



TO : The Honorable Mayor and Members of the City Commission  
FROM : Nicholas C. Mimms, P.E., City Manager *NCF*  
RE : Port of Fort Pierce Acquisition Funding Update  
DATE : November 30, 2017

The City of Fort Pierce is in a period of transformation that is creating optimism never before experienced in our community. Economic development is surging in our City creating jobs and business opportunities throughout the entire region. Fort Pierce is in the midst of residential, commercial, industrial, and institutional growth that is producing a destination atmosphere. One of the most intriguing opportunities for Fort Pierce is the possible acquisition of the Port of Fort Pierce that is currently under contract with Saint Lucie County.

The Saint Lucie County Board of County Commissioners recently announced the impending \$25 million transaction, and the City of Fort Pierce Commission expressed a great desire to be full and equal partners in this acquisition. The long awaited opportunity to become administrative partners in order to establish the strategic vision of this severely underutilized facility is one of the most important capital ventures this generation of leaders will face.

In efforts to pursue this opportunity, the City Manager's Office has investigated funding options that include both internal and intergovernmental resources. The City Commission has also expressed the willingness to utilize funding from the Fort Pierce Utilities Authority (FPUA), and this has been the primary focus of the investigation. This investigation has yielded favorable information and identified available funding currently being held by the FPUA and categorized as unrestricted assets. The attached spreadsheet illustrates the \$25 Million in unrestricted assets and also provides information on the required and recommended amount of reserves for the functional operation of our municipal utility authority.

As the driving economic development force in Fort Pierce, the functional operation of the FPUA must be preserved, and the amount of the proposed FPUA contribution toward the acquisition of the Port of Fort Pierce will not negatively affect the operation nor cause rates to be increased for our citizens. Based upon the following proposal, the financial strength of the FPUA will be protected, the citizens will be protected, and the City of Fort Pierce will gain a coveted asset.

The presented proposal includes a reimbursement provision for the contribution that will provide a return on investment for the Fort Pierce Utilities Authority through a City of Fort Pierce interlocal agreement with Saint Lucie County. The proposal includes a contribution of up to \$12.5 million, which is equal to 1/2 of the current \$25 million acquisition cost for the Indian River Terminal along with a 10% interest in the Destin Beach Inc. (Bell) property by Saint Lucie County. This prospective contribution may be encumbered from FPUA unrestricted assets and still provide for a conservative 60 day operating fund reserve that is recommended by the Government Finance Officers Association (GFOA). This conservative approach also provides and protects the required minimum 45 day operating fund reserve by current bond covenants.

It is important that this proposal is not structured as a loan, but rather a distribution from FPUA to the City of Fort Pierce that is to be used as a contribution toward the acquisition of property for the future redevelopment of the Port of Fort Pierce. A simple spreadsheet has been provided to illustrate this availability of funds.

It is anticipated that the direct return on investment for the FPUA will be realized in approximately 20 years which is typical for major capital ventures. This business model also includes a five (5) year deferment period to capture all revenues for reinvestment into the facility for operational success. The indirect economic impact is extraordinary for this entire community and is illustrated in the economic impact analysis that is attached for your review. This is a low risk opportunity with high reward. In the unfortunate event that the market does not materialize, then the property can be sold as waterfront property which is increasingly becoming scarce in the State of Florida.

As with all proposals there are alternatives, and the options for the City of Fort Pierce at this point are limitless. The overall vision of the Port of Fort Pierce operations area includes the acquisition of 14 parcels that can be used for upland and waterfront marine industrial activities to restore the infrastructure and resume operations as a viable and contributing seaport facility. The alternatives are directly related to the level of funding provided by the City of Fort Pierce that can be used for acquisition of various parcels in the area. For example, a reduced funding amount of approximately \$5 million may be used to acquire the River Marina Inc. property that is capable of immediately housing two (2) berths for mega yacht servicing activities along with the additional submerged and upland areas to the south that may facilitate a commercial fishing center. A map showing the targeted parcels is included with their associated acquisition cost. The level of funding participation is also a key aspect of the future relationship of the City of Fort Pierce and the Port of Fort Pierce. This level will undoubtedly be proportionate to the direct revenue distribution generated from the port operations that will dictate future funding for facility enhancement.

It is envisioned that the Port of Fort Pierce will operate as a self-sustaining enterprise fund with revenues compensating staff and being reinvested into the infrastructure thus continually enhancing the port operation. A distinct advantage for this prospective enterprise fund is that the acquisition costs financed by Saint Lucie County will be completely repaid by existing County resources and will not require generated revenue to be transferred to service debt. The strong financial position of our Saint Lucie County partners will provide an immediate advantage for the impending public private partnership.

All of the aforementioned initiatives may be accomplished via interlocal agreement with Saint Lucie County. This is the preferred methodology in which the Saint Lucie County Board of County Commissioners, as the Port Authority, has a dedicated Property Acquisition Professional and a designated Port Director. This internal team can coordinate the required environmental assessments, title verifications, and boundary surveys necessary for successful property acquisition.

Time is of the essence and this opportunity is upon us now. The Saint Lucie County Board of County Commissioners is slated to cast a final vote for the execution of this much anticipated transaction on December 12, 2017 with actual sales transfer occurring on or before January 30, 2018. It is recommended that the attached resolution is approved and executed by the Mayor that formally requests the Fort Pierce Utilities Authority immediately authorize a distribution of

unrestricted assets in an amount up to \$12.5 million to the City of Fort Pierce for the sole and exclusive purpose of investing in this economic development opportunity.

If approved, this resolution will be immediately presented to the Fort Pierce Utilities Authority Board for consideration and concurrence.

NCM:jdr

Attachments

c City Clerk  
City Attorney

**Fort Pierce Utilities Authority**  
**Analysis of Selected Financial Information**

All information obtained from Fort Pierce Utilities Authority Comprehensive Annual Financial Report  
 For the Fiscal Year Ended September 30, 2016

<b>Liquid Cash</b> <b>As of September 30</b>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Equity in Pooled Cash and Investments (Liquid Cash)	\$25,020,000	\$27,712,000	\$29,371,000	\$32,533,000	\$30,179,000
<b>Unrestricted Fund Balance</b> <b>As of September 30</b>					
Unrestricted Net Position ( Unrestricted Fund Balance)	35,591,000	36,561,000	40,566,000	42,642,000	40,837,000

**Analysis After \$12,500,000 Distribution**

Equity in Pooled Cash and Investments (Liquid Cash)	\$25,020,000
Distribution	<u>-12,500,000</u>
Remaining Equity in Pooled Cash and Investment (Liquid Cash)	<u>\$12,520,000</u> *

\*Amount is sufficient to meet GFOA recommendation of 60 days cash on hand

**Cash on Hand Reserve**

Per Bond Covenant 45 days requirement	\$9,246,645
Per Government Finance Officers Association (GFOA) 60 days recommendation	\$12,328,860

**Expense Per Day (Based on 360 Days)**

Operating Expenses	\$88,252,000
Less non cash items:	
Depreciation	(13,097,000)
Pension Expense	(1,152,000)
Change in Post Employment Benefits	<u>(30,000)</u>
Adjusted Operating Expenses	<u>73,973,000</u>
Expense per Day ( Based on 360 Days)	\$205,481

**Revenue Share with Fort Pierce Utilities Authority**

SCHEDULE 1		
Amount	\$ 12,500,000	
Year	Annual Revenue Share *	Balance
2018 **	\$ 0	12,500,000
2019 **	0	12,500,000
2020 **	0	12,500,000
2021 **	0	12,500,000
2022 **	0	12,500,000
2023	500,000	12,000,000
2024	510,000	11,490,000
2025	520,200	10,969,800
2026	530,604	10,439,196
2027	541,216	9,897,980
2028	552,040	9,345,940
2029	563,081	8,782,858
2030	574,343	8,208,515
2031	585,830	7,622,686
2032	597,546	7,025,140
2033	609,497	6,415,642
2034	621,687	5,793,955
2035	634,121	5,159,834
2036	646,803	4,513,031
2037	659,739	3,853,292
2038	672,934	3,180,357
2039	686,393	2,493,965
2040	700,121	1,793,844
2041	714,123	1,079,721
2042	728,406	351,315
2043	351,315	0
26 years		

\*includes annual 2% CPI adjustment  
 \*\*5 year deferment period. All revenue reinvested into operation

SCHEDULE 2		
Amount	\$ 10,000,000	
Year	Annual Revenue Share *	Balance
2018 **	\$ 0	10,000,000
2019 **	0	10,000,000
2020 **	0	10,000,000
2021 **	0	10,000,000
2022 **	0	10,000,000
2023	500,000	9,500,000
2024	510,000	8,990,000
2025	520,200	8,469,800
2026	530,604	7,939,196
2027	541,216	7,397,980
2028	552,040	6,845,940
2029	563,081	6,282,858
2030	574,343	5,708,515
2031	585,830	5,122,686
2032	597,546	4,525,140
2033	609,497	3,915,642
2034	621,687	3,293,955
2035	634,121	2,659,834
2036	646,803	2,013,031
2037	659,739	1,353,292
2038	672,934	680,357
2039	680,357	0
22 years		

\*includes annual 2% CPI adjustment  
 \*\*5 year deferment period. All revenue reinvested into operation

SCHEDULE 3		
Amount	\$ 5,000,000	
Year	Annual Revenue Share *	Balance
2018 **	\$ 0	5,000,000
2019 **	0	5,000,000
2020 **	0	5,000,000
2021 **	0	5,000,000
2022 **	0	5,000,000
2023	500,000	4,500,000
2024	510,000	3,990,000
2025	520,200	3,469,800
2026	530,604	2,939,196
2027	541,216	2,397,980
2028	552,040	1,845,940
2029	563,081	1,282,858
2030	574,343	708,515
2031	585,830	122,686
2032	122,686	0
15 years		

\*includes annual 2% CPI adjustment  
 \*\*5 year deferment period. All revenue reinvested into operation

**RESOLUTION NO. 17-R41**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT PIERCE, FLORIDA; REQUESTING THE FORT PIERCE UTILITIES AUTHORITY TO AUTHORIZE A DISTRIBUTION OF UNRESTRICTED ASSETS IN AN AMOUNT UP TO TWELVE MILLION FIVE HUNDRED THOUSAND DOLLARS TO THE CITY OF FORT PIERCE FOR THE SOLE AND EXCLUSIVE PURPOSE OF INVESTING IN AN ECONOMIC DEVELOPMENT OPPORTUNITY; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of Fort Pierce has been presented with a unique economic opportunity to participate in the purchase, renovation, expansion and repurposing of water front property generally known as the Port of Fort Pierce; and

**WHEREAS**, this economic opportunity may be undertaken in conjunction with St. Lucie County or others in order to create jobs, further develop the downtown core and establish a viable, vibrant port facility; and

**WHEREAS**, this economic opportunity may, among other things, result in the creation of a mega yacht refurbishing facility that will have immediate, significant, long lasting, job creating growth and economic prosperity for the City, County and region; and

**WHEREAS**, it has been determined that funds exist in unrestricted accounts that may fund a portion of this economic endeavor without adversely affecting the economic stability of the Fort Pierce Utilities Authority; and

**WHEREAS**, it is specifically found that this unique economic opportunity is a valid municipal and public purpose and promotes the morals, health, welfare and safety of the citizens of Fort Pierce; and

**WHEREAS**, the Fort Pierce Utilities Authority is a part of the government of the City of Fort Pierce.

**NOW THEREFORE, BE IT RESOLVED** by the City Commission of the City of Fort Pierce, Florida:

**SECTION 1.** The City of Fort Pierce Commission hereby requests the Fort Pierce Utilities Authority immediately authorize a distribution of unrestricted assets in an amount up to Twelve Million Five Hundred Thousand Dollars (\$12,500,000.00) to the City of Fort Pierce for the sole and exclusive purpose of investing in this unique economic development opportunity.

**SECTION 2.** This Resolution shall be effective immediately upon final adoption by the Commission.

Resolution 17-R41

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**IN WITNESS HEREWITH**, we hereunto set our hands and affix the Official Seal of the City of Fort Pierce, Florida, this 4th day of December, 2017.

\_\_\_\_\_  
Linda Hudson, Mayor

ATTEST:

\_\_\_\_\_  
Linda Cox, City Clerk

Approved as to Form  
And Correctness:

\_\_\_\_\_  
James M. Messer, Esq.  
City Attorney



# **King Terminal Acquisition Workshop**

**November 29, 2017**



# HISTORY

**In 1918, the Florida Legislature established the Ft. Pierce Inlet District (and Port Authority) for the construction of the Fort Pierce Inlet and development of the Port of Ft. Pierce.**



**1925**



# HISTORY

- The 1996 Port Master Plan deliberations marked the first shift away from an exclusively cargo port to mixed recreations, commercial and industrial uses.
- The 2002 Port Master Plan noted “mega yachts are envisioned as the anchor tenant of the Port of Ft. Pierce.”
- The 2013 Master Plan statement “The Port of Ft. Pierce shall support/seek development activities such as mega yacht maintenance, repair and overhaul (MRO).”



## HISTORY

- **County has been acting as the Port Authority in one form or another for almost 100 years.**
- **Working with the City of Fort Pierce, FPUA and FDOT, infrastructure improvements to 2<sup>nd</sup> street at Fisherman's Wharf totaling \$9 Million are underway**
- **The County and the City of Fort Pierce have been working cooperatively through an inter-local agreement for improvements at the Port**



# **PORT OF FT. PIERCE PROFILE**

## **2015 FDOT Florida Seaport System Plan**

**No cargo facilities currently in operation**

**No cruise facilities currently in operation**

**(The 2013 Master Plan projected 923,000 tons of cargo in 2014/2015)**



# PORT OF FORT PIERCE PROFILE

**The Port of Ft. Pierce ranks  
15<sup>th</sup> among Florida's 15  
deep water ports in terms  
of economic activity.**



# THE ADVANTAGES OF THE PORT OF FORT PIERCE

- **Water depth-** the facility and its berths and channel were built for cargo ships, with more than enough water for the largest mega yachts
- **Infrastructure-** the facility was built for cargo and cargo ships, more than adequate for mega yachts- not simply trying to upgrade a marina.
- **No obstructions to open water.**
- **Existing Foreign trade zone at TCIA can be extended to the Port.**
- **Synergies between development of TCIA and port, for yacht owners with own aircraft.**
- **Customs at TCIA is an advantage for Port.**



# The Market

- **The world mega yacht fleet is growing**
- **Existing facilities operate over capacity**
- **Existing facilities are expanding in the face of increased demand**





# Partnerships

- **Partnership with the State and City of Ft. Pierce for adjacent properties/infrastructure improvements**
- **Public ownership provides opportunities for Federal/State Funds for infrastructure improvements**
- **Public/Private Partnership (PPP) to operate facility and fund improvements (ship lift, warehouse demolition)**
- **PPP creates opportunity to develop the County's current 20 acres (Harbour Pointe) into a commercial marine facility**



# The Business Case

- **Revenue generation**
  - **Limited exposure to market in 2015 averaged \$70,000/ month in revenue**
  - **Cap rate of 5% on \$22 Million facility yields \$1.1 Million in annual lease revenue (\$91,667/month in revenue)**
  - **Other revenue options include a mixture of fixed rent and a % of net/gross revenues**
  - **Warehouse and space rental income**



# Low Risk, High Reward

1. Appraisals show property is accurately valued.

If the market does not materialize as anticipated, the facility can simply be sold as waterfront property

2. If the market does materialize as anticipated, the facility could generate up to 879 permanent jobs and \$105 Million in economic activity

Even if the facility falls short of these estimates, it will become and remain one of the top sources of concentrated, well paying jobs in the region.





# The Environment

The future operation will reflect St. Lucie County's commitment to environmental stewardship, through such programs as Green Marine and Florida's Clean Marina and Clean Boat Yard. As noted in 2002 Port Master Plan discussions, " This may be a reason for the port to be in public ownership."



# Visibility

**Development of the Port of  
Ft. Pierce can uniquely  
bring**

**WORLD WIDE VISIBILITY  
to St. Lucie County and the  
Treasure Coast.**





## Cost of Acquisition

- \$25 million purchase price
  - \$22 million for the Maritime property
  - \$3 million for 10% interest in the Destin Property
  - An initial deposit of \$10,000 and \$50,000 each month beginning October 1<sup>st</sup> will be applied against the purchase price.
- The cost for appraisals, survey, title work, phase I and phase II environmental total approximately \$140,000. Phase III additional testing is also being ordered.
- The King Maritime property consists of 5 parcels, which pay approximately \$212k in taxes, \$61k of which come to the County. Once acquired, these properties would come off the tax roll.



## Financing Structure

- 30 year bonds with the first two years being interest only payments.
  - In September when the Board approved the first step in this process, we proposed utilizing \$2 million in transportation reserves towards financing the project.
  - By structuring the bonds so that the first two years are interest only, we will only need to utilize approximately \$1,000,000 from reserves.
- Estimated payments of \$1.1 million each of the first two years, followed by annual payments of \$1.6 million for the remainder of the thirty years based on an estimated 4.5% interest rate.



# Financing Assumptions

- We have approached the financing from a worst case scenario.
  - We are not counting on any partnerships to cover the debt payment.
  - We are not counting on any port revenue to cover the debt payment.





# Debt Service Payment Sources

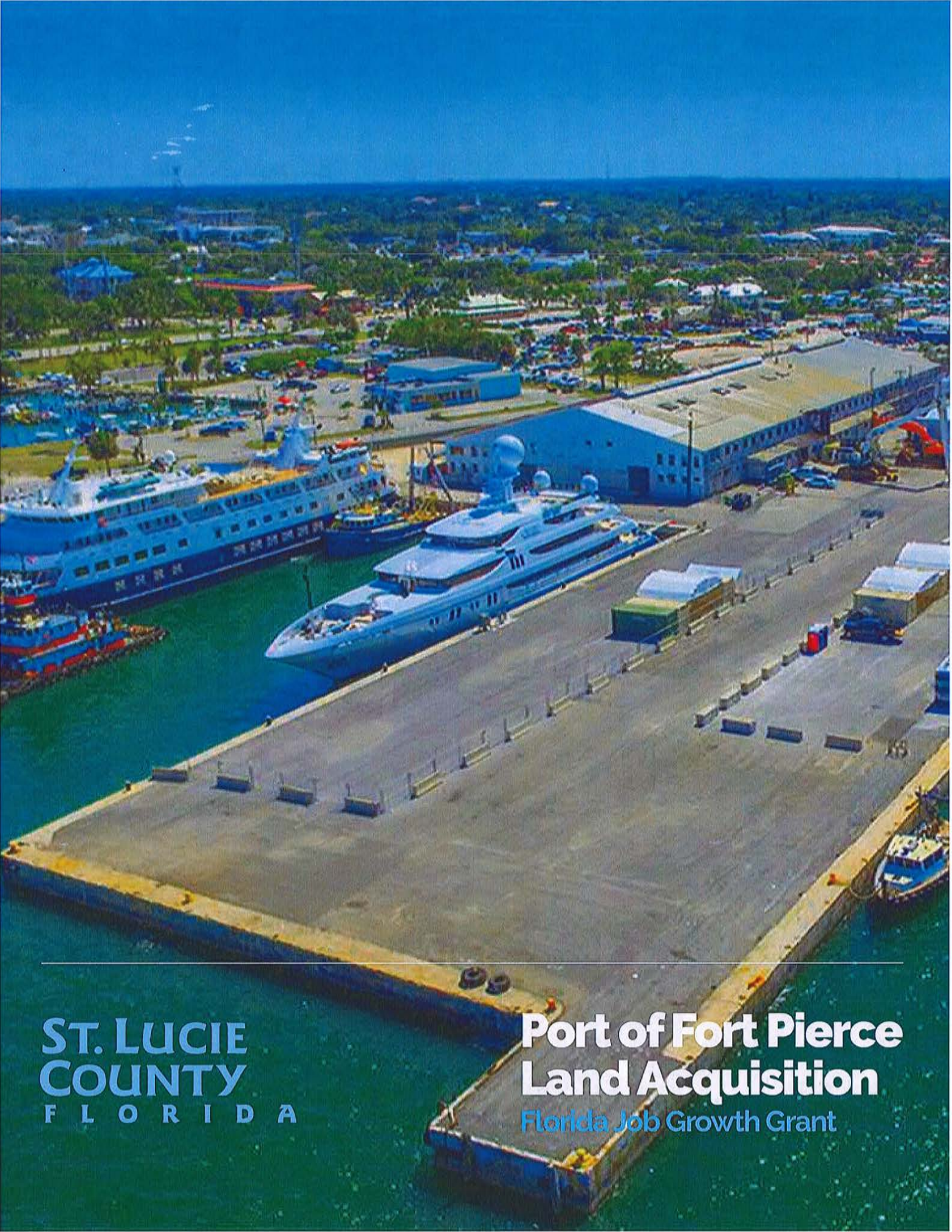
- There is \$300,000 available from recycling revenues
- There is \$300,000 that was set aside in the budget process from FY 18 property value growth
- The County currently has a debt service payment of approximately \$1 million that is set to be freed up in 2019.

	Recycling Revenue	FY 18 growth in tax base	Reallocated from Other Debt	Annual Revenue Available	Estimated Payment	Needed from reserves
Year 1	\$ 300,000	\$ 300,000		\$ 600,000	\$ 1,100,000	\$ 500,000
Year 2	\$ 300,000	\$ 300,000		\$ 600,000	\$ 1,100,000	\$ 500,000
Year 3 through 30	\$ 300,000	\$ 300,000	\$ 1,000,000	\$ 1,600,000	\$ 1,600,000	\$ -
						\$1,000,000



Questions?





**ST. LUCIE  
COUNTY**  
FLORIDA

**Port of Fort Pierce  
Land Acquisition**  
Florida Job Growth Grant



## The Request

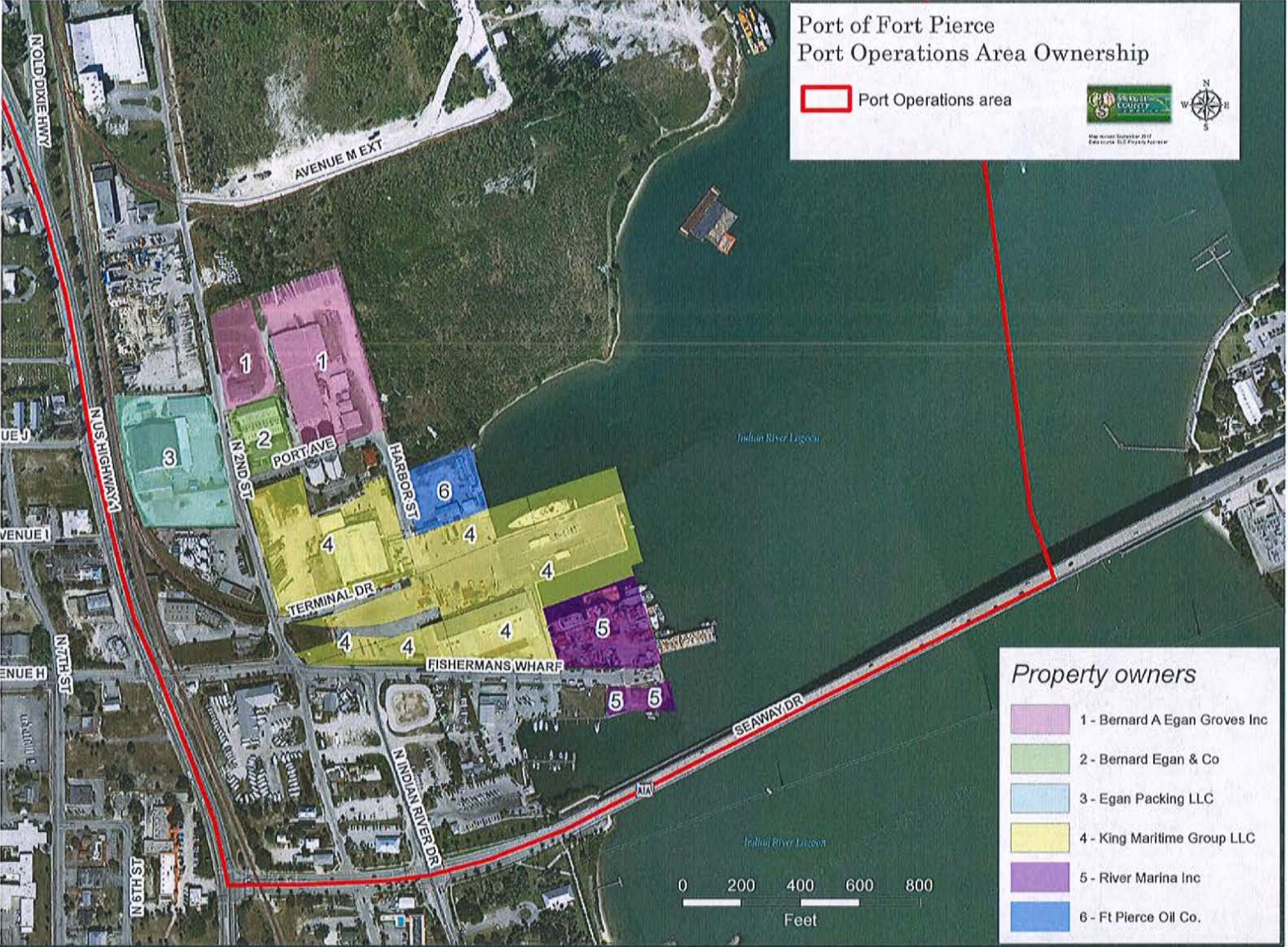
St. Lucie County is requesting a 40% match towards the acquisition of 14 parcels located at the Port of Fort Pierce.

The County has committed

**\$25 million**  
to the request.



Total Funding Request

**\$18 million**  
from the Florida Job  
Growth Grant



Port of Fort Pierce  
Port Operations Area Ownership

Port Operations area

Map created September 2012  
Data source: GIS Property Database

**Property owners**

<span style="display: inline-block; width: 20px; height: 10px; background-color: #d9ead3;"></span>	1 - Bernard A Egan Groves Inc
<span style="display: inline-block; width: 20px; height: 10px; background-color: #5cb85c;"></span>	2 - Bernard Egan & Co
<span style="display: inline-block; width: 20px; height: 10px; background-color: #4f81bd;"></span>	3 - Egan Packing LLC
<span style="display: inline-block; width: 20px; height: 10px; background-color: #f0ad4e;"></span>	4 - King Maritime Group LLC
<span style="display: inline-block; width: 20px; height: 10px; background-color: #9b59b6;"></span>	5 - River Marina Inc
<span style="display: inline-block; width: 20px; height: 10px; background-color: #3498db;"></span>	6 - Ft Pierce Oil Co.

# Purchase & Budget

The County has accepted a proposal of \$25 million to purchase:

- ◆ The working waterfront at the Port (the existing King Maritime Terminal aka Indian River Terminal), \$22 million
- ◆ Mr. King's 10% interest in a 67-acre tract in the Port commonly referred to as the "Bell Property"- Destin Beach, Inc., \$3 million
- ◆ The submerged land lease adjacent to the Terminal, included in \$22 million

The remainder 8 parcels located at the port have been set at a total purchase price of \$18 million.

Parcel Owner	Purchase Price
Bernard Egan & Co	\$2,000,000*
Egan Packing LLC	\$4,000,000*
Bernard A Egan Groves Inc	\$4,000,000*
River Marina Inc	\$5,000,000*
Ft. Pierce Oil Co.	\$3,000,000*
<b>TOTAL</b>	<b>\$18,000,000</b>

\* These numbers are estimates and will be finalized after appraisals and negotiations are final.

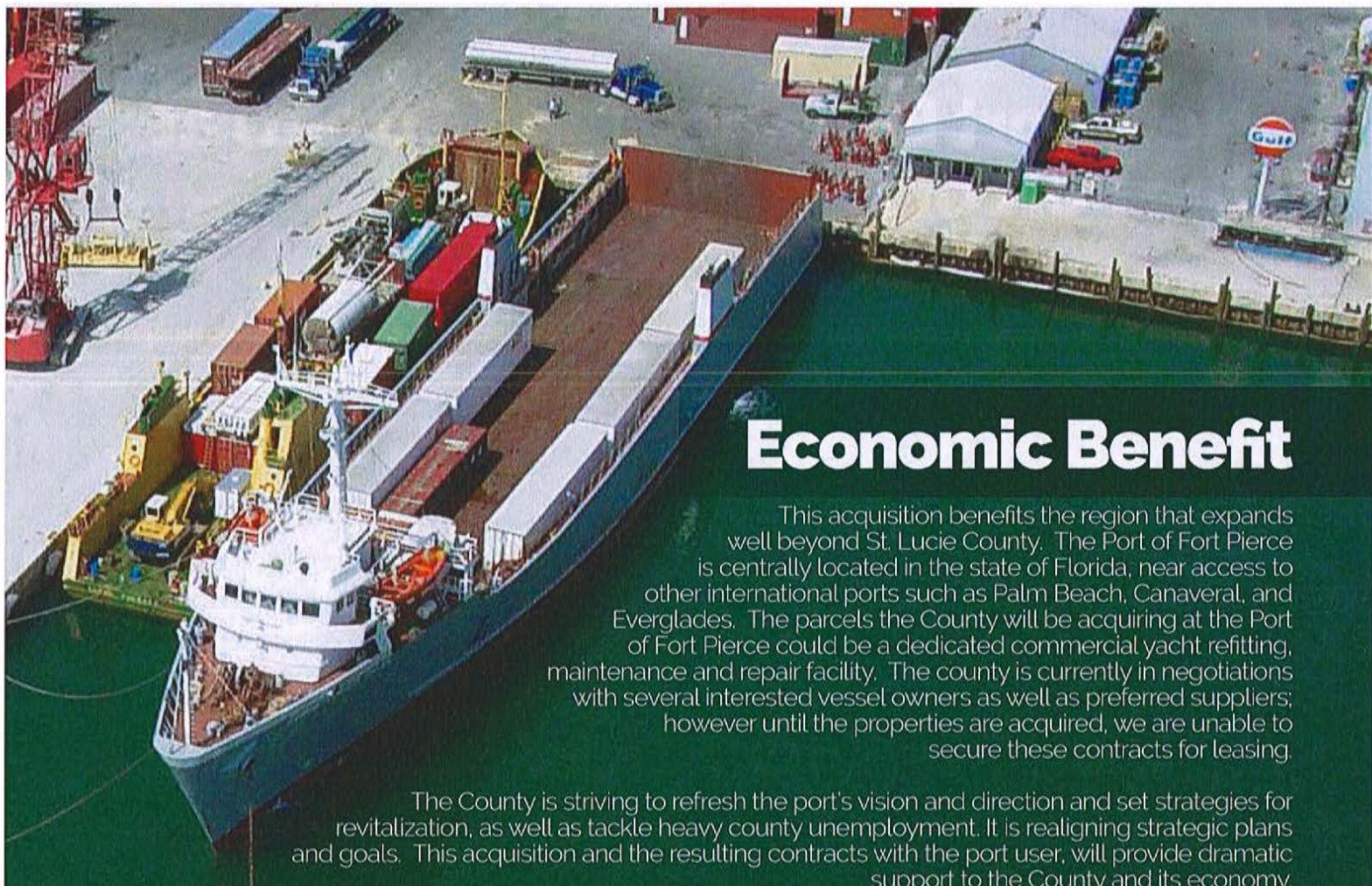
An aerial photograph of a coastal area, likely Fort Pierce, Florida. The image shows a road running parallel to a body of water, with various buildings and structures scattered along the shore. The water is a deep blue-green color. The overall scene is a mix of urban development and natural coastal features.

## Background

This application is for assistance in acquiring 14 parcels located at the Port of Fort Pierce. For years the Port of Fort Pierce has been dormant according to the Florida Department of Transportation and the Florida Ports Council, except for a brief spurt of yacht refitting, maintenance and repair this past year. Acquiring these dormant parcels will give the State of Florida and St. Lucie County the opportunity to restore the Port of Fort Pierce's infrastructure and to contribute to Florida's marine maintenance, repair and overhaul (MRO) industry which is now facing growing competition from, among others, Savannah, GA.

The Port of Fort Pierce first came into existence in 1920 when a manmade opening, the Fort Pierce Inlet, was cut through the land barrier between the Atlantic Ocean and the Indian River Lagoon. St. Lucie County became the Port Authority in 1918 and a continuum of legislation has named the County as the Authority since that time. In 1918 a special act of the Florida Legislature established a taxing district to fund this project. Approximately 65 percent of St. Lucie County was in this Fort Pierce Inlet District, which was empowered to sell bonds to finance the project and to satisfy bond obligations through real property tax revenues. The Florida Legislature abolished the Fort Pierce Inlet District in 1947 and replaced it with the Fort Pierce Port Authority, which retained the same power but was also granted the legal right to acquire and lease real estate. In 1961 a Special Act of the Florida Legislature replaced the Fort Pierce Port Authority with the Ft. Pierce Port and Airport Authority, both of which were run by St. Lucie County. In 1989 the name of the Authority was changed to the St. Lucie County Port and Airport Authority. In 1997 the Florida Legislature provided reorganizing, updating and clarifying provisions for the Authority. In 1998 the Legislature dissolved the St. Lucie County Port and Airport Authority and transferred its assets, liabilities, and responsibilities to the Board of County Commissioners of St. Lucie County.

Although the Port of Fort Pierce lies physically within the City of Fort Pierce limits, it is the responsibility of St. Lucie County. Management of the Port of Fort Pierce falls under the jurisdiction of St. Lucie County, which is composed of five County Commissioners. There is an inter-local agreement between the County and the City which clarifies roles and responsibilities and sets the framework for future collaboration and partnership in Port development.



## Economic Benefit

This acquisition benefits the region that expands well beyond St. Lucie County. The Port of Fort Pierce is centrally located in the state of Florida, near access to other international ports such as Palm Beach, Canaveral, and Everglades. The parcels the County will be acquiring at the Port of Fort Pierce could be a dedicated commercial yacht refitting, maintenance and repair facility. The county is currently in negotiations with several interested vessel owners as well as preferred suppliers; however until the properties are acquired, we are unable to secure these contracts for leasing.

The County is striving to refresh the port's vision and direction and set strategies for revitalization, as well as tackle heavy county unemployment. It is realigning strategic plans and goals. This acquisition and the resulting contracts with the port user, will provide dramatic support to the County and its economy.

Between 2000 and 2010, St. Lucie County was one of the fastest growing counties in the United States with a total population increase of more than 80,000 during those years. While the housing crisis and economic downturn have had a severe impact on the economy of St. Lucie County, the county has maintained a strong focus on economic development. The St. Lucie County Board of County Commissioners work hard to recruit new businesses and assist existing businesses to expand their operations.

St. Lucie County's growth rate in wages has been among the slowest in the nation. The population keeps rising, yet the average wage continues to decline compared to the national average. In an independent economic study done by Policom Corporation (February 2016), the County's major city, Port St. Lucie, ranked 164th largest in population as a Metropolitan Area and 372nd in Annual Wages. However, the city was at 319 among 381 areas for economic strength. Reasons for this is believed to stem from the area's boom-and-bust of the last 15 years, a rapid growth then a rapid decline in the economy. The county's workforce is abundant with most living within the Treasure Coast region. Unemployment has been historically high, when compared to the rest of the country and the state of Florida.

With this acquisition as well as a partnership with the local job training program at Indian River State College dedicated to marine maintenance, repair and overhaul, has all the aspects of attracting new companies to the region, rendering significant economic benefits to the region. This investment and vision is key to moving forward with a business strategy that have been in discussion for more than a decade that will create jobs and move the Port from dormant to facilitating expansion of commercial marine services in Florida.

While the County is conducting an economic impact analysis to confirm job and business projections, it is widely understood that jobs relating to the maintenance and retrofitting of mega-yachts are typically higher paying with an average wage of \$53,700 (Florida Tax Watch, July 2014). According to the National Marine Manufacturers Association, for Congressional District 18, the total annual economic impact of Marine MRO is \$619.9 million.

# New Port Entrance (2nd Street) at the Port of Fort Pierce

Through partnership with the Florida Department of Transportation, the County is currently revitalizing the entrance to the Port of Fort Pierce. 2nd Street North is the main roadway that traverses the Port of Fort Pierce from the southern portion of its operating area in the Fisherman's Wharf area (vicinity of A1A) north to its terminus immediately south of Taylor Creek Marina. The existing roadway infrastructure was in extreme disrepair with crumbling surface and severe drainage issues and flooding. Additionally, truck turning radii were nearly universally insufficient.

The reconstruction project included and currently includes the following project elements. The JPA supported project consists of planning, permitting, 100% design and construction of:

- ⇒ Demolition of the existing roadway and disposal of paving debris and complete reconstruction of the roadway from subgrade up through an a/c surface.
- ⇒ New site drainage to include three new retention ponds for storage and treatment.
- ⇒ New utilities to include electrical transmission lines, power poles, underground natural gas lines, a new lift station and sanitary sewer line and a new 16' to 8' forced water main.

**State Investment \$4.3 million**  
**County Investment \$4.3 million**



# PORT OF FORT PIERCE

**County:** St. Lucie County  
**City:** Ft. Pierce  
**FDOT District:** 4  
**Latitude/Longitude:** 30.62/81.55  
**Website:** www.stlucieco.gov/public\_works/port

**Governance:** St. Lucie County  
**Acres:** 99 (20 public, 79 private)  
**Address:** 1001 Harbor Street,  
 Fort Pierce, FL 34950  
**Phone:** (772) 462-1400

## PORT FACILITIES

### Cargo Terminals:

- St. Lucie County Parcel - 20 Acre
- Private Port Property - 67 Acres
- Indian River Private Terminal - 12 Acres

### Cruise Facilities:

- No cruise facilities currently in operation

### Buildings and Equipment:

- 870 ft of dock seawall

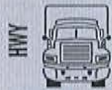
- 50,000 SF warehouse

### Rail Access:

- FEC mainline includes 2 turnouts and over 2,000 ft of siding

### Cargo Tonnage:

- 56,600 tons of both liquid bulk and break-bulk cargo in 2016 on Indian River private terminal



A1A  
SR 5



FEC

WATER



Authorized Channel Depth: 28 ft  
 Actual Depth: 28 ft  
 Channel Width: 250 ft



St. Lucie County is exploring strategic options for the Port of Fort Pierce. The county owns 20 acres at the port, adjacent to 67 privately owned acres, as well as 12 acres that house the privately owned Indian River Terminal, shown above. The county is actively refreshing the port's vision and direction and implementing strategies for revitalization, as well as tackling heavy county unemployment. The port's master plan strives to fast-track port development and administration plans that are driven by opportunity and the community.

### FDOT Top Seaport Investment Project at the Port of Fort Pierce

NAME:	Fishermans Wharf Development
DESCRIPTION:	Seawall Repair
TOTAL PROJECT COST:	\$510,000
TOTAL FDOT INVESTMENT:	\$255,000



Port is implementing key strategies of 2013 master plan



Future developments for the Port could include mega-yacht maintenance and clean cargo shipments



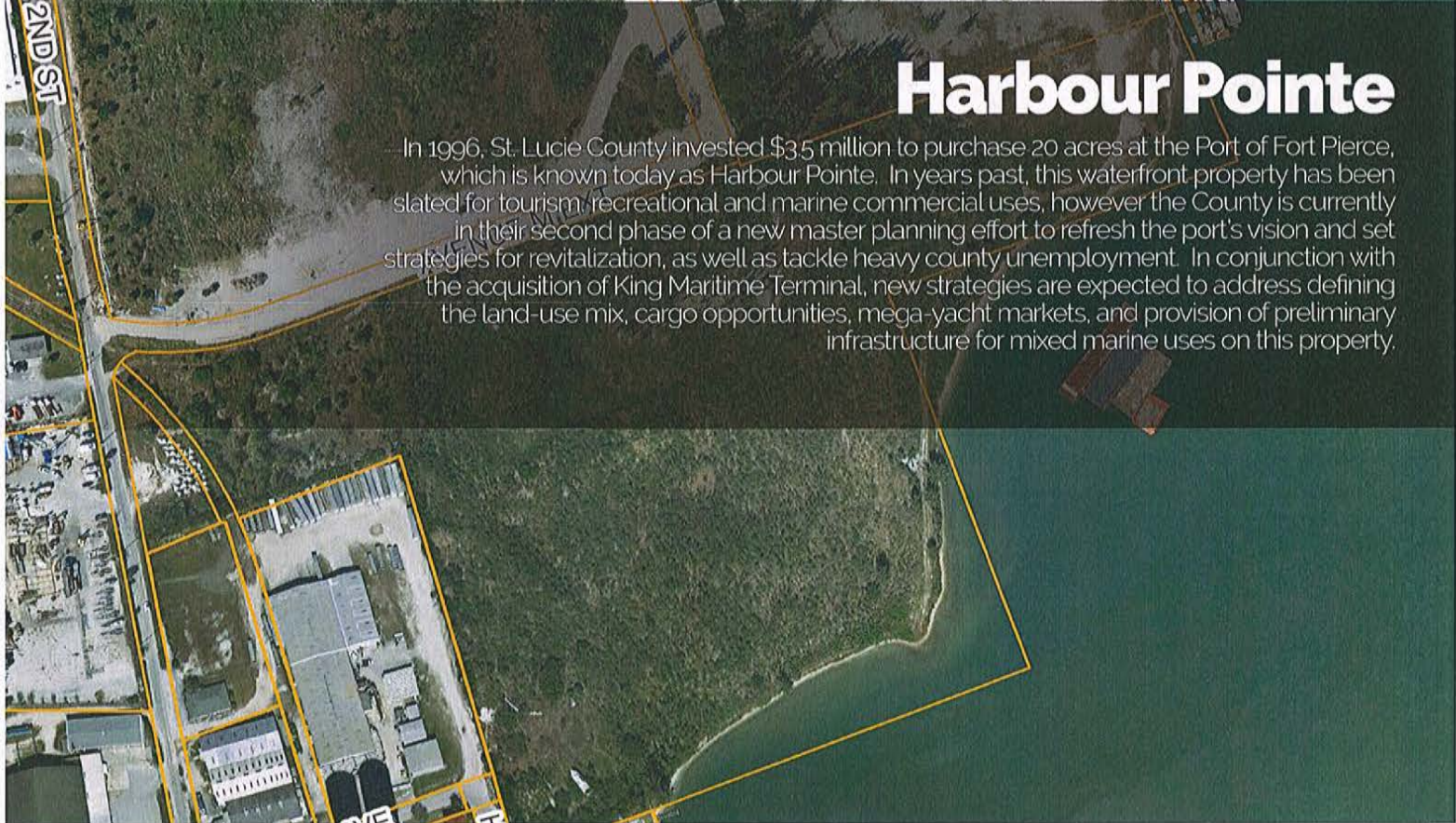
June 2017  
 Passenger and Cargo Volume Data from 2016  
 All other data from 2015

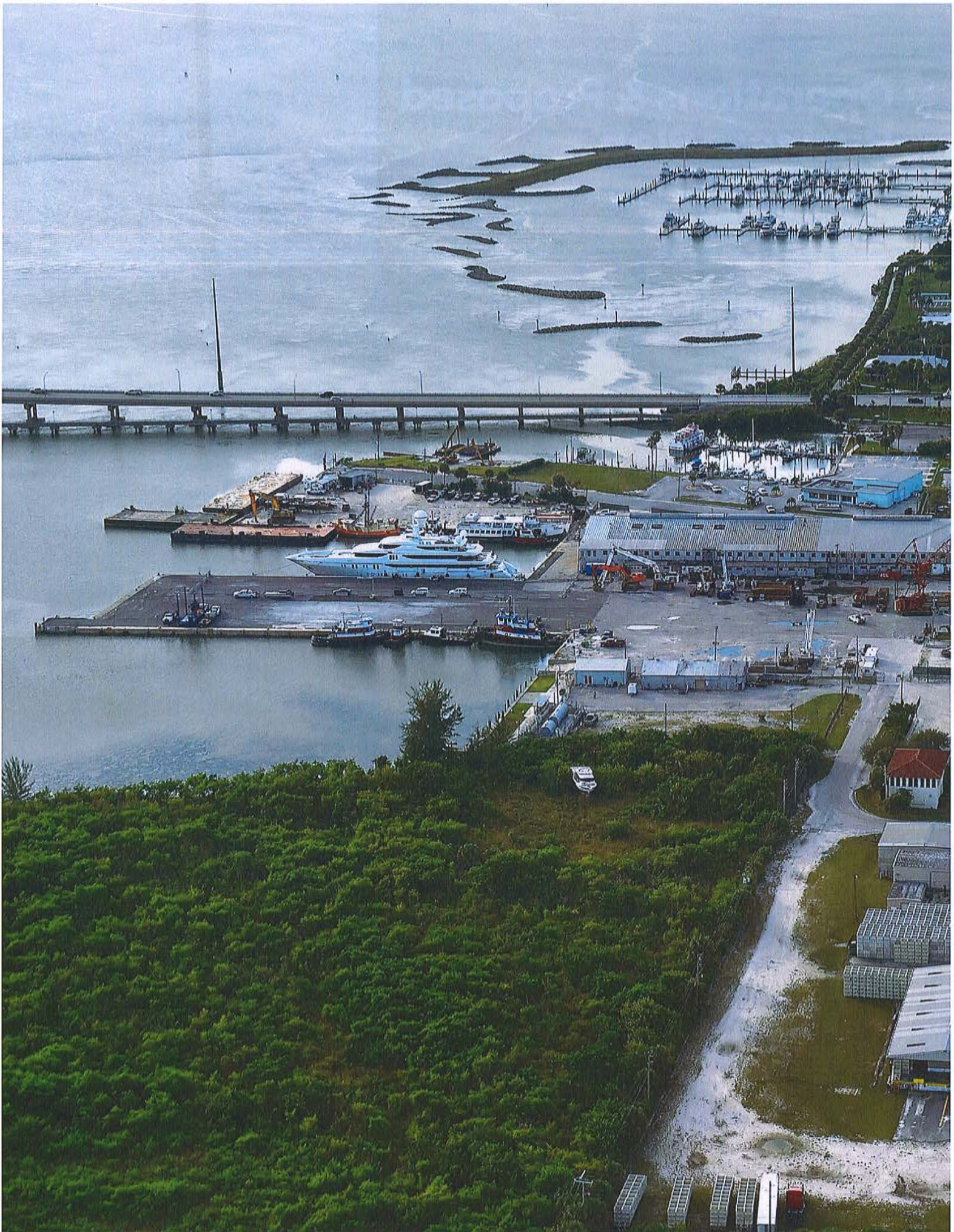




# Harbour Pointe

In 1996, St. Lucie County invested \$35 million to purchase 20 acres at the Port of Fort Pierce, which is known today as Harbour Pointe. In years past, this waterfront property has been slated for tourism, recreational and marine commercial uses, however the County is currently in their second phase of a new master planning effort to refresh the port's vision and set strategies for revitalization, as well as tackle heavy county unemployment. In conjunction with the acquisition of King Maritime Terminal, new strategies are expected to address defining the land-use mix, cargo opportunities, mega-yacht markets, and provision of preliminary infrastructure for mixed marine uses on this property.





# Operations & Proposed Business Plan

## Model for Adjacent Parcel Acquisition

The proposed business model includes the addition of berthing space and uplands areas for growth. The acquisition of the River Marina Inc. parcel will allow for the use of one large and smaller berth located south of the King Terminal, as well as provide the final piece for the conclusion of the Fisherman's Wharf project. The Fort Pierce Oil Co. parcel could provide for space for a shiplift system without impacting the other berths, or could be used for its smaller existing berth.

The additional properties adjacent to the Port would add to the port's yacht-handling capacity and also provide for space for the yacht craftsmen and trades, including fabrication and assembly, as well as apprenticeship programs.

## Operations Models

The terminal at one time had been operated to support what is assumed was an affiliated shipping line (ACL), providing equipment for the handling of cargo. When that carrier abruptly ceased business, the terminal became dormant, providing equipment for some sporadic cargo shipments, before doing the same for a mega-yacht refit business in 2015.

During this time the terminal revenues reached approximately \$70,000 a month for yacht refitting and maintenance. This rate was broken down into \$45,000 a month for the use of the dock, berth and warehouse use for the supporting trades and part assembly for the vessel; and \$25,000 for rental of equipment needed to execute the work on the vessel.

Going forward, the County would in essence, maintain the current and interim models of the King Terminal, with a small staff, deriving revenues from dockage and warehouse usage and either allowing the customers to provide their own equipment or providing it with or without operators. Funding sources would have to be found for a shiplift system and demolishing the debilitated warehouse located south of the dock.



## Operations Status

On October 1, 2017 the County executed an agreement providing for a period of due diligence and occupancy of the terminal, during which it will have control over terminal scheduling and utilization, especially its berths. During this period, the County's occupancy will provide first-hand knowledge that will prove critical to developing the best future operating model for the port and most cost-effective infrastructure improvements. The seller specified an occupancy agreement rather than a lease because there is no compensation, as would be the case with a traditional lease, the terms are spelled out in the purchase agreement, that the County would derive revenue during its occupancy through dockage and warehouse use and split the revenue with the seller for equipment rental. Seller will remain on the terminal during the County's occupancy period and will have 60 days after closing to remove its equipment.

During the short term, prior to closing, the County will be scheduling berth requests and will be invoicing the occupancy. The equipment for the requests will be provided by the seller, only for the short term of occupancy.

# **ECONOMIC IMPACT ANALYSIS OF PORT OF FORT PIERCE MEGA-YACHT SERVICE CENTER**

**October 13, 2017**

**Prepared by:**

**Fishkind & Associates, Inc.  
12051 Corporate Blvd.  
Orlando, Florida 32817  
407-382-3256**



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Appendix 1 – Master Plan Development Overview

## ***Executive Summary***

The St Lucie County has purchased a 12-acre site at the Port of Fort Pierce. The site will be revitalized to be operated as a mega-yacht service center. Mega-yachts are typically corporate or privately-owned boats in excess of 150 feet in length. These are ocean cruising vessels which travel the world on a seasonal basis to locations including New England, the UK, Spain, Brazil, Florida, and the Caribbean. Such vessels require extensive maintenance on an annual basis including paint, structural repairs, engine overhaul and maintenance and interior refits, as a result of weather, humidity, salt water and salt air conditions. South Florida, particularly Miami and Fort Lauderdale are known globally for their mega-yacht servicing capabilities. South Florida service facilities are known for warm waters, protected ports, dry-dock facilities, specialty equipment and small business industrial support with a large cadre of specialized skilled boat workers.

The numbers of mega yachts – pleasure craft in excess of 200 feet – has increased dramatically in the past 10 years and continues to increase at the rate of over 50 boats/year. Because of the growing numbers, it has become increasingly difficult to access quality repair facilities in Florida. This is a significant limiting factor in decisions by owners and captains to keep and repair their boats in Florida, as opposed to the Mediterranean, the Caribbean or elsewhere in the U.S. Fort Pierce has deep water, no bridge requiring boat delays or mast lowerings, a large amount of available undeveloped upland, proximity to the intracoastal routes typically taken by these yachts and proximity to quality service companies who can provide needed maintenance service. Thus, Fort Pierce may be among the most ideal places in the entire U.S. to develop such a facility. Existing south Florida facilities are nearing capacity creating a market opening for the Port of Fort Pierce. The Fort Pierce site has also operated in the recent past as a mega-yacht service center which supports the viability of the proposed concept.

The Fort Pierce mega-yacht center is projected to develop within four years of beginning operations. During the first 12 to 18 months investment from to \$8 to \$10 million will be required to demolish an existing outdated warehouse structure and to install up to a 500 to 900-ton ship lift crane system. The crane will allow the center to take on dry-dock repairs and expand the shipyard capacity for yacht maintenance work. The operation will primarily charge dockage, lift and storage fees. Specialty maintenance will be conducted by private sub-contractors brought in to work on-site conduct while the boat is resident. Yacht maintenance jobs may last from 2 to 12 months. As the facility becomes established and is supported by small service businesses, permanent employment associated with the service facility will grow. Fishkind & Associates, Inc. ("Fishkind") has prepared an

economic impact analysis of Port of Fort Pierce Mega Yacht facility. This analysis examines the economic impacts of site rehabilitation and the growth of permanent employment associated with the facility.

Construction and site rehabilitation activity provides economic impacts of \$10 million in total, while employing 74 construction and construction related workers during the development period (please see table E1).

**Table E-1. Economic Impact of Site Rehab and Construction at Fort Pierce Mega Yacht Service Center**

Total Impact	Employment	Wages	Output
<b>Direct Effect</b>	44	\$1,588,597	\$6,600,000
<b>Indirect Effect</b>	18	\$586,047	\$2,041,291
<b>Induced Effect</b>	12	\$369,429	\$1,326,791
<b>Total Effect</b>	74	\$2,544,073	\$9,968,082

Source: Fishkind & Associates, Inc.; Copyright 2017 Minnesota IMPLAN Group, Inc.

Over the four-year stabilization period, the site will grow to service up to 91 mega-yachts per year. Permanent, ongoing impacts of Fort Pierce Mega Yacht service facility will reach \$105 million per year. At full operations, the service facility will support 879 permanent jobs, as shown in Table E-2.

**Table E-2. Port of Fort Pierce Mega Yacht Service Center Permanent Economic Impacts**

Cumulative	Employment	Wages	Output
<b>Direct Effect</b>	597	\$32,952,996	\$72,712,397
<b>Indirect Effect</b>	90	\$2,770,103	\$10,503,792
<b>Induced Effect</b>	192	\$6,147,193	\$22,093,717
<b>Total Effect</b>	879	\$41,870,292	\$105,309,905

Source: Fishkind & Associates, Inc.; Copyright 2017 Minnesota IMPLAN Group, Inc.

## 1.0 Introduction

The Port of Fort Pierce Mega Yacht Service Center will encompass 12 acres, located within the Port. The site includes dock space for up to five vessels simultaneously, varying in size from 90 to 225 feet in length. Planned site rehabilitation will occur within the first 12 to 18 months. Site work will include demolition of an existing warehouse building and installation of a ship lift crane system with capacity from 500 to 900 tons. Clearing the site and installing the lift crane will provide the center with the ability to provide dry-dock space for service and repairs. This will increase the overall capacity of the yard allowing for an estimated 91 ongoing yacht service projects over the course of any one year, once the facility reaches full scale operation. The center is expected to reach stabilized operations by Year 4.

**Map 1. Port of Fort Pierce Mega Yacht Service Center Site Location**



## 1.1 Economic Impact Analysis Overview

The analysis determines the economic impacts of the initial investment for rehabilitation at the Port of Fort Pierce Mega Yacht Service Center and the permanent economic impacts and employment effects once the operation is fully underway. This study relies on data gathered from the following sources:

- Primary Data for operational activity and on-site infrastructure development as provided by Port of Fort Pierce.
- Fishkind & Associates, Inc.
- Economic Impact Modeling using IMPLAN

A systematic analysis of countywide economic impacts is essential for effective planning in the public and private sectors. Fishkind & Associates, Inc. used the IMPLAN analysis program for determining economic multipliers which give rise to indirect and induced multiplier effects for this analysis. The geography considered to measure these impacts is St. Lucie County. The county represents the catchment area from which employees are drawn. The economic impacts of construction/investment activity and on-site permanent employment are illustrated in terms of impacts on St. Lucie County.

The economic impact of the Port of Fort Pierce Mega Yacht Service Center includes two components:

- Temporary construction impacts from site rehabilitation and investment
- Permanent economic impacts stemming from mega-yacht servicing jobs

## 2.0 Economic Impact Analysis of Construction Activity

Economic impacts are concerned with the amount of spending that takes place in the local economy (called the direct effect) and the impact of that spending when it is re-spent (the multiplier effect), by local businesses and workers throughout the St. Lucie County economy. Construction activity will include site rehabilitation, building demolition and installation of a lift crane. Some equipment costs are spent outside the local area for materials and services which may not be produced locally. As a result, the direct effect of local spending is reduced when compared with the total construction cost. The total project costs include spending for building demolition, lift crane and site rehabilitation. These costs are estimated to

be from \$8 to \$10 million. It is estimated \$6.6 million will be spent directly in the local economy. Development and infrastructure construction will occur within the first 12 to 18 months of the project.

Direct construction spending gives rise to the multiplier effect when it is re-spent in the community. Table 1 provides the economic impact summary of the direct effect of construction activity and the resulting multiplier effect.

**Table 1. Economic Impact of Site Rehab and Construction at Fort Pierce Mega Yacht Servicing Center**

Total Impact	Employment	Wages	Output
<b>Direct Effect</b>	44	\$1,588,597	\$6,600,000
<b>Indirect Effect</b>	18	\$586,047	\$2,041,291
<b>Induced Effect</b>	12	\$369,429	\$1,326,791
<b>Total Effect</b>	74	\$2,544,073	\$9,968,082

Source: Fishkind & Associates, Inc.; Copyright 2017 Minnesota IMPLAN Group, Inc.

Local impacts generated by the construction program will result in employment of 74 persons during the construction period. The cumulative economic impact of construction will reach **\$10 million**. Some \$2.5 million will be paid in construction and related employment wages.

Key industries benefiting from construction at Port of Fort Pierce Mega Yacht Service Center include commercial and specialty construction firms, architectural and engineering services, restaurants and wholesale and retail establishments. A description of key industries benefitting from construction and site rehabilitation are found in Table 2.

**Table 2. Port of Fort Pierce Mega Yacht Service Center Construction – Economic Impacts to Key Industries**

Description	Employment	Wages	Output
Maint., repair constr. of nonres. structures	25	\$765,392	\$3,434,319
Remediation, demolition services	19	\$857,140	\$3,330,752
Real estate	2	\$10,771	\$192,078
Constr. of new commercial structures	2	\$58,829	\$200,000
Wholesale trade	1	\$83,784	\$312,151
Business support services	1	\$27,701	\$50,537
Full-service restaurants	1	\$25,120	\$54,073
Truck transportation	1	\$10,276	\$108,219
Services to buildings	1	\$9,724	\$23,567
Limited-service restaurants	1	\$13,527	\$61,533
<b>Subtotal of Key Industries</b>	<b>54</b>	<b>\$1,862,265</b>	<b>\$7,767,230</b>
<b>Impact of Construction</b>	<b>74</b>	<b>\$2,544,073</b>	<b>\$9,968,082</b>

Source: Fishkind & Associates, Inc.; Copyright 2017 Minnesota IMPLAN Group, Inc.

### 3.0 Permanent Impacts - Port of Fort Pierce Mega Yacht Service Center

The 12-acre Port site can simultaneously accommodate 2 yachts up to 225 feet in length, plus 2 yachts up to 150 feet in length in wet berth docks plus 1 yacht up to 60 feet in length. Depending on boat length, the available wet dock linear footage may accommodate 5 boats at a time. Wet slip capacity is expected to average 20 jobs per year. With the ship lift and warehouse demolition, the land side portion of the site can accommodate 11 dry-dock boats from 60 to 180 feet in length at any one time. Dry-dock capacity is expected to accommodate on average 71 additional boats for service/maintenance per year. On average, a total of 91 boats are expected for maintenance, service, and repair annually, with an average stay length of one to two months depending on ship size and extent of work.

On site employment at the center is anticipated to reach 92 persons by year four. Supplementing this employment will be specialty subcontractors working in paint, engine repair, interior refit, structural repairs and electronics/communications. Based on the volume and types of boat service jobs projected, anticipated full time equivalent subcontractor employment is expected to reach 487 jobs by year four, at full operations.

Total direct employment from on-site and subcontractors plus local employment supported by temporary resident crew spending will reach 597 employees by the stabilized year. Spending in the local economy flowing from business spending and employee wages will have beneficial ongoing, permanent annual economic impacts. Boat crews accompanying the vessels will stay locally and spend wages in the community while boats are under repair. These impacts will continue to benefit the local economy after the initial site construction activity is complete and the economic impacts of site rehabilitation cease. Table 3 depicts the economic impacts of stabilized permanent employment at Port Fort Pierce.

**Table 3. Permanent Economic Impacts  
Port of Fort Pierce Mega Yacht Service Center**

Cumulative	Employment	Wages	Output
<b>Direct Effect</b>	597	\$32,952,996	\$72,712,397
<b>Indirect Effect</b>	90	\$2,770,103	\$10,503,792
<b>Induced Effect</b>	192	\$6,147,193	\$22,093,717
<b>Total Effect</b>	879	\$41,870,292	\$105,309,905

Source: Fishkind & Associates, Inc.; Copyright 2017 Minnesota IMPLAN Group, Inc.

Permanent economic impacts are projected to reach **\$105 million per year** on an ongoing basis, after buildout. By year 4, stabilized permanent employment will reach 879 persons, with nearly \$42 million paid in annual wages.

In addition to these economic impacts, 20 local apprenticeship positions will be available at the service center. These positions will provide training for the local labor force, providing a pathway for local residents to attain long term high paying jobs and remain in the local community.

**3.1 Economic Impact of Port Fort Pierce Mega Yacht Center on Key Industries**

The impacts of the mega yacht service center development at Port Fort Pierce can be described and illustrated among the different industries and areas of business affected by the spending and employment activity in the regional economy. Table 4 illustrates the effects of business spending and employment among key benefitted industries as of full operations. The distribution of business spending and employment effects across industries include; boat repair, boat building, wholesale services, retail, restaurants, and hotels.

**Table 4. Port Fort Pierce Mega Yacht Service Center  
Economic Impacts to Key Industries at Full Operations**

Description	Employment	Wages	Output
Boat repair and maintenance	491	\$27,658,944	\$46,753,374
Boat building	92	\$4,932,257	\$24,927,698
Real estate	23	\$135,408	\$2,414,599
Wholesale trade	15	\$830,412	\$3,093,849
Full-service restaurants	12	\$263,847	\$567,962
Services to buildings	12	\$131,064	\$317,631
All other food and drinking places	11	\$337,797	\$535,455
Limited-service restaurants	11	\$193,685	\$881,025
Hotels and motels	9	\$214,710	\$833,780
Retail - General merchandise	9	\$231,247	\$595,420
<b>Subtotal of Key Industries</b>	<b>683</b>	<b>\$34,929,370</b>	<b>\$80,920,793</b>
<b>Annual Economic Impact</b>	<b>879</b>	<b>\$41,870,292</b>	<b>\$105,309,905</b>

Source: Fishkind & Associates, Inc.; Copyright 2017 Minnesota IMPLAN Group, Inc.

Note: Employment is permanent; Wages and Output are annual

#### 4.0 Summary of Economic Impacts and Conclusions

There are significant benefits to the St. Lucie County economy resulting from development of the Port of Fort Pierce Mega Yacht Service Center. Direct construction related benefits occur creating economic impacts of construction of \$10 million. On an ongoing basis, the Mega Yacht Center will support 879 permanent jobs with an annual economic impact of \$105 million at full operations, expected by year 4. Nearly \$42 million in wages are to be paid each year into the St. Lucie County economy. It is likely over time, as the Center gains momentum, there will be expansion opportunities as well as ancillary development in retailing and hotel support.

## 5.0 Economic Impact Methodology - IMPLAN

The economic impact methodology utilized to determine the multiplier effects is IMPLAN (Impact Analysis for PLANning).

*IMPLAN's Social Accounting Matrices (SAMs) capture the actual dollar amounts of all business transactions taking place in a regional economy as reported each year by businesses and governmental agencies. SAM accounts are a better measure of economic flow than traditional input-output accounts because they include "non-market" transactions. Examples of these transactions would be taxes and unemployment benefits.*

### Multipliers

*Social Accounting Matrices can be constructed to show the effects of a given change on the economy of interest. These are called Multiplier Models. Multiplier Models study the impacts of a user-specified change in the chosen economy for 440 different industries. Because the Multiplier Models are built directly from the region specific Social Accounting Matrices, they will reflect the region's unique structure and trade situation.*

*Multiplier Models are the framework for building impact analysis questions. Derived mathematically, these models estimate the magnitude and distribution of economic impacts, and measure three types of effects which are displayed in the final report. These are the direct, indirect, and induced changes within the economy. Direct effects are determined by the Event as defined by the user (i.e. a \$10 million dollar order is a \$10 million dollar direct effect). The indirect effects are determined by the amount of the direct effect spent within the study region on supplies, services, labor and taxes. Finally, the induced effect measures the money that is re-spent in the study area as a result of spending from the indirect effect. Each of these steps recognizes an important leakage from the economic study region spent on purchases outside of the defined area. Eventually these leakages will stop the cycle.*



## Florida Job Growth Grant Fund Public Infrastructure Grant Proposal

Proposal Instructions: The Florida Job Growth Grant Fund Proposal (this document) must be completed by the governmental entity applying for the grant and signed by either the chief elected official, the administrator for the governmental entity or their designee. Please read the proposal carefully as some questions may require a separate narrative to be completed.

### Governmental Entity Information

Name of Governmental Entity: St. Lucie County Board of County Commissioners

Government Federal Employer Identification Number: 59-6000835

### Contact Information:

Primary Contact Name: Nicole Fogarty

Title: Legislative Affairs Manager

Mailing Address: 2300 Virginia Avenue  
Fort Pierce, FL 34982-5632

Phone Number: (772) 462-6406

Email: fogartyn@stlucieco.org

### Public Infrastructure Grant Eligibility

Pursuant to section 288.101, F.S., the Florida Job Growth Grant Fund was created to promote economic opportunity by improving public infrastructure and enhancing workforce training. Eligible governmental entities that wish to access this grant fund must submit public infrastructure proposals that:

- Promote economic recovery in specific regions of the state, economic diversification or economic enhancement in a targeted industry. (View Florida's [Targeted Industries here.](#))
- Are not for the exclusive benefit of any single company, corporation or business entity.
- Are for infrastructure that is owned by the public and is for public use or predominately benefits the public.



**1. Program Requirements:**

Each proposal must include the following information describing how the project satisfies eligibility requirements listed on page 1.

- A. Provide the title and a detailed description of the public infrastructure improvements.

Port of Fort Pierce Land Acquisition

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- B. Is this infrastructure owned by the public?

Yes       No

- C. Is this infrastructure for public use or does it predominately benefit the public?

Yes       No

- D. Will the public infrastructure improvements be for the exclusive benefit of any single company, corporation or business entity?

Yes       No

- E. 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 or future businesses.

This application is for assistance in acquiring 14 parcels located at the Port of Fort Pierce. For years the Port of Fort Pierce has been dormant according to the Florida Department of Transportation and the Florida Ports Council, except for a brief spurt of marine vessel Maintenance, Repair and Overhaul (MRO) this past year. Acquiring these dormant parcels will give the State of Florida and St. Lucie County the opportunity to restore the Port of Fort Pierce's infrastructure and to contribute to Florida's MRO industry which is now facing growing competition from, among others, Savannah, GA.

The Port of Fort Pierce first came into existence in 1920 when a manmade opening, the Fort Pierce Inlet, was cut through the land barrier between the Atlantic Ocean and the Indian River Lagoon. St. Lucie County became the Port Authority in 1918 and a continuum of legislation has named the County as the Authority since that time. In 1918 a special act of the Florida Legislature established a taxing district to fund this project. Approximately 65 percent of St. Lucie County was in this Fort Pierce Inlet District, which was empowered to sell bonds to finance the project and to satisfy bond obligations

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F. Provide a detailed description of, and quantitative evidence demonstrating, how the proposed public infrastructure project will promote:

- Economic recovery in specific regions of the state;
- Economic diversification; or
- Economic enhancement of a Targeted Industry (View Florida's [Targeted Industries here.](#))
  - As part of this response, describe how the project will promote specific job growth. Include a description of the number of jobs that will be retained or created, the average wages of such jobs, and in which industry(ies) the jobs will be created using the North American Industry Classification System ([NAICS](#)) codes. Where applicable, you may list specific businesses that will retain or grow jobs or make capital investment.
  - Further, include the economic impact on the community, region, or state and the associated metrics used to measure the success of the proposed project.

This acquisition benefits the region that expands well beyond St. Lucie County. The Port of Fort Pierce is centrally located in the state of Florida, near access to other international ports such as Palm Beach, Canaveral, and Everglades. The parcels the County will be acquiring at the Port of Fort Pierce could be a dedicated commercial manufacturing, repair, overhaul (MRO) facility. The county is currently in negotiations with several interested vessel owners as well as preferred MRO suppliers; however until the properties are acquired, we are unable to secure these contracts for leasing.

The County is striving to refresh the port's vision and direction and set strategies for



**2. Additional Information:**

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

Yes  No

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

This application is for assistance on acquiring properties at the Port of Fort

C. What is the location of the public infrastructure? (Provide the road number, if applicable.)

Port of Fort Pierce, located in Fort Pierce, FL

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

Federal  State  County  City  Other \_\_\_\_\_

E. What permits are necessary for the public infrastructure project?

N/A

F. 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, will these permits be prioritized?

Due to the project being a land acquisition assistance request, permits will not be required. However, the previous owner has acquired permits have been acquired to extend the dock as well as dredging of the berth.

G. What is the future land use and zoning designation on the proposed site of the infrastructure improvements, and will the improvements conform to those uses?

The current future land use and zoning designation is Industrial. This designation does conform to any future improvements or entity use.



H. 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

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I. Is the project ready to commence upon grant fund approval and contract execution? If no, please explain.

Yes  No

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J. Does this project have a local match amount?

Yes  No

If yes, please describe the entity providing the match and the amount.

St. Lucie County Board of County Commissioners.

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K. Provide any additional information or attachments to be considered for this proposal.

Please see attached.

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**3. Program Budget**

**Estimated Costs and Sources of Funding:** Include all applicable public infrastructure costs and other funding sources available to support the proposal.

**A. Public Infrastructure Project Costs:**

Construction	\$ _____	
Reconstruction	\$ _____	
Design & Engineering	\$ _____	
Land Acquisition	\$ 43,000,000	
Land Improvement	\$ _____	
Other	\$ _____	Please Specify: _____
<b>Total Project Costs</b>	<b>\$ 43,000,000</b>	

**B. Other Public Infrastructure Project Funding Sources:**

City/County	\$ 25,000,000	
Private Sources	\$ _____	
Other (grants, etc.)	\$ _____	Please Specify: _____
<b>Total Other Funding</b>	<b>\$ 18,000,000</b>	
<b>Total Amount Requested</b>	<b>\$ 18,000,000</b>	

**Note:** The total amount requested must equal the difference between the public infrastructure project costs in 3.A. and the other public infrastructure project funding sources in 3.B.

**C. Provide a detailed budget narrative, including the timing and steps necessary to obtain the funding and any other pertinent budget-related information.**

The County is requesting a 40% match towards the acquisition of 14 parcels located at the Port of Fort Pierce. The total cost of the acquisition will \$43 million, the County has set a closing date of December 31, 2017. The County will be bonding their portion of the match for the purchase and those should be in hand by December 2017.



#### 4. Approvals and Authority

- A. If the governmental entity is awarded grant funds based on this proposal, what approvals must be obtained before it can execute a grant agreement with the Florida Department of Economic Opportunity (e.g., approval of a board, commission or council)?

St. Lucie County Board of County Commissioners will have to approve the agreement as an agenda item at a formal Board meeting.

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- B. If approval of a board, commission, council or other group is needed prior to execution of an agreement between the governmental entity and the Florida Department of Economic Opportunity:

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

October 3 and 17, November 7 and 21, December 5 and 19, January 2 and 16

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

Yes, the Board will need to notify the public at least 3 days prior to the meeting

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- C. Attach evidence that the undersigned has all necessary authority to execute this proposal on behalf of the governmental entity. 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.



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

Name of Governmental Entity: St. Lucie County Board of County Commissioners

Name and Title of Authorized Representative: Howard Tipton, County Administrator

Representative Signature: 

Signature Date: 9/22/2017



# Florida House of Representatives

## *Representative Gayle Harrell*

### District 83

District Office:  
900 SE Federal Hwy.  
Suite 325  
Stuart, FL 34994  
(772) 221-4011 \* (772) 221-4013 (fax)

Tallahassee Office:  
214 House Office Building  
402 South Monroe Street  
Tallahassee, FL 32399  
(850) 717-5083

Email: [gayle.harrell@myfloridahouse.com](mailto:gayle.harrell@myfloridahouse.com)

September 26, 2017

Rick Scott, Governor of Florida  
Executive Office of the Governor  
400 S. Monroe Street  
Tallahassee, FL 32399

Dear Governor Scott,

Please accept this letter of support for St. Lucie County's application to the Florida Job Growth Grant Fund for the Port of Fort Pierce Land Acquisition. The proposed project is for the land acquisition of 13 parcels located at the Port of Fort Pierce, most commonly known as the King Maritime Terminal.

For years the Port of Fort Pierce has been dormant according to the Florida Department of Transportation and the Florida Ports Council, except for a brief spurt of marine vessel Maintenance, Repair and Overhaul (MRO) this past year. Acquiring these dormant parcels will give the State of Florida and St. Lucie County the opportunity to restore the Port of Fort Pierce's infrastructure and to contribute to Florida's MRO industry.

St. Lucie County is striving to refresh the port's vision and direction and set strategies for revitalization, as well as tackle heavy county unemployment. It is realigning strategic plans and goals. This acquisition and the resulting contracts with the port user, will provide dramatic support to St. Lucie County and its economy.

I recognize the economic value of this project and respectfully request your support of this application.

Sincerely,

A handwritten signature in blue ink that reads "Gayle B. Harrell".

Gayle B. Harrell  
Florida House of Representatives  
District 83



Florida House of Representatives  
Representative Larry Lee, Jr.  
District 84

September 26, 2017

□ **DISTRICT OFFICE:**  
100 North US Highway 1  
Fort Pierce, FL 34950  
Phone: (772) 595-1391  
Fax: (772) 595-1392

□ **CAPITOL OFFICE:**  
1401 The Capitol  
402 South Monroe Street  
Tallahassee, FL 32399-1300  
Phone: (850) 717-5084

**COMMITTEES:**

Higher Education Appropriations  
Subcommittee,  
*Democratic Ranking Member*

PreK-12 Appropriations  
Subcommittee,  
*Democratic Ranking Member*

Education Committee

PreK-12 Innovation  
Subcommittee

**STAFF:**

Mary Alice Bennett  
*Legislative Aide*

Tangle Jennings  
*District Aide*

Office of Governor Rick Scott  
State of Florida  
The Capitol  
400 S. Monroe Street  
Tallahassee, FL 32399-0001

Dear Governor Scott:

It is my pleasure to provide this letter supporting St. Lucie County's application to the Florida Job Growth Grant Fund for the Port of Fort Pierce Land Acquisition. The proposed project is for the land acquisition of 13 parcels located at the Port of Fort Pierce, most commonly known as the King Maritime Terminal.

For years the Port of Fort Pierce has been dormant according to the Florida Department of Transportation and the Florida Ports Council, except for a brief spurt of marine vessel Maintenance, Repair and Overhaul (MRO) this past year. Acquiring these dormant parcels will give the State of Florida and St. Lucie County the opportunity to restore the Port of Fort Pierce's infrastructure and to contribute to Florida's MRO industry.

The County is striving to refresh the port's vision and direction and set strategies for revitalization, as well as tackle heavy county unemployment. It is realigning strategic plans and goals. This acquisition and the resulting contracts with the port user will provide dramatic support to the County and its economy.

I recognize the economic value of this project and respectfully request your support of this application. In the future if I can be of assistance, please do not hesitate to contact me.

Kindest Regards,

A handwritten signature in cursive script that reads "Larry Lee, Jr.".

Larry Lee, Jr.  
State Representative  
District 84



Port Canaveral

October 4, 2017

Port Everglades

Director Cissy Proctor  
Florida Department of Economic Opportunity  
107 E. Madison St.  
Tallahassee, FL 32399

Port of Fernandina

Dear Director Proctor,

Port of Fort Pierce

The Florida Ports Council is pleased to submit this letter of support for the Port of Fort Pierce to purchase the 12-acre King Maritime Facility property, as well as surrounding port properties. We strongly endorse the port's efforts to obtain a Florida Job Growth grant for this initiative. The County's purchase will enable the operation of marine maintenance and repair that would generate 325 direct jobs and 575 indirect jobs, a significant influence on St. Lucie County's economy.

JAXPORT

Port of Key West

Port Manatee

We strongly urge your consideration of St. Lucie County's Florida Job Growth Grant Fund Public Infrastructure Grant Proposal which will promote growing commerce within the community. We fully support the application and its request for funding of this much-needed project.

PortMiami

Sincerely,

Port of Palm Beach

A handwritten signature in black ink, appearing to read "Doug Wheeler", is written over the typed name and title.

Port Panama City

Doug Wheeler  
President and CEO  
Florida Ports Council

Port of Pensacola

Port of St. Petersburg

Port of Port St. Joe

Port Tampa Bay



September 29, 2017

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Economic Development Council

The Honorable Rick Scott  
Governor of the State of Florida  
The Capitol  
400 South Monroe Street  
Tallahassee, Florida 32399-0001

**Re: Job Growth Grant Fund – King Maritime Terminal and St. Lucie County**

Dear Governor Scott:

On behalf of the Board of Directors of the Economic Development Council of St. Lucie County (EDC), it is my pleasure to inform you of our strong support of St. Lucie County's Job Growth Grant Fund submittal for the King Maritime Terminal property (Ft. Pierce) purchase and infrastructure request.

St. Lucie County has made great strides in improving the unemployment rate and providing sustainable jobs, but there is still much to be done to mitigate poverty, underemployment and the uneven economic conditions afflicting many of our low-income households. The average earnings per worker in our county is approximately 82.5% of the Florida average of \$42,620 (Florida Office of Economic & Demographic Research).

Moreover, there is a dire need for sustainable jobs for the residents of Ft. Pierce. The Ft. Pierce community suffers from very low earnings and labor force participation rates including higher than average poverty and unemployment rates compared to state averages. This grant fund request is critical to continue on our path of economic vitality, job creation and increasing household incomes in our community. Having a viable and functioning port featuring yacht refitting, repair and related shipyard services would certainly mitigate some of these distressing socio-economic factors.

As you are aware, the St. Lucie County Commission recently approved the \$25 million purchase of the King Maritime Facility at the Port of Ft. Pierce just last week. It is estimated that the proposed Port of Ft. Pierce Mega -Yacht Center would generate 325 direct jobs and 575 indirect jobs. These are jobs that would be highly desired by the residents of Ft. Pierce.

The EDC very much appreciates the opportunity to work with you, the Department of Economic Opportunity and St. Lucie County on this critical port expansion project. The EDC also urges your favorable consideration of funding this proposal, as it will provide a robust return on investment of state dollars in terms of job growth and economic activity. We are grateful for your leadership and making Florida families' economic well-being your highest priority.

Sincerely,

Peter J. Tesch  
President

**BOARD OF DIRECTORS**

**Mike Adams, Adams Ranch**

**Terissa Aronson, SLC Chamber of Commerce**

**Brian Bauer, CareerSource Research Coast**

**Russ Blackburn, City of Port St. Lucie**

**Bob Brunjes, Treasure Coast Newspapers**

**Ian Cotner, AT&T Florida**

**Linda Cox, City of Fort Pierce**

**Megan Davis, FAU Harbor Branch**

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**Wayne Gent, St. Lucie County School District**

**Richard E. Kollada, Spherion**

**Leslie Kristof, Keiser University**

**Tammy Roncaglione, CenterState Bank**

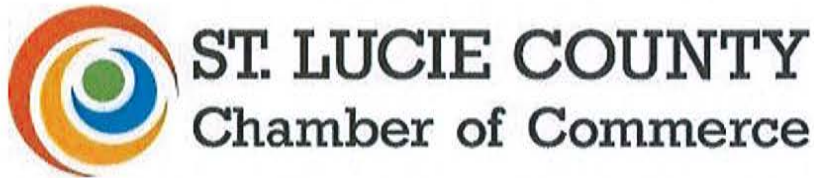
**Staci Storms, Realtors of St. Lucie County**

**Jimmy Terry, PGA Golf Club**

**Howard Tipton, St. Lucie County**

**John Tompeck, Fort Pierce Utilities Authority**

**Joel C. Zwemer, Dean Mead**



The Unified Chamber of Fort Pierce,  
Port St. Lucie and all of St. Lucie County

September 28, 2017

Rick Scott, Governor of Florida  
Executive Office of the Governor  
400 S. Monroe Street  
Tallahassee, FL 32399

Dear Governor Scott:

This letter is to support St. Lucie County's application to the Florida Job Growth Grant Fund for the Port of Fort Pierce Land Acquisition. The proposed project is for the land acquisition of 13 parcels located at the Port of Fort Pierce, most commonly known as the King Maritime Terminal.

For years the Port of Fort Pierce has been dormant according to the Florida Department of Transportation and the Florida Ports Council, except for a brief spurt of marine vessel Maintenance, Repair and Overhaul (MRO) this past year. Acquiring these dormant parcels will give the State of Florida and St. Lucie County the opportunity to restore the Port of Fort Pierce's infrastructure and to contribute to Florida's MRO industry.

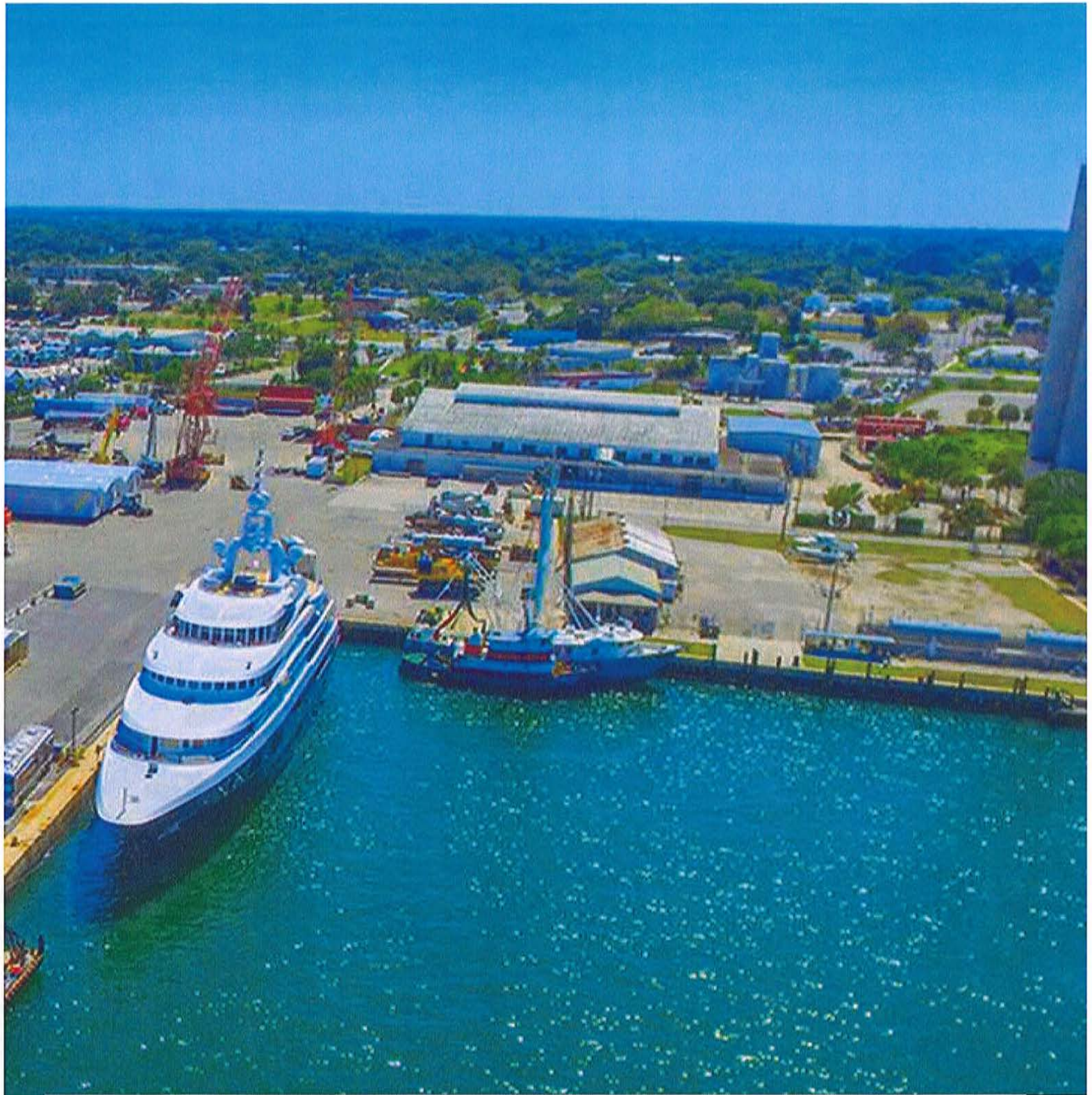
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I recognize the economic value of this project and respectfully request your support of this application. In the future if I can be of assistance, please do not hesitate to contact me.

Sincerely,

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

Terissa C. Aronson  
President/CEO



**ST. LUCIE  
COUNTY**  
FLORIDA

### **Contact Information**

Stan Payne, *Port Director*

Port of Fort Pierce

St. Lucie County Board of County Commissioners

2300 Virginia Ave

Fort Pierce, FL 34982

(772) 462-1450

[paynes@stlucieco.org](mailto:paynes@stlucieco.org)