

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 “Arrow”

Amount of Triumph Funds Requested:

\$8.75M

Total Estimated Project Cost: \$23M

Brief Description of Individual/Entity/Organization: Project Arrow is an award-winning, vertically integrated real estate company that specializes in developing, building, and managing high-quality multifamily communities across the United States. They have a land acquisition division, design team that includes a full staff of in house architects, development team, construction division, and Property Management team. The company originated in South Florida and has expanded to Atlanta, Georgia, Dallas, Houston and Austin, Texas. Their upcoming projects will expand to Colorado, and the Washington DC area.

Their mission is to deliver budget-friendly, exceptional living experiences to the nearly 12 million American households currently spending more than half of their income on rent. Their communities appeal to renters across the spectrum, from young families and working millennials, to small business owners and entrepreneurs, to empty nesters and active seniors. Arrow is a division of MRV&Co, one of the largest homebuilders in the world (MRVE3:BZ).

Contact Information

Primary Contact:	<u>Becca Hardin</u>
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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 Coast State College

- Florida State University
- CareerSource Gulf Coast
- Bay County Commission
- Haney Technical School

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 ch"Beacon"ers of commerce located within the disproportionately affected counties.

Executive Summary:

Code Name: **Project Arrow**, Industry: **workforce housing construction**, Location: **Bay County, Florida**

Project estimated investment: **\$23M**

Job Creation: 200 by end of 2025, with average salary estimated at \$50,000 versus Bay County average of \$41,900.

The construction industry is determining that in the next 10 years, 41% of construction workers are expected to retire, leaving a large hole in the industry. They are already finding it more and more difficult to find skilled labor and are already seeing the effects of this shortage in labor in various states.

In anticipation of the continued manpower shortage, the company began evaluating alternative methods to assist us in our construction of workforce apartments. One of these methods was prefabricated modules through a third party. They strongly believe that this will allow us to improve the speed of our construction and mitigate the effects of the manpower shortage at the job sites.

The challenge is that if they continue to use third party companies to manufacture prefabricated units, they are putting ourselves at risk because this now is a critical path in production. The company has decided that to open a manufacturing operation to manage a minimum of 70% of production of the prefabricated units in order to have control of this process.

To build these prefabricated modules, they will buy various types of machinery that will include CNC machines, some robotics, and others. The work will be done in an indoor controlled environment using materials that are not heavy. They will use necessary equipment to allow a safe and efficient work environment.

The manufacturing facility will create approximately 200+ good paying jobs with benefits and bonus opportunities. They have additional production expansion that will yield additional jobs past the first three-year period. This facility will be an equal opportunity employer and will employ men and women to perform the necessary job tasks to create the prefabricated modules.

They are estimating the total capital investment in land, equipment, and FF&E to be nearly \$23 million. The estimate yearly payroll once it is fully operational will be approximately \$2 million.

Location of the Project

The project will be built in Bay County, Florida (Venture Crossings Business Park) during 2022.

There are various factors that make the Bay County area favorable for our manufacturing project.

- There are very few manufacturing operations in the area.
- Most of the jobs are in the service and hospitality industry and are seasonal.
- The other positions in the construction business are usually requiring a higher skill level than what is needed in the manufacturing operations.
- Gulf Coast State College will facilitate tailored training Courses for our employees.
- Hayne Technical School is another attraction for our company. The Technical school would be a great place to train our employees on the MEP and production processes.
- Career Source Gulf Coast has agreed to assist in advertising open positions & source candidates.
- Military bases in the areas also offer additional opportunities to create programs to hire veterans.
- Logistic in the area are attractive since we have access to major highways for trucking, rail and the Port of Panama.
- In addition, there is an international airport near the Industrial park with a 10,000 foot runway housing four major airlines.

Description	Estimated Timeline	Status
Site review	Q4-2020 to Q2-2021	In progress
Triumph Funding	Q3-2021	
Lease land	Q2-2021	In Progress
building Contractor selection	Q2-2021	In Progress
building commencement	Q3-2021	
New equipment ordered	Q3-2021	
Building complete	Q1-2022	
Installing machine/equipment	Q2-2022	
Start Production	Q3-2022	