosa County has relied heavily upon military, tourism and agriculture, all of which are subject to unpredicted devastating events that can wipe out expected revenues, such as the Deepwater Horizon Oil Spill, weather conditions and base realignments. Development of the distribution industry will not only diversify the economy but would also provide stability as the need increases nationally and locally for distribution hubs.

Enhancement of Disproportionately Affected Counties: Santa Rosa County and the region of disproportionately affected counties will be enhanced:

- i. Distribution and supporting industries will bring jobs with higher pay.
- ii. Aligns with the Northwest Florida FORWARD regional strategic initiative by supporting the manufacturing industry by providing transportation for its products and supporting the water transportation industry by providing land-based logistics.
- iii. Will create net new jobs in support of a targeted industry.
- iv. Provides a wider regional impact as evidenced by the U.S. Cluster Mapping Project, Institute for Strategy and Competitiveness, Harvard Business School, which shows Northwest Florida as a cluster for transportation and logistics.

Proposed Timeline

Spring 2020 - Winter 2020: Design
Early 2021: Construction commences
Early 2022: Project completion

Budget

PROJECT LIONHEART BUDGET

Capital Investment (<i>100,000 sq. ft. warehouse</i>)	\$6,000,000
Land acquisition	\$400,000
Anticipated State QTI	\$360,000
SRC QTI match	\$72,000
Triumph Request	\$3,500,000
TOTAL PROJECT BUDGET	\$10,332,000

Triumph Percent of Project Cost 34%

Total request for infrastructure improvements: \$3,500,000

The project budget shown includes capital investment by the company to construct a 100,000 square foot warehouse, the value of 8 acres of industrial park property in accordance with Santa Rosa County pricing guidelines, the cost to Santa Rosa County to design and construct necessary infrastructure to the site, and the associated incentive package approved by Santa Rosa County BOCC and submitted to The Florida Department of Economic Opportunity.