

Triumph Gulf Coast, Inc.
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June 29, 2018

The Honorable Rick Scott
Governor of the State of Florida
State of Florida
The Capitol
400 S. Monroe St.
Tallahassee, FL 32399-0001

The Honorable Joe Negron
Senate President
The Capitol
404 S. Monroe St
Suite 409
Tallahassee, FL 32399-1100

The Honorable Richard Corcoran
Speaker of Florida House of Representatives
420 The Capitol
402 S. Monroe St
Tallahassee, FL 32399-1300

Re: Semi-Annual Report to the Governor & Florida Legislature

Dear Sirs:

On behalf of the Board of Directors of Triumph Gulf Coast, Inc., ("Triumph") I am pleased to present you with our 2018 Semi-Annual Report pursuant to *Florida Statutes* s. 288.8013(4) (2017). Thank you for the opportunity to serve the citizens of Florida as we work to enhance and diversify the Triumph Region's economy.

At present, the Triumph Board consists of the following individuals:

- Honorable Don Gaetz, Chair, Former Senate President, Businessperson
- Honorable Allan Bense, Former House Speaker, President, GAC Contractors, Inc.
- Mr. Stephen Riggs, CPA, Treasurer, Carr Riggs Ingram
- Mr. Stan Connally, Jr., President/CEO Gulf Power Company
- Dr. Pam Dana, Businessperson
- Mr. Ben Lee, Businessperson (Appointed to fill vacancy due to resignation of Bob Bonezzi)
- Mr. Jason Shoaf, Businessperson

Since our December Semi-Annual Report, Triumph has worked toward implementing our statutory charge. Specifically, the Board has formally met on the following dates at the following locations:

- January 29, 2018, *Full Board Meeting, Franklin County*
- March 16, 2018, *Full Board Meeting, Santa Rosa County*
- April 27, 2018, *Full Board Meeting, Okaloosa County*
- June 12, 2018, *Full Board Meeting, Escambia County*

At the Board's April 27, 2018 meeting, the Board voted to approve nearly \$19 million in grants to promote economic diversification in four of the disproportionately impacted counties.

The first grant approved by the Triumph board will provide \$10 million to the Port of Panama City for a major expansion of port capacity. The project develops new East Terminal facilities that will support over 140 direct high-wage jobs at the port and more than 250 additional port dependent manufacturing and distribution jobs that could not locate in the region absent a working port. The East Terminal expansion is planned to cost \$61,864,000 and be complete by June 2019. Triumph will pay approximately 16% percent of the project with remaining funds coming from the Port Authority, the Florida Department of Transportation and the Florida Seaport Transportation Economic Development Council (FSTED).

Triumph also approved a grant to Okaloosa County to provide \$1.5 million or 35.7% percent of the total costs of improving water and sewer infrastructure for the premier Okaloosa County industrial development site at Shoal River Ranch. The project is expected to attract more than 250 high-wage net new jobs within three years of site work completion. Okaloosa County will obtain or provide the planning, design, permitting and construction services for the project.

Two other early projects will significantly expand career-technical education in Wakulla and Escambia counties. Improving the quality and value of job training in K-20 education settings is a major focus of the legislation which established Triumph Gulf Coast.

The Wakulla project is expected to result in more than 400 students earning national industry certifications in information technology, HVAC and automotive maintenance in the first five years of the program. Wakulla County School District has a history of excellence in creating meaningful industry-recognized career training for its students. The proposed project brings training to the elementary and middle schools that will mesh with advanced training at the high school levels. The HVAC and automotive training will qualify students for well-paying jobs in business sectors with high needs for skilled labor.

As a result of the Escambia County Project it is projected that 1,145 high school and college students will earn industry certifications and be prepared for high paying jobs in the IT/Cybersecurity, Advanced Manufacturing, and Aviation/Aerospace industries by 2024.

At Triumph's Board Meeting on June 12, 2018, the Board formally executed the Grant Award Agreement with the Port of Panama City, approved term sheets related to the Okaloosa, Escambia, and Wakulla Projects, and approved moving forward with an additional Bay County School Board workforce

development project. The new Bay County project will establish a new HVAC training program in Bay County.

Triumph's Pre-Application Process opened following the full Board meeting on October 10, 2017. Pre-Applications and Applications are submitted regularly. As of June 1, 2018, Triumph has received 149 Pre-Applications requesting awards that total \$1,316,411,639.00 and 34 Full Applications requesting awards that total \$435,897,844.00. A complete list of the Pre-Applications and Applications is maintained on our website and fully available to the public at: www.myfloridatriumph.com. By law each application submitted must be scored and graded. The Board has adopted a grading scale of A-F. The Board and Staff continue to process Pre-Applications and review, grade and score Applications. A table summarizing the status of the Board's work on these matters is attached hereto as **Exhibit A**.

Our Board and staff have worked diligently over the last six months to move Triumph forward in furtherance of our statutory responsibilities and authority. We are planning to continue deploying the Triumph funds for the betterment of our region and expect to be able to report on additional awards in our next semi-annual report.

Thank you for your dedication and service to our state, and thank you for the opportunity to serve the people of Florida, particularly those within the disproportionately impacted counties of the Gulf Coast.

Respectfully submitted,



Don Gaetz
Chair

cc: Northwest Florida Legislative Delegation
Triumph Board Members-
Honorable Don Gaetz, *Chair*
Honorable Allan G. Bense
Mr. Stan W. Connally, Jr.
Dr. Pam Dana
Mr. Ben Lee
Mr. Steven Riggs, IV
Mr. Jason Shoaf
Ms. Susan Skelton
Clark Partington
Tipton, Marler, Garner & Chastain
Warren Averitt