

Triumph Gulf Coast, Inc. Trust Fund Application for Funds

Applicant Information

Name of Entity: Okaloosa County Board of County Commissioners

Background of Applicant Entity:

Okaloosa became the 52nd county in Florida on September 7, 1915 and was created from part of Santa Rosa and Walton Counties. The purpose of Okaloosa County Government is to be responsive to citizens in providing an appropriate level of accessible services on a cost-effective basis. Critical County values include the following: continual improvement of infrastructure; health, safety, and well-being of the citizens; preservation of natural resources; responsible economic development; leadership; and stewardship.

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Federal Employer Identification Number: 59-6000765

Contact Information:

Primary Contact Information: Jane Evans

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Partners and other entities that will have a role in the proposed project:

One Okaloosa Economic Development Council
Space Florida
Northwest Florida State College
University of West Florida

Project Opal
Okaloosa County School District
Okaloosa Technical College
CareerSource Okaloosa Walton

Total amount of funding requested from Triumph Gulf Coast: \$16,800,000

Has the applicant in the past requested or applied for funds for all or part of the proposed project/program?

☐ Yes ☒ No

Describe the financial status of the Okaloosa County:

Normal local government funding sources

Okaloosa County Annual Comprehensive Financial Report September 30, 2023 may be found at myokaloosa.com/index.php/bcc/budget

Okaloosa County Annual Comprehensive Financial Report September 30, 2024 will be added to this link when available in April, 2025

Has the applicant or any co-applicants, partners or any associated or affiliated entities or individuals filed for bankruptcy in the last ten (10) years?

☐ Yes ☒ No

Eligibility

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.

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.

1. Provide the title and a detailed description of the proposed project or program, including the location of the proposed project or program, a detailed description of, and quantitative evidence demonstrating how the proposed project or program will promote economic recovery, diversification, and enhancement of the disproportionately affected counties, a proposed timeline for the proposed project or program, and the disproportionately affected counties that will be impacted by the proposed project or program.

As a long-standing leader in the support, development and production of aerospace systems, Project Opal has been at the forefront of the aviation industry for decades. With a diverse customer base, the company has excelled at innovating and iterating to provide technically superior products that are widely valued for their unsurpassed reliability and efficiency. Never content to rest on their laurels, the company's efforts to stand up a new advanced manufacturing center of excellence are in direct response to accelerated market demand. Working through the State of Florida (FloridaCommerce) and similar agencies in other states known for their support of the aerospace industry, Project Opal conducted a multi-state search for a new expansion location beginning in 2023. After painstakingly reviewing sites in dozens of communities, Project Opal has identified Okaloosa County's Shoal River Ranch Gigasite as offering the best combination of infrastructure assets, transportation advantages and workforce opportunities (particularly given the community's large percentage of veterans and transitioning military members who remain in the area post-service).

Company:

Since its founding the Company has built its success on rapid innovation, adaptability and automation. The Company's investments in IR&D are twice the industry average and its capital expenditures – focused on highly automated, cellular manufacturing – are almost quadruple the industry average.

The Company is staunchly independent and a shrewd risk manager. As the industry supply base shrinks and re-aligns to address geo-political obstacles, the Company has invested significantly to in-source and resolve critical diminishing sources. Vertical integration has sustained the Company's performance of producing and sustaining industry-leading products.

While the Company is vertically integrated and manufactures a majority of its components in-house, the Company maintains an extensive supply chain. Currently, the Company has approximately 2,400 outside suppliers.

Project:

With unprecedented demand for its products, and new markets rapidly emerging, the industry and the Company see substantial growth available in the next decade. The site in Okaloosa County is an ideal fit to enable this expansion and growth.

Envisioned to occur over three successive phases, Project Opal's first phase leads off with a high priority project requiring the construction of a 250,000 SF facility to house various functions including new, highly advanced manufacturing cells. Given pressing customer demands, groundbreaking for the priority project is targeted for June 2025 with project completion planned in December 2026. The second phase will conclude with the construction of an additional 250,000 SF manufacturing space for a total of 500,000 SF by Q4 2028. The third and final phase involving a 500,000 expansion is planned to occur in the 2035-2036 timeframe. One Okaloosa EDC and the Okaloosa County Board of County Commissioners have identified a 135-acre parcel located within Shoal River Ranch to accommodate this project.

The total anticipated capital investment associated with both phases is \$1,040,819,000, easily making this one of the largest economic development investments to occur in the history of northwest Florida. In terms of employment, the company plans to hire a total of 336 employees between 2025 and 2036, at an average wage of \$69,434 (122% of Okaloosa County's current \$56,849 average wage). Given the project's proposed location in northern Okaloosa County, a region of the county where higher wage jobs tend to be in shorter supply than in southern areas of the county located closer to Eglin AFB and Hurlburt Field, Project Opal stands to immediately become an "employer of choice".

Grant:

Utilizing an agreed-upon metric of \$50,000 per job created, the Okaloosa County Board of County Commissioners is seeking Triumph Gulf Coast grant support in the amount of \$16,800,000 in support of this monumental opportunity. As envisioned, these funds would be utilized to support design, engineering and site work activities to help facilitate the company's \$1B+ capital investment. The timeline for these expenditures would occur on the front end of the planned June 2025 – Dec 2026 construction schedule.

While the company's funds will form the lion's share of the overall capital stack associated with this investment, the University of West Florida's Industry Resilience & Diversification Fund (IRDF) program has tentatively earmarked \$1,050,000 of remaining funds to support the project; a formal application for these funds is proceeding concurrently. Additionally, the State of Florida's High Impact Incentive Program (HIPI) has provided the company with a preliminary award grant award commitment of \$7,000,000. Lastly, Space Florida and Okaloosa County are prepared to enter into an attractive 30-year land and facility lease structure that will benefit the Company.

Regional Resources:

In the Region, Project Opal plans to draw upon the technical and academic resources to support its workforce recruiting and training. The relevant programs at NWFSC are in Engineering Technology (Industrial Maintenance Technician AS; Mechanical Design and Fabrication AS) and the FAA-approved A&P aviation mechanics program. In addition, Project Opal anticipates utilizing CareerSource Okaloosa Walton to assist in the coordination of recruitment, training, employment placement and retention strategies. Specifically, Project Opal is particularly interested in partnering with CareerSource to identify opportunities through SkillBridge for active-duty service members to gain valuable civilian work experience through specific industry training, apprenticeships, or internships during the last 180 days of military service prior to separation. Attracting and retaining the numerous service members in the region who are separating from active-duty is a key component to the Company's long-range recruiting plan.

2. Explain how the proposed project or program is considered transformational and how it will affect the disproportionately affected counties in the next ten (10) years.

Advanced manufacturing such as what is proposed with Project Opal's aerospace systems manufacturing facility in Crestview is a much-prized targeted industry sector for the State of Florida and the northwest Florida region, and for good reason. The Economic Policy Institute in the U.S. reports that every single manufacturing job creates at least three additional jobs, as manufacturing supplies are purchased and wages are spent in other parts of the economy. Unfortunately, American manufacturing suffered a widely-reported decline in the 30 year period between 1979 and 2009 - with the U.S. losing more than 40% of its manufacturing jobs (Brookings Metropolitan Policy Program article "*Why Does Manufacturing Matter?*", Feb 2012).

Okaloosa County's percentage of manufacturing employment has hovered around 4% in recent years, well beneath the 11% national average. Additionally, according to Lightcast, some 3,095 manufacturing jobs exist in Okaloosa County at present compared with 9,214 manufacturing jobs for comparably-sized U.S. markets. The opportunity to provide viable advanced manufacturing career pathways for northwest Florida transitioning military members, students participating in career/technical education programs and lower-wage service industry workers looking to upskill is significant. With Project Opal seeking to employ higher-wage personnel including process / automation engineers, repair and overall technicians and precision machine operators, this project stands to have an outsized impact on the region's economy.

3. Describe data or information available to demonstrate the viability of the proposed project or program.

With the highest customer satisfaction ratings in the industry, Project Opal has a proven track record of successful project execution. The specific products planned for production at the proposed Crestview facility are of high interest and importance to the company's most valued customers. Additionally, Project Opal benefits from a strong overall balance sheet and the financial means to successfully execute this project.

4. Describe how the impacts to the disproportionately affected counties will be measured long term.

In order to effectively measure the success and overall impact of Project Opal to Okaloosa County and the northwest Florida region, the net new jobs created will be measured along with the average wages of the new positions. Other metrics to be reviewed will include the overall capital investment of the project and the annual payroll increase for the community. These economic variables will help support the continued transformation of the Okaloosa County economy – an economy that suffered mightily through the impacts of the Great Recession (2008), the Deepwater Horizon Oil Spill (2010) and defense spending cuts during Federal budget sequestration (2013). Moreover, with more than 33,000 wage earners in Okaloosa County working in the historically lower-wage Services sector – versus 3,099 employed in the Manufacturing sector – Project Opal represents a significant economic diversification opportunity, and one that will serve to showcase Okaloosa County and the northwest Florida region to other, similar high-wage aerospace components manufacturing companies.

5. Describe how the proposed project or program is sustainable. (Note: Sustainable means how the proposed project or program will remain financially viable and continue to perform in the long-term after Triumph Gulf Coast, Inc. funding.)

The funding request to Triumph Gulf Coast, Inc. for Project Opal will facilitate the establishment of the company at the Shoal River Industrial Park. In particular, the funding requested will support site work and necessary design expenses associated with the construction of an ultimate 1,000,000 SF advanced manufacturing complex. The company plans to self-finance the facility, which will be constructed on a 135 acre publicly-owned parcel to be leased by the Okaloosa County Board of County Commissioners. Okaloosa County's contemplated 30 year lease will be assignable to Space Florida, which intends to assume the lease once Phase 1 construction is completed. Grant funding awarded by Triumph will be used to support site development expenses including, but not limited to, design, engineering, grading, storm water facilities construction, utility line extensions, road access improvements, parking, lighting, landscaping, and security fencing. The funding requested of Triumph Gulf Coast is one-time financial support and will serve to reduce the financial burden on Project Opal. All recurring financial obligations, including maintenance and upkeep of the building and associated grounds shall be on Project Opal and not Triumph Gulf Coast, Inc.

6. Describe how the deliverables for the proposed project or program will be measured.

The deliverables for Project Opal and the associated grant award by Triumph Gulf Coast will be achieved through the construction of the new facility in the Shoal River Industrial Park. With this facility being built on public property and, upon completion, owned by Space Florida, the facility will be a public infrastructure project. The Triumph grant will be utilized to support necessary construction activities in order to bring Project Opal's facility – and the associated high-wage targeted industry jobs – to fruition. The economic benefits to Okaloosa County and the broader northwest Florida region will be in the form of new manufacturing and engineering jobs, the resulting increase in Okaloosa County's private sector payrolls and average wage, and the overall capital investment achieved through the project. As required by Triumph Gulf Coast, the company

will enter into a “Performance Guaranty Agreement” in which the company agrees to assume the liability and obligation for the satisfaction of the Performance Metrics and the payment of the Performance Metric Clawback Amount if the agreed-upon job creation does not occur as projected. As a component of this agreement, average wages and new jobs created by Project Opal will be reported by the company and measured annually.

Priorities

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.

2. Please explain how the proposed project meets the priorities identified above.

Generate maximum economic benefits

As an employer of highly-skilled professionals, Project Opal is prepared to provide competitive compensation and attractive employee benefits. Utilizing the IMPLAN economic impact analysis tool, the University of West Florida Haas Center has concluded that the 336 jobs the company plans to create in Okaloosa County will generate an additional 93 indirect and 66 induced positions in the regional economy. According to IMPLAN, the total annual payroll associated with the 336 primary positions and the combined 159 indirect and induced positions will equate to \$31,808,644. Looking at the overall economic output generated by ongoing employment in advanced manufacturing

(not including the capital expenditures), Project Opal is expected to generate a \$91,797,920 annual economic impact.

Increase Household Income

Project Opal stands to be a catalyst for the establishment of new and additional related businesses in Okaloosa County. Currently, Okaloosa County has an average wage of \$56,849 according to FloridaCommerce. Notably, this is \$9,345 less than the State of Florida's average wage of \$66,284. Project Opal anticipates an average wage of \$69,434, which is 22% above the County's average wage.

Leverage existing assets

The location of Project Opal's state of the art facility in the Shoal River Industrial Park will serve to solidify the park as a preferred location for companies requiring ready-access to a high quality workforce, efficient transportation systems and low cost utilities. Additionally, Project Opal stands to leverage the region's annual pipeline of approximately 3,000 transitioning military members (many of whom possess skill sets that the company requires) as a valued workforce cohort. Finally, with Project Opal already utilizing more than 2,400 outside suppliers, the company will seek to effectively leverage local vendors in support of their production processes.

Partner with local governments

Since 2018, Triumph Gulf Coast, the Okaloosa County Board of County Commissioners and the State of Florida have been partnering to position the 10,500 acre Shoal River Industrial Park as a regional employment center. Central Moloney's announcement in 2023 regarding their future \$50 million electrical transformer facility was a tremendous step forward – and validation of all the effort and investment that had occurred to date. The potential location of Project Opal – and its unprecedented investment – will only further solidify the park as a “location of choice” for leading advanced manufacturing companies seeking a quality location offering ready access to a myriad of infrastructure, transportation and workforce assets.

Provide outcome measures

Outcome measures of this public infrastructure project include the 332 newly created positions, the wages associated with these positions and the addition of approximately \$23 million in annual payroll to Okaloosa County.

Partner with K-20 educational institutions

With future career opportunities in manufacturing, engineering and technology, Project Opal's workforce requirements are closely aligned with numerous technical career pathway programs offered by Okaloosa County School District / Okaloosa Career & Technical Education, Okaloosa Technical College, Northwest Florida State College, and University of West Florida Project Opal has already met with the leadership of Okaloosa Technical College and Northwest Florida State College and looks forward to establishing meaningful partnerships with these institutions (and others).

Recommended by Board of County Commissioners

While Okaloosa County senior staff members have participated in multiple discussions with Project Opal and provided favorable guidance for the proposed project, the Okaloosa County Board of County Commissioners will need to formally consider approving the submittal of the application to Triumph Gulf Coast during their April 1, 2025 planned meeting.

3. Please explain how the proposed project or program meets the discretionary priorities identified by the Board.

According to Florida Statute 288.8017, Triumph Gulf Coast is authorized to “make awards from available funds that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties”. The statute also states that one of the priorities or goals of Triumph Gulf Coast is “to generate maximum estimated economic benefits, based on tools and models not generally employed by economic input/output analysis 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.”

The list of discretionary priorities and goals set by the Triumph Board that are not included in the statute include transformation for the future of Northwest Florida and the creation of new jobs. By creating high wage, sustainable employment opportunities that closely align with recent investment made to enhance northwest Florida’s workforce and infrastructure, it is our view that Project Opal is precisely the type of opportunity that Triumph’s statutory mandate and board-established discretionary priorities envision.

4. In which of the eight disproportionately affected county/counties is the proposed project or program located? (Circle all that apply)

Escambia Santa Rosa Okaloosa Walton Bay Gulf Franklin Wakulla

5. Was this proposed project or program on a list of proposed projects and programs submitted to Triumph Gulf Coast, Inc., by one (or more) of the eight disproportionately affected Counties as a project and program located within its county?

☐ Yes ☒ No

6. Does the Board of County Commissioners for each County listed in response to question 5, above, recommend this project or program to Triumph?

☒ Yes ☐ No

This application will be approved by the Okaloosa County Board of County Commissioners in their April 1, 2025 meeting.

Approvals and Authority

1. If the Applicant is awarded grant funds based on this proposal, what approvals must be obtained before Applicant can execute an agreement with Triumph Gulf Coast, Inc.?

Should the project move forward for Triumph funding, the Okaloosa County Board of County Commissioners will need to approve the future Triumph Gulf Coast Term Sheet and Grant Agreement. Approvals must occur during publicly held Board Meetings.

2. If approval of a board, commission, council or other group is needed prior to execution of an agreement between the entity and Triumph Gulf Coast:

- A. Provide the schedule of upcoming meetings for the group for a period of at least six months.

Regular County Commission Board Meetings occur every first and third Tuesday of each month. Currently scheduled meetings are as follows. For further meeting dates please refer to the following website: <https://okaloosacountyfl.iqm2.com/Citizens/Default.aspx>

4/1/25; 4/15/25; 5/6/25; 5/20/25; 6/10/25; 7/1/25; 8/5/25; 8/19/25; 9/2/25; 9/16/25

- B. State whether that group can hold special meetings, and if so, upon how many days' notice.

Yes, with 7 days' notice.

3. Describe the timeline for the proposed project or program if an award of funding is approved, including milestones that will be achieved following an award through completion of the proposed project or program.

With the project being very much on a “fast track”, should Triumph Gulf Coast funding be approved on June 13, the company intends to break ground in June 2025. The Site work will commence immediately and continue through the Fall with construction of structures commencing in the late Fall of 2025 and early 2026. Final site work will occur in early 2026. The first 250,000 SF facility is targeted for completion in summer 2026. Full production is slated to begin by late 2026.

4. Attach evidence that the undersigned has all necessary authority to execute this proposal on behalf of the entity applying for funding. This evidence may take a variety of forms, including but not limited to: a delegation of authority, citation to relevant laws or codes, policy documents, etc. In addition, please attach any support letters from partners.

Please see the attached (Exhibit A) Okaloosa County Board of County Commissioners Resolution and Authorizing Official Letter along with the following Letters of Support:

- 1) President Mel Ponder, Northwest Florida State College
- 2) Michele Burns, Executive Director, CareerSource Okaloosa Walton

Funding and Budget:

Pursuant to Section 288.8017, awards may not be used to finance 100 percent of any project or program. An awardee may not receive all of the funds available in any given year.

1. Identify the amount of funding sought from Triumph Gulf Coast, Inc. and the time period over which funding is requested.

\$16,800,000 Calendar Year 2025, 2026

2. What percentage of total program or project costs does the requested award from Triumph Gulf Coast, Inc. represent? (Please note that an award of funding will be for a defined monetary amount and will not be based on percentage of projected project costs.)

$\$16,800,000 / \$1,040,819,000 = 1.6\%$ of overall total anticipated investment

<u>Project Opal</u>	<u>Capex</u>	<u>Building Costs</u>	<u>Phasing Notes</u>
2025	\$ 13,860,000	\$ 4,950,000	Facilities for New Processes
2026	\$ 28,140,000	\$ 10,050,000	
2027	\$ 112,660,000	\$ 62,500,000	Aftermarket Engine Facility & 500,000 sqft Commercial Products Production
2028	\$ 20,835,000	\$ 62,500,000	
2029	\$ 69,337,000	\$ -	
2030	\$ 73,640,000	\$ -	
2031	\$ 76,039,000	\$ -	
2032	\$ 83,035,000	\$ -	
2033	\$ 77,019,000	\$ -	
2034	\$ 73,455,000	\$ -	
2035	\$ 74,489,000	\$ 62,500,000	Additional 500,000 sqft Commercial Products Production
2036	\$ 73,310,000	\$ 62,500,000	
Total	\$ 775,819,000	\$ 265,000,000	
Project Investment	\$1,040,819,000		

3. Please describe the types and number of jobs expected from the proposed project or program and the expected average wage.

Project Opal's average wage for the contemplated advanced manufacturing facility is \$69,434, which is 22% above Okaloosa County's current average wage of \$56,849. The chart provided below illustrates the company's projected hiring plans by year and by specific occupation.

Project Opal Staffing Growth													Job Titles
2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	
2	7	7	24	25	27	30	33	35	37	39	42	44	Process and Automation Engineers
-	3	3	5	5	5	5	5	5	5	5	5	5	Production Support
-	-	-	2	2	2	2	2	2	2	2	2	2	CMM Programmer
-	-	-	2	2	2	2	2	2	2	2	2	2	Quality
-	-	-	2	2	2	2	2	2	2	2	2	2	Safety/Security
-	-	-	2	2	2	2	2	2	2	2	2	2	Facilities Engineers
-	2	2	5	5	5	5	5	5	5	5	5	5	IT / Purchasing
-	-	-	2	2	2	2	2	2	2	2	2	2	Human Resources
-	4	4	7	7	7	7	7	7	7	7	7	7	Plant Maintenance
-	5	5	9	9	9	9	9	10	10	9	10	10	Mach Repair
-	3	3	6	7	8	8	8	8	8	8	8	8	Shipping
-	-	-	1	1	1	1	1	1	1	1	1	1	Executive
-	-	-	2	2	2	2	2	2	2	2	2	2	Engineering Team Lead
-	-	-	3	3	3	3	3	3	3	3	3	3	Operational Team Lead
-	-	-	28	31	34	36	39	41	44	46	49	51	Total R&O Techs
4	37	37	110	114	123	133	145	154	163	172	181	190	Total Operators
6	61	61	210	219	234	249	267	281	295	307	323	336	Total - AMF3 Support + Operators

4. Does the potential award supplement but not supplant existing funding sources? If yes, describe how the potential award supplements existing funding sources.

☒ Yes ☐ No

5. Please see the attached Budget (Exhibit B).
6. Provide a detailed budget narrative, including the timing and steps necessary to obtain the funding and any other pertinent budget-related information.

Project Opal will self- finance all capital investments and does not plan to go outside for debt or equity financing.

Applicant understands that the Triumph Gulf Coast, Inc. statute requires that the award contract must include provisions requiring a performance report on the contracted activities, must account for the proper use of funds provided under the contract, and must include provisions for recovery of awards in the event the award was based upon fraudulent information or the awardee is not meeting the performance requirements of the award.

☒ Yes ☐ No

Applicant understands that awardees must regularly report to Triumph Gulf Coast, Inc. the expenditure of funds and the status of the project or program on a schedule determined by Triumph Gulf Coast, Inc.

☒ Yes ☐ No

Applicant acknowledges that Applicant and any co-Applicants will make books and records and other financial data available to Triumph Gulf Coast, Inc. as necessary to measure and confirm performance metrics and deliverables.

☒ Yes ☐ No

Applicant acknowledges that Triumph Gulf Coast, Inc. reserves the right to request additional information from Applicant concerning the proposed project or program.

☒ Yes ☐ No

ADDENDUM FOR INFRASTRUCTURE PROPOSALS:

1. Program Requirements

- A. Is the infrastructure owned by the public?
☒ Yes ☐ No
- B. Is the infrastructure for public use or does it predominately benefit the public?
☒ Yes ☐ No
- C. Will the public infrastructure improvements be for the exclusive benefit of any single company, corporation or business entity?
☒ Yes ☐ No
- D. Provide a detailed explanation of how the public infrastructure improvements will connect to a broader economic development vision for the community and benefit additional current and future businesses.

The opportunity to attract 336 high wage manufacturing / engineering positions through the construction of this building is in perfect alignment with the community's economic development vision. With Okaloosa County's economy still being heavily dependent on lower-wage service sector occupations, Advanced Manufacturing – such as that which will take place in Project Opal's aerospace manufacturing facility – has been identified as a targeted industry sector. For years now, the Okaloosa County Board of County Commissioners, One Okaloosa EDC and various workforce and educational partners have been working collaboratively and with purpose to position Okaloosa County for the economic diversification that comes with recruiting higher wage Advanced Manufacturing jobs, especially those within the highly competitive aerospace sector. From investments made in infrastructure and site readiness, to the implementation of innovative workforce education / training programs, the alignment that has been achieved has positioned Okaloosa County to offer a compelling overall value proposition to companies like Project Opal.

In terms of providing benefits to current and future businesses, Project Opal will be joining an existing ecosystem comprised of more than 300+ defense contractors, many of whom are active participants in the Technology Coast Manufacturing & Engineering Network (TeCMEN) operated by One Okaloosa EDC. Project Opal fully intends to leverage local and regional capabilities found within the region's burgeoning aerospace and defense sectors.

If successful, the investment by Triumph Gulf Coast, Inc. supports the vision of the community and provides support for this catalytic project to be constructed on publicly-owned land in the Shoal River Industrial Park.

- E. Provide a detailed description of, and quantitative evidence demonstrating how the proposed public infrastructure project will promote:
- Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

Economic Recovery

Okaloosa County has managed to persevere through the unforeseen economic impacts of the Great Recession (2008), the Deepwater Horizon Oil Spill (2010), Federal budget sequestration (2013) and the Coronavirus Pandemic (2020). One of the primary factors in Okaloosa County's resilience has been the County's overall economic composition. In particular, Okaloosa County's military missions and "mission critical" defense contractors have played a significant role in Okaloosa County's ability to bounce back from unforeseen economic shocks faster than other communities that don't enjoy the same economic make up. As a critical supplier of aerospace systems, Project Opal is perfectly aligned with Okaloosa County's proven ability to recover from negative economic impacts.

Economic Diversification

With more than 33,000 wage earners in Okaloosa County working in the historically lower-wage Services sector (representing 33% of the community's current workforce) – versus 3,095 employed in the Manufacturing sector – Project Opal represents a significant economic diversification opportunity, and one that will serve to showcase Okaloosa County and the northwest Florida region as a "location of choice" to other, similar high-wage manufacturing/engineering-oriented companies.

Enhancement of the disproportionately affected counties

Okaloosa County is widely recognized as a first-class tourism destination – and rightfully so. The sugar white sands and emerald green waters of the Emerald Coast draw millions of visitors from around the world each year. However, the positions associated with the region's hospitality / tourism industry are generally lower-wage, with many being seasonal in nature and not offering employee benefits. By offering higher-wage positions, attractive benefits, growth / advancement opportunities and a willingness to partner with local schools / training providers, Project Opal will be a welcomed addition to the Okaloosa County economy. Moreover, their success in Okaloosa County will serve to enhance the visibility of northwest Florida's overall value proposition for like employers.

Enhancement of Targeted Industry

Advanced Manufacturing – such as that which will occur within Project Opal's proposed Okaloosa County facility – is considered a prime targeted industry sector by Okaloosa County and the State of Florida. It is a proven fact that goods producing industries

like Advanced Manufacturing bring dollars into the community and generate wealth. Recognizing the importance of providing manufacturing career pathways, Okaloosa County educational partners have developed innovative programming and curriculum to align with the specialized needs of today's forward-leaning manufacturing enterprises.

In particular, the Okaloosa County School District's Career & Technical Education (CTE) Program offers programs in Applied Welding Technologies (Crestview HS), Advanced Manufacturing Technology (available to all high schools, with classes taught on the Northwest Florida State College campus), Applied Robotics (Niceville HS) and Pathways to Engineering (Fort Walton Beach HS). Additionally, Okaloosa Technical College offers a Welding Technology Program, while Northwest Florida State College offers an Engineering Technology – Mechanical Design & Fabrication Specialization A.S., along with highly-regarded CNC Machinist/Fabricator and Welding Technology Certificate Programs.

Project Opal's workforce needs will touch many of these programs, and the company's desire to engage in partnerships with area educational and workforce development partners will only serve to accelerate the continued growth of Advanced Manufacturing in Okaloosa County and beyond.

2. Additional Information

A. Is this project an expansion of existing infrastructure project?

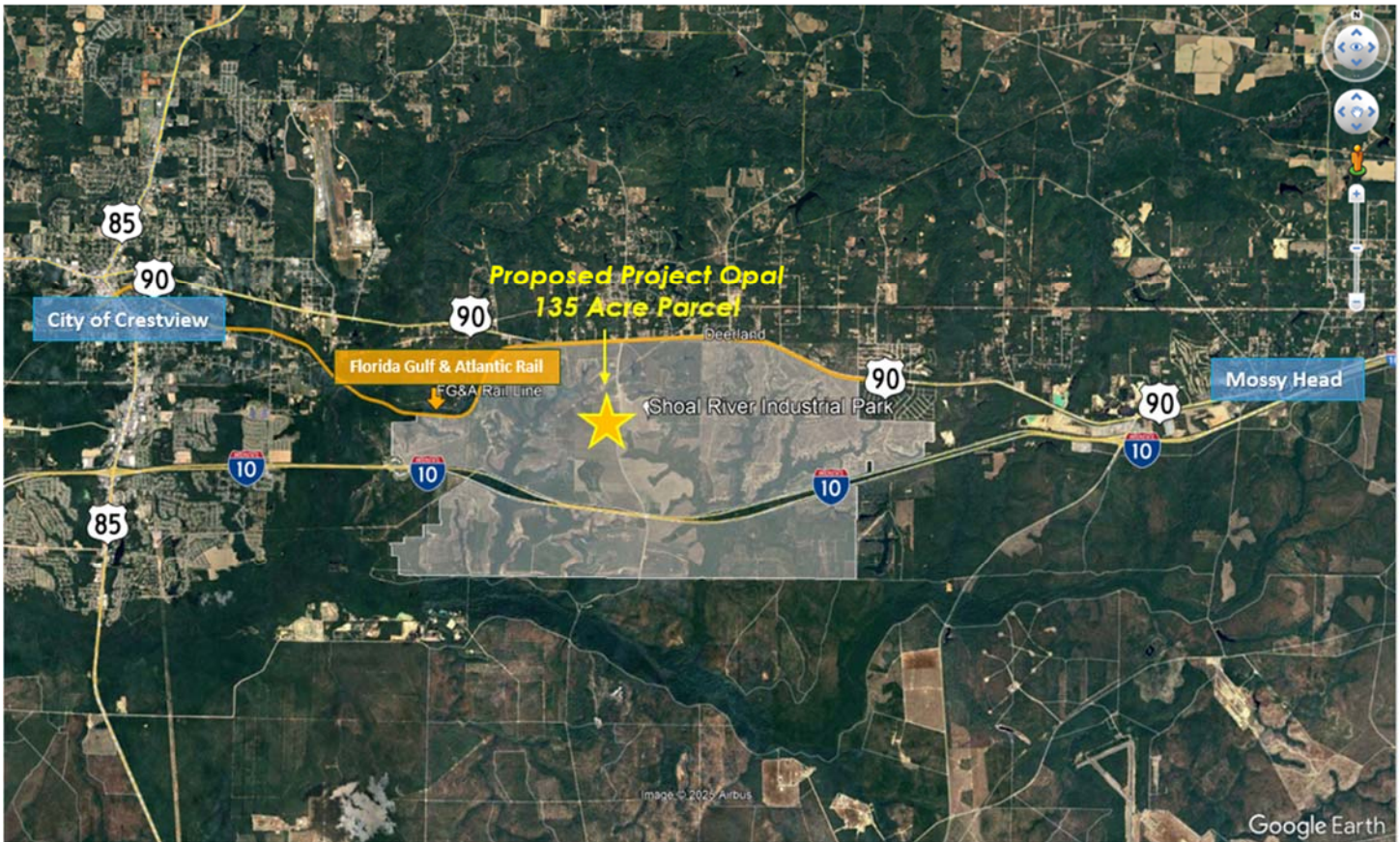
☐ Yes No ☒

B. Provide the proposed beginning commencement date and number of days required to complete construction of the infrastructure project.

6/16/25 to 8/31/26. 442 calendar days.

What is the location of the public infrastructure?

The proposed public infrastructure funded through Triumph Gulf Coast will be located both within Okaloosa County road Right of Way (Jericho Road) and on a 135 acre county-owned parcel accessed by Jericho Road, which is approximately 7 miles east of downtown Crestview south of US Highway 90.



- C. Who is responsible for maintenance and upkeep? (Indicate if more than one are applicable.)

The Company will be required by their lease with Space Florida (and Space Florida's ground lease with Okaloosa County) to provide maintenance and upkeep for the facility and grounds.

- D. What permits are necessary for the infrastructure project?

Okaloosa County will require the issuance of a development order for a project of this scale. This process will include the review of storm water management which will require permits from both the County and the State (Northwest Florida Water Management District or the Florida Department of Environmental Protection). The County Land Development Code does include requirements for setbacks and buffers for wetlands and waterbodies, but these are not separate permits and are addressed through the development order issued for the project.

Detail whether required permits have been secured, and if not, detail the timeline for securing these permits. Additionally, if any required permits are local permits,

Permits have not been secured, as building funding, site plan and design have not yet been confirmed. However, the review time for a project certified by One Okaloosa Economic

Development Council is 18 business days. Of course, all code requirements have to be met for the development order to be issued, but the County does provide an expeditious review for such projects. Separately, state storm water permits will be required – which generally take 60-90 days for review/approval.

- E. What is the future land use and zoning designation on the proposed site of the Infrastructure improvement, and will the improvements conform to those uses?

The parcel in question is already zoned I-1 under Okaloosa County's Land Development Code. The proposed use conforms with the existing zoning classification; no rezoning action will be required.

- F. Will an amendment to the local comprehensive plan or a development order be required on the site of the proposed project or on adjacent property to accommodate the infrastructure and potential current or future job creation opportunities? If yes, please detail the timeline.

☒ Yes ☐ No

Okaloosa County will require the issuance of a development order for a project of this scale. This process will include the review of storm water management which will require permits from both the County and the State (Northwest Florida Water Management District or the Florida Department of Environmental Protection). Statute allows for 2 – 3 months for permitting; however, it may be issued sooner.

- G. Does this project have a local match amount? If yes, please describe the entity providing the match and the amount.

☒ Yes ☐ No

Project Opal will provide documentation of invoices and proof of payment to substantiate \$140M. This documentation will be provided to Okaloosa County then uploaded to the SmartSheet provided for this project.

I, the undersigned, do hereby certify that I have express authority to sign this proposal on my behalf or on behalf of the above-described entity, organization, or governmental entity:

Name of Applicant: Okaloosa County Board of County Commissioners

Name and Title of Authorized Representative: John Hofstad, County Administrator

Representative Signature: _____

Signature Date: April 1, 2025

10/13/2017 FINAL

**Triumph Gulf Coast, Inc. Trust Fund
Application for Funds**

Exhibit A

**Resolution
Authorizing Official Letter
Letters of Support**

RESOLUTION 25 - 52

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF OKALOOSA COUNTY; TO SUPPORT PROJECT OPAL WITH TRIUMPH GULF COAST, INC., GRANT PROGRAM FUNDING AND COUNTY FUNDS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Triumph Gulf Coast, Inc., was created to provide funding to the eight disproportionately affected counties from the 2010 Deepwater Horizon oil spill, including Okaloosa County; and

WHEREAS, Project Opal is a project which will provide an estimated investment of \$1,040,819,000 at the Shoal River Ranch Gigasite and will provide economic diversity to the region and \$140,000,000 is offered as the Project Opal application match; and

WHEREAS, the Project Opal application will request \$16,800,000 from Triumph Gulf Coast, Inc.; and

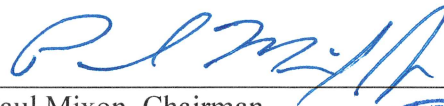
WHEREAS, this project includes items which need to be completed by Okaloosa County prior to the execution of the Triumph Gulf Coast, Inc. agreement, including the clearing and grubbing of the site for approximately \$200,000.

NOW, THEREFORE, be it resolved by the Board of County Commissioners of Okaloosa County, as follows:

1. The Board of County Commissioners supports Project Opal and will fund approximately \$200,000 of pre-award costs as shown in the application budget.
2. The Board authorizes the County Administrator to sign the documents which may be required in connection with the grant application.
3. This Resolution shall become effective upon adoption.

DULY PASSED AND ADOPTED this 1st day of April, 2025.

**BOARD OF COUNTY COMMISSIONERS
OKALOOSA COUNTY, FLORIDA**

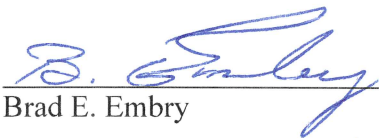


Paul Nixon, Chairman

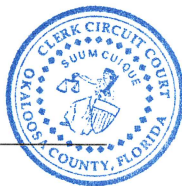


ATTEST:

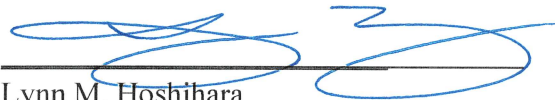
CLERK OF CIRCUIT COURT
OKALOOSA COUNTY, FLORIDA



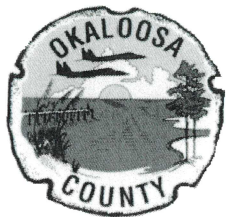
Brad E. Embry



APPROVED AS TO FORM:



Lynn M. Hoshihara
County Attorney



Board of County Commissioners

Paul Nixon, Chairman (District 1)

State of Florida

April 1, 2025

Triumph Gulf Coast, Inc.

RE: Designation of Authorizing Official

To Whom It May Concern:

We are writing to inform the Triumph Gulf Coast, Inc., of the designation of John Hofstad, County Administrator, as the Authorizing Official for the Project Opal application.

Please accept this as our formal request based on Board Action of this day.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul Nixon", is written over a horizontal line.

Paul Nixon
Chairman, Board of County Commissioners



NORTHWEST FLORIDA STATE COLLEGE

100 College Boulevard • Niceville, FL 32578-1295 • (850) 678-5111 • www.nwfsc.edu

March 25, 2025

Chair Jay Trumbull, Sr.
Florida Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, Florida 32317

RE: Support for Florida's Great Northwest - Project Opal

Dear Chair Trumbull,

I wish to offer my enthusiastic support for the \$16,800,000 Triumph Gulf Coast application submitted by the Okaloosa County Board of County Commissioners for predevelopment activities and site work associated with Project Opal.

As referenced in the County's application, Project Opal is an American manufacturer of critical aircraft systems used by military and commercial customers alike. It is my understanding that the company has identified a 135-acre parcel located within Okaloosa County's Shoal River Industrial Park as a potential site on which to locate a large-scale advanced manufacturing complex totaling more than \$1 billion of investment on the part of the company. With some 330 new, competitive wage jobs projected, Northwest Florida State College is eager to leverage our relevant programs and expertise in support of this monumental opportunity for the families, workers, and students of Okaloosa County. To that end, we have already participated in initial introductory discussions with the company's leadership, and we stand ready to develop appropriate strategies and programming in support of their overall vision and to provide the critical training to fulfill this workforce need.

In closing, we respectfully encourage favorable consideration of Okaloosa County's Triumph Gulf Coast application.

Sincerely,

Mel Ponder
President

OFFICE OF THE PRESIDENT

March 18, 2025

Dear Ms. Henderson:

CareerSource Okaloosa Walton is in full support of the \$16,800,000 Triumph Gulf Coast application submitted by the Okaloosa County Board of County Commissioners for pre-development activities and site work associated with Project Opal.

As referenced in the County's application, Project Opal is an American manufacturer of critical aircraft systems used by commercial and military customers alike. The company has identified a 135-acre parcel located within Okaloosa County's Shoal River Industrial Park as a potential site on which to locate a large-scale advanced manufacturing complex totaling more than \$1B of investment on the part of the company. With some 330 new, higher wage jobs projected, CareerSource Okaloosa Walton is eager to leverage our programs and expertise in support of the company's hiring objectives. Of note, we have already participated in multiple meetings with the company's leadership – both in Okaloosa County and at the company's headquarters facility. Based on what we have observed from the company thus far, they are well positioned to become an employer of choice, not only for Okaloosa County, but for our entire region. We respectfully request favorable consideration of Okaloosa County's Triumph Gulf Coast application in support of this transformational opportunity.

Respectfully,



Michele Burns
Executive Director



info@careersourceow.com

109 8th Avenue, Shalimar, FL 32579

p: 850-651-2315 | f: 850-651-3165

TTY/TDD: 711



**Triumph Gulf Coast, Inc. Trust Fund
Application for Funds**

Exhibit B

Budget

Project ###, Project Opal

Budget
Estimated construction start date if applicable
Estimated education component start date if applicable

	Design/ Engineering, Site Work & Construction	Category #2	Category #3	Category #4	Total
Project Total					
Pre-award 2025	200,000.00	-	-	-	200,000.00
2025	11,750,000.00	-	-	-	11,750,000.00
2026	20,050,000.00	-	-	-	20,050,000.00
2027	62,500,000.00	-	-	-	62,500,000.00
2028	62,500,000.00	-	-	-	62,500,000.00
Calendar Year 6	-	-	-	-	-
Calendar Year 7	-	-	-	-	-
Calendar Year 8	-	-	-	-	-
Calendar Year 9	-	-	-	-	-
Calendar Year 10	-	-	-	-	-
Calendar Year 11	-	-	-	-	-
Calendar Year 12	-	-	-	-	-
Project Total	157,000,000.00	-	-	-	157,000,000.00
Triumph					
Pre-award 2025	-				-
2025	6,800,000.00				6,800,000.00
2026	10,000,000.00				10,000,000.00
2027	-				-
2028	-				-
Calendar Year 6					-
Calendar Year 7					-
Calendar Year 8					-
Calendar Year 9					-
Calendar Year 10					-
Calendar Year 11					-
Calendar Year 12					-
Triumph Total	16,800,000.00	-	-	-	16,800,000.00
Grantee					
Pre-award 2025	200,000.00				200,000.00
2025	-				-
2026	-				-
2027	-				-
2028	-				-
Calendar Year 6					-
Calendar Year 7					-
Calendar Year 8					-
Calendar Year 9					-
Calendar Year 10					-
Calendar Year 11					-
Calendar Year 12					-
Grantee Total	200,000.00	-	-	-	200,000.00

Pre-award 2025	-				-
2025	4,950,000.00				4,950,000.00
2026	10,050,000.00				10,050,000.00
2027	62,500,000.00				62,500,000.00
2028	62,500,000.00				62,500,000.00
Calendar Year 6					-
Calendar Year 7					-
Calendar Year 8					-
Calendar Year 9					-
Calendar Year 10					-
Calendar Year 11					-
Calendar Year 12					-
Match Source 1 Total	140,000,000.00	-	-	-	140,000,000.00

Match Source 2					
Calendar Year 1					-
Calendar Year 2					-
Calendar Year 3					-
Calendar Year 4					-
Calendar Year 5					-
Calendar Year 6					-
Calendar Year 7					-
Calendar Year 8					-
Calendar Year 9					-
Calendar Year 10					-
Calendar Year 11					-
Calendar Year 12					-
Match Source 2 Total	-	-	-	-	-