

Application Score Sheet

Proposed Project: Panama City - Bay County Airport and Industrial District
(Northwest Florida Beaches International Airport (ECP)). Project Stamper (#313)

Proposed Project/Program County: Bay

Board of County Commission Support: Yes

Total Projected Project Cost: \$407,500,000

Match Provided: 317,500,000

Triumph Funds Requested: \$90,000,000 (22%)

Triumph Funds Recommended by Staff: \$90,000,000

Score: A

ROI: \$22.2 in additional personal income per Triumph Gulf Coast dollar requested

Economic Impact, Score and ROI

The Northwest Florida Beaches International Airport (ECP) is recruiting a major aviation and aerospace manufacturing company to expand existing operations and establish and operate aircraft production at ECP. Triumph funds are proposed to help construct a 600,000 square foot manufacturing facility with access to the runway. The project will create 1,824 net new jobs and have a total capital investment of \$407.5 million. This will establish Bay County and Project Stamper as leaders in the manufacturing of electric aircraft.

The Triumph staff analysis is based on a proposed award amount of \$90,000,000 from Triumph to fund the majority of the \$95 million construction project, with the company spending an additional \$300+ million on equipment to be installed at the facility. Financing is to be provided by Space Florida. The proposed Triumph investment would represent 22.1 percent of the total project cost of \$407.5 million.

The Airport, and its partner Space Florida, will build the manufacturing facility and lease it to Project Stamper. The building is proposed for completion within three years of the Triumph award approval, with job ramp-up (of managerial and senior staff) to commence prior to completion. The company intends to have hired 367 FTE staff for the facility within two years of commencing hiring and a total of 1,824 FTEs by the end of the ramp-up period. These jobs will be at an average wage rate of \$68,705 or more. This exceeds the 2023 Panama City MSA wage requirement of \$54,036 by 27 percent.

As per the application, Space Florida will obtain conduit financing of the value of the project for construction of the hangar and acquisition of equipment and will then lease to the company. At the end of the lease, the building and fixed improvements will revert to the Airport. The application notes that the Airport has invested \$11 million into improving the ramp improvements to a variety of projects associated with the future development of the ECP Aviation Center of Excellence that is anticipated to have multiple tenants. These amounts are not

counted as match for Project Stamper because these improvements will benefit multiple users. Thus, the match estimate is conservative.

For purposes of calculating this impact score, we use the company's estimated wage bill as presented in the table provided to staff on June 5, 2023. For a job guarantee of 1,824 jobs and an award amount of \$90,000,000, the cost per direct job to Triumph Gulf Coast is \$49,342. This is at the higher end of costs per job relative to other infrastructure programs approved for potential funding by the Board. However, this transformational project will be the cornerstone in the key aviation manufacturing business sector and will attract other businesses in the supply chain to support this key cluster at the Northwest Florida Beaches International Airport.

It is expected that the increment to personal income in the region will be approximately \$2.1 billion over a 10-year job maintenance period following completion of the improvements and associated employment ramp-up. This represents \$22.2 in additional personal income per Triumph Gulf Coast dollar requested.

For these reasons, staff scores this program as an "A."

Project Summary (based on information provided by the applicant)

The Bay County Airport and Industrial District (Northwest Florida Beaches International Airport (ECP)) is requesting a \$90,000,000 Triumph grant to support the recruitment of Project Stamper, an aviation Original Equipment Manufacturer (OEM) that manufactures electric aircraft. The grant funds will be used toward the construction of an approximately 600,000 sf manufacturing facility adjacent to the 10,000 ft runway at ECP. This project will create at least 1,824 new jobs paying over 115% of the average wage with a capital investment of \$407,500,000. The company is a pioneer in the development of an electric vertical takeoff and landing (eVTOL) aircraft.

The publicly traded company has strategic partnerships with multiple large transportation corporations and is working to bring aerial ride sharing to the skies. In the years ahead, they are focused on certifying aircraft, scaling manufacturing, and preparing for operations. In 2020, the company received a signed G-1 Certification Basis from the FAA and airworthiness certification from the US Air Force.

Because of the company's growth and vision, the company is evaluating siting a new manufacturing operation in Panama City. Project Stamper desires to expand to Northwest Florida because of its proximity to key customers, low taxes, and business friendly environment. This potential expansion will have no impact on the company's current research and development operations.

Construction of the manufacturing facility and equipment purchases will occur through Space Florida financing. Triumph funds will be designated to support the construction of the building including but not limited to site work, foundations, utility extension, parking areas, and other facility requirements. The Triumph Gulf Coast proceeds will be used in combination with

funding that is secured through Space Florida and funds provided by the Florida Department of Transportation (FDOT) and ECP.

Upon completion of the building, Project Stamper will enter a long-term lease on the facility and the Airport Authority will hold a long-term ground lease. The building's ownership will eventually transfer to the airport. To support Project Stamper, Space Florida has vetted the financials of the company and reviewed associated support information including performance history, customer list, and planned contracts.

ECP is one of the newest International Airports in the U.S., with 3,000 developable acres, a global air traffic network, and ready development sites adjacent to a 10,000-foot long runway. These key assets are the prime contributors to making the airport a desirable location for economic development projects. With six major military installations located in Northwest Florida, there are thousands of exiting military service members annually who are looking for promising careers in the region.

In Northwest Florida and in the Gulf South, the aerospace and aviation industry are prime targets for economic development growth and economic diversification. Northwest Florida has established itself as a burgeoning region for growth in this sector because of its military assets and its geographical proximity to several large original equipment manufacturers (OEMs) and aviation company headquarters. With the aviation and aerospace sector being a major component of the U.S. economy, Northwest Florida, and Bay County are working to ensure that proper investments are made now to keep pace with the national growth of the sector.

Specifically, for the Northwest Florida Beaches International Airport, airport officials, community officials, and economic development officials have a vision to establish the ECP Aviation Center of Excellence. This vision combines educational and airport assets directly with private sector companies. The Center would accomplish several goals for the community. First, it would establish Bay County as a prime location for private sector aviation related companies to invest in. Second, it would diversify the regional workforce further beyond the established pillars of tourism and military, helping to remain resilient in the face of unforeseen disasters.

A large portion of the employment within the Panama City Metropolitan Statistical Area (MSA) is clustered within hospitality and retail trade. While these sectors are key drivers for the economy, when the tourism industry is impacted by unexpected changes, these sectors are heavily hit. The establishment of the Aviation Center of Excellence at ECP and Project Stamper will provide expanded employment opportunities in the "Transportation Services" Sector, which helps provide a new diversified employment opportunity for residents of the community. With each economic development project 'win' the community and region becomes more diversified, which supports economic recovery in the wake of unforeseen events.

Economic disasters have become more common in the recent decade. In 2010, Bay County was directly impacted by the Deepwater Horizon Oil Spill, in 2018 Bay County suffered through Hurricane Michael, and in 2020 the Global Coronavirus Pandemic had substantial adverse effects on tourism. The establishment of Project Stamper at the ECP Center of Excellence would further diversify the revenue streams for the airport, which has proven to be necessary to protect

the regional economy in the wake of disasters. Project Stamper would provide employment opportunities, which help distribute the employment clusters into various sectors. Such diversification is necessary to protect the regional economic recovery in the wake of disasters.

Private company investment at the ECP Center of Excellence will provide full-time private sector jobs that are necessary to sustain growth at the airport and act as a pipeline for students coming out of training centers such as Haney Technical Center's FAA Certified A&P Program. Community leaders are working to grow the airport into an economic development hub by solidifying the establishment of private sector companies at the airport.

The vision of the Aviation Center of Excellence includes the establishment of Project Stamper and other private economic development projects, in partnership with the FAA Approved Airframe and Powerplant (A & P) Programs at Tom P. Haney Technical Center (Haney) and Northwest Florida State College. The Haney A&P Program is evaluating the relocation and expansion of the education opportunities for students to the airport. The close proximity to existing employers would provide opportunities for students to complete internships and co-op positions within these adjacent businesses.

The addition of Project Stamper to the ECP Aviation Center of Excellence will be a major 'win' not only for Bay County but for Northwest Florida. The success of Project Stamper will support the marketability of Bay County and Northwest Florida for additional aviation related business the company ramps up at ECP, an increase in aeronautical activity is expected. Once Project Stamper is established, the region will see worldwide exposure to attract other aviation/aerospace manufacturing companies.

Budget

See attached

Exhibit A

Project #, name

Project #313 - Stamper

Budget

\$407,500,000

Estimated construction start date if applicable

Jan. 1st 2024

Estimated education component start date if applicable

	Category #1 - Construction	Category #2- Equipment	Category #3 - FF&E	Total
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Please change year # to actual year

Project Total

Calendar Year 1 2024	42,500,000.00	5,000,000.00	-	47,500,000.00
Calendar Year 2 2025	52,000,000.00	50,000,000.00	5,000,000.00	107,000,000.00
Calendar Year 3 2026	-	80,000,000.00	5,000,000.00	85,000,000.00
Calendar Year 4 2027	-	70,000,000.00	5,000,000.00	75,000,000.00
Calendar Year 5 2028	3,000,000.00	85,000,000.00	5,000,000.00	93,000,000.00
Calendar Year 6	-	-	-	-
Calendar Year 7	-	-	-	-
Calendar Year 8	-	-	-	-
Calendar Year 9	-	-	-	-
Calendar Year 10	-	-	-	-
Calendar Year 11	-	-	-	-
Calendar Year 12	-	-	-	-
Project Total	97,500,000.00	290,000,000.00	20,000,000.00	407,500,000.00

Triumph

Calendar Year 1 2024	40,000,000.00			40,000,000.00
Calendar Year 2 2025	50,000,000.00			50,000,000.00
Calendar Year 3 2026				-
Calendar Year 4 2027				-
Calendar Year 5 2028				-
Calendar Year 6				-
Calendar Year 7				-
Calendar Year 8				-
Calendar Year 9				-
Calendar Year 10				-
Calendar Year 11				-
Calendar Year 12				-
Triumph Total	90,000,000.00	-	-	90,000,000.00

Match

Calendar Year 1 2024	2,500,000.00	5,000,000.00		7,500,000.00
Calendar Year 2 2025	2,000,000.00	50,000,000.00	5,000,000.00	57,000,000.00
Calendar Year 3 2026		80,000,000.00	5,000,000.00	85,000,000.00
Calendar Year 4 2027		70,000,000.00	5,000,000.00	75,000,000.00
Calendar Year 5 2028	3,000,000.00	85,000,000.00	5,000,000.00	93,000,000.00
Calendar Year 6				-
Calendar Year 7				-
Calendar Year 8				-
Calendar Year 9				-
Calendar Year 10				-
Calendar Year 11				-
Calendar Year 12				-
Grantee Total	7,500,000.00	290,000,000.00	20,000,000.00	317,500,000.00