

**Meeting Minutes  
Committee of the Whole Meeting  
Triumph Gulf Coast, Inc.  
Walton County Commission Chambers  
570 U.S. Highway 90 East  
Defuniak Springs, Florida 32  
May 11, 2023  
1:00 p.m. – 3:30 p.m. CT**

**Members Present**

David Bear  
Bryan Corr, Sr.  
Reynolds Henderson  
David Humphreys  
Collier Merrill, Committee Chair  
Jay Trumbull, Sr. – by phone  
Leslie Weiss

Chair Collier Merrill called the meeting to order at 1:20 p.m. CT. Executive Director Susan Skelton called the roll and announced the presence of a quorum.

Chair Merrill welcomed everyone and thanked Walton County for providing the meeting space for the meeting. He then called on Ms. Skelton to begin the discussion of topics for consideration.

Ms. Skelton first spoke on the impacts of recent legislative actions on Triumph project funding. She said that, as discussed earlier at the Board meeting, the Legislature, through its actions, made it clear that they had already addressed funding for housing projects through providing \$700 million in appropriations and that they did not consider it to be a proper use of Triumph funds.

Further, House Bill 5, which was the Speaker's priority legislation, set a roadmap for what are and are not acceptable uses of economic development funding based on the new definitions of target industries in the legislation. The legislation specifically excluded hospitality related industries from the appropriate use list. House Bill 5 laid out the new structure for Visit Florida and Space Florida. Both of those entities, in their new roles as part of the Department of Commerce, were funded by the legislature in the General Appropriations Bill (SB 2500.)

Ms. Cori Henderson, Program Administrator, explained that House Bill 5 recreates the Department of Commerce, and that the roles and responsibilities of Enterprise Florida (EFI) will now roll into the Department of Commerce, now known as the Department of Economic Opportunity (DEO.) The Target Industry List in Florida was a report that was previously put together by EFI and DEO. The report defined what the state's incentive programs could be utilized for and it was just an annual report. House Bill 5 took the basis of that and created in statute what economic development now means in Florida. When the Department of Commerce considers economic development projects these are the guidelines it will use. The reason this is important for Triumph is that our organization is defined in that same statute, Chapter 288, Florida Statutes, which governs economic development in the state.

She said that staff has provided a copy of the bill language in members' packets that describes a target industry in Florida. The language in the bill mostly what follows along very closely with what Dr. Rick Harper, Triumph's Economic Advisor and Ms. Henderson, to this point, have advised as appropriate uses of economic development funding provided by the state. Included are businesses that relocate their headquarters, manufacturers, logistics, distribution, the types of proposals that we have recommended to you, but the most interesting part is they very specifically now in law have defined for economic development what is not a target industry. According to the new legislation, a target industry sector is not a business subject to regulation by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation. That clearly states that retail restaurant and hotel is not a target industry. The legislation also provides a definition of a tourist. Ms. Henderson noted that the definition language of what is not a target industry could be found at line 6098 of the legislation. The list of what is not considered to be a target industry by the State of Florida also includes mining of phosphate or solid minerals, oil or gas exploration, and office administrative and support unless a local governing body declares it to be a necessity. Ms. Henderson pointed out that there are few state incentive programs left within the statutes, the High Impact Incentive and Corporate Income Tax Credit do remain intact. She said that she and Dr. Harper use those program requirements as the basis to recommend projects that mirror the criteria that the state has generally used for incentives. Now that language is a formal definition of the Department of Commerce and what the state views as what are industries that should be induced to come to Florida. The other point that they that was new to the target industry definition that we hadn't really seen in the previous reports over the last ten years, is the consideration of stability. She said she thinks this was highlighted because of the recent hurricane in Southwest Florida. An industry that is not subject to periodic layoffs, whether due to seasonality or sensitivity to economic variables, such as weather, the industry is also relatively resistant to recession, and the demand for products of this industry is not typically subject to decline during an economic downturn should be the type of focus for inducing the types of companies that have stability and not seasonality.

Mr. Reynolds Henderson asked for clarification on the old EFI/DEO report and if the statute reflects that old function of those entities. Ms. Henderson explained that this language is new to the statute defining what the Department of Commerce roles and responsibilities will be, but it incorporates the tools the old EFI/DEO report used to create a Target Industry Report. So there used to be a separate report and instead of telling the new Department of Commerce to create a report, the legislature instead took the pieces of the last few years of the report and put the parts most important to them into the statute that governs economic development in Florida.

Mr. Henderson asked about the impacts of the new legislation on workforce education. Ms. Henderson said that the new legislation, and the creation of the Department of Commerce was to better align all the components of economic development. Workforce Florida is part of this transition and hopefully this will allow all these functions to collaborate better and communicate so that the work that that Workforce Florida and CareerSource does, will be more aligned with the work that the Department of Commerce does, and the new department will know what the business development components are working on. This should allow everybody to collaborate better.

Chair Merrill asked Ms. Skelton to continue the presentation of issues that staff needs feedback on from the Board. Ms. Skelton reminded everyone of the white paper that staff had prepared at the request of the Board to outline issues that were problematic for staff in reviewing submitted proposals. She said that the Board had discussed the issues related to tourism funding at its

last Committee of the Whole meeting and that the conversation for this meeting would be the other issues of concern since the Board had provided its thoughts on tourism and now the Legislature had clearly demarcated it is as not being a target industry for economic development in the eyes of the State of Florida. It is important for staff to get guidance from the Board, and we want to walk you through some of those issues.

Triumph gets a lot of requests for funding from nonprofits for infrastructure funding. If the nonprofit can't show a public partnership for funding, we are not in a position to be able to participate in this kind of projects. Mr. Scott Remington, Legal Counsel, may need to talk about public infrastructure, the definition, before we get into that conversation.

Dr. Harper noted that the types of activities that Triumph works right in line with the Legislature to incentivize are those that use income generated elsewhere outside our region, that goes to families and businesses from our region, that then will use that money to generate a roll within the Triumph region. He said that is how he thinks about traded industries, when the eight counties produce things that can be sold outside the region, whether it's services, like the Navy Federal Credit Union, or whether it's manufactured items that get sold around the country, those are the sorts of goods and services that the Legislature has seen fit to incentivize. And that leads us down the path of not subsidizing locally provided health care because the local hospitals probably only receive about five to seven percent of their revenue from serving customers who come from outside the region, the rest of it's just local. We don't want to pit one hospital against another by providing incentives, except to the extent that we provide training to workers who can go there, and then transfer those skills between one location and another. From his perspective that's always been the bright line on things Triumph will consider for funding versus the ones that it won't. He said he believes that's what drives legislative policy as well. If Triumph can provide a way for households to earn more income, giving them skills that are transferable and not solely for the benefit of one company, such as you know, a nursing degree is broadly it's going to create higher income. Nursing is the highest paid degree coming out of the State University System, the technical colleges, or the state college system.

Mr. Henderson said that he understands that it is not Triumph's role to incentivize individual restaurants or hotels, but that the schedule of occupations attached to the worksheet has unrealistic statistics relative to salaries and wages of hospitality workers in Walton County and he asked if real life data could be used to determine the importance of providing appropriate workforce education in those fields.

Dr. Harper agreed with those concerns and said that staff has looked at the concerns that the Board has expressed very clearly in past meetings about how Triumph could recognize the importance of tourism. Recognizing that the Legislature has been fairly specific this session and saying that the state will not incentivize economic development via tourism, one thing that staff has considered, is that it may make sense to recognize that some of the direct jobs as well as some of the jobs in the supply chain, the ones we call indirect, are the ones supported by worker spending in the economy, the ones we call the induced effect, some of those jobs are going to be high wage. Staff went through and looked as an example at Bay County, a very tourism intensive County, second to Walton, but still tourism intensive. Our calculations were that from 18 to 20% of the jobs created in the tourism industry, were in occupations that pay greater than 115% of the prevailing wage so we understand the issue. A way to approach the tourism issue could be that if there is a project that would bring those sorts of jobs, how many would there be? If there are going to be one thousand net new jobs, then it's possible that 180 to 200 of those jobs would be at a greater than 115% income for the area. That's a possible way that the Board might consider should it wish to do so of approaching tourism while maintaining

the Legislature's perspective that we don't fund tourism because too many of the jobs are on the lower rungs of the job ladder.

After that discussion, staff returned to the topic of nonprofit requests for Triumph funding. For some perspective, Triumph had a nonprofit that provides educational services that asked for funds to build a building and the Board said that Triumph cannot build any infrastructure because the applicant is not a public entity, and the statute does not allow us to provide infrastructure to private entities. And that's the concern and why we want the Board to hear from Mr. Remington about the legal issues related to this type of request.

Mr. Remington addressed the Board and said that s. 288.8017, Florida Statutes, is the governing language related to Triumph Grant Awards. Subsection (c) states that Triumph can make awards for, "public infrastructure projects for construction, expansion, or maintenance, which are shown to enhance economic recovery diversification for disproportionately affected counties." That is the specific authority we use to fund public infrastructure projects, bricks, and sticks. Public infrastructure can be awards to cities, counties, and public education.

When we talk about programs, service, and education, that falls under a different section segment of our statute, that's that subparagraph (e.) that states the Board can make grants to support programs that prepare students for future occupations, and careers, in K through 20 institutions, campuses in the disproportionately affected counties. That subsection only addresses programs, not infrastructure.

If Triumph receives a grant request from a public school system, a public university, seeking money for infrastructure and programs, we can combine those, but if a private entity comes to us, seeking a grant to provide educational programs, we may be able to participate in helping with assets, but we can't participate on the infrastructure side to favor one private entity over another.

Mr. Henderson asked about a scenario where the private entity is working in conjunction with a unit of local government or a County Commission. Some local government is participating and providing guarantees but it's not a college or school system. Mr. Remington said it depends on what you're talking about. For instance, the way that we have interpreted with private enterprise facilities in the past, such as the City of Pensacola / ST project, or the City of Panama City / Eastern Shipbuilding, the public entity provides the land and builds the infrastructure, then leases it to a private entity. When we talk about programs that provide education, we traditionally require affiliation with a public education provider.

Mr. Henderson asked if per cert payments for education programs must be overseen by a school district, college, or university. Mr. Remington responded that it is on a case-by-case basis. There is one nonprofit, AMIKids Panama City, which Triumph funds on a per cert basis for programs to provide certs for transferable skills. They would qualify under programming dollars. But if they came to us and said we want you to build as a building, that would not be allowable.

Mrs. Leslie Weis then asked if private schools and charter schools would qualify for public infrastructure funding. Mr. Remington replied that the Board could spend an entire workshop on that issue. The Legislature has passed House Bill 1 which will change the definition of charter schools and charter facilities to allow for infrastructure funding at the state and local levels. To get into the discussion about the private school sector there are issues raised for funding between religious and non-religious schools, which creates another hurdle we must get over.

Specifically, I can't tell you the private school is or is not eligible until we look at the entire programming, what that money's really being used for. But there's more. Under the original version of the Triumph statute, before was rewritten in 2017, awards were limited to public K-12 schools and two public universities (campuses located in the region.) When the language was rewritten it allows educational institutions with a physical presence in the region. The statute hasn't given us as much specificity as we want. As of right now, there's nothing in statute that would prohibit or prevent the private educational institution from being eligible for program funding.

Mr. Henderson said, that for example with the Defuniak Springs Airport proposal one of the issues you run into is trying to find educational providers. Basically if the city runs the training through the provider's system will they want to do it ever on their campus, and the person that wants to create certs wants to do it at the airport, so you're talking about two different things and it's a real issue, something that needs to be thought out, because USI, with a proven track record, is finishing up their Port St. Joe project in June and they want to keep that moving over here in Defuniak Springs. Forcing somebody to go square peg in a round hole doesn't work out. And in the end, we don't want to lose. That's a real big deal.

Mr. Remington clarified that the USI contract Mr. Henderson is referring to is a Gulf Coast State College project that USI is working for, so USI does not have a project directly with Triumph.

Mr. Henderson said that for the City of Defuniak Springs to be partners with Northwest Florida State College the college wants to move the training to the college and doesn't want to have it at an airport. I'm just saying how do we marry up the deal? That's complicated. That's an issue.

Mr. Remington said that legally the education program can receive funding. Mr. Henderson said that the proposal doesn't include an education provider, so it hasn't worked out the funding issue.

Mr. Remington clarified that Triumph does not fund USI as an education provider. Currently, Triumph is funding the Gulf County School District that contracts with USI to provide certificates through its program. And when we approved the grant USI was not part of it. It was an agreement with the school district to create a CERT program. They found USI and changed the strategic direction for how they produced the certs. It's a little bit different if we have a private party, such as USI coming in as a co-partner to a venture because it can be seen as favoring one private business, and private businesses aren't supposed to directly receive Triumph Grant Awards. Mr. Henderson said that the City would still be on the hook for performance metrics and asked Mr. Remington to clarify if the education provider had to be a college or university. Mr. Remington replied that it could be any state recognized K-20 education provider.

Mr. Henderson then asked how AMI was able to receive Triumph funding. Ms. Henderson explained that AMI Panama City was a state recognized nonprofit charter school. She said that the AMIKids program in Pensacola received funding for its carpentry program to expand the number of instructional services and CAPE certifications the program provides. The AMIKids Panama City project is a charter school and Triumph supports its drone unmanned systems programs, underwater drones, and regular drones as well as a few other industrial certifications.

Ms. Skelton said that staff is just bringing these issues that are ones that are difficult for staff to address and if the Board inclined to give staff direct bright line instructions on how to approach the issues that would be helpful and if not, staff can continue to take the proposals on a case-by-case basis.

Chair Merrill reminded everyone that staff can try to find solutions to these problems, but Triumph still must follow the statutes.

Mrs. Weiss asked staff about the situation with the Gulf Marine Specimen Institute in Wakulla County. She said that the nonprofit is an educational institute. Ms. Skelton explained that the nonprofit had requested funding for infrastructure and that it was not affiliated with any public entity. As such, it was not eligible for Triumph funding. While the institute indicated a desire to provide education certifications, they were not certifications recognized by the State of Florida as part of the CAPE program. Staff tried to work with the owner of the facility to provide guidance on ways to overcome the hurdles, but he chose not to proceed with any of those suggestions.

Mrs. Henderson explained that on the long list of pre applications there were quite a number that staff was challenged to determine whether they were eligible or not partly because most of them requested facilities. Staff is also finding many providers who want Triumph to pay for them to develop curriculum, which may or may not then meet the state's curriculum requirements. Triumph to this point has funded Okaloosa Schools to work with the University of Florida and has funded the FSU ASCENT program to develop curriculum. However, those are public institutions. Staff would like to know, as a board, how you feel about Triumph funding going to a private entity, whether it's an enrichment after school program, or an individual provider of education services? How do you feel about funding curriculum development for a private entity or not for profit entity? Staff has three or four of these types of requests pending right now in the queue structure.

Mr. Henderson asked if the types of curriculum development requests were for research and development of training methods, or if they were speculative in nature. Ms. Henderson responded that if you were the expert in your industry, you would say it's not speculative. If you own a company and want to start an education institution based on your business expertise, you don't believe it's speculative. Our experts might look at it and say, we don't think that's going to end up fitting the rigorous level of certification that the State of Florida considers on the CAPE list. And our question is, do you want to invest in some of these types of programs, not knowing whether the state would approve them or not?

Dr. Frank Fuller, Education Advisor, said that the certificates these entities created, they simply gain the qualifications to say, we wrote this plan, because I'm really good at this impact on the company. But if you look at the industry itself, there's a level of recognition, or certification, by the industry, that has been adopted by an Association, that can help the certificate holder to find leads to job placement. So, it is a real problem to award somebody for their declaration of knowledge to produce a curriculum for which there is no market. If they came the other way, they could show us 15,000 jobs that they're going to create by the certification and they'll guarantee or at least try to guarantee placement jobs, that would be the validation of what they do and if they provide the instruction itself, they may award a cert, but it doesn't have market value.

Mr. Merrill asked how staff is responding to these requests at the present time. Ms. Henderson said that we respond to the pre-applicant with a letter that states that staff has not been able to determine their eligibility based on the information provided. Staff has received three or four pre-applications in the last four weeks that fit this bucket from private providers.

Dr. Harper said that traditionally Triumph has funded industry recognized, externally validated certifications. And the shorthand staff uses for that is whether or not the cert is on the Florida Department of Education's master certification list that we refer to as is the CAPE list. The fear of the prior Board was always that you would get just entrepreneurs who come and say, "Gosh, I bet we could get Triumph to fund this million dollars to spend some time paying people to develop certifications and it's somebody else's problem." The way the Board found to deal with this concerns was to insist that the certifications be industry recognized. So, they must be industry standard skills that the industry knows it wants. That's easy to do in cybersecurity. It's tougher to do in some other fields. And it must be externally validated. You can't both teach the curriculum and test the curriculum because that leads to the syndrome which we've always called "pay your fee, get your B" and the Board always wanted to stay away from that. And so, the test for a certification has been if the cert was on the DOE CAPE list. If so, it is eligible for Triumph funding. If it's not, work on getting it there, meet those standards. And then once it's on the list, we'll consider funding it.

Mr. David Bear then asked if a private educational institution that is a not for profit, is willing to provide the CAPE certificates on those programs, like Holy Nativity describes in their application, what is what is holding up that proposal?

Mr. Remington replied that due to a provision in the Florida Constitution, Triumph would have to do a thorough vetting to assure that none of the Triumph dollars would be utilized to offer the benefit of any religious indoctrination. Any programming dollars spent would have to be strictly limited to the certificates that Triumph would approve and not used beyond that for any other purpose. So, if Triumph funds bought a computer that computer can only be used for the CERT training and cannot be used for any religious purpose. It's a case-by-case situation.

Mr. David Humphreys asked if, in the case of Holy Nativity, they could certify that they're going to abide by that restriction to be able to move the project forward. Ms. Skelton responded that the proposal is to build infrastructure across their campus and that it wouldn't be limited to the purposes of teaching the CAPE training classes and that was the overarching problem with that request. So, if they don't have a facility for the program that we could potentially fund, then the application remains sort of stagnant while they figure out their facility funding.

Mr. Merrill said that it is true that the Board does want to get the money out, but staff must proceed by offering a path for the proposal to go forward and if the applicant can't, or won't be able to commit to that, Triumph won't be able to participate.

Ms. Skelton noted that with legislation that passed this year most charter schools are now going to be eligible for public infrastructure funding but that does not include private schools. That only includes charter schools. So again, another bifurcation of the issue here. These are the kinds of issues staff struggles with every day.

Dr. Fuller reiterated that charter schools are public schools and must be approved by the school district that operates them. The local school board has total control over the charter.

Ms. Henderson pointed out that if the facilities are owned by the not for profit or for-profit entity, the question is if Triumph builds a facility for a (public) charter school, who will own it? Or do you as a board say that should the charter leave the building the facility reverts to Triumph or to the public school system? So, it's things like that, that Scott's been kind of noodling on to help us with whether the applicant is the charter school of the school board.

Mr. Henderson said that he understood the restrictions on religious schools but would like to see certs tied to jobs and for charter and private schools to be able to receive grant funds for those certs. Dr. Fuller said, for example, when Triumph contracted with Gulf Coast State College to provide unmanned aviation training the school subcontracted that training to a third party. He said that Triumph can easily partner with charter schools because they are part of the public school system. The issue that must be further discussed is what the role of private schools can be relative to Triumph funding, but the issue for discussion now is whether the Triumph Board is comfortable with private companies receiving Triumph funds to develop training, hopefully including state recognized certifications, that the company could then market to the education community.

Ms. Weiss asked about other state agencies other than the Department of Education that offer certification training, such as the Department of Business and Professional Regulation that offers some industry specific training, such as project management, or for LEED Green Inspectors. Dr. Fuller said that there are certification providers that are recognized by DBPR that are not a part of DOE. The key element that must be present is the third-party verification. The same party that offers the education cannot be the party that certifies the training completion. There are metrics that must be met that the third party can identify as completed. The appropriate level of training must be verified before a certificate can be recognized by the state.

Ms. Skelton said that when Triumph reviews any certification approval request, whether it is CAPE certifications, FAA certifications, any third party industry certification or credentials, licensure or state credentials like a teacher's license there must be some type of third party verification and not just some person or organization that says I'm going to make up a training program, and then puts together 10 pages worth of stuff, and then it says this is the certification requirement. What do we do? That's the question.

Dr. Fuller pointed out that in some cases, particularly with new technology such as Artificial Intelligence (AI) it's time sensitive to Triumph to get training on the CAPE list and things are moving too fast. Triumph has taken the lead in partnering with Okaloosa County and the University of Florida, two respected public education providers, to create curriculum. University of Florida was actually willing to commit to the ten-year program to develop AI instruction, which doesn't exist in the market today. Their partners are industry leaders such as Amazon and Google. It made sense that whatever service they brought forward could be validated in Okaloosa County through that partnership. With a lucid project to present AI as a great combination of tools, we moved forward to allow for the changes that take place in the industry. It's an evolving industry, they don't quite know how to land. By starting training in the third grade, the curriculum will allow students to grow their skills over eight or nine years before they graduate and will have marketable skills not available to mainstream student populations.

Ms. Henderson asked if the Board would be comfortable with the curriculum development being done by a private or non-profit entity, or should Triumph continue to keep that function within the public school arena.

Mr. Henderson said he would be comfortable with a proposal that included some public entity on the hook for the performance metric, such as a municipality, as a partner when there is a situation when none of the local education institutions are willing to partner, just so long as Triumph is not giving money to private individuals or companies. As long as the end result is there, he doesn't know why we wouldn't do such a deal.



Mr. Merrill said he could see supporting private educational institutions, but they would have to meet other criteria and perhaps work through foundations or whatever performance metric the Board agrees to.

Mr. Bear asked if Triumph would require them to be an educational institution or any type of private company. Because I don't I mean, if it's a secular private school it's probably not a problem.

Ms. Henderson clarified that none of the pending pre-applications are linked to any K-20 institution, they are private vendors asking for Triumph to fund their employees to create curriculum that the vendor would own and market for profit. She asked for clarification of how the statutory language in s. 288.8017(f) affects this discussion. Mr. Remington read the statute and said that the operative word appeared to be that Triumph could support "programs" for workforce training but did not speak to developmental or experimental curriculum.

Mrs. Weiss noted that while a private company, such as boat motor manufacturer, might be able to provide repair training if it was universal and not specific to its motors only, it would not be appropriate for Triumph to fund development of that training. Mr. Remington agreed that funding could not inure to the private company. Mr. Henderson agreed that there would still need to be some public entity on the hook for clawbacks if performance metrics were not met.

Mr. Humphreys said that he was hearing what Cori was saying and it's difficult for Triumph to get behind a certification that has no vetting, that has no sort of value, other than to the guy selling it to you. He said he didn't see how Triumph can get behind a private unvetted certification. It just doesn't make any sense because you could end up funding who knows what internet Fly By Night type of thing, or funding whoever the backers of it are, when we've seen these pay for education schemes implode in the past with pay universities where the certification people are in so much debt, they issue these paid certifications that have zero value in the real world. He said he would hate to repeat that mistake and fund these private unvetted, valueless certifications.

Dr. Fuller noted that value can be assigned to privately developed certifications. For example, a Dell certification is recognizable and has market value that companies hiring technology employees would accept in making a hiring decision. That's the value of Triumph making a decision about what's worthwhile to fund. The issue that's going to roll out in the future is that Google Corporation's President is investing \$500 million or so in developing curriculum and any organization, any school district, any university wants to be a part of that. He's invited every other corporation to join him to say that there's a certificate market now. It's not the degree market. That doesn't necessarily apply to University Florida or a lot of other places, but as far as the job entry level, certificates are on top of the ladder to success and employment for today's students and the students of tomorrow. These corporations are going to actively challenge the university systems about the value of what they offer to their graduates. They can legitimately say that the Amazon certificate only requires six hours, and the job deployment rate is 80%. Students now have a choice about whether they want to go on to the colleges and universities that integrate industry certs into their curriculum. The cert world didn't just create itself. It's just the reality that is out there. If you look at job taking steps, then it'll tell you what position it is when you're certified Amazon Logistics and Distribution you are eligible for X salary compensation.

Mr. Henderson said that he thought there would have to be some standards in place, with some flexibility, to determine what would be eligible for Triumph funding, not just "one offs" with no

proven marketability. He again voiced his support of allowing education projects that have a public government partner.

Another issue that the staff faces is requests for funding for private infrastructure on private land. Our legal staff has found a work-around solution so long as a public entity holds lease ownership of the land and/or building for the duration of the requirements of a Triumph contract to meet performance metrics and the public entity is responsible for the clawback provisions of the contract. Local governments have been willing to take on those responsibilities and liabilities to make progress in their economic recoveries. Wakulla County is facing a situation where there is a private industrial park that the County may want to partner with to consider building a spec building to be able to market for economic development.

Mr. Jay Trumbull, Sr., asked about the length of the public leases in these sorts of arrangements and said that he had concerns about what would happen if a company left the local government before the terms were met. Ms. Henderson explained that such grant award agreements very clearly lay out the length of the term that Triumph requires for public ownership and the performance metrics that must be met. Ms. Skelton noted that the prior Triumph Board position was that as long as the Triumph Grant Award Agreement was in effect, Triumph would enforce those terms. Once the terms of the agreement had been met, i.e., completion of the performance metrics, then Triumph would no longer have concerns about how the public entity maintained or disposed of the property lease.

Mr. Bear asked if it's privately owned land, and Triumph is incentivizing a public entity to build some infrastructure on land that they've leased from a private entity, isn't Triumph giving them significant funds to build infrastructure that could be valued at \$100 million and at the end of the lease, those improvements revert to the private landowner. Now the private landowner has a \$100 million publicly financed project on their land. He said Triumph wants to incentivize job creation and development but is that what we're getting into?

Mr. Remington said that traditionally the answer has been no. That's why Triumph has required the leases to be at market rates and we require approval of those rates in advance. The money that Triumph puts in is directly related to the benefit we're getting from the investment. If the government wants to give them the building at some point, that's the county's decision once it has met all the requirements of the Triumph agreement.

Mr. Merrill said that he agrees that if they met our requirements and are being productive in the community then Triumph has certainly gotten a benefit back from the investment.

Dr. Harper agreed and said that is the principle at work there. A problem that staff has run into is what if the private business that intends to lease the facility wants to put in the initial contract with the city or the county that the company will be able to buy the property at the end of the ten-year lease for \$1. Staff balked at that, and that was off putting to the private company because they want to have certainty in their business planning. They want to know before they make that big commitment that they're going to be able to forecast out in the future what their costs are going to be in the out years. So, it does create a rub that we're doing that but yes, when we forecast the ROI, it's based on a ten-year window following ramp up. So, they get typically three years for construction, three years for ramp up and then a maintenance period. If they've committed 250 jobs, they need to have 250 at the end of that six-year period of three years of construction and three years to ramp up. They must maintain 250 jobs for the next ten years after that. The ROI calculation is based on that ten-year window.

Mr. Corr said that he would be more comfortable in these types of lease agreements if there was at least a 20-year lease requirement so that there could be no misconception that there was some sort of arrangement for the private company to take over ownership of the publicly funded infrastructure in some foreshortened timeframe. Ms. Skelton agreed and said that staff does monitor the projects to be sure that metrics are being met and gave the example of Dr. Harper visiting Eastern Shipbuilding to review their payroll documents to be sure they were on target to make their maintenance.

Ms. Skelton said that one of the things that staff is always on the lookout for is to make sure that we're not allowing one private industry to gain unfair market advantage. We had a company called Starlink, which may be familiar to you, affiliated with SpaceX, and they wanted Triumph to fund installing residential cable capability into a community. And we were not able to be comfortable with that because there are other companies that do the same thing that they did in direct competition.

Compliance cost issues will be discussed at a later meeting based on what happens with the pending state budget item, but just be aware that our compliance costs continue to rise as the Board continues to make new grant awards. Ms. Skelton pointed out that the smaller awards are harder for us to administer than the bigger ones, because generally bigger entities and governments with bigger projects will have project managers. In some of these smaller counties and smaller projects, we're dealing with somebody who's got six or seven jobs, on their list of things to do.

Mr. Bear asked if staff was building in administrative compliance costs into the grant applications to help offset compliance costs on the Triumph side. Ms. Skelton said that based on the Board's earlier directions, staff has started to offer all applicants the ability to include an administrative liaison position into their requests.

Ms. Skelton said that prior Boards had an arbitrary requirement that a proposal had to include dollar for dollar match or better. The thought was that if an entity supports a proposal enough to put an application that should be important enough to them to invest their own funds in it. There's no stated statutory requirement for public match at a specific percentage of a proposal. That was the sort of thing that the Board decided they wanted to do. And so, what staff would look to you for is some direction on that issue. We've already gotten direction from you as it relates to workforce education projects, you've already told us to ease up on those requirements. As we move forward, the question will be does the Board still feel like it's important for the public entities making the application to have an equal or greater share of investment in projects?

Mr. Merrill said that as he recalled, the Board talked about workforce education, and in particular the smaller counties needs and that they may not be able to apply just because they couldn't make the match and they need the system most of all. As related to public infrastructure proposals that change across the board might not be a good idea. So, do a case-by-case review of those requests.

Ms. Skelton said that staff has already relaxed the requirement for new workforce education projects, because we recognize that some of the small school systems in particular are maxed out and they don't have any match to give us as it relates to the infrastructure projects and the job creation projects.

Dr. Harper noted that the fact that the Wakulla emergency communications project was an emergency system was a little bit different and was reviewed under another paragraph in the statute.

Mr. Bear asked if the Board could set a new standard or a policy that could range from a fraction of a percent to 99% match. He said it is important for the applicant to have a substantive investment in the project. That was part of the conversation he had with the Wakulla County administrator. If it's important to the applicant, there should be strong participation.

Mr. Henderson said that for the big job creation companies coming in there should be a substantial match but when we're talking about small counties and municipalities sometimes the fifty-fifty match is too much to ask. In those situations, he thinks it should just be a match. He said that we should get the applications in front of the Board and if it is a bad deal, we can say it's a dumb idea. Let's go ahead, not approve it, and move down the road. But let's see. Maybe set a minimum of 20% if we think the public entities need to require some amount of skin in the game, but 50% seems to be too much.

Mr. Merrill said that should be for a mercy situation when a local government can't meet the requirement, then the Board could consider lowering it. He said that if the Board does that then everybody's going to come in with a lower match proposal. Ms. Henderson said she thinks that's guaranteed. Staff is already hearing some of that from potential applicants.

Mr. Corr gave an example of an investors group that invested in a restaurant. The restaurant did not do well. He pointed out that Triumph doesn't run these enterprises, we don't want to, we're giving money to these enterprises and it's up to them to make it successful. He really does think a 50% match requirement is a very good idea. The Wakulla radio project was a hardship case. So, he thinks 50% should be the guideline and Triumph can review hardships, as necessary. But if Triumph lowers the match amount there is 100% chance that applicants are just going to go for bigger projects with lower matches.

Mr. Henderson said that regarding hardships that the only hardships you're going to really see as far as match is going to be from the small counties. The big counties have not had that problem. Mr. Corr said that has been true so far. Mr. Henderson said his goal is to get to more projects from the small counties such as Gulf County. He said that the one port project was a big project, and we should give them more time to get the thing done. But that was a huge thing, St. Joe would put up a lot of money for it but you're not going to find that for every project. So how are they are going to get more projects to flow in there.

Mr. Merrill asked if there was a way to set a threshold for what constitutes a hardship to assist staff in reviewing these proposals.

Dr. Harper said that two years ago he and Cori would have said the Board expects match on the order of \$2-\$3 for every Triumph dollar for an infrastructure project. Moving to a One-to-One match is really a step in the applicants' favor. If you look at the big projects, the Pensacola airport project when you consider the land acquisition to put the commerce park in and all that it is a \$300 million project. Triumph has \$66 million of those \$300 million. When you look at the Crestview Bypass, our second biggest project, we've got \$64 million in and it's a \$200 million project. So, we're really at about \$1 out of every \$3 in the projects requiring matching dollars for every Triumph dollar. Moving to One to One is a step that our applicants will find enormously beneficial. If we do that, when it becomes publicly known that the Triumph Board will accept \$1 match for every Triumph dollar, then that's what we're going to get.

Then we're going to have an unchanged amount of hardship cases like the City of Apalachicola that desperately needs new water and sewerage. But Triumph cannot supplant the normal role of the city. Implementing a hardship policy would encourage more projects. Many of our applicants can get the match that we need, and that lets Triumph extend its grant dollars further. And then a lot have no hope of getting the match that they need. And what's in the middle is more of a gray area. The large counties have been remarkably accepting, I think of the notion that Triumph would like to see \$2 or \$3 in match for every grant dollar.

Triumph has always said we want to be the cherry on top, not the whole sundae and we want the applicant to love the project just as much as Triumph does. There is a degree of uncertainty when the negotiation process begins where, perhaps a Board member with expertise in a particular field of infrastructure endeavor might come in and be a representative and, and through that iterative process, we work to a solution where we feel that this project is going to move forward when it might not have otherwise and Triumph is getting the best deal for the Florida taxpayer by bringing in as much other match as we can. Dr. Harper said that he thinks it is better to ask for higher match and then negotiate if there is a hardship.

Mr. Henderson said that if the new administrative funds become available that it might be a good idea for Triumph to fund a liaison to some of these areas that really have a hard time coming to us with good projects. Triumph could hire somebody who can go and meet with people on a constant basis to help all our counties.

Dr. Harper said that from the staff perspective, it made an enormous difference when Board member Weiss came with us to down to Apalachicola, and we sat there across the table, the four of us and the local elected representatives and their staffs. So, a show of willingness to be there and hear them and listen to them make a world of difference. So yes, to a liaison, whether that's an independent person that's hired to represent the Triumph board, which would not currently fit into our administrative budget. Ms. Henderson said that local governments have a lot of resources that are available through the state. There's Florida's Great Northwest, and on behalf of our rural communities, there is Opportunity Florida, who oversees the state funds to do rural economic development with these counties. DEO has a program called Competitive Florida and our staff is always happy to come sit down with the counties and cities individually. There have been state dollars available to these communities to hire consultants that have been left on the table. So, there are a lot of dollars out there for these cities and counties to use that are available before Triumph uses its resources that are needed on the request for funding side of the equation. Ms. Skelton pointed out that Triumph staff has been meeting with individual cities and counties for the last five years We have met with all the school district superintendents.

Mr. Merrill said that what he thinks he is hearing is that an applicant could submit a proposal with a fifty-fifty match but that proposals with higher applicant match would score better in the review process. And of course, there could always be a hardship consideration, particularly with our smaller counties.

Dr. Harper noted that some sectors have better access to funding such as the transportation sector or the military infrastructure sector, they've got the DOD to call on as well as other grant sources. So, an appropriate level of match is going to vary pretty strongly across types of infrastructure you've proposed.

Mr. Bear said if there is going to be a standard, that is applied across the board, except for hardship, we need to define what hardship is, so that everybody knows what the expectation is, because everybody's going to claim to have a hardship, if there was an opportunity to claim hardship. We need to define what that means. Mr. Henderson said a liaison could vet out the true need of a project. Mr. Bear said that we already have those liaison relationships with Susan and her staff. They are meeting constantly with applicants, they're talking with the counties, the cities, the educational institutions. He said he didn't think there was a need to create another job to do what staff is already doing.

Ms. Skelton said that she hoped that the Board would decide to make that arbitrary one to one match go away so that staff can look at projects that come up and determine what is and what is not appropriate for each project. And if a good project comes in really low on match, staff can still bring it to you.

Mr. Corr pointed out that changing the match will also affect our ratios for ROI, and our dollars coming back.

Mr. Trumbull said he was sorry to be juggling two meetings at once, but he doesn't support the 50% mandate and thinks there should be more flexibility to go higher or lower based on the project.

Ms. Skelton said that staff can pretty much tell when there is a hardship like in Wakulla County, they can't afford much more match in their school system because they're maxed out.

Mr. Merrill thanked Mr. Trumbull for his comments and agreed that in some hardship circumstances you could go below 50% on match if you needed to. Projects with higher match would score better.

Mr. Bear said his concern about measuring or defining hardship is that he doesn't want to put staff in the position of being accused of picking friends or winners versus losers who they believe has a hardship. If we have a definition of what a hardship is, then they apply in the definition. It's without personality. Either a case meets the definition, or it does not.

Ms. Skelton noted that there are different conditions in different counties, as Mr. Henderson said, the rural counties are very different than the larger ones. She said that when Triumph was first starting out, attention to the number of students in the smaller systems was not always taken into consideration and the ability to produce large numbers of certifications was proven to be over anticipated. Then they got hit with COVID and they lost their school populations which caused a further decline in available students. Those were unpredictable conditions that created hardships.

Mrs. Weiss said that to her hardship would not be dropping the match for job creation. It would be more like Wakulla County where they have emergency infrastructure that they need, that we could drop the match on those cases. And that is truly a hardship. If there is not a desperate need for emergency response or whatever, or they truly can't come up with a match, so they can't build as big of a building for public education or whatever, that's not as much about a true hardship, as it is for emergency disaster response.

Dr. Harper said that since the Board Workshop in December, when the Board voiced a clear opinion that you would like to see more projects come forward, even if it meant that we had to lower the match requirements to make those projects available staff has been doing that and

the way that it works in practice now over these last four months since that meeting, is that when projects come forward, particularly on the education side, where budgets are so constrained, and the access to funding and ability to move funds, between programs is so limited, staff simply talks with the applicants, we become aware of the constraints of the applicant, and then we try and help them work through the process by talking to you and seeing if we can get some measure of support for a program. We're beginning to see the fruits of that new flexibility. But it's only really been since December that the Board made it clear that you wanted to see more projects come forward, even if it meant lower match. He said he doesn't think that we need to set a particular threshold or hurdle rate of match. He thinks it can be done on a project specific basis that if an applicant comes forward with what seems like a beneficial program, because there's the need for these certifications, they're in a needed field or there's a business coming that's going to need them, then that's a project where we can go forward and say credibly to whichever board members are interested that that we see this as an opportunity. We're starting to do that. But really since we got that direction in December it's only now coming into play.

Mr. Merrill asked if Dr. Harper thought there were any needed tweaks to the match process. Mr. Henderson said not to tweak it, but just to bring more applications to the Board and let the Board decide on some of the lower match projects.

Dr. Harper said that relative to sitting here a year ago, today the staff is much more aware of this Board's strong desire to get more projects out the door, even if it means less match. Ms. Henderson said that Mrs. Weiss might be able to share her insight on this, when we started our meeting in Apalachicola with the three government entities, they were very fearful about meeting the match. And by the end of the meeting, they understood that match shouldn't be their hurdle.

Mrs. Weiss agreed and said that during that meeting, the local governments started brainstorming of, well, we have this, this idea of a project, would that fit in your mold? And so, by the end of the meeting, they were starting to brainstorm on other priorities, other projects that they could come up with other than just what they started with. By the end of the meeting, they're like, Oh, well, you know, maybe we could do this or try that, and that just by meeting with them, letting them throw out ideas of different projects that they could potentially do it was a totally exciting feeling. If we could do that in other locations, I think we get a lot more valuable projects.

Mr. Merrill said his hat's off to Mrs. Weiss and the staff for engaging that entire local government team. He said with other cities or counties, let's encourage similar meetings to walk through that. This might be where you get set up with them without spending a lot of time or money. Just let them talk through their problems with staff. Ms. Henderson that the talk with the Franklin County folks was able to help with that match hurdle as we shared that you all had had the conversation in December that match shouldn't be the hurdle to get a good project done.

Mr. Merrill asked staff to confirm that where the match position is right now is good and then wait to see what happens. Dr. Harper said that he does think it's good. The board has given specific instruction to staff to bring more projects, even if it means less match, and we're working on that basis.

Mr. Corr asked what it means to say that we have three counties that are well under their statutory requirements as noted in the Schedule of Funds. Ms. Skelton explained that there is a statutorily mandated amount of funding that must be spent for economic development and

recovery in each of the eight counties over the lifespan of the Triumph Gulf Coast authorization period through 2033. Of the original tranche of \$300 million, each county was entitled to 5% of that funding. In every subsequent year, each county is entitled to 4% of the funds received as part of the BP Oil Spill Settlement. The partitioned funds are cumulative, and we note those and either pending or expended in each Schedule of Funds so that you can see what the remainder of the statutorily required spending is for each county on a running basis. Three of counties have not spent as much as others from that designated pot of guaranteed funds. Mr. Corr said that while we have a disparity in funding of projects between the very low amounts obligated in Franklin, Gulf and Walton, and the very high amounts obligated in the other counties, maybe there could be a way to focus on those low performing counties. Ms. Skelton said that staff tries to find ways to help those counties but finding good fits for economic development in areas without the underlying support systems is not easy. She said that perhaps a hybrid approach to what Mr. Henderson has suggested, to provide hyper-focused attention to those counties, might be an approach that staff could undertake beyond all the ongoing efforts to provide extra assistance and attention that is already being done. Mr. Henderson said that maybe just some temporary on the ground assistance could be used to support their efforts. Ms. Skelton said that could be a possible solution since none of the other counties have had problems finding ways to utilize the Triumph funds.

Ms. Skelton noted that staff has worked directly with Wakulla County and the county has changed their approach to economic development which has resulted in a much more active landscape there for new business and workforce development training. Work that is being done by Mrs. Weiss and staff in Franklin County was highlighted earlier, and the presentations by Mr. Jim McKnight, Gulf County Economic Development Director, shows the county's work effort to bring in more jobs. The only exception to this movement at this point is Walton County, and we are excited that the county has recently hired a new Economic Development Officer to assist the county moving forward in its efforts to locate and win new high wage jobs for the community. Ms. Skelton pointed out that Franklin and Gulf Counties are very distant from the interstate, they don't have any kind of intermodal transportation system in place, and those types of hurdles make them less attractive for an industrial location. Wakulla County is basically a bedroom community to Tallahassee. They have one industrial site, and it is private property, which restricts what Triumph can do to assist with the utilization of that site. There are limitations on these counties that other counties don't face. Staff struggles with finding ways to assist these counties because they are not well situated for the normal industrial development that investors are looking for. Staff is looking forward to working directly with Mr. Uriah Matthews, the new Economic Development Officer in Walton County, to find ways to assist him in his efforts, as well.

Mr. Merrill said that staff will continue to work with these counties and if Triumph receives more funding flexibility we can continue to focus on the smaller counties.

Next, Ms. Skelton presented an item that comes up a lot in staff discussions with counties, particularly in the rural areas, about the possibility of Triumph funding a government owned spec facility that could be used to entice industry to their area. She said that staff recognizes that it is a tricky situation, because it's an "if you build it, they will come kind of thing", it's a little bit of a risk. Counties have told us that they would like to have the opportunity to have this because it will help them sell their communities when they go out to market economic activities.

Currently there are no specific requests, but we know of several that might proceed if the Board has the interest in this type of project. Such proposals could spread out into the larger counties. But for our discussion today, staff would be more interested in a couple of opportunities for



Franklin County, even just potential of building up some type of building that they could then sell on the market.

Mr. Merrill asked if there would be some type of future clawback?

Ms. Henderson said that Pasco County has a significantly successful spec building program and Duke Energy participates in these programs as well. Staff has been meeting and talking with them to gather information and we're still in the information gathering stage. But we would love to hear what you would like to see in those contracts if this is something that makes sense to you, and what your brainstorming is to help us if we move forward to propose something of this nature.

Mr. Henderson said that he loves this idea because it provides a place and incentive that can serve like an incubator for these people coming out of the workforce training at the tech schools. We need electricians, plumbers, and HVAC workforce and why not have a place where they can land and start a small business? He said he has been trying to get someone to do that, just some creativity and if it's owned by a public entity, I don't have an issue. Mr. Merrill asked if there would be some sort of future clawback. Mr. Henderson said ownership and performance clawbacks would have to be with the city, or county, the Board of County Commissioners, some public entity.

Let's say if they don't occupy the building, but you give them a ramp up period and if they don't use it, it goes back to Triumph and Triumph sells it and then uses the money. I mean, I'm not trying to overcomplicate it, but I'm saying I don't like that to build buildings for no reason and then find out they're having parties in there and silly things like that, but if it is put to good use then I like it.

Mr. Merrill confirmed with Ms. Henderson that staff is working to get a blueprint of the Pasco County project and to determine that they have some type of clawback in the plan.

Dr. Harper said that Pasco does have clawback provisions built into their program. He said that Pasco is part of the Tampa metro area, and they have a good strong demand for industrial space. Their spec building subsidy program is only operating on a part time basis because demand is so strong.

He said our region would need more than that. If we were going to target the counties which were under their statutory allotment that they are automatically eligible for trial participation in a spec building that is jointly developed, you know, it, it could extend as far as putting in an industrial park. After all, Triumph funded the full purchase price of 192 acres in Santa Rosa County for an industrial park and that was only a couple of years ago, and now they need new space because that's full. It's not as easy as that, obviously, in Gulf, Franklin and Wakulla.

Mr. Merrill said that the proposal would be that the public entity could not just sit on the building forever, that Triumph will take it back, we will sell it. He said that unless somebody objects to going forward with that concept staff should proceed and learn more about the Pasco program.

Mrs. Weiss said she would like to know more about the Pasco program before proceeding. Ms. Henderson said that she would provide those and if any members have specific questions to let her know so that she can provide the answers.

Mrs. Weiss said that in Wakulla County the only land that is available is privately owned. So, they would go back to that lease idea for like 20 years. While she said she doesn't know the specific circumstances in Gulf and Franklin, but when she was just there in Apalachicola, they were talking that next to the airport, there is land there. So, we might be able to do another similar circumstance there with respect to building on their industrial land. So, I think it's a great idea. She then asked how Triumph would take back real estate. She said she could see taking back the money but what about physically, we're not in the business of selling real estate.

Mr. Henderson pointed out that Triumph holds a mortgage on property in Santa Rosa County and that the Board is a good steward of this money.

Mr. Remington said that this would be money going to build public infrastructure, you're not required to do a large clawback, but you want to put some teeth into what you do. But Triumph can be as creative as we want on the clawback.

Mr. Humphreys said he would just be a little concerned about not having it on public property. Having even a 20-year lease on a spec building, where if we went to sell it on a land lease, through a private landowner, and kind of the complications that go with that, like you said, worst case it would revert back to the to the public entity if we did a on public property. And maybe there's some options for a public entity to purchase private land, instead of a land lease. The whole land lease thing is a little bit less clean. He asked about what they're doing down in Pasco County, do you build something with ten 2000 square foot storefronts? Or do you build a 100,000 square foot distribution type building? Who decides what the need is? How does the government know what to build if we do go ahead with a spec building?

Mr. Henderson said he thought Triumph would just ask the county what it needed. Mr. Humphreys said he would want to know who in the county would answer the question because the elected officials wouldn't necessarily understand the needs from an economic development perspective. He liked the idea that some counties might want ten 2000 square foot places for people to set up an air conditioning storefront, a plumbing shop and whatever, but like here in Walton County with the proximity to I-10, instead of having a bunch of little buildings you do a big one that can be used for logistics and transportation. He said that he wasn't sure that local elected officials really know what is in their best interest necessarily from an economic development perspective. Mr. Henderson agreed and said that's where the Triumph staff could work that out with the counties.

Ms. Henderson said that in conversation with one of our economic developers, he was looking at one of his smaller cities, and their thought was to talk to some of the industrial real estate folks, not just to get an eye to get a sense, because they already have those relationships because that's who they're already working with and get a little more sense about what projects aren't coming to the community because of what facility they don't have. What do we keep getting looked over for this going to Alabama, because Alabama will build anybody a building.

That's part of the process that staff has discussed is to put some of those requirements in there, show us that you've done this done a search or show us you've done something to make a realistic determination of the community economic development needs. Those are the kinds of things we've talked about. And that's why we wanted to get the Board's insight on what components are important to you.

Mr. Humphreys said that there should be a lot of flexibility built into the discussion. Mrs. Weiss asked if money could be used to assist the local government with land purchases. Mr. Remington replied that we can do that.

Mr. Henderson said we should strive to get the local government to have ownership of the land and the building. Ms. Skelton said that has been one of the problems with moving forward on projects in Wakulla County because the private owner of the industrial park has already done all the infrastructure improvements and without a publicly owned building, the county has very few tools to incentivize bringing a business into the park. The county is indicated to us that they don't have any control over what's there. And so, we'd have to work through all those details. But the spec building might resolve that inability to incentivize new jobs there.

Ms. Henderson said that this might be a place to discuss the match not being 50/50. Maybe the county donates the land, and Triumph builds the building, but these are the discussions where your thoughts on what percent should the city or county be in for will really make a difference.

Mr. Merrill thanked staff for its work on this issue and said that as the Board gets more material information it will be prepared to entertain these types of proposals. Ms. Skelton said that the Board's input is very helpful to staff in framing these conversations with potential applicants.

Mr. Humphreys asked if these types of proposals would just for the three counties that are behind the spending curve or would all counties be able to compete. Ms. Henderson said that staff would prefer not to limit it because there are small communities within the larger counties that could use the assistance as well. From a staff perspective we don't want to limit their ability to grow. The North of I-10 areas are less prepared for growth no matter what county you're in.

## **Public Comment**

Mr. Uriah Matthews, the newly appointed director of the EDA here in Walton County, took a moment to introduce himself. He said he was new to the team, but he is thrilled that Triumph is here and thrilled with the commentary he is hearing. He is excited to get to know more about the organization and to build relationships with each of the Board members and staff. He said he grew up in Okaloosa County. He left for about ten years for work and recently returned because saw an opportunity to help the community. He said he is really excited about the speculative opportunities.

Mr. Dan Rowe, Director of the Panama City Beach Tourist Development Authority, said that he appreciated the Board's comments in this meeting and that he remains frustrated with the difficulty of tourism projects even now more so with the legislation included in HB 5. He said that hopefully we can figure out ways we can continue to move forward. There's one part of the Triumph statute that he said has never been explored, which is that preference will be given to projects of convention and visitors bureaus, tourism councils and chambers of commerce. He said he asked Dr. Harper what that meant. And he said, It means what the Board tells us because that is up to the Board to decide. To this point, that question has never been asked. And as we discuss tourism projects, he thinks the Board needs to start to answer those questions to get clarity so we can move on down the road. He said the project that Panama City Beach has goes way beyond tourism because we have received two letters from the military, one from the head of the Naval Warfare Center at NSA, Panama City, and one from the Pentagon saying that the project that we are designing will help meet some of their unmet

needs on their navy base. He said he hopes there is a way to move forward, even if the legislature has held that the hospitality industry is not a target industry.

Mr. Rowe noted that there is a provision in the Triumph priorities about partnering with education institutions. Adjacent to the facilities that we're going to build at the Panama City Sports Complex, is Walsingham Academy, which is a STEM Academy that currently runs from grades K-5. With a gymnasium that could get up to a K-8. We have agreements with the Bay District Schools that if this project gets built, we'll use the gym as a joint use facility. So, as you go down the road, and deal with tourism projects, because we know they're difficult, Just look at how our projects can extend beyond just tourism.

Mr. Merrill thanked Mr. Rowe for his comments and said that it was important for the eight counties to continue to work together on marketing the region. Mr. Rowe said that was a proposal through VISIT Florida and that part of the legislation is still very strong. And he is very thankful that the House of Representatives went with the Senate position on funding for VISIT FLORIDA, because that shows a very strong commitment to destination marketing.

Mr. Henderson asked Mr. Rowe if any consideration had been given to putting an educational component into the proposal. Mr. Rowe replied that Florida State University has requested some space for their engineering school, but they're not far enough along to be able to make any commitments for certifications so we did not include that in the project.

### **Board Comments**

Mr. Humphreys said that it seems like everything is sort of back to status quo, more or less. The direction that the Board is heading has been reconfirmed in a lot of these ways. He's happy that we took the long way around in these discussions and now at least we have some clarity.

Mr. Merrill said he thought it was good that the Board waited until after the legislative session concluded so that we didn't waste time discussing issues that were unresolved up until last week. Now we know that EFI is gone but VISIT Florida remains intact so that is a starting point for going forward. We will continue to approve awards and get money out to the grantees in a timely manner and if a game changer comes along, we will be ready to review it.

Mr. Henderson said that he enjoyed the opportunity to have these conversations and that he would like to see the new list of Board Priorities at the next meeting. He said he's been a member for two years and only has two years left so he's ready to see the new priorities on the record.

Mrs. Weiss thanked staff for putting the meeting together and said it is very helpful for the Board to get to talk and brainstorm together.

Mr. Bear said that the guidance provided since December looks like it's opened up some more applications and that's our goal is to get some more money out there and he appreciates the staff for the work they are doing.

There being no further business, the meeting was adjourned at 3:36 p.m. CT.