



2021-2022 Florida Job Growth Grant Fund Public Infrastructure Grant Proposal

Proposal Instructions: Please read this document carefully and provide the information requested below. Some questions may request that a separate narrative be completed. If additional space is needed, attach a word document with your entire answer.

Governmental Entity Information

Name of Governmental Entity: City of Lakeland
Government Federal Employer Identification Number: [REDACTED]

Primary Contact Name: Eugene B. Conrad, III
Title: Airport Director
Mailing Address: 3900 Don Emerson Dr. Suite 210
Lakeland, Florida 33811
Phone Number: 863-834-3298
Email: gene.conrad@lakelandgov.net

Secondary Contact Name: Chris Hallstrand
Title: Assistant Airport Director
Phone Number: 863-834-3298

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 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:

(If additional space is needed, attach a word document with your entire answer.)

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

A. Provide a detailed description of the public infrastructure improvements.

SEE EXHIBIT 1A ON SUPPLEMENTAL INFORMATION ATTACHMENT FOR DETAILED INFORMATION

B. Provide location of public infrastructure, including physical address and county of project.

3900 DON EMERSON DRIVE, LAKELAND, FLORIDA 33811, POLK COUNTY

C. Is this infrastructure currently owned by the public?

Yes No

If no, is there a current option to purchase or right of way provided to the County?

D. Provide current property owner.

CITY OF LAKELAND

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

Yes No

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

Yes No

SEE EXHIBIT 1F ON SUPPLEMENTAL INFORMATION ATTACHMENT FOR DETAILS

G. 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.](#))
 - Describe how the project will promote specific job growth. Include the number of jobs that will be retained or created, and in which industry(ies) the new net jobs will be created using the North American Industry Classification System ([NAICS](#)) codes. Where applicable, you may list specific businesses that will retain or create jobs or make capital investment.
 - 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.

SEE EXHIBIT 1G ON SUPPLEMENTAL INFORMATION ATTACHMENT

2. Additional Information:

(If additional space is needed, attach a word document with your entire answer.)

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

Proposed commencement date is October 1, 2021
 Number of days design through construction is 457 days

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

Permits required would include City and State storm-water permits (SWWMD) and local building permits for infrastructure improvements

- C. 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?

Permits for the project would be secured within three months after we have secured funding. Local building permits would be prioritized.

- D. 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?

Land use and zoning is for aviation and MRO Hangar uses and the proposed improvements conform to those uses.

- E. 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

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

Yes No

- G. Does this project have a local match amount?

Yes No

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

City of Lakeland would provide an amount of \$2mm to the grant funds issued for infrastructure costs while an MRO would provide approximately \$30mm in funding towards the vertical construction and equipment

- H. Provide any additional information or attachments to be considered for this proposal. Maps and other supporting documents are encouraged.

SEE ATTACHMENT 2H ON SUPPLEMENTAL INFORMATION ATTACHMENT

3. Program Budget

(If additional space is needed, attach a word document with your entire answer.)

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

1.) Total Amount Requested \$ 6,000,000
 Florida Job Growth Grant Fund

A. Other Public Infrastructure Project Funding Sources:

City/County \$ 2,000,000

Private Sources \$ 30,000,000

Other (grants, etc.) \$

Total Other Funding \$ 32,000,000

Please Specify: Private Investment

B. Public Infrastructure Project Costs:

Construction \$ 1,600,000

Reconstruction \$

Design & Engineering \$ 1,100,000

Land Acquisition \$

Land Improvement \$ 5,300,000

Other \$ 30,000,000

Total Project Costs \$ 38,000,000

Please Specify: Vertical Construct.

Note: The total amount requested must be calculated by subtracting the total other public infrastructure project funding sources in A. from the total public infrastructure project costs in B.

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

SEE 3C ON SUPPLEMENTAL INFORMATION ATTACHMENT

4. Approvals and Authority

(If additional space is needed, attach a word document with your entire answer.)

- 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)?

CITY OF LAKELAND COMMISSIONERS

If board authorization is not required, who is authorized to sign?

- 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.
- ii. State whether entity is willing and able to hold special meetings, and if so, upon how many days' notice.

CITY OF LAKELAND COMMISSIONERS MEET THE FIRST AND THRID MONDAY OF EVERY MONTH
SPECIAL MEETINGS CAN ALSO BE HELD IF NECESSARY

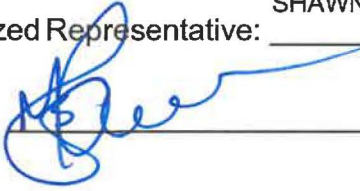
- C. Attach evidence that the undersigned has all necessary authority to execute this proposal on behalf of the governmental entity. This evidence may take a variety of forms, including but not limited to: a delegation of authority, citation to relevant laws or codes, policy documents, etc.

WE HAVE ATTACHED THE CITY ORGANIZATIONAL HEIRARCHY.

I, the undersigned, do hereby certify that I have express authority to sign this proposal on behalf of the above-described entity and to the best of my knowledge, that all data and information submitted in proposal is truthful and accurate and no material fact has been omitted.

Name of Governmental Entity: CITY OF LAKELAND

Name and Title of Authorized Representative: SHAWN SHERROUSE, CITY MANAGER

Representative Signature: 

Signature Date: 9/2/21

PROGRAM REQUIREMENTS

1A - PROJECT TITLE AND DESCRIPTION OF INFRASTRUCTURE IMPROVEMENTS

The proposed project at Lakeland Linder International Airport (Airport) titled, **Development of an MRO Cargo Conversion Facility**, will produce significant economic impact and permit the Airport to enter the highly technical and emerging market of large aircraft Maintenance, Repair, and Overhaul (MRO) Services. Currently there is an industry wide shortage of skilled labor to maintain airframes of all types, especially large transport category aircraft, where demand exceeds the available capacity in the supply chain for these services.

Overall, this project aims to add 150 High Skill/High Wage (HSHW) positions to the Lakeland MSA in the targeted NAICS Code 481 while also seeing a \$30mm dollar private investment with the construction of hangar facilities by the prospective MRO. As a target industry of the Florida Department of Economic Opportunity (DEO) we feel this development is a prime candidate for grant funding

Infrastructure improvements specific to this grant application revolve around the development of six (6) to eight (8) acres of a sixty (60) acre undeveloped parcel for MRO activities including the construction of connecting taxiways, aircraft parking aprons, utilities, stormwater management systems, airfield and public area lighting, expansion of an existing paint hangar, as well as landside access including parking and roadways at the site. The improvements will not only benefit the potential MRO operator, but will also provide access to the remaining 60-acre parcel for future development.

In general, the Airport has segregated the development project into three phases. Phase I includes the above infrastructure / site improvements needed to secure an agreement with the prospective MRO. Phase II consists of the MRO constructing their 100,000 square foot hangar and associated facilities. While Phase III revolves around marketing the remaining 60-acres opening additional parcels for future development. Phase I will also include the expansion of the Airport's existing aircraft paint facility to accommodate the transport category aircraft that will be serviced at the new MRO facility.

Currently the prospective MRO is planning to commence construction within three (3) months of the Phase I work starting should grant funding be secured by the Airport through the DEO. Should grant funding not be award, the Airport would be unable to continue negotiations with the prospective MRO due to a lack of available funds. Recently completed infrastructure improvements totaling over \$77mm dollars have left the Airport with \$18mm dollars in long-term debt and \$13mm dollars of short-term bridge loans to support these critical improvements (including the rehabilitation and strengthening of the Airport's primary runway, CAT III Instrument Landing System installation, and other miscellaneous projects supporting air cargo operations and future commercial opportunities). Without DEO's assistance these needed infrastructure improvements could not be completed, and the Airport would be unable to provide the MRO access to the existing taxiway and runway infrastructure.

Already engaged with an engineering firm, the Airport has provided the prospective MRO with a proposed layout and estimated costs. Consideration was made to ensure this development will not only generate but also enhance the Airport's ability to further market and develop the site in the future. It's important to also note that this proposed development is consistent with the Airport's Master Plan that

Lakeland Linder International Airport
DEO Grant Application Supplemental Information

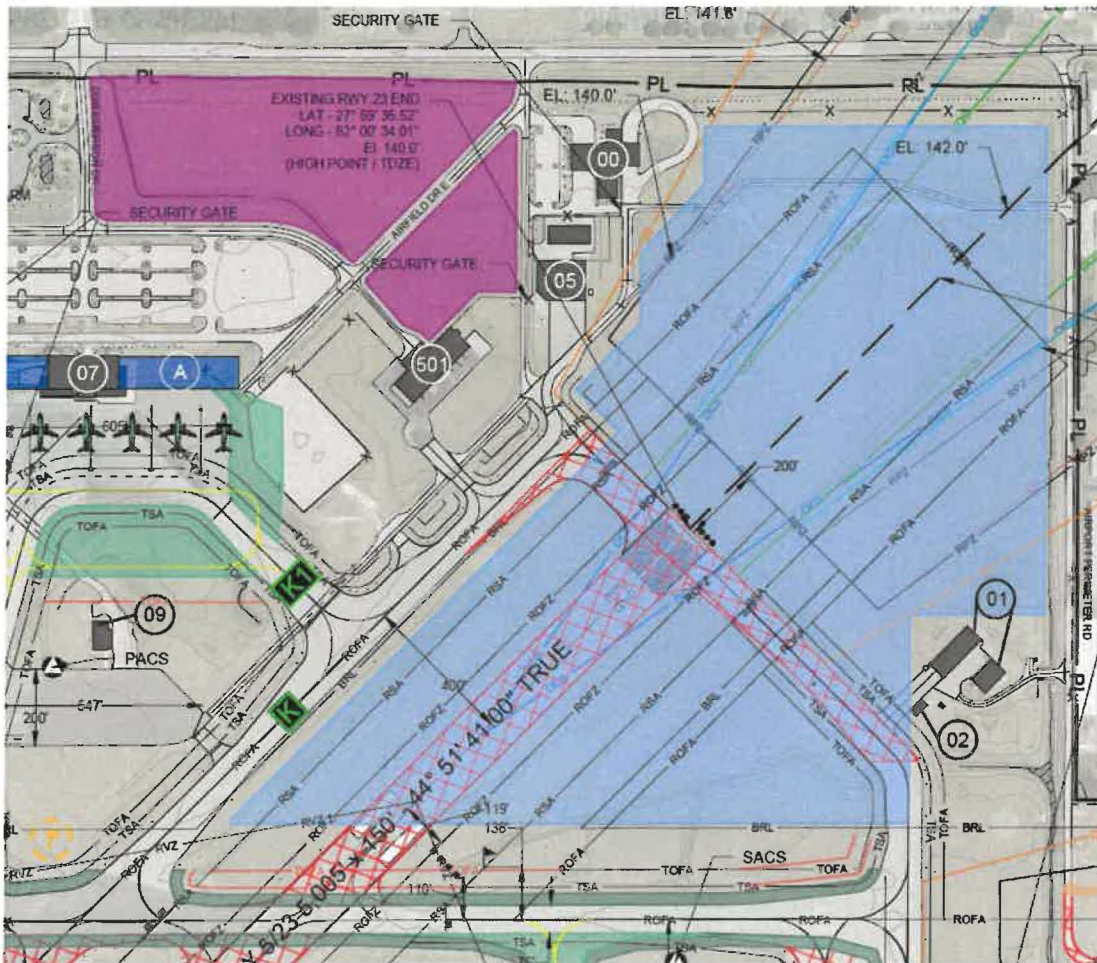
was approved in 2020 by the Federal Aviation Administration (FAA) and Florida Department of Transportation (FDOT).

For this application, our funding request is \$6mm dollars or 15.8% of the total project costs. The projected cost of the entire MRO project including infrastructure / site improvements, hangar facility construction, and the paint facility expansion is \$38mm dollars.

The infrastructure / site improvements as well as the paint hangar expansion would be owned by the City of Lakeland while the hangar would be owned by the MRO with reversion of the hangar and other leasehold improvements to the Airport at the end of the lease term. Based on the prospective MRO's needs, construction efforts must commence by Fall 2021 as the entire facility must be completed no later than January 2024 to meet contractual demands.

1B- LOCATION OF PUBLIC INFRASTRUCTURE

Located in the northeast sector of the Airport, the proposed site can be referenced under the Airport's general address of 3900 Don Emerson Drive Lakeland, FL 33811 within Polk County. The proposed development area is highlighted in blue below (NOTE: Excerpt from the Airport Layout Plan).



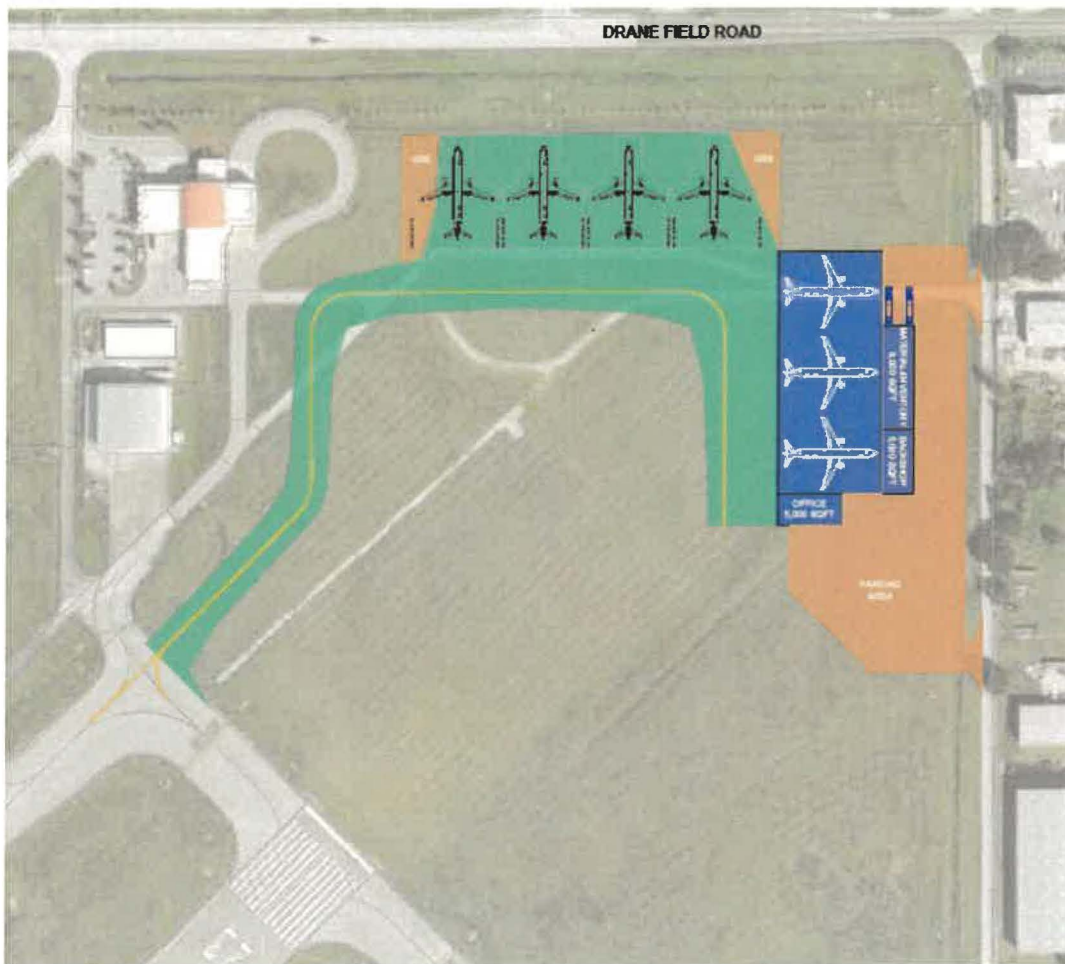
Lakeland Linder International Airport
DEO Grant Application Supplemental Information

1F - INFRASTRUCTURE BENEFITS MULTIPLE TENANTS

The development of the 60-acre northeast sector will not only allow the Airport to secure and complete negotiations with the prospective MRO firm, it will ultimately benefit multiple companies including those presently on the Airport that are looking to grow their business base and other targeted aviation firms looking to expand within the State of Florida.

Existing tenants will be able to market their services to the new MRO including such items as avionics sales and service, aircraft refinishing, and workforce training through our two colleges, technical academy, and aviation high school all located on the Airport grounds.

Furthermore, the expansion of utilities, roadways, and taxiways will allow the airport to market the remaining property to prospective tenants much in the same way the Airport was able to leverage its intermodal center development securing Amazon Air Cargo in 2019. Below is the proposed layout of Phase I and II (excluding the paint hangar location).



Lakeland Linder International Airport
DEO Grant Application Supplemental Information

1G. - ECONOMIC GROWTH AND DIVERSIFICATION GOALS

The City of Lakeland's vision is to be a vibrant, innovative, culturally inclusive world-class community working together to achieve an exceptional quality of life. According to new census population estimates its evident the work of City leadership is paying off with the Lakeland-Winter Haven Metropolitan Statistical Area (MSA) having the second-highest rate of population growth in the United States.

With well over 110,000 residents inside the City of Lakeland itself and over 724,000 residents in Polk County multinational corporations including Amazon have taken notice. Industries including logistics, ecommerce, manufacturing, healthcare, education, and retail have all boomed with aviation growing exponentially due in large part to the efforts of those educational institutions located on the Airport, generating the workforce needed by the industry to survive.

With regards to economic growth, the City has experienced significant gains in employment within the industries of Aviation & Transportation, Trade & Utilities, Financial Activities, Professional & Business Services and Education & Health Services over the past 10 years. Even in 2021 on the heels of a global pandemic Lakeland continues to see an accelerated pattern of economic growth. Construction activity never slowed in 2020 with 2.8 million square feet of new construction being permitted and in each of the past three (3) years Lakeland has added more than 2 million square feet of new industrial space annually. In the first six (6) months of 2021 alone Lakeland has permitted 1.1 million square feet of new commercial, industrial, and retail space.

With all the new construction, Lakeland is leading the State of Florida in employment gains and prior to the pandemic Lakeland's employment growth was at a pace that exceeded the State and National average. When employment levels dropped during the pandemic, Lakeland's drop was not as dramatic as the State and Nation and its recovery was both quicker and more impactful with regards to the number of new jobs created.

RECENT JOB GROWTH AND IMPACT FROM TARGETED AVIATION BUSINESSES

The Airport is home to a variety of tenants including such firms as Amazon Air, Draken International, and the National Oceanic and Atmospheric Administration Aircraft Operations Center which operates a fleet of ten (10) scientific aircraft that monitor hurricane activity and other natural resources across the globe.

An updated economic impact study completed by Kimley Horn in 2021 reflects the significant economic growth generated by the Airport with increases from \$285mm in 2014 to \$575mm in 2019 to \$1.5billion in 2021 with direct and multiplier jobs accounting for \$1.4 billion of the overall economic impact in 2021 (study enclosed in 2H).

Lakeland Linder International Airport
DEO Grant Application Supplemental Information

(IN MILLIONS)	DIRECT		MULTIPLIER		TOTAL	
	JOBS	IMPACT	JOBS	IMPACT	JOBS	IMPACT
Airport Tenants	3,494	\$ 593.7	3,503	\$ 521.2	6,997	\$ 1,114.9
Construction Impacts	596	\$ 81.2	433	\$ 68.0	1,029	\$ 149.2
Visitor Spending	684	\$ 63.4	395	\$ 57.7	1,079	\$ 121.1
TOTALS	4,774	\$ 738.3	4,331	\$ 646.9	9,105	\$ 1,385.2

Since 2017 the Airport has added over 1,700 positions and completed over \$300mm dollars in public and private capital improvements. Today the Airport supports 3,494 jobs with growth primarily in the targeted aviation professions. During this period, the Airport has been able to secure three aviation “anchor tenants” that generated most of the growth with employment of 1,508 personnel:

- Amazon Air 1,100
- Draken International 300
- NOAA AOC 110

ECONOMIC ENHANCEMENT AND JOB GROWTH TO BE REALIZED FROM GRANT PROPOSAL

The improvements created through this grant will allow the Airport to also market land within the 60-acre parcel to other aerospace firms looking to expand their operations to or within the State of Florida. In addition, the grant will allow the Airport to secure a contract with the prospective MRO bringing at least 150 HSHW jobs under the NAICS Code 481 to the Lakeland MSA.

As an established firm, the prospective MRO currently provides a multitude of services to National and International air carriers and air cargo operators. Set to add cargo conversions on narrow body aircraft to their line of services in 2022 their hopeful expansion at the Lakeland Airport will allow them to keep up with market demand.

Only analyzing the newly created jobs, it is estimated that the new MRO will increase the Airport’s annual economic impact by \$48mm dollars without considering the impacts generated from their \$30mm dollar facility construction. Below is a breakdown of the MRO’s 150 HSHW employees’ economic impact.

**Lakeland Linder International Airport
DEO Grant Application Supplemental Information**

Impact Type	150
Direct Effect	\$25,487,421
Indirect Effect	\$10,383,615
Induced Effect	\$11,991,886
Total Effect	\$47,862,922

INFRASTRUCTURE IMPROVEMENTS WILL FURTHER SUPPORT ECONOMIC VISION FOR THE COMMUNITY

Over the past three (3) years Lakeland Linder International Airport has witnessed tremendous growth in activity, infrastructure development, and new tenant expansion. Currently the airport has more than 260 based aircraft and approximately 110,000 aircraft operations annually. To support this activity there are over eighty (80) aerospace businesses at the airport providing various services including general aviation aircraft maintenance, radios and avionics installation, aircraft interior installation and painting, aerospace education and training, along with other miscellaneous services.

The City of Lakeland, FAA, and FDOT have collectively invested over \$200mm dollars in capital improvements at Lakeland Linder International Airport including a new Air Traffic Control Tower (ATCT), a new Aircraft Rescue and Firefighting (ARFF) station, renovation and expansion of NOAA AOC's facilities, a runway rehabilitation project, instrument landing systems (CAT II and subsequent upgrade to CAT III), improved runway and taxiway lighting, along with various additional improvements. Furthermore, the City of Lakeland just issued a bond that includes \$31mm dollars in financing supporting these infrastructure improvements.

With the successful recruitment of firms like Amazon Air and the creation of over 1,100 jobs, the Airport's focus continues to be the recruitment of aerospace firms that add significant value to the community. Unfortunately, funding continues to be a challenge as most firms are looking for partnerships when it comes to infrastructure / site development. Without State and Federal participation, the Airport would be unable to secure agreements with firms such as Amazon Air, NOAA AOC, and Draken International.

The City shares the Airport's vision, being focused on economic diversity, job growth, and capital investment increasing HSHW job opportunities for residents and the surrounding community. In particular, Aviation job growth is a key initiative for City leaders. The strategy for Airport growth currently includes the following elements:

- A focus on developing "site ready" parcels on undeveloped land areas.
- Secure tenants with the capacity to construct facilities and employ large numbers of targeted HSHW jobs.
- Continue supporting the aviation focused educational facilities and institutions at the Airport.
- Secure funding for infrastructure improvements and complete those improvements in a timely fashion.
- Secure funding for vertical (hangar) construction through private investments.

DEVELOPING LAND PARCELS AT THE AIRPORT

An integral component of the Airport's future development includes the continued improvement of parcels for future use by aviation tenants. Outlined in the Airport's Master Plan, approved by the FAA and FDOT in 2020, this 60-acre parcel will allow the Airport to continue its self-sustaining business model by recruiting targeted aviation firms. Of special interest is the ability of the Airport to recruit those firms with sound financial backing who can invest in the construction of their own facilities under an Airport land lease such as this prospective MRO. This allows the airport to invest capital into operating and maintenance expenses maintaining our operational standards required by the Airport's Operating Certificate (issued by the FAA) and License (issued by the State of Florida).

In addition, the City of Lakeland's Comprehensive Plan is supportive of the Airport's growth and recognizes its importance within the community as a major economic driver and supporter of HSHW jobs. Overall the City's Comprehensive Plan seeks to protect Airport airspace through land use initiatives which discourage obstructions and incompatible land use near the Airport. Furthermore, the Plan identifies the Airport as an economic development target area, which the City affirms to implement an aggressive strategy to attract specific industries that drive economic growth in the region.

The development of this 60-acre parcel will allow the airport to connect this underutilized property to the remainder of the Airport's well-established infrastructure of taxiways, ramps, and runways which are already capable of handling aircraft as large as the Boeing 747.

SECURING TENANTS WITH HSHW JOBS AND CAPITAL RESOURCES

Well positioned for continued growth, Lakeland Linder International Airport is equipped with the backbone infrastructure needed to support large transport category aircraft operations including a 24/7 Air Traffic Control Tower, Aircraft Rescue and Firefighting Services, an 8,500' primary runway, CAT III instrument landing system, refueling capacity, as well as 24/7 operational support from the Airport staff.

However, with those backbone infrastructure developments, the Airport is less capable of investing significant capital into site development for prospective firms such as this MRO. Without the assistance of the DEO, opportunities like this can evaporate since most firms can commit and secure funding for their facility, equipment, and workforce but need assistance with the complex site development associated with airport infrastructure.

CONTINUED INVESTMENT IN CREATING A TRAINED WORKFORCE

Home to five flight schools, an aviation career academy, a college and university's aerospace programs, as well as a dedicated aviation high school; Lakeland Linder International Airport is an attractive location for an MRO firms such as this. The ability to develop talented and skilled individuals on site gives our tenants an advantage when looking to recruit and retain new employees. This in-turn results in higher retention rates with employees being developed rather than recruited from outside the County or State. In addition, these programs allow the MRO to engage their workforce through continuing education classes providing growth opportunities and further incentives for them to remain with the firm.

Lakeland Linder International Airport
DEO Grant Application Supplemental Information

Programs offered by these educational institutions include Professional Pilot Science, Aerospace Administration, Aviation Maintenance Administration, Aerospace Sciences, Aircraft Dispatcher Certification, as well as Airframe & Powerplant Mechanic Programs to name a few. In addition to these institutions, Lakeland Linder International Airport is also home to the Florida Air Museum and the Aerospace Center for Excellence both of whom engage students (Grades K-12) in STEM education through aerospace applications year-round including summer camps, field trips, and in-classroom exercises inspiring the next generation of aerospace professionals.

SECURE FUNDING FOR INFRASTRUCTURE IMPROVEMENTS

Once grant funding is secured for infrastructure & site improvements including the paint hangar expansion the Airport and prospective MRO firm are ready to finalize lease negotiations and being construction on the facility within three (3) months of the Phase I work commencing. Design is anticipated to take ninety (90) days with total completion estimated by January 2024. Receipt of funding from the DEO is a critical component of the Airport being able to move forward with this project. Aviation growth typically lags the growth in most of the City's other industry sectors, as Aviation growth is highly dependent on the ability for the Airport to make significant capital investments. The Airport is unable to provide funding alone for these investments and relies heavily on State funding sources, without whose support would not allow this type of opportunity to come to fruition.

SECURE FUNDING FOR VERTICAL CONSTRUCTION

Having already secured funding for the construction of their hangar facility, the prospective MRO is currently waiting on the Airport to determine if we will be able to construct the site improvements outlined in this grant application.

Should the airport be unable to secure the funding through the DEO, the MRO will be forced to look elsewhere for their new facility including outside of the State of Florida. With one cargo conversion already completed and others on contract for completion the MRO firm has sound financial backing for their portion of the project development.

AIR CARGO CONVERSION INDUSTRY UPDATE (SOURCE BOEING WORLD AIR CARGO FORECAST 2020-2039)

Overall world air cargo will more than double over the next twenty (20) years expanding from 264 billion RTK (Revenue, Tonne, Kilometer) growth to 578 billion in 2039. Freighters comprise less than 8% of the total commercial jet fleet, yet they carry more than 50% of all air cargo traffic. Dedicated freighter services offer control over timing and routing that is unmatched by lower hold capacity in commercial aircraft. Nearly 90% of all air cargo revenues is generated by airlines that operate freighters. The freighter fleet forecast calls for 3,260 airplanes in service by 2039, an increase of over 60% against the in service 2019 fleet of 2,010, During the forecast period it is estimated that there will be 1,180 retirements of older and less efficient types which will create demand for replacement conversion aircraft. In addition, 1,250 airplanes will be required to meet the demand of the growth in the e-commerce sector in the immediate aftermath of the COVID-19 pandemic. Overall, this amounts to the addition of 2,430 freighters being added over the 20-year period.

Lakeland Linder International Airport
DEO Grant Application Supplemental Information

The rise of pandemic online shopping and ecommerce caused a cargo industry boom in the past year. While passenger airlines found themselves with too many airplanes, cargo airlines had too little and went shopping for those being stored in the American Southwest. When consumers turned to Amazon to buy more goods during the pandemic, Amazon also turned to aircraft storage facilities in the desert to buy more aircraft. Airlines who were losing billions each quarter subsequently started selling aircraft as one way to stop the bleeding. Amazon was a major customer and bought 11 Boeing 767-300ER aircraft from Delta Airlines and Canada's WestJet to fill its Prime Air fleet. Once purchased, the former passenger jets still need to be converted into freighters, a process that's only performed in a handful of facilities around the world creating a backlog of aircraft waiting to be converted. In general, conversions take between 90 and 120 days, depending on the aircraft, and can cost between \$13 and \$14 million for a Boeing 767-300ER, almost the cost of a second-hand 767 itself. There is a wait though as one major player in the conversion market, Israel Aerospace Industries, is booked through 2022.

According to the prospective MRO, freighter conversions take them approximately 130 days with 90 days required in the hangar on jacking and shoring. To meet market demand, they are targeting a ground breaking in early to mid-2022 with an 18 month to two-year completion cycle on their facility. Not looking to miss out on the early market, the MRO has already converted one aircraft, is committed to converting an aircraft this year, and has a second scheduled to be completed in the first quarter of 2022.

All current conversions are being completed at another facility until their Lakeland facility is completed in 2024. Additionally, hiring of HSHW aircraft mechanics will begin in 2021 and continue through 2023 in anticipation of increased conversion activity in Lakeland by 2024.

3C - PROGRAM BUDGET

The total budget for infrastructure & site improvements, the paint hangar expansion, and the new hangar facility is \$38mm dollars. This includes \$6mm dollars for site infrastructure, \$2mm dollars for the paint hangar expansion, and \$30mm dollars to construct the hangar.

Project funding would need to be secured, either committed or received, under this grant application in the amount of \$6mm dollars prior to October 1, 2021 in order to secure a lease with the prospective MRO while also meeting their schedule for facility occupancy.

Based on the assumptions that a grant offer is received prior to October 1, 2021, the project would be completed no later than January 2024. Major project milestones include:

Lakeland Linder International Airport
DEO Grant Application Supplemental Information

**SITE WORK DESIGN AND
CONSTRUCTION**

	Target
Commence site work design - infrastructure	Oct-21
60% review of design plans	Dec-21
90% review of plans	Feb-22
Bid documents issued for construction	Mar-22
Site work commences	May-22
Site work Completed	Dec-22

CARGO CONVERSION HANGAR

Commence design of hangar	Oct-21
60% review of design plans	Jan-22
90% review of plans	Mar-22
Bid documents issued for construction	Apr-22
Construction commences	Jun-22
Construction completed	Jan-24

**Lakeland Linder International Airport
DEO Grant Application Supplemental Information**

The Funding Components and timing of receipt of funds for the project are reflected below, inclusive of the project funding provided by private investments.

FUNDING REQUIREMENTS	CITY/COUNTY	FL. JOB GROWTH	PRIVATE INVEST.	TOTALS
FUNDING IN PLACE	\$ 1,000,000			\$ 1,000,000
1ST/2ND QTR 2022		\$ 750,000	\$ 1,000,000	\$ 1,750,000
3RD/4TH QTR 2022		\$ 4,000,000	\$ 7,000,000	\$ 11,000,000
1ST/2ND QTR 2023		\$ 1,250,000	\$ 12,000,000	\$ 13,250,000
3RD/4TH QTR 2023	\$ 1,000,000		\$ 6,000,000	\$ 7,000,000
1ST/2ND QTR 2024			\$ 4,000,000	\$ 4,000,000
TOTALS	\$ 2,000,000	\$ 6,000,000	\$ 30,000,000	\$ 38,000,000

The City of Lakeland just completed infrastructure investments at the Airport that resulted in additional debt for infrastructure improvements of \$31mm dollars. The funding provided by the City would be included in its budget for 2022 and 2023, however based on the Airport’s overall financials it would not be able to add debt beyond the \$2mm dollars reflected above at this time.

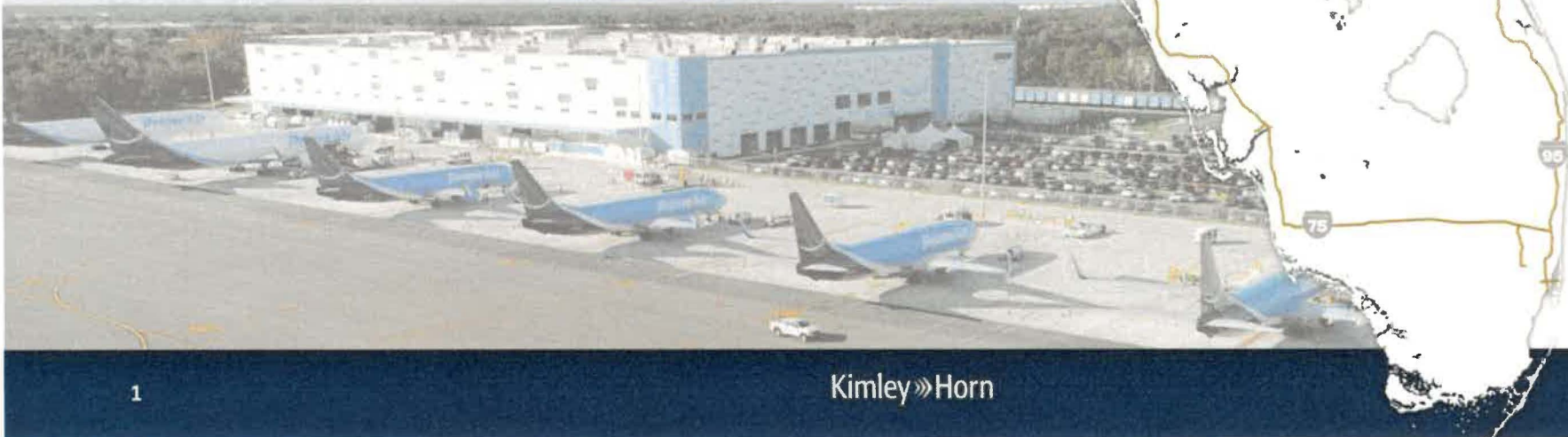
The State requested investment of \$6mm dollars under the Job Growth Grant Fund would be leveraged exponentially, with its investment representing 15.8% of the total project cost, with private investments of \$30mm dollars comprising 78.9% of the investment.

FlyLakeland
Lakeland Linder
International Airport



Lakeland Linder

INTERNATIONAL AIRPORT





What is an Economic Impact Study?

Conveys the economic importance of LAL and how it supports and enhances the local economy

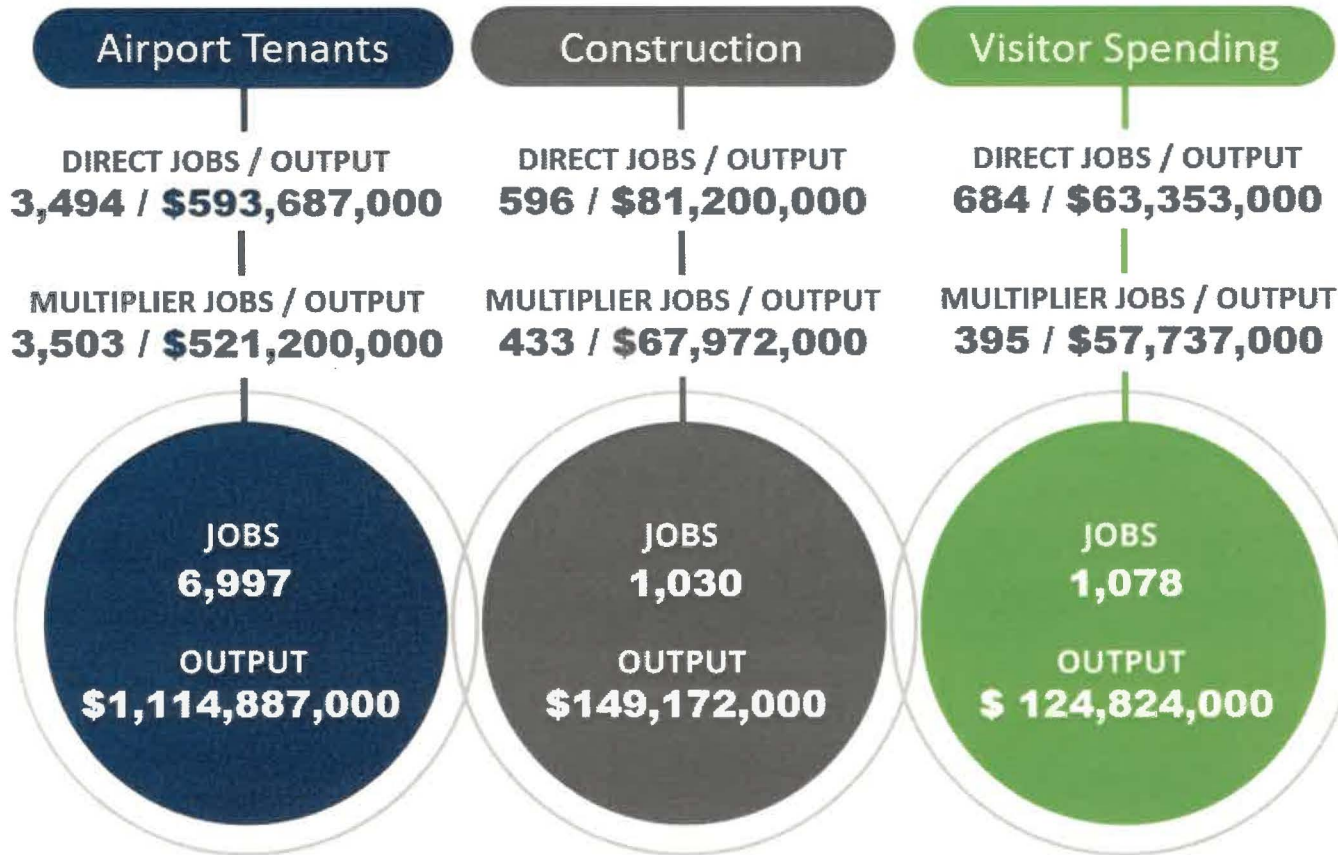


Primary Data for Evaluation



- **On-Airport direct employment of 3,494**
 - Jobs located on airport property
- **For last three years, an average of \$77M in capital projects per year, accounting for 596 jobs**
 - Accounts for public and private investment, including runway extension and facility development
- **Approximately \$63M in visitor spending, resulting in 684 jobs**
 - Visitor spending includes impacts associated with out of state visitors, based on growth factors being applied to the 2019 FDOT Economic Impact Study

LAL Total Impacts



Totals may not add due to rounding

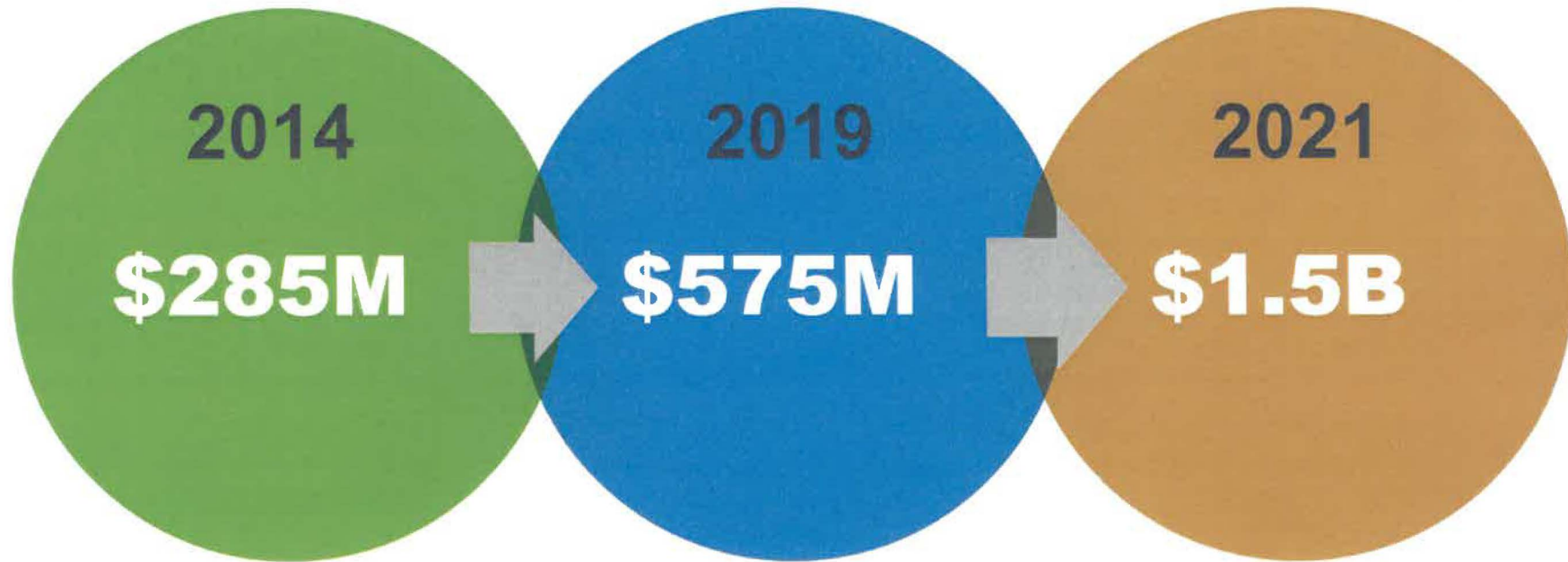
LAL Impacts

Over 85% of total economic impacts are associated with on-airport activity. This is due to the extremely high number of on-airport employees and the significant construction projects that have recently been completed.

Fly Lakeland
Lakeland Under
International Airport



Growth in Economic Impact at LAL



Since 2017, LAL has added over 1,700+ new employees and completed over \$300M in capital improvement projects

Major Contributors

On-airport Employees



1,100+ employees

Amazon Air



582 employees

Publix



300 employees

Draken International

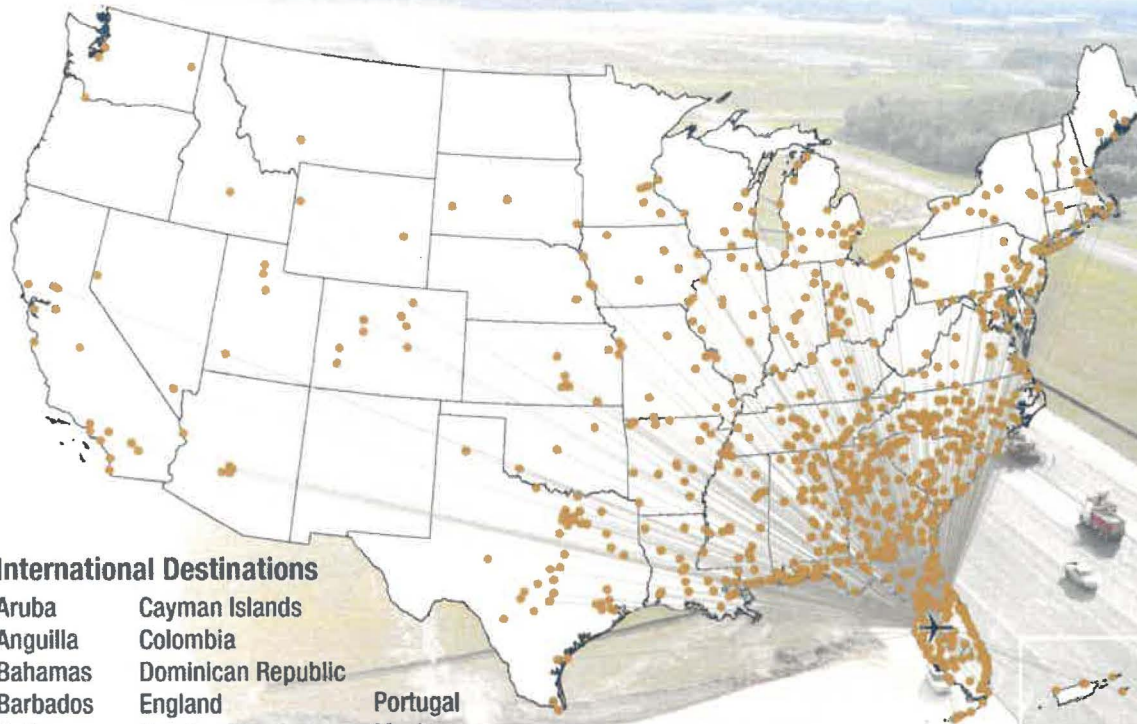


108 employees

NOAA

Think LAL is Just Local?

FlyLakeland
Lakeland Linder
International Airport



International Destinations

- | | | |
|----------|--------------------|----------------------------------|
| Aruba | Cayman Islands | Portugal |
| Anguilla | Colombia | Mexico |
| Bahamas | Dominican Republic | Saint Vincent and the Grenadines |
| Barbados | England | Turks and Caicos Islands |
| Belize | Honduras | |
| Bermuda | Jamaica | |
| Canada | Italy | |



Study Methodology



Study Approach

- **Data Collection**
 - Airport administration
 - On-airport businesses
 - Out-of-state visitors (visitor spending)
- **Measures Economic Impacts using IMPLAN, an economic modeling software**
- **Reports jobs, payroll, value added, and total economic impacts for LAL**



Study Approach

- Takes jobs/employment on airport and assigns an output per employee based on the type of business
- For example, Draken used blended averages for the following business types:
 - Aircraft conversions
 - Aircraft overhauling
 - Aircraft rebuilding
 - Aircraft engine overhauling/rebuilding
 - Developing and producing prototypes for aircraft engines and engine parts
 - Engines and engine parts



Measuring Impacts

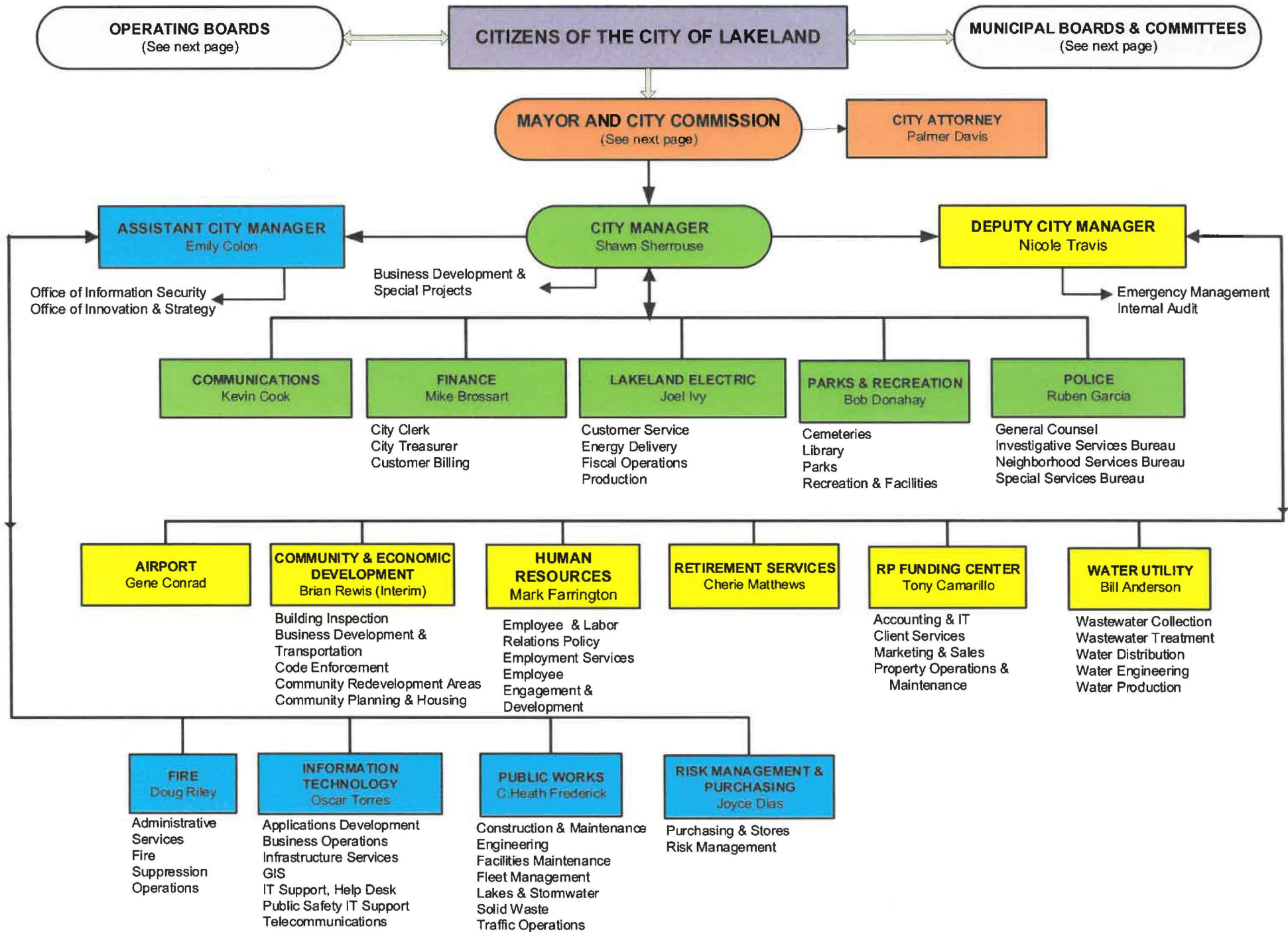
- **Direct impacts** are related to the aviation services, construction, and out-of-state visitors' spending
- **Multiplier Effects**
 - **Supplier purchases (indirect impacts):**
occur when businesses use a portion of direct business revenue to purchase goods and services from other Florida businesses
 - **Employee spending (induced impacts):**
occur when workers who earn income due to direct sales and supplier sales spend their wages to purchase household goods and services, such as groceries, rent, entertainment and other goods and services
- **Total Economic Impacts** include both direct and multiplier as well as include impacts associated with Sun 'n Fun



Communicating Results

- **On-Airport Activity:** impacts related to the activity of airport administration and business tenants
- **Construction:** impacts related to on-airport construction and capital improvement projects
- **Visitor Spending:** impacts related to out-of-state visitors' spending, i.e. the money they spend on goods and services at hospitality businesses





OPERATING BOARDS
(See next page)

CITIZENS OF THE CITY OF LAKELAND

MUNICIPAL BOARDS & COMMITTEES
(See next page)

MAYOR AND CITY COMMISSION
(See next page)

CITY ATTORNEY
Palmer Davis

ASSISTANT CITY MANAGER
Emily Colon

CITY MANAGER
Shawn Sherrouse

DEPUTY CITY MANAGER
Nicole Travis

Office of Information Security
Office of Innovation & Strategy

Business Development & Special Projects

Emergency Management
Internal Audit

COMMUNICATIONS
Kevin Cook

FINANCE
Mike Brossart

LAKELAND ELECTRIC
Joel Ivy

PARKS & RECREATION
Bob Donahay

POLICE
Ruben Garcia

City Clerk
City Treasurer
Customer Billing

Customer Service
Energy Delivery
Fiscal Operations
Production

Cemeteries
Library
Parks
Recreation & Facilities

General Counsel
Investigative Services Bureau
Neighborhood Services Bureau
Special Services Bureau

AIRPORT
Gene Conrad

COMMUNITY & ECONOMIC DEVELOPMENT
Brian Rewis (Interim)

HUMAN RESOURCES
Mark Farrington

RETIREMENT SERVICES
Cherie Matthews

RP FUNDING CENTER
Tony Camarillo

WATER UTILITY
Bill Anderson

Building Inspection
Business Development & Transportation
Code Enforcement
Community Redevelopment Areas
Community Planning & Housing

Employee & Labor Relations Policy
Employment Services
Employee Engagement & Development

Accounting & IT
Client Services
Marketing & Sales
Property Operations & Maintenance

Wastewater Collection
Wastewater Treatment
Water Distribution
Water Engineering
Water Production

FIRE
Doug Riley

INFORMATION TECHNOLOGY
Oscar Torres

PUBLIC WORKS
C.Heath Frederick

RISK MANAGEMENT & PURCHASING
Joyce Dias

Administrative Services
Fire Suppression Operations

Applications Development
Business Operations
Infrastructure Services
GIS
IT Support, Help Desk
Public Safety IT Support
Telecommunications

Construction & Maintenance
Engineering
Facilities Maintenance
Fleet Management
Lakes & Stormwater
Solid Waste
Traffic Operations

Purchasing & Stores
Risk Management