

Minutes of a Regular Meeting of the Board of Directors of Enterprise Florida

A regular meeting of the Enterprise Florida, Inc. Board of Directors was held on November 13, 2019 at the West Palm Beach Marriott in West Palm Beach, Florida.

Members Present

Representative Bryan Avila
Gordon Bailey
David Bevirt
Melanie Bonanno
Holly Borgmann
Dominic Calabro
David Call
Brian Curtin
David Denor
Kevin Doyle
Tom Feeney
Susan Fernandez for Paul Browning
Nicole Fried
Danny Gaekwad
Margy Grant
Sonya Deen Hartley
Jeff Hendry
Marva Johnson

Ken Kahn
Belinda Keiser
Laurel Lee
Richard Martin for Ashley Moody
Bob Ritchie
Gary Rosen
Katherine San Pedro
Gene Schaefer
Kelly Smallridge
Gary Spulak
Erick Strati for Kelly Madden
Andy Wike
Joe York

On the Phone

Dean Cannon
Mori Hosseini

Tom Pennekamp
Win Phillips
Dan Velazquez
Tiffany Voss for Ken Lawson
Scott Williams for Bill Heavener
Mark Wilson

Guests

Mayor Mack Bernard
Frank DiBello
Ben Gibson
Jason Gonzalez
Marc Hoenstine
Mike Jarro
Dr. Julia Nesheiwat

Welcome

After confirming that a quorum was present, Vice Chair Joe York called the meeting to order at 9:00 a.m.

Approval of Minutes

Dominic Calabro made a motion to approve the minutes of the August 28, 2019 board meeting, and Gordon Bailey seconded. The motion carried.

Host Welcome and Introductions

Vice Chair Joe York introduced Mayor Mack Bernard of Palm Beach County who remarked that the county has over 1.5 million residents. It is ready to offer the business climate, infrastructure, workforce, trade and quality of life to attract businesses to Florida.

Action Items

Vice Chair York introduced the consent agenda items approved and recommended by the board Executive Committee.

1. Renewal of Existing Investors
 - NDS USA
 - Publix Super Markets
 - TD Bank
 - Walt Disney Parks & Resorts, U.S.
 - Wells Fargo

2. New Board Representative
 - David Bevirt, Strategic Property Partners
3. Audit Report Approval
4. Florida Opportunity Fund Board Recommendation of Drew Weatherford to fill a vacant seat

Danny Gaekwad made a motion to approve the consent agenda. Dominic Calabro seconded. The motion carried. Melanie Parrish Bonanno, Danny Gaekwad and Erick Strati abstained from the vote due to the renewal of their company board memberships.

EFI Partner Updates

○ Space Florida

Frank DiBello reported that the aerospace industry is hot in Florida. Nationwide, it is an \$865 billion industry producing \$143 billion in exports and a \$90 billion positive balance of trade while employing 2.5 million people. Currently, Space Florida has 68 deals in the pipeline, 22 of which are in due diligence and 12 in negotiation to close. The space industry is also very active - \$414 billion last year with an 8% growth rate driven by the demand for bandwidth which has created the need for up to 10,000 satellites to be launched in the next decade. Low earth orbit activity is being opened up to commercial companies.

The National Space Council is driving a set of revised space policies that have given NASA a new vision – to go back to the moon and beyond that. In early December there will be tests by SpaceX and Boeing spacecrafts focused on returning humans to flight. Space Florida is involved in changing the landscape of launch vehicles that will be flying out of Florida. They are actively pursuing the companies involved to attract those operations and facilities. They hope to have every major launch provider operating out of Florida, so they are making selective investments in infrastructure to increase the capacity of the Spaceport facilities.

○ DEO Update

On behalf of Ken Lawson, Tiffany Voss, the Director of Communications, reported that this past month Florida businesses created nearly 9,000 private sector jobs representing a growth rate of 2.8% over the year. Florida's unemployment rate continues to remain low at 3.2%. Over the year 154,000 people entered the labor force at an annual growth rate of 1.5%. The Qualified Target Industry tax refund program is sunsetting this year. DEO is presenting a plan to the legislature to permanently reauthorize it. Since 2014, more than 300 businesses have participated creating nearly 22,000 jobs. Help is needed to get this passed.

Vice Chairman's Report

Vice Chair York welcomed everyone and thanked the title sponsor Shutts & Bowen as well as JM Family Enterprises, FPL, Florida Public Utilities, Duke Energy, LRP Media Group, Keiser University, Consumer Energy Alliance and Elevate. Florida's education system is top-ranked and growing in achievement. The economy is performing. Florida continues to be a business-friendly state with low taxes. Now is the time to press harder. The legislative session is coming up. We need to make the case for Enterprise Florida. We should be selling the progress we have made and telling the Florida story across the country. Many decision-makers don't know about the quality of the Florida educational system. Legislative session starts the second week of January and runs through the middle of March. The next board meeting will be in Tallahassee in late January or early February. Enterprise Florida needs continued engagement from board members and partners.

Title Sponsor Message

Vice Chair York introduced Jason Gonzalez and Ben Gibson from the law firm of Shutts & Bowen who discussed Florida's changing legal environment. There have been improvements in Florida's judiciary and civil justice system. Jason Gonzalez shared an example of one company a few years ago that chose Tennessee over Florida because the Florida civil justice system had a national reputation for being unpredictable and for not following important legal reforms. In 2017, Florida ranked as the number one judicial hell hole.

That has changed. Governor DeSantis is appointing judges who follow the text of the written law and leave politics to the legislative branch. Today, Florida's Supreme Court is the best court in the country. Ben Gibson explained that Florida has 996 total judges – 7 on the Supreme Court, 5 District Courts of Appeal with 64, 20 Circuit Courts with 601 and 67 County Courts with 324. The judiciary is becoming more predictable as more decisions are being grounded in the written text and judges are not imposing their own agendas. Businesses thrive on predictability. There are 71 total appellate judges. The Governor has appointed eight of those judges, on pace for 60 judicial appointments this year.

Board Member Highlight

Vice Chair York introduced Brian Curtin, President and CEO of BRPH in Melbourne. BRPH, an international architecture and engineering services firm, employs over 300 people specializing in aerospace projects. Brian has chaired the International Trade & Partnership Committee since it began. His expertise has been a great asset to the committee and the trade show missions he attends. Vice Chair York expressed his appreciation for Brian's board engagement and everything he does for Enterprise Florida and the state.

Energy, Resiliency, the Economy and Disaster Response Panel

Vice Chair York introduced Kevin Doyle, Vice President of State Affairs for Consumer Energy Alliance and Chairman of CareerSource Florida, to moderate the panel. The panelists were:

- Marc Hoenstine – Duke Energy
Duke serves customers in six states and 35 counties in Florida with 4,000 employees throughout the state and 1.8 million customers.
- Mike Jarro – FP&L
Mike is the Vice President of Transmission and Substations responsible for over 7,000 miles of transmission grid and over 600 substations.
- Dr. Julia Nesheiwat – Florida's Chief Resilience Officer
Resiliency is the ability to adapt to changing conditions and prepare for, withstand and recover from disruption, much of which concerns wind and water issues.

Questions for the panel centered on hurricanes, infrastructure and cyber security as well as workforce. Utilities are constantly in planning and drill mode looking for ways to improve the mobilization of resources and response time. They work on hardening the infrastructure, inspection, increased vegetation management and trimming practices and overhead to underground projects. Drones are being used to assess and predict damage. Because of resiliency initiatives, the amount of damage has declined. Businesses are seeing power restored more quickly. Outages have a significant impact on the economy. The investment in the resiliency of the grid has paid off in restoration efforts. There are new rules and laws regarding underground utilities. The project to underground neighborhood lines needs workforce to adapt to the changing needs. Preventive measures also include strong building codes which lower insurance claims and rates. Security for infrastructure is being reviewed constantly to ensure that systems are as strong as they can be.

Business Development Update

Tim Vanderhoof, SVP of Business Development, recognized his team and reported that they currently have 249 active projects. Since July 1st, 43 projects have been established with a job commitment of 8,769. New jobs account for 7,045 of that number with an average wage of \$61,623 and 1,724 are retained jobs with an average wage of \$77,548. Capital investment committed is already at \$1.7 billion which is 93% of the annual goal. Aviation/aerospace is the leading industry for these jobs followed by corporate headquarters and manufacturing.

Marketing Update

Marva Johnson, Regional Vice President of Charter Communications, recognized the marketing team who do a lot with very little. Media impressions for the first quarter of the fiscal year are currently 26,962,424 through digital and print advertising, social media and special events. The partnership with *The Wall Street Journal* continues and has been updated featuring the story of Emtec's relocation to Jacksonville. ZETA Global is getting the ads in front of the right audiences resulting in more than 22 million impressions. Team Florida events for the first quarter include the IAMC Fall Forum in Milwaukee, and upcoming events include In-Market events in Washington, D.C., San Francisco, New York and Dallas. The team is creating video and photo content around the state highlighting companies and industries.

International Trade & Development Update

International Committee Update

Brian Curtin, President & CEO of BRPH, reported that last year's metrics were exceeded, and the first quarter of this fiscal year is on pace to exceed the metrics again. There are four regional satellite offices, 12 full service international offices and 2 pro bono offices. All international contractors are chosen through a competitive RFP process, and all agreements are performance-based. The performance measures include the value of capital investment, the number of jobs created for FDI projects, the number of FDI leads sent to EFI, the number of projects established, the value of the documented export and the support for EFI trade events. Each office submits accomplishments, plans, goals, objectives, monthly reports and quarterly summaries.

For the fiscal year to date, the team has assisted 410 Florida firms, assisted 1,439 foreign firms, referred 126 projects and created and/or retained 1,697 jobs. There has been \$193 million in investment for Florida and \$24,583,286 in actual export sales. Upcoming events include the Lieutenant Governor's trade mission to Colombia, Medica in Germany, Arab Health and the Thailand/Philippines trade mission.

Secretary of State Report

Secretary Laurel Lee reported that the one of the state's responsibilities is to initiate and develop relationships between the state of Florida and the foreign consular offices as well as to promote Florida as the center of American creativity. The Department of State is looking forward to partnering with Enterprise Florida's international team in helping to enhance and develop the relationships with their foreign partners. Toward this effort, in the coming year, the Office of International Affairs will be returned to the Department of State. An international summit is being planned in Miami after the close of the legislative session. They are actively seeking partnerships for planning and sponsoring the event.

President & CEO Report

Jamal Sowell reported that Florida is a high-tech state with new and fresh ideas. There were successful Governor Missions to New York and Chicago focusing on Florida's world class educational system and workforce talent. Steady progress is being made toward the Governor's vision to attract financial technology companies to Florida. President Sowell will be attending the Export Sales Mission to Colombia next week.

led by the Lieutenant Governor. Enterprise Florida will host numerous companies at its Florida pavilion at Medica. The Job Growth Grant Fund recently funded a project in Bay County to facilitate affordable housing for displaced workers following Hurricane Michael. Enterprise Florida continues to develop private sector fund-raising initiatives including recruitment of new board investors. President Sowell will reach out to board members to discuss how to engage in the legislative session process. Vice Chair York encouraged board members to take time to meet with members of the legislature to let them know the value of Enterprise Florida.

Public Comment

There was no public comment.

Other Business

Vice Chair York recognized Secretary of Agriculture Nikki Fried who reported that to expand the footprint of agriculture and create alternatives, legislation was passed to include hemp in the state. She projects it to be a \$20 to \$30 billion industry for the state creating opportunities for job and workforce growth.

Vice Chair York also recognized Representative Bryan Avila who commented on the upcoming legislative session. The proposed budget is approximately \$90 billion. The state of Florida is efficient and conservative in its spending. They will continue to support the business climate, keep taxes low and foster growth. They are preparing for an eventual economic downturn and want to recover faster than any other state. Vice Chair York encouraged the legislature to continue funding Enterprise Florida and also to look at the idea of telling the story of Florida through a marketing campaign.

Closing Remarks & Adjournment

Vice Chair York thanked the speakers, partners, sponsors and investors. The next board meeting will be held in late January. Details to follow.

Dominic Calabro made a motion to adjourn which was seconded by Danny Gaekwad. The meeting was adjourned at 11:33 a.m.

For more information on this meeting, visit the Florida Channel at thefloridachannel.org.