

TRIUMPH GULF COAST, INC. PRE-APPLICATION FORM

APPLICANT INFORMATION

Name of Individual/Entity/Organization: Bay County Economic Development Alliance; an agent of the Bay County Board of Commissioner

Proposal Title: Project “West Rock”

Amount of Triumph Funds Requested:
\$15M

Total Estimated Project Cost: \$30M

Brief Description of Individual/Entity/Organization: The Bay Economic Development Alliance (EDA) is an organization dedicated to creating new, quality jobs which increase the wealth in the community while sustaining and growing the existing economic base. We work with strategic partners in Bay County, northwest Florida and the State of Florida to create a vibrant, globally-competitive business climate for Bay County which encourages economic growth, enhances the community’s quality of life and fosters the creation of high-quality jobs.

We operate as a non-profit, public/private partnership made up of our county, our cities, private businesses and community partners who share our mission and are committed to working together to generate community wealth. The EDA’s mission is to assist in the attraction of new and diversified employers, to retain and encourage the expansion of existing diversified employers and to work to improve the business environment in Bay County.

Contact Information

Primary Contact:	<u>Becca Hardin</u>
Title:	President, Bay EDA, an agent of the Bay County, Commission
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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
- City of Panama City, Florida
- Bay EDA

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 West Rock** Industry: **Paper Mill** Location: **Panama City, Bay County**

Project estimated investment: **\$30M**

Job Creation: 375 new jobs by October 1 of 2030, with average annual compensation estimated at 115 % of the average wage of Bay County, Florida.

On June 7th, 2022, WestRock Company (NYSE; WRK) announced it would permanently cease operations at its mill in Panama City, Florida. This resulted in a loss of 450 jobs, \$52 Million in payroll and an overview impact of \$350 Million to the community. A large population of the workforce spent their entire career working at the paper mill.

The facility had been producing containerboard, primarily heavyweight kraft and fluff pulp, with a combined capacity of 645,000 tons. The company was also major user of the Port of Panama City.

In an effort to protect exist businesses surrounding the former WestRock paper mill facility such as Eastern Shipbuilding, Kraton and the Port of Panama City, the Bay county commission is making an effort to purchase the 350-acre piece of property for an estimated \$30M. The remaining property that is not needed by these three organizations will be re-developed into industrial property for the Bay EDA to market to potential prospective companies.

Currently, Eastern Shipbuilding Group has more than 1,300 employees in Bay County with annual revenue of \$353M.

Port Panama City employs 50 people and in 2022, the Port set an all time high cargo records seeing a record breaking revenue increase of 6%.

Kraton is a global company with more than 1,500 employees and \$1.7B in revenue. Currently the Panama City location has 100 employees.

Bay County is requesting a \$15M grant from Triumph Gulf Coast in support of the purchase of the former WestRock property. The other \$15M will come from BP/Deepwater Horizon Oil Spill Funds and private investors.

The specific fund used will be Restore Act (Pot 1) which can be used for eligible activities such as:

- Workforce development and job creation
- Infrastructure projects benefitting the economy, including port infrastructure.

Timeline for purchase:

Description	Estimated Timeline	Status
Site review	Q4-2022	Complete
Environmental due diligence	Q4-2022	Complete
Appraisal	Q1-2023	Complete
Triumph Funding	Q1-2023	In progress
LOI	Q1-2023	In progress
Purchase offer and negotiation	Q2-2023	
Close on property	Q3-2023	