

Triumph Gulf Coast, Inc.
MyFloridaTriumph.com

January 17, 2019

The Honorable Jimmy Patronis
Chief Financial Officer
Plaza Level, The Capitol
Tallahassee, Florida 32399

Via electronic and postal delivery

Dear CFO Patronis,

Thank you very much for your letter of January 11 and for your commitment to helping the Panhandle communities so disastrously affected by Hurricane Michael. It is a commitment shared by the Triumph Gulf Coast board of directors.

As you know, consistent with the law, each of the eight counties in the Triumph Gulf Coast region has set priorities for economic diversification and development projects to be funded with Triumph awards. Since June 21, 2017, when Triumph received the first payment from the settlement agreement with BP for Deepwater Horizon related damages through the Legislature, we have worked closely with local governments to evaluate and begin awarding grants for the projects they have endorsed. Immediately following Hurricane Michael, we contacted each of the counties affected by the storm to invite them to change their priorities or substitute other projects because of the impact of the hurricane. Attached is a copy of our letter to that effect. We followed up our letter with personal contact with officials of each county.

Thus far, each hurricane-affected county has asked Triumph Gulf Coast to proceed to fund the priorities set by these counties prior to the storm. County officials and the members of the Triumph Gulf Coast Board understand that the sustained jobs created by Triumph-funded projects will be even more important in a post-hurricane economy struggling to recover. We have, however, received some indication that one or two counties may approach Triumph for assistance in making up reduced ad valorem property tax revenues. In that regard, Gulf County Property Appraiser Mitch Burke made an extensive presentation to the Triumph board on January 14, 2019.

Your suggestion that Triumph Gulf Coast make secured loans to local governments is constructive and we welcome it. Our Executive Director, Ms. Susan Skelton, has already had a conversation with Mr. Ben Watkins, Director of Bond Finance for the State Board of Administration about this potential. One of our board members, Mr. Ben Lee, is a regional banker doing business in the communities devastated by the storm. Mr. Lee has agreed to be

the point of contact for the Triumph Gulf Coast board on this matter and will be speaking with Mr. Watkins about how private sector financial institutions are responding to the need for loans, what role Triumph and state government might play and how that role might be structured. Your letter and Mr. Lee's report will be on the agenda for the next Triumph Gulf Coast board meeting scheduled for the last week in February.

As a fellow Northwest Floridian, you understand in very personal ways how critical it is that our region regain its economic footing. We look forward to continuing to work collaboratively with you and with local officials to help build and rebuild a stronger, more diversified economy. Thank you for your leadership and for your passionate concern for the people and communities affected by both the oil spill and the storm.

I've enclosed a copy of the Triumph Gulf Coast December 2018 semi-annual report to the Governor and Legislature so that you will have a complete picture of our work thus far. Please feel free to contact me directly if I can answer any questions or be of any assistance to you.

With warm best wishes,

Respectfully,

A handwritten signature in black ink, appearing to read 'Don Gaetz', with a stylized flourish extending to the right.

Don Gaetz

Chairman

attachments

cc: The Honorable Ron DeSantis, Governor
The Honorable Ashley Moody, Attorney General
The Honorable Nikki Fried, Commissioner of Agriculture
Northwest Florida Legislative Delegation Members
Hon. Jared Moskowitz, Director, Division of Emergency Management
Mr. Ben Watkins, Director of Bond Finance, State Board of Administration
Triumph Gulf Coast Board Members