

## 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: Panama City – Bay County Airport and Industrial District  
(DBA: Northwest Florida Beaches International Airport Authority)

Proposal Title: ECP - Aviation Center of Excellence - Project Gator

Amount of Triumph Funds Requested: \$6,144,000

Total Estimated Project Cost: \$26,147,000

Brief Description of Individual/Entity/Organization: The Northwest Florida Beaches International Airport opened in May of 2010 offering the Region new opportunities in air travel as well as aerospace manufacturing and repair. Air travel from Panama City prior to the opening of the Airport was from PFN, which served the City of Panama City and its surrounding communities with regional jet service to Atlanta. In May 2010, PFN closed and ECP opened with a 10,000 foot runway plus land for development. ECP brought to the Region, Southwest Airlines and the up-gauging of Delta aircraft, thus becoming the first Main Line Station for Delta Airlines in the Panhandle. Since the opening, United Airlines has added service to Houston’s George Bush Intercontinental Airport with connections to more than 160 cities worldwide and American Airlines to Charlotte, Dallas- Ft Worth, and Washington D.C. to more than 32 countries around the world. In addition to adding new service routes to locations, ECP has continued to surpass expectations for passenger traffic. In 2009, one of the final years of operation at the prior airport location, the airport saw approximately 312,000 total passengers. In just 10 years, the annual passenger traffic reached nearly 1.3M.

ECP continues to be in the spotlight of site consultants due to its close proximity to the beach, 4 lane highway system, quick and easy access to the global air traffic network and most importantly, its status of being a “Field of Opportunity”.

### **Contact Information:**

Primary Contact Information: \_\_\_\_\_ Parker W. McClellan, Jr. A.A.E. \_\_\_\_\_

Title: \_\_\_\_\_ Executive Director – Northwest Florida Beaches International Airport \_\_\_\_\_

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

- Panama City - Bay County Airport and Industrial District (Airport Authority/ECP/Airport/District)
- Bay Economic Development Alliance (Bay EDA)
- Bay District Schools – Tom P. Haney Technical Center – Aviation Academy
- Bay County Commission
- CareerSource Gulf Coast
- Gulf Coast State College
- Enterprise Florida
- Department of Economic Opportunity
- Florida Department of Transportation
- Triumph Gulf Coast
- Space Florida

#### **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

## **Project Overview**

In Northwest Florida and in the Gulf South, the aerospace and aviation industry are prime targets for economic development growth and economic diversification. Northwest Florida has established itself as a burgeoning region for growth in this sector because of its military assets and its geographical proximity to several large original equipment manufacturers (OEMs) and aviation company headquarters. With the aviation and aerospace sector being such a major component of the U.S. economy, Northwest Florida and Bay County specifically, work to ensure that the proper investments are made now to keep pace with the national growth of the sector. According to the Aerospace Industries Association (AIA) 2019 report, there are currently 2.55M U.S. jobs that support the aerospace and defense industry. Additionally, the total revenue sales for the industry in 2018 exceeded \$929B, an increase of 4.17% from the prior year. The sector represents 1.8% of the entire GDP. According to AIA, based on global demand, the growth seen over the past several decades is not likely to subside and the projected outlook for the industry is only set to increase in the coming years.

Because of the importance of this sector for the U.S. economy and for U.S. global security, Northwest Florida must take the required steps now to remain a key region for the sector. As stated in the Northwest Florida Forward strategic plan, the Northwest Florida Region has a location quotient of 1.05 in this sector. However, according to EMSI projections from the HAAS Center within the strategic plan, this targeted cluster is projected to decrease in employment by 16% between 2016 to 2026 within Northwest Florida. Strategic activities in our region must occur to prevent a decrease in aviation companies and jobs.

Because of the geographic location of Northwest Florida and its military assets, the partners stated above are working to establish an Aviation Center of Excellence at the Northwest Florida Beaches International Airport (ECP). This Aviation Center of Excellence currently has different components that bring together private MRO facilities, and educational institutions. Once completed, the established education institution will provide a ready pipeline of workforce for the initial MRO facilities and for future MRO operations. The establishment of this Center of Excellence will also assist in the stabilization of the regional economy in the wake of a major disaster such as what occurred in 2018 from Hurricane Michael and in 2010 with Deep Water Horizon Oil Spill.

Since establishment in 2010, ECP has become a spotlight for site selection consultants and companies for business locations due to it being one of the newest International Airports in the U.S., its 3,000 developable acres, global air traffic network, ready development sites adjacent to a 10,000 LF. These key assets are the prime contributors to making the airport a desirable location for economic development projects. Because of these opportunities available at ECP; the Airport Authority, Bay EDA, Bay County Commission, and several partners have come together and are working to create successful economic development projects occur at the Airport. The first project that will be supporting the establishment of the Aviation Center of Excellence is Project Gator.

Project Gator is an aviation and aerospace company based in the southeast United States. Currently, Project Gator has facilities and operations in three states and desires to expand to Florida because of its proximity to key customers. Founded 10 years ago, the Company has grown to be a renowned leader as an aviation refinishing specialist. The company has seen record growth in sales in their business due to their reliable and meticulous approach to servicing customers and their business needs. The company has experienced substantial growth in sales, 53% in 2017, 134% in 2018, and 16% in 2019.

For the proposed project, Project Gator is negotiating with the Airport, Bay Economic Development Alliance (Bay EDA), and Space Florida for the construction and lease of a two-bay narrow body hangar (~65,000 sq. ft.) to be located at the Northwest Florida Beaches International Airport. Once operational, the project will allow Project Gator the opportunity to begin operation in a fourth location and service additional customers and contracts to support their growing business. When fully staffed, Project Gator is estimating that they will hire 96 employees at the new location with an average wage of \$45,895, which is over 115% of the Bay County average. The estimated capital investment is approximately \$21M for the Project Gator facility and equipment. An additional \$5,200,000 is needed for necessary ramp improvements and extensions.

By Project Gator locating at the Northwest Florida Beaches International Airport, it will be the first major investment from a private aviation maintenance company at the Airport. Additionally, the investment would be a major milestone in the establishment of the ECP Aviation Center of Excellence. The locating of Project Gator to the Airport would add approximately \$4.5M of private payroll to the Bay County region annually. This new company would contribute significantly to one of the main economic priorities for Bay County - further diversification of the employment base in the community.

To support Project Gator and complete the first private investment into the ECP Center of Excellence, the Airport is requesting \$6,144,000 from the Triumph Gulf Coast, Inc. to support Project Gator. These funds will be specifically used by the Airport and its partner Space Florida to support the construction of the hangar which will be leased to Project Gator. Once constructed, the proposed hangar for Project Gator will be owned by Space Florida, which is a governmental entity designed by the State of Florida. Upon completion, Project Gator will enter into a long-term lease on the facility and the Airport Authority will hold a long-term ground lease on the Project.