

Proposal 209: Santa Rosa BOCC I-10 Park (formerly Lionheart) August 2023 updated score

The Santa Rosa County Board of County Commissioners originally requested \$3,484,728 in Triumph funds to construct 2,300 feet of roadway, a retention pond, and sewer system improvements. These improvements were originally to support Project Lionheart, a medical device and pharmaceutical distribution company seeking to expand in the I-10 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 proposed 2<sup>nd</sup> Amendment to this project was contained in a letter from the County dated July 24, 2023. This letter proposed an additional Triumph investment of \$1,917,913 for land purchase and improvement and an increase in the total job commitment to 174 jobs. Because the County has been successful in utilizing the existing Triumph award for the location of new tenants and jobs at this site, the additional dollars are being requested to fund the purchase of additional acreage as described in the 7/24/23 letter. Private companies are providing an additional \$4 million in capital investment in facilities that can be counted as new match funding. Approval of the proposed amendment would bring the total committed project cost, including match, to \$16,234,641, with Triumph funding of \$5,402,641 providing 33.2 percent of that total project cost.

The Triumph funding will be used to complete infrastructure construction to the I-10 Industrial Park specifically to allow a distribution company to expand into the site with a new 100,000 sq ft warehouse. The infrastructure will be maintained by the county. The project application was approved by the Santa Rosa Board of County Commissioners at their regular meeting on October 21, 2019.

The project will guarantee 174 full time jobs paying a before fringe benefits average of 115 percent or more of EFI's 2019 average wage requirement for Santa Rosa County. Total match is \$10,832,001, of which the Santa Rosa County BOCC is providing \$400,000 in land and \$1,246,415 in Economic Development Transportation Fund (EDTF) match. The companies will have a capital investment of \$9.2 million. The amendment letter asks for a two-year extension in the period allowed to reach job ramp-up, with that extension being due to an initial delay with delivery of stormwater structures and a current delay with the delivery of electrical panels for the lift station (they are on backorder).

In terms of return on investment, the present money value of the future wages to be paid over the standard assumed 10-year period is \$147 million. This figure includes both the direct wage impact (those to be paid by the companies) as well as the indirect and induced impacts (wages to be paid by companies in the supply chain, as well as those wages stimulated by the local spending of these employees). The ratio of additional wage income per Triumph dollar is 27.2. The cost per job for this project is \$31,050, which is reasonable given the high wages proposed to be paid in Florida's targeted industry sectors for permanent jobs. For these reasons, staff score this requested project amendment as an "A."