

## **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: Bay County Board of Commissioners

Proposal Title: Project “Lightning Strike”

Amount of Triumph Funds Requested:

\$7.0M

Total Estimated Project Cost: 19.7M

Brief Description of Individual/Entity/Organization: Project “Lightning Strike” is a transformer manufacturing company. The Company has a customer base primarily of investor owned utilities and electrical parts distributors that extends domestically from coast to coast. With a strong sales backlog and being limited by current production capacity and local prospective employees, it is necessary for “Project Lightning Strike” to open a new facility that allows the Company to pursue the business opportunities that exist within its industry.

#### Contact Information

Primary Contact:	<u>Becca Hardin</u>
Title:	President, Bay EDA, an agent of the Bay County, Commission
Mailing Address:	<u>5230 W. Highway 98</u>
City: <u>Panama City</u>	State: <u>Florida</u> Zip Code: <u>32401</u>
Telephone Number:	<u>850.890.2960</u>
Email Address:	<u>Becca@bayeda.com</u>
Website:	<u>www.BayEDA.com</u>

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

- Gulf Coast State College
- Florida State University
- CareerSource Gulf Coast
- Bay County Commission
- Bay EDA
- Florida’s Great Northwest (FGNW)

## **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.

**Executive Summary:**

Code Name: **Project Lightning Strike** Industry: **Transformer Manufacturing** Location: **Panama City Beach, Bay County**

Project estimated investment: **\$19.7M**

Job Creation: **175 by December 31<sup>st</sup> 2025, with average annual compensation estimated at \$60,000 versus Bay County average of \$37,035.**

Project “Lightning Strike” is a key Supplier to a number of large investor-owned utilities throughout the U.S. “Lightning Strike” designs and manufactures electrical distribution transformers and transformer component parts. The product line offering of electrical transformers includes both single phase pole and pad mounted units, vaults for underground applications in urban areas, and three phase pad mounted units primarily used in light commercial applications. “Lightning Strike” is preparing to open a new manufacturing operation that will produce single phase pole mounted transformers. “Lightning Strike” is considering this move because the labor resources available at its current location simply cannot meet the current requirements of its manufacturing operations. The age and layout of their current facility also limits capacity. The Company has experienced double-digit growth over the past 8 years, but has tapped out the potential of its current resources and must look at expansion to continue to grow the business and even service its current customers. The \$7.0M Triumph grant will be used towards the purchase of equipment for the manufacturing operation.

“Lightning Strike” plans to relocate product line manufacturing to FL in stages, with the first phase being a pole transformer manufacturing facility included in this proposal. Based on its own research and conversations to date with Bay EDA, the Company believes the labor market in NW FL will address the staffing issues it is currently facing and allow for additional overall production capacity. Once this initial move is completed and functioning, “Lightning Strike” believes there are other business opportunities to immediately pursue which include another facility for 3-phase manufacturing and possibly even a pad producing plant if housing starts which drives the market remains strong.

“Lightning Strike” will have 5 to 10 employees relocate with the company and intends on hiring 75 to 80 personnel from the local community to operate the manufacturing plant with average annual compensation of \$60,000 by the end of Q2 2023. 175 jobs will be created by the end of 2025. These positions are plant manufacturing jobs including Welders, Coil Winders, Multi-Craft Maintenance Professionals, Metal Fabricators, Painters, Quality Assurance Technicians, Assemblers, and Laborers. There will also be supervisory positions for Production, Shipping/Receiving, and Maintenance. Finally, there will be some office positions in HR, Accounting, Engineering, and IT. The company provides an excellent health insurance benefit, 401(k) plan, paid vacation and holidays. “Lightning Strike” intends on being one of the most sought-after companies to work for in the Panama City Beach, FL community.

Below is a list of some of the attributes and further description of their business:

1. Finished goods transformers are stored outside on the “yard”. They maintain safety stock for their larger customers ready to be shipped for emergency situations.
2. The company will work with the community sometimes taking on interns and we support our local schools, colleges and universities.
3. Noise is minimal.
4. From the community, they would require highly qualified candidates in Business and Engineering, and may include master’s degrees, bachelor’s degrees, or highly skilled HS graduates.
5. Employees must pass a criminal background check to qualify for employment.

#### Construction & Startup Timeline

Description	Estimated Timeline	Status
Site review (FL)	Q4-2021	In progress
Sign lease agreements & begin building modifications	Q4-2021	
Triumph Funding	Q1-2022	
New equipment ordered	Q1-2022	
Complete building modifications	Q3-2022	
Install equipment	Q4-2022	
Start Production	Q1-2023	

#### Employee Ramp-Up Timeline

Estimated Timeline	Number of Jobs
Q1 2023	83
Q2 2023	83
Q3 2023	128
Q4 2023	135
Q1 2024	135
Q2 2024	135
Q3 2024	175
Q4 2024	175
Q1 2025	175
Q2 2025	175
Q3 2025	175
Q4 2025	175