

**Meeting Minutes  
Triumph Gulf Coast, Inc.  
Walton County Commission Chambers  
Freeport Business Park  
842 Highway 20 East, Unit 118  
Freeport, Florida 32439  
August 16, 2019  
10:30 a.m. CT**

Members Present:

Lewis Bear, Jr.  
Allan Bense, Vice-Chair  
Pam Dana, Ph. D  
Don Gaetz, Chair  
Ben Lee  
Stephen Riggs, IV, Treasurer  
Matt Terry

Chair Don Gaetz called the meeting to order at 10:30 a.m., CT and thanked the Walton County Commission for hosting the meeting at its Freeport facilities. He then welcomed the newest member of the Triumph Gulf Coast Board, Mr. Matt Terry of Port St. Joe. Mr. Terry was appointed by Senate President Bill Galvano to fill the vacancy created when Mr. Jason Shoaf resigned due to his election to the Florida House of Representatives in June. Mr. Terry is a small business owner and a property appraiser by profession.

Executive Director Susan Skelton called the roll and announced the presence of a quorum with all members present.

The June 20, 2019 and July 19, 2019 Meeting Minutes were approved without objection.

**Treasurer's Report**

Mr. Stephen Riggs, IV presented the June 2019 and July 2019 Financial Reports for approval. Chair Gaetz asked if there were any questions, concerns or objections. There being none, the reports were approved as presented.

Mr. David Tipton, CPA, made a presentation explaining a new tool that his firm has created for the purpose of allowing a more user-friendly review of cash flow for all Triumph Gulf Coast projects. The tool will allow for tracking of actual and projected expenditures over time for each project funded by Triumph Gulf Coast.

Ms. Jennifer Davidson, CPA, explained that the compliance tool being used to monitor the funded projects is a software program named SmartSheet. She gave a brief presentation on how the interactive software is being used by Triumph Gulf Coast compliance staff and the awardees to collect and maintain all pertinent information about each project in one place.

Mr. Ben Lee asked Mr. Riggs if there was a need to add any additional compliance staff capacity at this time. Mr. Riggs said that he would continue to monitor the workload but believes that we can work within the current structure and agreement with our CPA firm at this time. Chair Gaetz asked Dr. Pam Dana about her thoughts about the software and the process. Dr. Dana said that she was very pleased with the use of this tool and that it appears that the process is user friendly and very

helpful to both the awardees and our compliance team. Mr. Lee noted that having Mr. Riggs, with his expertise in the audit field, as the lead on this project has been extremely helpful.

### **Staff Report**

Chair Gaetz noted that our agreement with the Clark Partington Law Firm includes an annual review of the services provided. He said that he and Ms. Skelton have conducted the annual review with Mr. Scott Remington, Managing Partner of the Clark Partington firm and asked Ms. Skelton to give an overview of the review and recommendation based on the review. Ms. Skelton explained that there are actually three current letters of engagement with the firm, one for General Services, one for Special Services including complex contract negotiations, and one for Litigation Services. She said that last year the Special Services agreement was restructured to provide for a flat monthly fee in lieu of billed hours and noted that, to date, the litigation services have not been required. Ms. Skelton reminded the Board that the General Services and Special Services agreements were each for \$100,000 per year and that the Litigation Services agreement includes rates for billable hours, as needed, by various legal specialists within the firm. Ms. Skelton said that upon review with Chair Gaetz and Mr. Remington that no deficiencies were identified, and that the working arrangement has been successful and that we have been able to streamline working protocols as staff and counsel have more experience in working with our process. She recommended renewal of each of the three letters of engagement for one year. Chair Gaetz asked Mr. Remington if he had any comments. Mr. Remington said that he concurred with the assessment and that his firm would be honored to continue its working relationship with Triumph Gulf Coast. **Mr. Riggs made a motion to continue the three letters of engagement for one year. The motion was seconded by Mr. Bear. The motion was approved unanimously (7-0.)**

Ms. Skelton reported that Auditor General's Office is working on this year's audit and introduced the members of the audit team present at the meeting today. She said that members are undergoing their annual interviews with the auditors before and after this meeting, and that the formal Entrance Conference for this audit will take place following today's meeting. Chair Gaetz thanked the audit team and expressed thanks for the professional manner in which the team has engaged with Triumph Gulf Coast members and staff.

Chair Gaetz announced that as part of the contract agreement with Ms. Skelton as Executive Director, there is a required annual performance evaluation. The evaluation is to be conducted by a committee of three members who have worked with Ms. Skelton for at least one year and is to be done at a publicly noticed meeting. Chair Gaetz noted that last year the evaluation team was led by Dr. Dana with Vice-Chair Bense and himself participating. He said that Dr. Dana had created an evaluation tool that seemed to work well and asked if that process could be used again. He asked for three volunteers to serve. Mr. Lee was named Chair, with Dr. Dana and Vice-Chair Bense appointed. Chair Gaetz asked Mr. Lee to facilitate having the meeting being properly noticed and completed prior to the next Board meeting. He asked Mr. Lee to include review of other staff performance as well.

Ms. Skelton explained that when workforce development grant award agreements were originally considered there were several different types of performance metrics considered, and in some cases adopted, that vary substantially from what has been found to be the best measurement of the return on investment for Triumph funding of these programs. As we have spent more time working with and evaluating the performance metrics for workforce programs it has become clear that in order to recoup the investment of funds it is necessary to have a measurement of outputs, i.e., certificates earned, against which to measure over time the efficacy of the program. While earlier versions of grant agreements had a variety of performance metrics, staff would like to recommend at this time that the metrics be streamlined to include a set number of certificates to be earned over a specific amount of time. Dr. Rick Harper, Economist, noted that the way to assure that the projected Return

on Investment of the project is met is to use the methodology explained by Ms. Skelton and provides simplicity and transparency to the proposal. He said that some districts may produce more certificates than anticipated and they will benefit by receiving more CAPE funding from the state for those additional certificates. Dr. Frank Fuller, Education Subject Matter Expert, said that this new approach will provide a solution that should be workable for all districts based on negotiations with school districts over time. Mr. Lewis Bear said that there should be some way to encourage districts to exceed their contractual obligations with some sort of bonus option. Chair Gaetz said that there is a mechanism for annual review and adjustment of the agreement within the compliance process. Mr. Bear said it would be important to define what the additional funding for achievement would be. Dr. Fuller said that he was working on a proposal for consideration at a future meeting to address that issue. Dr. Dana asked if this change would be retroactive to already awarded grants. Staff indicated that the changes would only be applied going forward and the reason for the discussion at this point in the meeting, prior to the consideration of the Wakulla County School District Term Sheet later on this agenda, was to determine the Board's direction in going forward with future negotiations. The changes would not be reflected in the NWFSC Walton Works Grant Award Agreement to be taken up today as that proposal had already been negotiated and advertised for action at today's meeting. **Mr. Lee made a motion to accept staff's recommendation to adjust performance metrics for workforce development awards going forward. Mr. Bear seconded the motion. There being no objection, the motion was adopted unanimously (7-0.)**

Chair Gaetz recognized Dr. Harper and Ms. Cori Henderson, Program Administrator to discuss methodology for gathering and using data related to the efficacy of workforce development grant awards made by Triumph Gulf Coast. Dr. Harper indicated that data currently is maintained by the Department of Education and relates to the earnings of certificate holders one year after receipt of a certificate, but that the data is not really specific enough to provide the level of analysis that Triumph staff and the economic development community would like to have available for compliance and marketing purposes. He said that the goal of the staff would be to determine the best way to come up with a more granular measure of the earnings record of students who complete certifications through Triumph Gulf Coast funded programs. The purpose of such analysis would be to assure that the certificates being funded are, in fact, high value certificates. Such study will provide staff with good data to assist in making future funding recommendations to the Board. Staff is working with a potential applicant to develop a proposal that would allow for such analysis to be done and allow for the information gleaned from public records analysis to be used by our economic development partners to better understand and market the region's workforce. While data is available in a raw format from the Department of Education, the proposal would allow for analysis that could provide a clearer picture of the strength of workforce training in drawing well-paying jobs to the region and in assisting our trained workforce in securing those jobs. Such information could assist families in understanding the value of obtaining workforce certificates earlier in the education process to provide a more secure future for their children without incurring unnecessary costs for future education options.

Chair Gaetz noted that this possible proposal goes back to addressing Mr. Bear's concerns about making sure that students' families are aware and understand the actual monetary value to workforce training offered by the Triumph Gulf Coast funded education programs. He said that the Commissioner of Education has indicated that there will be new apprenticeship programs in several areas of the state, including the panhandle, to highlight the importance of the value of such training. Chair Gaetz said that there may be an opportunity to do some sort of cooperative venture with the Department of Education in the region.

Ms. Henderson pointed out that in addition to marketing to students and their families the value of the education, the data can also be used to market the region to industries interested in locating in an area that has the workforce pipeline needed to successfully operate their businesses. Dr. Fuller said that such a plan, including incorporating localized recruiters within the school districts, is key to

helping families make the right decisions. He said he hopes to have a plan ready to discuss at the next meeting. Mr. Bear said that he wanted to be sure that staff also looks at counties where we don't yet have a workforce program in place to assure that recruitment occurs in those counties as well. He said that the Haas Center has done some work in the area and could be a good partner in that endeavor.

## Legal Report

Mr. Remington presented the proposed Grant Award Recommendation for Proposal #187 – Northwest Florida State College – Walton Works Training Center of Excellence for \$2,763,716. He noted that the grant award was properly noticed on the Triumph Gulf Coast website and that a Term Sheet had been approved by the Board at a previous meeting. Mr. Remington explained the purpose of the proposal and gave an overview of the various workforce training programs that would be included in the Center of Excellence in Walton County. He noted that the components of the agreement are consistent with other workforce agreements and performance metrics have been designed and approved by staff to assure conformance with prior award agreements. Chair Gaetz asked if this agreement incorporated the changes discussed earlier relative to performance metrics. Mr. Remington said that while the less stringent metrics are included in the agreement, it also includes the new maintenance metric that effectively negates those metrics.

Dr. Devin Stephenson, President of the Northwest Florida State College spoke in support of the Walton Works project and said that the school and the community believe that this program will be a “game changing” project for the future of the workforce of Walton County and surrounding areas throughout Northwest Florida. He said the support of the Walton County School District and the Walton County Sheriff will assure the success of the completion of the project. He said that he understands that the charge of Triumph Gulf Coast to diversify the regional economy is not easy. He said that NWFSC and its partners understand and accept the need for the high degree of accountability in the use of these funds. He expressed the commitment of NWFSC to the mission and thanked Dr. Harper and Dr. Fuller for their assistance and counsel in designing the proposal. Dr. Stephenson said that the community truly appreciates the partnership of Triumph Gulf Coast in this effort to improve the local economy, raise the median income and make the region a better place to live. Chair Gaetz asked Dr. Stephenson if he was aware of and had agreed to the described performance metrics for the agreement. Dr. Stephenson said that he was aware of the metrics and absolutely supported them. He said that the college was committed to performance based programming and had received state awards for their efforts in that regard, so he welcomed the measurement of accountability.

Chair Gaetz asked if there was any comment from any member of the public who wished to speak about the proposal. No one came forward to speak. Mr. Riggs asked for clarification on the term of the agreement. Mr. Remington indicated that the total term of the agreement would be for eight years. **On a motion by Mr. Lee, with a second by Mr. Riggs, the proposal was unanimously approved by roll call vote (7-0.)**

Chair Gaetz called for a short recess.

Chair Gaetz called the meeting back to order and recognized Mr. Remington to present a Review of Term Sheet Negotiations for Proposal #198 - Wakulla County School District – UAS/VSO (Drones) Certification Program for \$1,780,000. The project will provide workforce training for students for unmanned aerial vehicle operation. He described the match funds to be offered by the School District and noted that performance metrics, management requirements and clawback provisions are consistent with prior workforce development awards. He noted that the version of the Term Sheet before the Board (Version #2) incorporates the new performance metrics approved earlier in this meeting. Dr. Fuller said that this project is foundational for future aviation jobs in Wakulla County and across the region. It will be deployed in

conjunction with a new Naval ROTC program in the school district. Ms. Sunny Chancey, representing Wakulla County School District, said that the district is very excited about this program and said that the director of the program at the county level is a retired U.S. Navy bombardier and is very committed to the success of this program. She said there is a lot of interest from students looking forward to participating in the program. Chair Gaetz asked if there was any member of the public who wished to speak about the proposed term sheet. No one came forward to speak. **Vice Chair Allan Bense made a motion to approve the Term Sheet for Proposal #198 and direct staff and counsel to move forward in negotiating a Grant Award Agreement with the Wakulla County School District. Mr. Bear seconded the motion. On a roll call vote, the motion was approved unanimously (7-0.)**

Ms. Skelton reported that staff is continuing to have good conversation with Okaloosa County in moving towards a recommended Term Sheet for Proposal #46 – Okaloosa County Board of County Commissioners – Southwest Crestview Bypass for \$64,100,000. She said that Triumph staff is reviewing information provided for inclusion in the draft term sheet that had been provided by the county and hopes to have a Term Sheet ready for approval at the next Triumph Gulf Coast Board Meeting.

### **Program Administration**

Ms. Henderson presented the Program Administrator's Report. She said that staff has been focused on working with grantees as we move more into the compliance component of the grant awards. She reported that as of August 9, Triumph Gulf Coast has received 203 pre-applications totaling \$1.6 billion. Since the last meeting, three pre-applications have been received. Upon staff review, one of those has been determined not to be statutorily eligible at this time. There have been 72 applications received, totaling almost \$600 million with four new applications received since the last meeting. Chair Gaetz asked if there will be proposals coming from all counties over the next several months, or if we will still be looking for strong proposals from counties that have not received as much funding to this point. Ms. Henderson said that staff continues to work with counties to assist in finding proposals that fit both the counties' needs and the Triumph Gulf Coast statutory requirements. She said there has been an increase in national and international business interest in the area as a result of being able to see how the Triumph Gulf Coast funding can be used as a value added inducement to bringing companies to the region from both a workforce and infrastructure perspective. She said she expects to see several proposals come in as a result of that activity. Some counties are seeing more interest from those sectors than others, but there has been interest across the region.

Ms. Henderson explained the Compliance Review Policies and Procedures document and said that the document highlights the work flow described in the earlier SmartSheet presentation given by Ms. Davidson. She said that the document is a tool that will allow members and staff to understand each of the steps in the compliance process and will make it easier for awardees to follow the process and to know what is required of them at each step along the way. The document explains the timelines and reporting requirements for awards and provides explanations of what triggers are recognized in the award timelines for payments and reporting. Ms. Henderson emphasized that the document makes it clear that decision making is the purview of the Board related to any requested adjustments to contract agreements. **Dr. Dana made a motion to approve the Program Administrator's Report, including adoption of the Compliance Review Policies and Procedures document. Mr. Riggs seconded the motion. There being no objection, the report was approved.**

### **Economic Advisor Recommendations on Pending Applications**

Dr. Harper provided a review of Proposal # 200 - Franklin School District Career and Technical Training Phase II for \$1,215,000 (65% of the funding for the multi-year project). He said that proposal focuses on workforce training for Unmanned Aerial Vehicle operations and several health

care related certification programs. He said that the school district projects that it will award 410 certificates over the six year life of the program. He said that the cost per certificate would be \$2963 based on the number of certificates to be awarded. The return on investment is estimated to be \$23 in personal income gain for every Triumph Gulf Coast dollar invested. He said based on this review, the proposal is given a score of "A." Dr. Fuller said that the project is foundational to get this area focused on the aviation sector. He said that safety is a key component in this program and that the first two years of the program are focused on assuring the importance of this highly regulated industry. Dr. Fuller noted that the Franklin County School District has been very successful in its certificate awards program, increasing the number of certificates completed from 43 two years ago to over 500 in the past school year for a high school population of only 500 students. This statistic shows significant commitment to the certification process in the county. Chair Gaetz asked Dr. Harper about the efficacy of the types of certificates being proposed. Dr. Harper said that the certificates are focused on job sectors that have high demand for the types of trained workforce that the program will produce in the region. He said both the health care jobs and the drone involved jobs that would be open to the newly trained students are higher paying than the county's current average wage and both types of workers are in high demand and will remain so. Ms. Skelton pointed out that a drone manufacturer has moved in to Gulf County and has purchased the local airport in order to expand its operations so there is now a built in job market in that area.

Ms. Rhonda Griffin, Franklin County School District, said that not only are they preparing to bring the program into the high school, but that the district is entering into an articulation agreement, through the Unmanned Safety Institute, with Gulf Coast State College to allow the certificates earned in the program to count towards credit hours for graduation from the college, and the district is extending participation in the program to students in the high school alternative program in the county for any interested students in that program. Many of the students have already been offered jobs upon completion of the certification program with the forestry industry. Mr. Matt Terry said that this proposal gives the county a better chance for diversity in available jobs. Chair Gaetz asked for any public comment on the proposal. No one from the public came forward to speak. **Mr. Terry made a motion to direct staff to move forward with Term Sheet negotiations on Proposal #200 – Franklin School District Career and Technical Training Phase II. Mr. Lee seconded the motion. The motion was approved on a roll call vote (7-0.)**

Before taking up the next two proposals, Chair Gaetz asked Mr. Remington and Ms. Henderson to provide an explanation of the statutory restrictions and requirements of discussing proposals that are covered under Non-Disclosure Agreements with the State of Florida or a local government. economic authority

Mr. Remington explained that under Chapter 288 of the Florida Statutes, the Department of Economic Opportunity is allowed to enter into Non-Disclosure Agreements with businesses that may be considering location in the state to provide some level of confidentiality while the company explores the possibility of moving its operations to the state. As a component entity of the department, Triumph Gulf Coast is covered under such agreements and must abide by the confidentiality granted by the state. Mr. Remington explained that for the next two proposals to be considered, the unnamed company has filed the appropriate protective documents with the State of Florida and Santa Rosa County to keep their identity from being disclosed through the negotiation period. Mr. Remington indicated that while staff is authorized to participate in discussions with the state, county and company to identify what role Triumph Gulf Coast may be able to play in bringing the entity to the region, neither staff nor any member of the Board who may know the identity of the company may disclose that information in public or to anyone outside of the confidential negotiation process until such time as either the company authorizes disclosure, or in the case of Triumph Gulf Coast, the Board determines that it wants to move ahead with final award negotiations with the county to offer assistance. Specifically, if the Board determines that it will make an award, the absolute minimum disclosure period would begin fourteen days prior to an announced Board

Meeting where a Grant Award Agreement would be considered for action due to our public notice requirements for final action on Grant Awards. Should the company release the non-disclosure requirements prior to that time, it could be identified earlier than the fourteen-day window required by our statute. He said there is no issue with moving forward with negotiations at this point, but that the identity of the company will have to be disclosed prior to Triumph Gulf Coast finally approving any agreement with the county on behalf of the company. Ms. Henderson said that if anyone asks a specific question about possible identities, the best response is simply to say that we welcome all inquiries about businesses that are interested in locating in the area. Dr. Dana said that our staff is well versed in these types of negotiations and that the Board should trust the staff to make the appropriate recommendations. She noted that it is against the law for staff to identify the company or companies in covered negotiations, so it is best for members not to have that knowledge until an appropriate time in the process.

Dr. Harper then gave a review of Proposal #163 – Santa Rosa County Board of County Commissioners - Project Runner Ad Valorem Tax Reduction for \$3,500,000 and Proposal #205 - Santa Rosa County Board of County Commissioners – Project Runner Infrastructure Assistance for \$4,500,000. He noted that the Board has considered infrastructure assistance for specific industrial development purposes before, but that Proposal #163 would be the first time that the Board has considered a proposal for ad valorem tax reduction for industrial development as allowed in s.288.8017, F.S., outside of the Hurricane Michael Major Disaster Program funding provided earlier this year to hurricane impacted counties.

Dr. Harper said that the ad valorem tax abatement of school and property taxes over a period of years would be a part of a negotiated incentive package that Santa Rosa County would make available to the company should it decide to locate there and the infrastructure assistance would be for the county to make necessary improvements to the Blackwater Industrial Park to provide the company with a site-ready location for its operations. He said the total request of \$8,000,000 in Triumph Gulf Coast funding for a guarantee of 400 sustainable high-wage jobs in the private sector with an average salary of \$46,000. The projected cost per direct job would be \$20,000 which is competitive with other proposals funded by Triumph Gulf Coast. The return on investment for the project for the period of eight years (years that the jobs are guaranteed by the company) would be \$30 in personal income for every dollar invested by Triumph. If a more regular model of ten years is used the ROI would be \$45 per dollar spent, and if using 20 years, which is sometimes considered for high-wage, high impact awards, the ROI would be \$102 per dollar spent. These calculations are made using the REMI modeling tool. Triumph staff has scored the two proposals as “A.”

Dr. Dana asked about the EDA Grant mentioned in Proposal #163 and if it is anticipated or has actually been awarded. Mr. Shannon Ogletree, Economic Development Officer for Santa Rosa County, responded that the grant award for \$1.5 million is in the application process and has not yet been awarded. He said that the state grant has been awarded, and the federal EDA award is the only funding pending besides the Triumph Gulf Coast participation. Commissioner Don Salter, Santa Rosa County, said that the pending Whiting Airfield project is moving along well and that the county is 90% complete on the design phase and should begin construction at the site in the next three months. He said there are three very large aviation companies interested in moving in to the park once it is built out. He said that Project Runner provides the ability for the county to diversify its economy and that he is very excited about the proposal moving forward. Dr. Dana noted that Project Runner will provide a pathway for employment of separating military personnel in the region who are trained in transportation and logistics operations and that the workforce availability is good for business. Mr. Bear said that he is very supportive of this proposal and is aware of the pitfalls of getting infrastructure in place for industrial development that allows for this type of economic growth. Mr. Riggs said that this proposal makes a lot of economic sense, and that the request in relation to the overall investment to be made by the county and the company is very positive. Chair Gaetz noted that the job performance agreement would be with the company while the overall agreement

would be with the county. He asked if it would be logical to use the eight-year term of the proposal to determine the return on investment. Dr. Harper said that he used the eight-year window due to the fact that the guarantee matched the agreement. Ms. Henderson said that the eight-year window was used to match the state's QTI grant award. Dr. Harper said that even with the reduced window the numbers are still well within range of what Triumph Gulf Coast has supported. Mr. Lee said that he hopes to see a lot more of these types of good economic development proposals and that the Triumph Gulf Coast investment would represent only 12.25% of the overall cost of the project. Commissioner Salter confirmed that the County would be willing to enter into an agreement to assure the guarantees on the job performance. Mr. Ogletree noted that the company has already put the county in touch with its suppliers and he anticipates spin-off companies locating in the area to serve the primary company's supply chain needs. He reminded the Board that this is still a competitive situation and that the county's goal is to bring the new company to Santa Rosa County and to bring the new jobs and economic diversification to the region. He said that Triumph Gulf Coast's support is a big step in the right direction. Mr. Bear asked if there were any concerns about the lag time to get a new facility open and operational relevant to the creation of the new jobs. He said that the region is still having problems with construction worker availability. Dr. Harper said that the proposal as written contemplates job creation beginning in 2023 at this time. He said there should be enough time for infrastructure installation, but such delays in construction could have an impact. Mr. Remington said that our grant awards include language that allows the Board to make any appropriate changes in terms if such problems occur. Mr. Lee pointed out that the Board has been flexible in its treatment of previous awardees when problems have arisen, i.e., the adjustment to the Port of Panama City agreement post Hurricane Michael.

Chair Gaetz asked if there was any public comment on Proposal #163 – Santa Rosa County Board of County Commissioners - Project Runner Ad Valorem Tax Reduction for \$3,500,000. No one came forward to speak. **Mr. Bear made a motion to direct staff to enter into Term Sheet negotiations with Santa Rosa County for Proposal #163. The motion was seconded by Mr. Riggs. On a roll call vote, the motion was approved unanimously (7-0.)**

Chair Gaetz asked if there was any public comment on Proposal #205 - Santa Rosa County Board of County Commissioners – Project Runner Infrastructure Assistance for \$4,500,000. No one came forward to speak. **Mr. Bear made a motion to direct staff to enter into Term Sheet negotiations with Santa Rosa County for Proposal #205. The motion was seconded by Mr. Riggs. On a roll call vote, the motion was approved unanimously (7-0.)**

Dr. Harper then gave a review of Proposal #190 – Walton Economic Development Alliance/BOCC – U.S. 331 Infrastructure for \$1,742,407 to extend water and sewer services for approximately four miles south from I-10 to just north of Eglin Range Road. The proposal represents a joint project between Walton County, the City of Defuniak Springs, and the Walton County Economic Development Alliance. Dr. Harper said that the Walton County Economic Development Alliance currently has an option for purchase of land along that corridor that would be suitable for industrial development. The funding request represents 37% of the total project cost. Walton County has committed to the creation and maintenance of at least 100 jobs that are net new to Florida and are state QTI eligible with an average wage before fringes of at least 115% of the average county wage. He said there is a current commitment from a defense contractor to create 35 net new jobs at the proposed new site and that the county is willing to guarantee the remaining 65 jobs with collateral offered from its Tax Increment Financing (TIF) tax revenues. The cost per direct job is \$17,424 which is quite competitive with other Triumph Gulf Coast funded projects. Dr. Harper said that he used the REMI model to analyze the impact of the proposal over the eight Triumph counties using a window of seven years of job growth beginning in 2021 with a three year ramp up period and a four-year maintenance period through 2027. The Return on Investment will be \$23 per dollar of Triumph funding. The staff has given this proposal a score of "A."



Chair Gaetz asked Ms. Henderson about the nature of the promised jobs included in this job. He said that earlier the Board had agreed to move forward with an infrastructure improvement project in Okaloosa County based on her assessment that the need for the industrial park had been demonstrated to be real through outside interest in the area and real opportunities that were known within the economic development arena. Ms. Henderson replied that in both cases, the needs had been demonstrated to be real and that for this proposal there is a real, current lack of industrial site availability due to the build out of almost all of the sites in the county. She said that she is confident that there is real interest in the area and that this new investment would allow for the development of new businesses related to the east side of Eglin similar to growth experienced in Okaloosa County on the west side of the base.

Mr. Bill Imfeld, Executive Director of the Walton County Economic Development Alliance, spoke on behalf of the numerous county and city officials present at the meeting. He said that the proposal will provide support for the healthy economic diversification of the city and county south of I-10. He thanked Ms. Henderson and Dr. Harper for working with the applicants to strengthen the application to meet the needs of the region and the criteria of Triumph Gulf Coast. Mr. Imfeld said the reason that TIF funds were being pledged was that the area that would benefit from the new development would be along the corridor that would generate those funds so the use would match the improvements to the corridor. In addition, he said that the City of Defuniak Springs will pledge 10% of any new revenue from water and sewer along the corridor to an escrow account that could be used to pay clawbacks if needed. Both the city and county are committed to making the project successful. Chair Gaetz thanked Mr. Imfeld and said that he thought this was a very good economic development proposal. Chair Gaetz then asked if there was anyone from the public who wished to speak about the proposal.

Mr. Cliff Knauer, representing Dewberry Engineers (City Engineers for both Defuniak Springs and Freeport), thanked the Board for coming to Freeport and noted that the four-laning of US 331 has changed the overall landscape of Walton County. He said that the demand for commercial locations on US 331 is now very strong. He said that the problem with such development is the need to close the gap of available utilities along the corridor and that this proposal would go a long way in closing that gap.

**Mr. Riggs made a motion to direct staff to move to Term Sheet negotiations on Proposal #190 – Walton Economic Development Alliance/BOCC – U.S. 331 Infrastructure for \$1,742,407. Vice Chair Bense seconded the motion. The motion passed on a roll call vote (7-0.)**

#### **Public Comment**

Chair Gaetz noted the presence of Commissioner Nathan Boyles from Okaloosa County and asked if he had any comment on the proposal from Okaloosa County now pending before Triumph or any other matter. Commissioner Boyles indicated he had no comment.

Patricia Duncan, representing the Florida Department of Education Office of STEM, said that she and her staff came to observe and listen to learn more about Triumph Gulf Coast. She said that one of her office's partners has been Project Lead the Way and they had told them about some of the work that Triumph Gulf Coast has been doing across the region. She said that the Department looks forward to working with Triumph Gulf Coast in bringing quality workforce education to northwest Florida.

There being no further business, the meeting was adjourned at 1:27 p.m. CT.