

Application Score Sheet

Proposed Project: Santa Rosa Board of County Commission, Santa Rosa Industrial Park East (SRIPE) (#240)

Proposed Project/Program County:

Board of County Commission Support:

Total Projected Project Cost: \$28,136,149

Match Provided: \$22,136,149

Triumph Funds Requested: \$6,000,000 (21%)

Triumph Funds Recommended by Staff: \$6,000,000

Score: A

ROI: \$13.00 per Triumph dollar

Economic Analysis and Score

The Santa Rosa County Board of County Commissioners is requesting \$6,000,000 in Triumph funds to construct 1.5 miles feet of roadway, and utility-related infrastructure improvements to the Santa Rosa East Industrial Park located at Hwy 87 two miles north of I-10. These improvements will support three projects seeking to expand in that Industrial Park. These improvements will be on county-owned and maintained property or easements, and the improvements will benefit the County and other future tenants. The total project cost presented in the application is \$28,136,149 and the Triumph request represents 21.3 percent of that total project cost.

The infrastructure will be maintained by the county. The project application has been approved by the Santa Rosa Board of County Commissioners.

The project will guarantee 170 full time jobs paying a before fringe benefits average of \$41,770 (before fringe benefits) annually, which is 115 percent of EFI's 2020 average wage requirement for Santa Rosa County. Total match is \$22,136,149, with a private sector tenant providing approximately \$20,000,000 in building construction improvements, and two other private sector tenants each providing \$1 million and the County providing the remainder. It is expected that the project will take 36 months to complete. At that time, the three-year ramp-up period would begin, followed by a three-year job maintenance period.

In terms of return on investment, the present money value of the future wages to be paid over the six-year guarantee period, using average real wage growth and the state's preferred discount rate, is \$31,035,696. Using these figures, the project will yield \$5.2 in additional wage income for every dollar of Triumph investment over the guarantee period. If the jobs were to endure for the state's standard assumed 10-year period following installation of infrastructure, that additional wage income figure would rise to \$13.00 per Triumph dollar, and \$47.1 per dollars over 20

years. The cost per job for this project is \$35,294, which is reasonable for permanent jobs funded by Triumph. For these reasons, staff score this project as an “A.”

Project Summary (based on information provided by the applicant)

The Santa Rosa Board of County Commissioners is requesting a \$6,000,000 Triumph grant to construct approximately 1.5 miles of roadway and utility infrastructure for 120 acre Santa Rosa Industrial Park East. The infrastructure, at the county owned industrial park, will allow existing manufacturing companies to expand. The improvements will also allow for additional growth in the park. The industrial site is currently inaccessible to potential tenants.

Since 2010, Santa Rosa County has been one of the 10 fastest growing counties in Florida and within the top 5% of the fastest growing counties in the US. With a current population of approximately 170,000 and an estimated annual population growth rate of 1.9%, more good paying jobs are needed in the area.

This project connects to a broader economic vision of diversifying jobs so the economy can be less dependent on tourism and the military, and supports the growing population. As companies and communities evaluate the impacts of the COVID-19 pandemic, growing and strengthening the manufacturing sector in Santa Rosa County and the region continues to be a priority.

The expansion of the three manufacturing companies and recruitment of additional companies will result in at least \$22 million in private capital investment and 170 jobs. The new jobs will pay at least \$41,770 which is 115% of the average county wage (EFI State of Florida Incentives Average Wage Requirements).

The Triumph funds will be used to complete infrastructure construction for the Santa Rosa Industrial Park East, specifically to allow three existing manufacturing companies to expand into the site. The companies would construct a 200,000 square foot facility, a 20,000 square foot facility, and a 15,000 square foot facility, respectively.

Infrastructure improvements would include construction of approximately 1.5 miles of roadway, construction of two retention ponds, installation of a gravity sewer system, a new lift station and new force main, and realignment of a sports field and facilities.

The project budget includes the anticipated capital investment by three companies to construct three manufacturing facilities on a total of 48 acres, the cost Santa Rosa County has expended to date to bring the project to 60% design, and the cost to complete the design and construct necessary infrastructure to the site.

The companies are ready to break ground on their facility as soon as they are able to access the site. As such, Santa Rosa County will expedite bidding and construction. Santa Rosa Industrial Park East is a Gulf Power Certified Site, and as such the following have been completed:

- Phase I Environmental Assessment has been completed
- Title Search

- Wetlands Delineation
- Geotechnical Study
- Archaeological Study
- Endangered Species

The construction is expected to take 18 months, with the companies beginning facility construction as soon as the sites are accessible.

The total match for the proposal is \$22,136,149. Santa Rosa County BOCC has expended \$136,149 for 60% project design. The combined capital investment for Project Induction, Project O'Brother, and Project Hard Metal will total \$22 million. Project Induction is currently the largest manufacturing employer in the county, and through backward vertical integration, is building their own supply chain.

The proximity of this project to Interstate 10 allows an interconnectivity that will serve the entire South East. Once Project Induction, Project O'Brother and Project Hard Metal construct their facilities, there will be additional remaining acreage in Santa Rosa Industrial Park East for future tenants.

Budget & Funding

Exhibit A

Santa Rosa Industrial Park East

Budget

Estimated construction start date if applicable Mar-21

Estimated education component start date if applicable

	Design	Construction		Total
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Please change year # to actual year

Project Total

Calendar Year 1					
2020	136,149.00	-	-	-	136,149.00
2021	-	9,000,000.00	-	-	9,000,000.00
2022	-	11,000,000.00	-	-	11,000,000.00
2023	-	8,000,000.00	-	-	8,000,000.00
2024	-	-	-	-	-
2025	-	-	-	-	-
2026	-	-	-	-	-
2027	-	-	-	-	-
2028	-	-	-	-	-
2029	-	-	-	-	-
2030	-	-	-	-	-
Project Total	136,149.00	28,000,000.00	-	-	28,136,149.00

Triumph

Calendar Year 1					
2020					-
2021		3,000,000.00			3,000,000.00
2022		3,000,000.00			3,000,000.00
2023					-
2024					-
2025					-
2026					-
2027					-
2028					-
2029					-
2030					-
Triumph Total	-	6,000,000.00	-	-	6,000,000.00

Grantee - Santa Rosa County

Calendar Year 1					
2020	136,149.00				136,149.00
2021					-
2022					-
2023					-
2024					-
2025					-
2026					-
2027					-
2028					-
2029					-
2030					-
Grantee Total	136,149.00	-	-	-	136,149.00

Company

Calendar Year 1					
2020					-
2021		6,000,000.00			6,000,000.00
2022		8,000,000.00			8,000,000.00
2023		8,000,000.00			8,000,000.00
2024					-
2025					-
2026					-
2027					-
2028					-
2029					-
2030					-
Company Total	-	22,000,000.00	-	-	22,000,000.00

Calendar Year 2					-
Calendar Year 3					-
Calendar Year 4					-
Calendar Year 5					-
Calendar Year 6					-
Calendar Year 7					-
Calendar Year 8					-
Calendar Year 9					-
Calendar Year 10					-
Calendar Year 11					-
Calendar Year 12					-
	-	-	-	-	-